

QUARTERLY STATEMENT
OF THE
Wilton Reassurance Company

OF
Minneapolis
IN THE STATE OF
Minnesota
TO THE
INSURANCE DEPARTMENT
OF THE
STATE OF
AS OF
JUNE 30, 2010

2010

LIFE AND ACCIDENT AND HEALTH

2010



QUARTERLY STATEMENT

AS OF JUNE 30, 2010
OF THE CONDITION AND AFFAIRS OF THE

Wilton Reassurance Company

NAIC Group Code 4213 (Current Period) 4213 (Prior Period) NAIC Company Code 66133 Employer's ID Number 41-1760577

Organized under the Laws of Minnesota State of Domicile or Port of Entry Minnesota

Country of Domicile United States

Incorporated/Organized 12/04/1900 Commenced Business 02/15/1901

Statutory Home Office Fifth Ave Towers, 100 S 5th St Ste 1075 (Street and Number) Minneapolis, MN 55402 (City or Town, State and Zip Code)

Main Administrative Office 187 Danbury Road, Riverview Bldg, 3rd Fl (Street and Number) Wilton, CT 06897-4122 (City or Town, State and Zip Code) 203-762-4400 (Area Code) (Telephone Number)

Mail Address 187 Danbury Road, Riverview Bldg, 3rd Fl (Street and Number or P.O. Box) Wilton, CT 06897-4122 (City or Town, State and Zip Code)

Primary Location of Books and Records 187 Danbury Road, Riverview Bldg, 3rd Fl (Street and Number) Wilton, CT 06897-4122 (City or Town, State and Zip Code) 203-762-4412 (Area Code) (Telephone Number)

Internet Web Site Address www.wiltonre.com

Statutory Statement Contact MICHELE TRACIE GUERTIN (Name) 203-762-4412 (Area Code) (Telephone Number) (Extension) 203-762-4413 (Fax Number)

mguertin@wiltonre.com (E-Mail Address)

OFFICERS

Name	Title	Name	Title
<u>Chris Conrad Stroup</u>	<u>Chairman and CEO</u>	<u>Mark Raymond Sarlitto</u>	<u>General Counsel and Secretary</u>
<u>Michael Elliott Fleitz</u>	<u>Chief Financial Officer</u>		

OTHER OFFICERS

<u>Michele Tracie Guertin</u>	<u>Controller and Treasurer</u>	<u>Robert Lester Buckner</u>	<u>Valuation Actuary</u>
<u>Cathleen Marie Manka</u>	<u>Tax Director</u>	<u>Enrico John Treglia</u>	<u>Chief Operating Officer</u>

DIRECTORS OR TRUSTEES

<u>Chris Conrad Stroup</u>	<u>Enrico John Treglia</u>	<u>Mark Raymond Sarlitto</u>	<u>Michael Elliott Fleitz</u>
<u>Michael Leonard Greer</u>			

State of Connecticut

ss

County of Fairfield

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Chris Conrad Stroup
Chairman and CEO

Mark Raymond Sarlitto
General Counsel and Secretary

Michael Elliott Fleitz
Chief Financial Officer

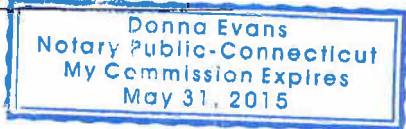
a. Is this an original filing? Yes [X] No []

