Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2012

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
TOWER HILL INSURANCE GROUP, LLC 401(K) PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 01/01/1995

2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)

TOWER HILL INSURANCE GROUP, LLC

7201 NW 11TH PLACE
GAINESVILLE, FL 32605

2b Employer Identification Number (EIN) 27-0867974

2c Sponsor's telephone number 352-333-1557

2d Business code (see instructions) 524210

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/11/2013	DONALD C. MATZ, JR.
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/11/2013	DONALD C. MATZ, JR.
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)

Preparer's telephone number (optional)

3a Plan administrator's name and address [X] Same as Plan Sponsor Name [ ] Same as Plan Sponsor Address	**3b** Administrator's EIN	
	3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:	**4b** EIN	
a Sponsor's name	**4c** PN	
5 Total number of participants at the beginning of the plan year	**5**	551
6 Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a Active participants	**6a**	396
b Retired or separated participants receiving benefits	**6b**	0
c Other retired or separated participants entitled to future benefits	**6c**	122
d Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	518
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	1
f Total. Add lines **6d** and **6e**	**6f**	519
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	439
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	22
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
2E 2F 2G 2J 2K 3D 2S 2T 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)	[ ]	Insurance
(2)	[ ]	Code section 412(e)(3) insurance contracts
(3)	[X]	Trust
(4)	[ ]	General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)	[ ]	Insurance
(2)	[ ]	Code section 412(e)(3) insurance contracts
(3)	[X]	Trust
(4)	[ ]	General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	[X]	**R** (Retirement Plan Information)
(2)	[ ]	**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)	[ ]	**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	[X]	**H** (Financial Information)
(2)	[ ]	**I** (Financial Information – Small Plan)
(3)	[ ]	**A** (Insurance Information)
(4)	[X]	**C** (Service Provider Information)
(5)	[X]	**D** (DFE/Participating Plan Information)
(6)	[ ]	**G** (Financial Transaction Schedules)

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2012** **This Form is Open to Public Inspection.**

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
TOWER HILL INSURANCE GROUP, LLC 401(K) PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
TOWER HILL INSURANCE GROUP, LLC

D Employer Identification Number (EIN)
27-0867974

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

UBS PAINEWEBBER, INC.
ONE INDEPENDENT DRIVE
SUITE 2600
JACKSONVILLE, FL 32202

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

UBS FINANCIAL SERVICES, INC

26-2235829

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
99	BROKERAGE	0	Yes [X] No [ ]	Yes [ ] No [X]	0	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

UBS PAINEWEBBER, INC.

ONE INDEPENDENT DRIVE
SUITE 2600
JACKSONVILLE, FL 32202

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
33 63	BROKERAGE	0	Yes [X] No [ ]	Yes [ ] No [X]	0	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

ASCENSUS

11-3665754

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
99 37 15 60 50	RECORD KEEPER	7810	Yes [X] No [ ]	Yes [ ] No [X]	0	Yes [X] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ASCENSUS	15 60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
CALAMOS 2020 CALAMOS COURT NAPERVILLE, IL 60563-2787	SEE THE ATTACHED FORMULA DESCRIPTION REPORT LISTING THE FORMULAS FOR SUB-TA REVENUE BY FUND.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ASCENSUS	15 60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
CAPITAL RESEARCH AND MANAGEMENT CO 333 SOUTH HOPE ST. LOS ANGELES, CA 90071	SEE THE ATTACHED FORMULA DESCRIPTION REPORT LISTING THE FORMULAS FOR SUB-TA REVENUE BY FUND.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ASCENSUS	15 60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
DAVIS FUNDS C/O THE DAVIS FUNDS 30 DAN ROAD CANTON, MA 02021-2809	SEE THE ATTACHED FORMULA DESCRIPTION REPORT LISTING THE FORMULAS FOR SUB-TA REVENUE BY FUND.

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ASCENSUS	15 60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
FEDERATED ATTN FBD PO BOX 8600 BOSTON, MA 02266-8600	SEE THE ATTACHED FORMULA DESCRIPTION REPORT LISTING THE FORMULAS FOR SUB-TA REVENUE BY FUND.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ASCENSUS	15 60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
IVY 6300 LAMAR AVENUE SHAWNEE MISSION, KS 66202-4247	SEE THE ATTACHED FORMULA DESCRIPTION REPORT LISTING THE FORMULAS FOR SUB-TA REVENUE BY FUND.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ASCENSUS	15 60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
NATIONWIDE FUND ADVISORS 5100 RINGS ROAD RR1-04-F4 DUBLIN, OH 43017	SEE THE ATTACHED FORMULA DESCRIPTION REPORT LISTING THE FORMULAS FOR SUB-TA REVENUE BY FUND.

