

Argonaut Insurance Company**SURETY DISCLOSURE STATEMENT AND CERTIFICATION**

Pursuant to N.J.S.A. 2A:44-143

Argonaut Insurance Company, (hereinafter called "Surety") the surety on the attached bond, hereby certifies the following:

- 1) The Surety meets the applicable surplus requirements of R.S. 17:17-6 or R.S. 17:17-7 as of the Surety's most current annual filing with the New Jersey Department of Insurance.
- 2) The surplus of Argonaut Insurance Company as determined in accordance with the applicable laws of this State, totals \$336,949,345 as of the calendar year ended December 31, 2009, which amount has been certified by Ernst & Young LLP, 100 W. Houston St., Suite 1900, San Antonio, Texas, 78205, and is included in the Annual Statement on file with the New Jersey Department of Insurance, 20 West State Street, CN-325, Trenton, New Jersey 08625-0325
- 3) Argonaut Insurance Company has received from the U. S. Secretary of the Treasury, a certificate of authority pursuant to 31 U.S.C. Section 9305, with an underwriting limitation established therein on July 1, 2010 in the amount of \$33,695,000.
- 4) The amount of the bond to which this statement and certification is attached is \$ _____.
- 5) If, by virtue of one or more contracts of reinsurance, the amount of the bond indicated under item (4) above exceeds the total underwriting limitation of all sureties on the bond as set forth in terms (3)(a) or (3)(b) above, or both, then for each such contract of reinsurance:
 - a. The name and address of each such reinsurer under that contract and the amount of that reinsurer's participation in the contract is as follows:

Not Applicable; and
 - b. Each surety that is party to any such contract of reinsurance certifies that each reinsurer listed under item (5) (a) satisfies the credit for reinsurance requirement established under P.L.1993, c.243 (C.17:51B-1 et seq.) and any applicable regulations in effect as of the date on which the bond to which this statement and certification is attached shall have been filed with the appropriate public agency.

CERTIFICATION

I, Robert F. Thomas, as Vice President of Argonaut Insurance Company, an insurance company domiciled in the State of Illinois; DO HEREBY CERTIFY that, to the best of my knowledge, the foregoing statements made by me are true, and ACKNOWLEDGE that, if any of those statements are false, this bond is VOIDABLE.

ARGONAUT INSURANCE COMPANY

By: Robert F. Thomas
Robert F. Thomas, Vice PresidentDated: 8-17-10