Subscribed and sworn to before me this 9 day of August, 2010

b. If no,
1. State the amendment number 0
2. Date filed _____

3. Number of pages attached 0

Donna Evans
Donna Evans, Notary Public
May 31, 2015



STATEMENT AS OF JUNE 30, 2010 OF THE Wilton Reassurance Company

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	994,858,698	0	994,858,698	712,383,266
2. Stocks:				
2.1 Preferred stocks	6,065,523	0	6,065,523	2,622,745
2.2 Common stocks	261,841,428	79,335,738	182,505,690	157,139,575
3. Mortgage loans on real estate:				
3.1 First liens	0	0	0	0
3.2 Other than first liens	0	0	0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$0 encumbrances)	0	0	0	0
4.2 Properties held for the production of income (less \$0 encumbrances)	0	0	0	0
4.3 Properties held for sale (less \$0 encumbrances)	0	0	0	0
5. Cash (\$36,895,286), cash equivalents (\$14,963,636) and short-term investments (\$16,366,456)	68,225,377	0	68,225,377	102,101,539
6. Contract loans (including \$0 premium notes)	31,907,212	0	31,907,212	20,150,186
7. Derivatives	0	0	0	0
8. Other invested assets	1,703,389	551,097	1,152,292	0
9. Receivables for securities	3,056,988	0	3,056,988	170,972
10. Aggregate write-ins for invested assets	0	0	0	0
11. Subtotals, cash and invested assets (Lines 1 to 10)	1,367,658,615	79,886,835	1,287,771,780	994,568,283
12. Title plants less \$0 charged off (for Title insurers only)	0	0	0	0
13. Investment income due and accrued	12,780,649	0	12,780,649	10,369,674
14. Premiums and considerations:				
14.1 Uncollected premiums and agents' balances in the course of collection	(11,999,468)	0	(11,999,468)	82,338,509
14.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$0 earned but unbilled premiums)	0	0	0	0
14.3 Accrued retrospective premiums	0	0	0	0
15. Reinsurance:				
15.1 Amounts recoverable from reinsurers	0	0	0	0
15.2 Funds held by or deposited with reinsured companies	4,907,540	0	4,907,540	5,032,403
15.3 Other amounts receivable under reinsurance contracts	17,131,116	3,155,482	13,975,634	72,577,780
16. Amounts receivable relating to uninsured plans	0	0	0	0
17.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0	0
17.2 Net deferred tax asset	49,533,135	41,932,355	7,600,780	7,432,861
18. Guaranty funds receivable or on deposit	0	0	0	0
19. Electronic data processing equipment and software	0	0	0	0
20. Furniture and equipment, including health care delivery assets (\$0)	0	0	0	0
21. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0	0
22. Receivables from parent, subsidiaries and affiliates	0	0	0	0
23. Health care (\$0) and other amounts receivable	0	0	0	0
24. Aggregate write-ins for other than invested assets	36,260,610	0	36,260,610	7,320,621
25. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 11 to 24)	1,476,272,197	124,974,672	1,351,297,525	1,179,640,131
26. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0	0
27. Total (Lines 25 and 26)	1,476,272,197	124,974,672	1,351,297,525	1,179,640,131
DETAILS OF WRITE-INS				
1001.	0	0	0	0
1002.	0	0	0	0
1003.	0	0	0	0
1098. Summary of remaining write-ins for Line 10 from overflow page	0	0	0	0
1099. Totals (Lines 1001 through 1003 plus 1098)(Line 10 above)	0	0	0	0
2401. Modified Coinsurance Receivable	36,253,488	0	36,253,488	6,119,450
2402. Miscellaneous Receivable	7,122	0	7,122	1,201,171
2403.	0	0	0	0
2498. Summary of remaining write-ins for Line 24 from overflow page	0	0	0	0
2499. Totals (Lines 2401 through 2403 plus 2498)(Line 24 above)	36,260,610	0	36,260,610	7,320,621