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ASCENSUS	15 60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
PIMCO 840 NEWPORT CENTER DRIVE NEWPORT BEACH, CA 92660	SEE THE ATTACHED FORMULA DESCRIPTION REPORT LISTING THE FORMULAS FOR SUB-TA REVENUE BY FUND.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
UBS FINANCIAL SERVICES, INC	99	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
CAPITAL RESEARCH AND MANAGEMENT CO 333 SOUTH HOPE ST. LOS ANGELES, CA 90071	THE DEALER MAY RECEIVE EXTRA COMPENSATION IN AN AMOUNT UP TO THE SUM OF 0.10% OF LAST YEAR'S? AMERICAN FUNDS SALES BY THAT DEALER AND 0.02% OF? AMERICAN FUNDS ASSETS ATTRIBUTABLE TO THAT DEALER.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
UBS PAINEWEBBER, INC.	33 63	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
CALAMOS 2020 CALAMOS COURT NAPERVILLE, IL 60563-2787	SEE THE ATTACHED FORMULA DESCRIPTION REPORT LISTING THE FORMULAS FOR 12B-1 REVENUE BY FUND.

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
UBS PAINEWEBBER, INC.	33 63	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
CAPITAL RESEARCH AND MANAGEMENT CO 333 SOUTH HOPE ST. LOS ANGELES, CA 90071	SEE THE ATTACHED FORMULA DESCRIPTION REPORT LISTING THE FORMULAS FOR 12B-1 REVENUE BY FUND.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
UBS PAINEWEBBER, INC.	33 63	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
DAVIS FUNDS C/O THE DAVIS FUNDS 30 DAN ROAD CANTON, MA 02021-2809	SEE THE ATTACHED FORMULA DESCRIPTION REPORT LISTING THE FORMULAS FOR 12B-1 REVENUE BY FUND.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
UBS PAINEWEBBER, INC.	33 63	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
FEDERATED ATTN FBD PO BOX 8600 BOSTON, MA 02266-8600	SEE THE ATTACHED FORMULA DESCRIPTION REPORT LISTING THE FORMULAS FOR 12B-1 REVENUE BY FUND.

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
UBS PAINEWEBBER, INC.	33 63	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
FIDELITY INVESTMENTS PO BOX 770001 CINCINNATI, OH 45277-0003	SEE THE ATTACHED FORMULA DESCRIPTION REPORT LISTING THE FORMULAS FOR 12B-1 REVENUE BY FUND.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
UBS PAINEWEBBER, INC.	33 63	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
IVY 6300 LAMAR AVENUE SHAWNEE MISSION, KS 66202-4247	SEE THE ATTACHED FORMULA DESCRIPTION REPORT LISTING THE FORMULAS FOR 12B-1 REVENUE BY FUND.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
UBS PAINEWEBBER, INC.	33 63	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
METLIFE 200 PARK AVE NEW YORK, NY 10166	SEE THE ATTACHED FORMULA DESCRIPTION REPORT LISTING THE FORMULAS FOR 12B-1 REVENUE BY FUND.

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
UBS PAINEWEBBER, INC.	33 63	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
NATIONWIDE FUND ADVISORS 5100 RINGS ROAD RR1-04-F4 DUBLIN, OH 43017	SEE THE ATTACHED FORMULA DESCRIPTION REPORT LISTING THE FORMULAS FOR 12B-1 REVENUE BY FUND.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
UBS PAINEWEBBER, INC.	33 63	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
PIMCO 840 NEWPORT CENTER DRIVE NEWPORT BEACH, CA 92660	SEE THE ATTACHED FORMULA DESCRIPTION REPORT LISTING THE FORMULAS FOR 12B-1 REVENUE BY FUND.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2012

This Form is Open to Public Inspection.