STATEMENT AS OF JUNE 30, 2010 OF THE Wilton Reassurance Company

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Aggregate reserve for life contracts \$ 923,924,434 less \$ 0 included in Line 6.3 (including \$ 486,899,553 Modco Reserve)	923,924,434	813,276,261
2. Aggregate reserve for accident and health contracts (including \$ 0 Modco Reserve)	3,648,934	3,892,088
3. Liability for deposit-type contracts (including \$ 0 Modco Reserve)	9,160,997	2,229,914
4. Contract claims:		
4.1 Life	30,284,126	19,328,304
4.2 Accident and health	1,668,320	1,784,367
5. Policyholders' dividends \$ 0 and coupons \$ 0 due and unpaid	0	0
6. Provision for policyholders' dividends and coupons payable in following calendar year—estimated amounts:		
6.1 Dividends apportioned for payment (including \$ 0 Modco)	2,554,058	0
6.2 Dividends not yet apportioned (including \$ 0 Modco)	0	0
6.3 Coupons and similar benefits (including \$ 0 Modco)	31,319	0
7. Amount provisionally held for deferred dividend policies not included in Line 6	0	0
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ 0 discount; including \$ 0 accident and health premiums	0	0
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts	1,963,069	5,653,855
9.2 Provision for experience rating refunds, including \$ 0 accident and health experience rating refunds	0	0
9.3 Other amounts payable on reinsurance, including \$ 0 assumed and \$ 0 ceded	0	0
9.4 Interest Maintenance Reserve	1,369,965	163,952
10. Commissions to agents due or accrued—life and annuity contracts \$ 0 accident and health \$ 0 and deposit-type contract funds \$ 0	0	0
11. Commissions and expense allowances payable on reinsurance assumed	1,165,319	52,345,958
12. General expenses due or accrued	5,208,508	3,587,226
13. Transfers to Separate Accounts due or accrued (net) (including \$ 0 accrued for expense allowances recognized in reserves, net of reinsured allowances)	0	0
14. Taxes, licenses and fees due or accrued, excluding federal income taxes	(3,345,090)	3,937,039
15.1 Current federal and foreign income taxes, including \$ 0 on realized capital gains (losses)	(2,941,976)	(5,433,107)
15.2 Net deferred tax liability	0	0
16. Unearned investment income	1,109,999	416,282
17. Amounts withheld or retained by company as agent or trustee	0	0
18. Amounts held for agents' account, including \$ 0 agents' credit balances	0	0
19. Remittances and items not allocated	9,238,238	11,987,170
20. Net adjustment in assets and liabilities due to foreign exchange rates	0	0
21. Liability for benefits for employees and agents if not included above	0	0
22. Borrowed money \$ 0 and interest thereon \$ 0	0	0
23. Dividends to stockholders declared and unpaid	0	0
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve	14,980	(0)
24.02 Reinsurance in unauthorized companies	0	0
24.03 Funds held under reinsurance treaties with unauthorized reinsurers	0	0
24.04 Payable to parent, subsidiaries and affiliates	4,609,230	5,689,869
24.05 Drafts outstanding	0	0
24.06 Liability for amounts held under uninsured plans	0	0
24.07 Funds held under coinsurance	51,255,349	0
24.08 Derivatives	0	0
24.09 Payable for securities	11,471,890	2,475,654
24.10 Capital notes \$ 0 and interest thereon \$ 0	0	0
25. Aggregate write-ins for liabilities	0	0
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25)	1,052,391,669	921,334,832
27. From Separate Accounts statement	0	0
28. Total liabilities (Lines 26 and 27)	1,052,391,669	921,334,832
29. Common capital stock	2,500,000	2,500,000
30. Preferred capital stock	0	0
31. Aggregate write-ins for other than special surplus funds	0	0
32. Surplus notes	0	0
33. Gross paid in and contributed surplus	584,861,707	578,861,706
34. Aggregate write-ins for special surplus funds	3,209,029	2,517,160
35. Unassigned funds (surplus)	(291,664,880)	(325,573,550)
36. Less treasury stock, at cost:		
36.1 0 shares common (value included in Line 29 \$ 0)	0	0
36.2 0 shares preferred (value included in Line 30 \$ 0)	0	0
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including \$ 0 in Separate Accounts Statement)	296,405,856	255,805,316
38. Totals of Lines 29, 30 and 37	298,905,856	258,305,316
39. Totals of Lines 28 and 38	1,351,297,525	1,179,640,148
DETAILS OF WRITE-INS		
2501.	0	0
2502.	0	0
2503.	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	0	0
3101.	0	0
3102.	0	0
3103.	0	0
3198. Summary of remaining write-ins for Line 31 from overflow page	0	0
3199. Totals (Lines 3101 through 3103 plus 3198)(Line 31 above)	0	0
3401. Additional Admitted Deferred Tax Asset	3,209,029	2,517,160
3402.	0	0
3403.	0	0
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0
3499. Totals (Lines 3401 through 3403 plus 3498)(Line 34 above)	3,209,029	2,517,160

STATEMENT AS OF JUNE 30, 2010 OF THE Wilton Reinsurance Company

SUMMARY OF OPERATIONS

	1 Current Year To Date	2 Prior Year Year to Date	3 Prior Year Ended December 31
1. Premiums and annuity considerations for life and accident and health contracts	205,401,816	(35,141,176)	31,340,970
2. Considerations for supplementary contracts with life contingencies	530,276	1,044,191	2,154,031
3. Net investment income	55,594,274	14,928,734	94,581,085
4. Amortization of Interest Maintenance Reserve (IMR)	226,578	91,474	308,573
5. Separate Accounts net gain from operations excluding unrealized gains or losses	0	0	0
6. Commissions and expense allowances on reinsurance ceded	(989,116)	66,328,360	423,808,907
7. Reserve adjustments on reinsurance ceded	0	0	0
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts	0	0	0
8.2 Charges and fees for deposit-type contracts	0	0	0
8.3 Aggregate write-ins for miscellaneous income	44,911,206	39,776,614	54,376,649
9. Totals (Lines 1 to 8.3)	305,675,034	87,028,197	606,570,215
10. Death benefits	77,279,975	45,031,355	84,150,246
11. Matured endowments (excluding guaranteed annual pure endowments)	2,313,185	55,247	766,531
12. Annuity benefits	3,434,127	408,658	2,285,737
13. Disability benefits and benefits under accident and health contracts	2,513,059	0	2,934,931
14. Coupons, guaranteed annual pure endowments and similar benefits	44,054	0	0
15. Surrender benefits and withdrawals for life contracts	30,100,337	18,070,863	40,034,342
16. Group conversions	0	0	0
17. Interest and adjustments on contract or deposit-type contract funds	337,067	0	87,291
18. Payments on supplementary contracts with life contingencies	321,288	5,331,818	10,444,121
19. Increase in aggregate reserves for life and accident and health contracts	117,061,077	(25,946,969)	349,029,364
20. Totals (Lines 10 to 19)	233,404,169	42,950,972	489,732,563
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only)	0	0	0
22. Commissions and expense allowances on reinsurance assumed	26,834,565	36,856,420	184,125,955
23. General insurance expenses	21,272,405	16,182,041	39,251,540
24. Insurance taxes, licenses and fees, excluding federal income taxes	285,285	1,067,818	317,049
25. Increase in loading on deferred and uncollected premiums	0	0	0
26. Net transfers to or (from) Separate Accounts net of reinsurance	0	0	0
27. Aggregate write-ins for deductions	0	7,200,000	(48,800,000)
28. Totals (Lines 20 to 27)	281,796,424	104,257,251	664,627,107
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	23,878,610	(17,229,054)	(58,056,892)
30. Dividends to policyholders	0	0	0
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	23,878,610	(17,229,054)	(58,056,892)
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	11,830,250	(21,596,812)	(63,879,345)
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	12,048,360	4,367,758	5,822,453
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ 0 (excluding taxes of \$ 0 transferred to the IMR)	123,948	(1,713,111)	(4,186,519)
35. Net income (Line 33 plus Line 34)	12,172,308	2,654,647	1,635,934
CAPITAL AND SURPLUS ACCOUNT			
36. Capital and surplus, December 31, prior year	258,305,320	126,424,950	126,424,950
37. Net income (Line 35)	12,172,308	2,654,647	1,635,934
38. Change in net unrealized capital gains (losses) less capital gains tax of \$ 0	9,306,071	13,869,816	101,661,116
39. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
40. Change in net deferred income tax	3,487,659	(14,712,062)	(40,351,694)
41. Change in nonadmitted assets	9,649,481	(75,125,087)	(32,337,155)
42. Change in liability for reinsurance in unauthorized companies	0	0	0
43. Change in reserve on account of change in valuation basis, (increase) or decrease	0	0	0
44. Change in asset valuation reserve	(14,980)	0	0
45. Change in treasury stock	0	0	0
46. Surplus (contributed to) withdrawn from Separate Accounts during period	0	0	0
47. Other changes in surplus in Separate Accounts Statement	0	0	0
48. Change in surplus notes	0	0	0
49. Cumulative effect of changes in accounting principles	0	0	0
50. Capital changes:			
50.1 Paid in	0	0	0
50.2 Transferred from surplus (Stock Dividend)	0	0	0
50.3 Transferred to surplus	0	0	0
51. Surplus adjustment:			
51.1 Paid in	6,000,000	60,000,000	101,272,168
51.2 Transferred to capital (Stock Dividend)	0	0	0
51.3 Transferred from capital	0	0	0
51.4 Change in surplus as a result of reinsurance	0	0	0
52. Dividends to stockholders	0	0	0
53. Aggregate write-ins for gains and losses in surplus	0	0	0
54. Net change in capital and surplus (Lines 37 through 53)	40,600,539	(13,312,686)	131,880,370
55. Capital and surplus, as of statement date (Lines 36 + 54)	298,905,859	113,112,264	258,305,320
DETAILS OF WRITE-INS			
08.301. MODCO Adjustment	44,856,341	39,776,614	54,376,649
08.302. Miscellaneous Income	54,865	0	0
08.303.	0	0	0
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	0	0	0
08.399. Totals (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)	44,911,206	39,776,614	54,376,649
2701. Recapture fees on ceded reinsurance to Wilton Reinsurance Bermuda	0	7,200,000	(48,800,000)
2702.	0	0	0
2703.	0	0	0
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0	0
2799. Totals (Lines 2701 through 2703 plus 2798)(Line 27 above)	0	7,200,000	(48,800,000)
5301. Additional Admitted Deferred Tax	3,209,029	0	2,517,160
5302. Reclassification of Admitted Deferred Tax Asset to Special Surplus Funds	(3,209,029)	0	(2,517,160)
5303.	0	0	0
5398. Summary of remaining write-ins for Line 53 from overflow page	0	0	0
5399. Totals (Lines 5301 through 5303 plus 5398)(Line 53 above)	0	0	0