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
TOWER HILL INSURANCE GROUP, LLC 401(K) PLAN

B Three-digit plan number (PN) ▶ 002

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
TOWER HILL INSURANCE GROUP, LLC

D Employer Identification Number (EIN)
27-0867974

Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)

(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: MET LIFE STABLE VALUE FUND

b Name of sponsor of entity listed in (a): MET LIFE

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
58-1428634-004	C	2419477

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2012

This Form is Open to Public Inspection

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
TOWER HILL INSURANCE GROUP, LLC 401(K) PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
TOWER HILL INSURANCE GROUP, LLC

D Employer Identification Number (EIN)
27-0867974

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	17353	
(2) Participant contributions	1b(2)	47072	
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	650906	514522
(9) Value of interest in common/collective trusts	1c(9)	2050087	2419477
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	12784438	15146231
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	15549856	18080230
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	15549856	18080230

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	515836	
(B) Participants	2a(1)(B)	1499602	
(C) Others (including rollovers)	2a(1)(C)	81772	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		2097210
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	25187	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		25187
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	252883	
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		252883
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		126293
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		1730006
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		4231579
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1688186	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		1688186
f Corrective distributions (see instructions)	2f		5208
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)	7810	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	1	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		7811
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		1701205
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		2530374
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: KPMG LLP **(2)** EIN: 13-5565207

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		3100000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If "Yes," enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

Part V Trust Information (optional)

6a Name of trust	**6b** Trust's EIN

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2012

This Form is Open to Public Inspection.

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
TOWER HILL INSURANCE GROUP, LLC 401(K) PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
TOWER HILL INSURANCE GROUP, LLC

D Employer Identification Number (EIN)
27-0867974

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 45-0404698

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 a Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a	The current year	**14a**	
b	The plan year immediately preceding the current plan year	**14b**	
c	The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a	The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b	The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a	Enter the number of employers who withdrew during the preceding plan year	**16a**	
b	If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

TOWER HILL INSURANCE GROUP, LLC 401(k) PLAN

Financial Statements and Supplemental Schedule

December 31, 2012 and 2011

(With Independent Auditors' Report Thereon)

TOWER HILL INSURANCE GROUP, LLC 401(k) PLAN

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KPMG LLP
Suite 1700
100 North Tampa Street
Tampa, FL 33602

Independent Auditors' Report

The Participants and Administrative Committee
Tower Hill Insurance Group, LLC 401(k) Plan:

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Tower Hill Insurance Group, LLC 401(k) Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in note 3, which was certified by Reliance Trust Company and Frontier Trust Company, the trustees of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that Frontier Trust Company held the Plan's investment assets and executed investment transactions as of December 31, 2011 and 2012, and for the period October 1, 2011 to December 31, 2012, and that Reliance Trust Company held the Plan's investment assets and executed investment transactions for the period January 1, 2011 to September 30, 2011. The plan administrator has obtained certifications from the trustees as of December 31, 2012, and 2011, and for the years ended December 31, 2012, and 2011, that the information provided to the plan administrator by the trustees is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

KPMG LLP, is Delaware limited liability partnership, the U.S. member firm of KPMG International Cooperative ("KPMG International"), a Swiss entity.

Other Matter

The supplemental schedule, Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2012 is required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on this supplemental schedule.

Report on Form and Content in Compliance With DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

KPMG LLP

Jacksonville, Florida
October 11, 2013
Certified Public Accountants

TOWER HILL INSURANCE GROUP, LLC 401(k) PLAN

Statements of Net Assets Available for Benefits

December 31, 2012 and 2011

	2012	2011
Investments, at fair value (note 3):		
Mutual funds	$ 15,146,231	12,784,438
Guaranteed investment contract	2,528,552	2,172,591
Total investments	17,674,783	14,957,029
Notes receivable from participants	514,522	650,906
Receivables:		
Employer contributions	—	17,353
Participants' contributions	—	47,072
Total receivables	—	64,425
Net assets reflecting investments at fair value	18,189,305	15,672,360
Adjustment from fair value to contract value for fully benefit-responsive investment contract	(109,075)	(122,504)
Net assets available for benefits	$ 18,080,230	15,549,856

See accompanying notes to financial statements.

TOWER HILL INSURANCE GROUP, LLC 401(k) PLAN

Statements of Changes in Net Assets Available for Benefits

Years ended December 31, 2012 and 2011

	2012	2011
Additions to net assets attributed to:		
Investment income (loss):		
Dividend and interest income	$ 278,070	157,276
Net appreciation (depreciation) in fair value of investments	1,730,006	(592,144)
Net appreciation in guaranteed investment contract	126,293	40,382
Total investment income (loss)	2,134,369	(394,486)
Contributions:		
Employer	515,836	492,163
Participants – deferrals	1,499,602	1,484,401
Participants – rollovers	81,772	53,382
Total contributions	2,097,210	2,029,946
Total additions	4,231,579	1,635,460
Deductions from net assets attributed to:		
Payment of benefits and distributions	1,693,394	775,938
Administrative expenses	7,811	1,185
Total deductions	1,701,205	777,123
Net increase	2,530,374	858,337
Net assets available for plan benefits:		
Beginning of year	15,549,856	14,691,519
End of year	$ 18,080,230	15,549,856

See accompanying notes to financial statements.