STATEMENT AS OF JUNE 30, 2010 OF THE Wilton Reassurance Company

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance	356,457,205	(41,036,346)	(111,027,814)
2. Net investment income	50,816,900	14,414,067	80,163,311
3. Miscellaneous income	43,922,090	106,104,974	478,185,556
4. Total (Lines 1 to 3)	451,196,195	79,482,695	447,321,053
5. Benefit and loss related payments	115,818,842	78,102,852	160,962,234
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	105,233,741	64,997,849	125,906,465
8. Dividends paid to policyholders	(2,554,058)	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)	9,339,120	(17,546,844)	(60,821,756)
10. Total (Lines 5 through 9)	227,837,645	125,553,857	226,046,943
11. Net cash from operations (Line 4 minus Line 10)	223,358,550	(46,071,162)	221,274,110
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	291,361,649	36,845,067	306,784,431
12.2 Stocks	705,833	1,927,511	4,064,064
12.3 Mortgage loans	0	0	0
12.4 Real estate	0	0	0
12.5 Other invested assets	0	0	55,471,000
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	1,304	10,729	29,863
12.7 Miscellaneous proceeds	7,306,032	255,017	6,709,568
12.8 Total investment proceeds (Lines 12.1 to 12.7)	299,374,818	39,038,324	373,058,926
13. Cost of investments acquired (long-term only):			
13.1 Bonds	570,423,227	276,052,359	818,131,962
13.2 Stocks	4,142,778	106,011,584	105,394,276
13.3 Mortgage loans	0	0	0
13.4 Real estate	0	0	0
13.5 Other invested assets	1,703,389	8,900,000	8,900,000
13.6 Miscellaneous applications	0	5,001,371	6,958,759
13.7 Total investments acquired (Lines 13.1 to 13.6)	576,269,394	395,965,314	939,384,997
14. Net increase (or decrease) in contract loans and premium notes	11,757,026	71,133	17,299,263
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(286,651,602)	(356,998,123)	(583,625,334)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	0	0	0
16.2 Capital and paid in surplus, less treasury stock	6,000,001	60,000,000	101,272,168
16.3 Borrowed funds	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	6,931,083	0	2,229,914
16.5 Dividends to stockholders	0	0	0
16.6 Other cash provided (applied)	18,485,792	23,540,326	28,127,387
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	31,416,876	83,540,326	131,629,469
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(33,876,176)	(319,528,959)	(230,721,755)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	102,101,553	332,823,308	332,823,308
19.2 End of period (Line 18 plus Line 19.1)	68,225,377	13,294,349	102,101,553

EXHIBIT 1

DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1. Industrial life	0	0	0
2. Ordinary life insurance	0	1,382	0
3. Ordinary individual annuities	0	0	0
4. Credit life (group and individual)	0	0	0
5. Group life insurance	0	0	0
6. Group annuities	0	0	0
7. A & H - group	0	0	0
8. A & H - credit (group and individual)	0	0	0
9. A & H - other	0	0	0
10. Aggregate of all other lines of business	0	0	0
11. Subtotal	0	1,382	0
12. Deposit-type contracts	0	0	0
13. Total	0	1,382	0
DETAILS OF WRITE-INS			
1001.	0	0	0
1002.	0	0	0
1003.	0	0	0
1098. Summary of remaining write-ins for Line 10 from overflow page	0	0	0
1099. Totals (Lines 1001 through 1003 plus 1098)(Line 10 above)	0	0	0

NONE

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Practice

Wilton Reassurance Company (the "Company"), domiciled in the State of Minnesota, prepares its statutory financial statements in accordance with accounting practices prescribed (or permitted) by the Minnesota Department of Commerce (the "Department").

The Department recognizes only statutory accounting practices prescribed (or permitted) by the State of Minnesota for determining and reporting the financial condition and results of operations of an insurance company and also for determining its solvency under the Minnesota Insurance Law. The National Association of Insurance Commissioners' ("NAIC") *Accounting Practices and Procedures Manual* ("NAIC SAP"), has been adopted as a component of prescribed (or permitted) practices by the State of Minnesota.

The Company has not requested the Department's approval of any permitted statutory accounting practices.

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with NAIC SAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

Life premiums are recognized as income over the premium-paying period of the related policies. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as reinsurance allowances, are charged to operations as incurred.

In addition, the Company follows these accounting policies:

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds not backed by other loans are stated at amortized cost in accordance with the valuation prescribed by the Department and the NAIC. For other than temporary impairments, the cost basis of the bond is written down to fair market value as a new cost basis and the amount of the write down is accounted for as a realized loss.
- (3) Common stocks are valued at market except that investments in the common stock of wholly owned subsidiaries and affiliates are carried on the equity basis.
- (4) Preferred stocks are stated at cost.
- (5) The Company does not have any mortgage loans on real estate.
- (6) Loan-backed securities are stated at either amortized cost or the lower of amortized cost or fair market value. The retrospective adjustment method is used to value all securities except for interest only securities or securities where the yield had become negative, that are valued using the prospective method.
- (7) The Company has no investment in subsidiaries, controlled and affiliated companies that is not addressed in either 1C(3) or 1C(8).
- (8) The Company carries its investment in its wholly owned subsidiary Redding Re Holding, LLC ("Redding Holdings") based on Redding Holdings' total capital adjusted to reflect application of statutory accounting principles. Redding Holdings is a single member, limited liability Company organized under the laws of Delaware and formed to serve as the holding company for Redding Reassurance Company, a South Carolina special purpose financial captive insurance company ("Redding Re"). The carrying value of the Company's investment in Redding Holdings was zero as of June 30, 2010 and December 31, 2009.
- (9) The Company has no derivatives.
- (10) Currently, the Company does not anticipate investment income as a factor in the premium deficiency calculation. The assumption of accident and health business is relatively new to the Company and last reported reserves are being used until we can finish analyzing. The accident and health component is not material to the overall business.
- (11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined. As mentioned above the accident and health component is relatively new and is not material to the overall business.
- (12) The Company has not modified its capitalization policy from the prior period.
- (13) The Company does not encounter any pharmaceutical rebate receivables in connection with its assumed accident and health business.

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

The Company has not had any accounting changes or corrections of errors in 2010 or 2009.

3. BUSINESS COMBINATIONS AND GOODWILL

No change since year-end 2009.

NOTES TO FINANCIAL STATEMENTS

4. DISCONTINUED OPERATIONS

The Company did not have any discontinued operations in 2010 or 2009.

5. INVESTMENTS

A. Mortgage Loans

The Company did not have investments in mortgage loans in 2010 or 2009.

B. Debt Restructuring

The Company did not have restructured debt in which the Company was a creditor in 2010 or 2009.

C. Reverse Mortgages

The Company did not have reverse mortgages in 2010 or 2009.

D. Loan-Backed Securities

- (2) Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities were obtained from BlackRock. All prepayment rates (CPR and PSA), as well as corresponding principal prepayment start and end dates, are provided by BlackRock Financial Management's prepayment modeling system.

- (4) All securities with a recognized other-than-temporary impairment are disclosed, in the aggregate, classified on the basis for the other-than-temporary impairment.

Basis for Other-than-temporary Impairment	Impairment	Fair Value	Amortized Cost
A. Intend to sell the securities.	\$ -	\$ -	\$ -
B. Inability/ Intent to retain the security for a sufficient period of time to recover the amortized cost basis.	-	-	-
C. Present value of the cash flows collected is expected to be less than the amortized cost basis of the securities.	-	-	-
TOTAL	\$ -	\$ -	\$ -

- (5) As of June 30, 2010, the Company, held no securities with an impairment on the basis that the present value of future cash flows expected to be collected is less than the amortized cost basis.

- (6) The following table shows gross unrealized losses and fair values of loan-backed securities aggregated by length of time that individual securities have been in continuous unrealized loss position at June 30, 2010.

	Less than 12 months		12 months or more		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
Loan-backed securities	\$37,526,021	\$(1,594,007)	\$3,892,715	\$(165,049)	\$41,418,736	\$(1,759,056)

- (7) All securities are reviewed, at least quarterly, to determine if an other-than-temporary impairment should be recognized and, if so, the reason for the impairment.

The Company closely monitors all assets that are trading at an unrealized loss of at least 10% or \$200,000, as well as all assets that have been in an unrealized loss position for six months or more.

For loan-backed securities, the categories of information considered when reaching conclusions as to whether impairments are not other-than-temporary may include the following: projected cash flows; prepayment speeds; delinquency, default and severity rates; average borrower credit ratings; loan to value ratios; debt service coverage ratios; quality of the underlying collateral; cumulative losses in the underlying collateral pool; credit enhancement for the tranche owned and contractual allocation of losses to the tranche under varying circumstances; geographical distribution of collateral and expectations regarding general economic conditions, including home price appreciation and the effect of government programs on future cash flows.

- (8) Fair value estimates were available for all loan-backed securities. All loan-backed securities were evaluated for impairments.

E. Repurchase Agreements

The Company did not have repurchase agreements in 2010 or 2009.

F. Real Estate

The Company did not have real estate investments in 2010 or 2009.

NOTES TO FINANCIAL STATEMENTS

G. Investments in low-income housing tax credits (LHITC)

The Company did not have any LHITC investments in 2010 or 2009.

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

No change since year-end 2009..

7. INVESTMENT INCOME

No due and accrued income was excluded from investment income in 2010 or 2009.

8. DERIVATIVE INSTRUMENTS

The Company did not have investments in derivative instruments in 2010 or 2009.

9. INCOME TAXES

No material change since year-end 2009.

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

No material change since year-end 2009.

11. DEBT

The Company had no capital notes or other debt outstanding as of June 30, 2010 or December 31, 2009.

12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

A. Defined Benefit Plan

Not applicable.

B. Defined Contribution Plan

Not applicable.

C. Multiemployer Plans

Not applicable.

D. Consolidated/Holding Company Plans

Not Applicable.

E. Post-employment Benefits and Compensated Absences

Not applicable.

13. CAPITAL AND SURPLUS, SHAREHOLDERS' DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS –

(1) The Company has 5,000,000 shares authorized, 2,500,000 shares issued and 2,500,000 shares outstanding. The par value per share is \$1.00.

(2) The Company has no preferred stock outstanding.

(3) The maximum amount of dividends which can be paid by Minnesota domestic insurance companies to shareholders in any twelve month period is subject to restrictions as per Section 60D.20 of the Minnesota Insurance Code.

(4) No dividends were paid in 2010 or 2009

(5) The Company has no profits that may be paid as ordinary dividends to stockholders.

(6) No restrictions have been placed on unassigned surplus funds.

(7) There are no advances to surplus not repaid.

(8) No stock is held by the Company for special purposes.

(9) The Company has \$3,209,029 of special surplus funds as of June 30, 2010 as a result of its election to admit such amount as additional deferred tax assets pursuant to the application of SSAP-10R, paragraph 10.e. The Company had \$2,517,160 of such special surplus funds in 2009.

(10) The portion of unassigned funds (surplus) represented or reduced by unrealized gains and (losses) is \$9,306,071.

(11) The Company has no surplus debentures outstanding.

(12) The Company has not had any quasi-reorganization.

(13) The Company has not had any quasi-reorganization.

14. CONTINGENCIES

A. Contingent Commitments

The Company is not aware of any material contingent commitments as of June 30, 2010 or December 31, 2009. The Company has committed no surplus funds to reserve for any contingent arrangements.

B. Assessments

NOTES TO FINANCIAL STATEMENTS

During 2010 and 2009, there were no known material assessments that would have a material financial impact to the Company.

C. Gain Contingencies

There were no material gain contingencies recognized by the Company in 2010 or 2009.

D. Claims related extra contractual obligation and bad faith losses stemming from lawsuits

There were no claims-related extra contractual obligation and bad faith losses stemming from lawsuits.

E. All Other Contingencies

No significant change since year-end 2009.

15. LEASES

The Company has not entered into any leasing agreements as lessee which could have a material financial effect.

16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATION OF CREDIT RISK

The Company has no financial instruments with off-balance sheet risk or concentration of credit risk.

17. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES.

A. Transfers of Receivables Reported as Sales

The Company did not have any transfers of receivables reported as sales during 2010 or 2009

B. Transfer and Servicing of Financial Assets

The Company had no transactions involving the transfer and servicing of financial assets during 2010 or 2009.

C. Wash Sales

The Company did not have any wash sales during 2010 or 2009.

18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED A&H PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

Not applicable.

19. DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS.

No material direct premium in either 2010 or 2009.

20. OTHER ITEMS

A. Extraordinary Items

The Company had no extraordinary items during 2010 or 2009.

B. Troubled Debt Restructuring; Debtors

The Company had no troubled debt restructuring during 2010 or 2009.

C. Other Disclosures

No significant change since year-end 2009.

D. Uncollectible Asset Balances

No significant change since year-end 2009.

E. Business Interruption Insurance Recoveries

The Company did not have any business interruption insurance recoveries in 2010 or 2009

F. State Transferable Tax Credits

The Company did not have any state transferable tax credits in 2010 or 2009.

G. Subprime Mortgage Related Risk Exposure -- No significant change since year-end 2009.

21. EVENTS SUBSEQUENT

The Company is not aware of any events that existed at June 30, 2010 or that occurred subsequent to this date that require disclosure.

22. REINSURANCE

No significant change since year-end 2009.

23. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDEMPTION

The Company has no retrospectively rated contracts or contracts subject to redemption as of June 30, 2010 or December 31, 2009.

NOTES TO FINANCIAL STATEMENTS

24. CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES.
The Company had no changes in incurred losses and loss adjustment expenses in 2010 or 2009.
25. INTERCOMPANY POOLING ARRANGEMENT
The Company had no inter-company pooling arrangements in 2010 or 2009.
26. STRUCTURED SETTLEMENTS
The Company had no structured settlements as of June 30, 2010 or December 31, 2009.
27. HEALTH CARE RECEIVABLES
The Company had no health care receivables as of June 30, 2010 or December 31, 2009.
28. PARTICIPATING POLICIES
The Company has no participating policies as of June 30, 2010 or December 31, 2009. The Company reinsures participating individual life policies from several clients, but their policyholders have no claim on any Company profits. Any reimbursed dividends are technically an allowance and accounted for as such.
29. PREMIUM DEFICIENCY RESERVES
The Company had no premium deficiency reserves as of June 30, 2010 or December 31, 2009.
30. RESERVES FOR LIFE CONTRACTS AND DEPOSIT-TYPE CONTRACTS
No significant change since year-end 2009.
31. ANALYSIS OF ANNUITY ACTUARIAL RESERVES AND DEPOSIT LIABILITIES BY WITHDRAWAL CHARACTERISTICS
No significant change since year-end 2009.
32. PREMIUM AND ANNUITY CONSIDERATIONS DEFERRED AND UNCOLLECTED
No Significant change since year-end 2009.
33. SEPARATE ACCOUNTS
The Company had no separate accounts as of June 30, 2010 or December 31, 2009.
34. LOSS/CLAIM ADJUSTMENT EXPENSES
The Company had no loss/claim adjustment expenses in 2010 or 2009.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes No
- 1.2 If yes, has the report been filed with the domiciliary state? Yes No
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes No
- 2.2 If yes, date of change:
3. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes No
If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes No
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes No NA
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2005
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2005
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 07/18/2007
- 6.4 By what department or departments?
Minnesota Department of Commerce
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes No NA
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes No NA
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes No
- 7.2 If yes, give full information:
.....
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes No
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
.....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes No
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC
Lehman Brothers Holdings Inc and Subsidiaries	New York, NY	No	No	Yes	No	No