(1) Description of Plan

The following description of Tower Hill Insurance Group, LLC 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

(a) General

The Plan is a defined contribution plan with an Internal Revenue Code (IRC) 401(k) provision covering all eligible employees of Tower Hill Insurance Group, LLC and affiliates (the Company). The Plan is subject to the provisions of the Employee Retirement Income Securities Act of 1974 (ERISA).

(b) Eligibility

Employees of the Company are eligible to become participants in the Plan and receive employer matching contributions upon completing two months of service and attaining age 18, and nonelective contributions upon completing one year of service.

(c) Contributions

Each eligible employee is automatically enrolled in the Plan, at a contribution rate of 3%, and becomes a participant in the Plan unless the employee elects to decline participation. The contribution percentage increases by 1% each January 1 until it reaches 6%.

Under the Plan, eligible participants may elect to contribute a percentage of their compensation for the year, not to exceed IRC limits. Participants' maximum elective deferrals for the years ended December 31, 2012 and 2011 were $17,000 and $16,500, respectively. Other Internal Revenue Service (IRS) limits exist for certain highly compensated employees participating in the Plan.

The Plan also allows for participants age 50 and older to contribute additional tax-deferred contributions. The catch-up contributions are subject to IRS limits of $5,500 in 2012 and in 2011.

The Plan allows employees to allocate their contributions among 27 investment options, all of which are held by Frontier Trust Company.

The Plan permits the Company to make discretionary matching contributions, which, during the years ended December 31, 2012 and 2011, equaled 50% of the participant's voluntary contribution up to the first 6% of the participant's compensation.

(d) Vesting

Participants begin to vest in Company matching contributions after attaining two years of service. Thereafter, participants vest in Company matching contributions ratably over the next four years. Participant contributions are vested immediately.

(e) Participants' Accounts

Each participant's account is credited with their contributions and their share of the Company's discretionary matching contributions. Investment income is allocated to each participant's account based upon the participant's relative beginning account balance adjusted by withdrawals and contributions made during the allocation period. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account balance.

(f) Payment of Benefits

Upon termination of service for any reason, including death, disability, or retirement, if the participant's vested account balance is $1,000 or less, the form of benefit payment is a lump sum. If the vested account balance exceeds $1,000, the form of benefit payment can be lump sum, partial, or installment payments.

(g) Early Withdrawal

Under certain conditions, participants, while still employed by the Company, are permitted to withdraw up to the employee contribution portion of their account balance. These conditions include unreimbursed medical expenses, the purchase of a principal residence, the payment of postsecondary education tuition, or to prevent eviction from or foreclosure on a principal residence. A participant's right to make deferrals will be suspended for six months after the receipt of the hardship withdrawal. A participant may also make a withdrawal from his or her account when the participant attains age 59½.

(h) Allocation of Forfeitures

Forfeitures may be used by the Plan to reduce the Company's matching contributions for the Plan year in which the forfeiture occurs. Any remaining forfeitures are allocated to participant accounts as if they were additional Company contributions. During the years ended December 31, 2012 and 2011, forfeitures amounted to $37,826 and $20,455, respectively, and $0 and $30,534 were used, respectively, to reduce Company contributions to the Plan.

(i) Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account and bear a fixed rate of interest at a rate commensurate with local prevailing rates. Notes receivable from participants are recorded at their unpaid principal balance plus any accrued but unpaid interest.

(j) Participant Rollovers

Participants may contribute distributions from other qualified plans. These rollover contributions are always 100% vested.

(2) Summary of Significant Policies

(a) Basis of Accounting

The Plan's financial statements have been prepared on the accrual basis of accounting.

(b) Investment Valuation and Income Recognition

The Plan's investments in mutual funds are stated at fair value, generally based on quoted market prices. Shares of mutual funds are valued at the net asset value (NAV) of shares held by the Plan at year-end. The fair value of the guaranteed investment contract is calculated by discounting the related cash flows based on current yields of similar instruments with comparable duration.

As described in Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 962, *Plan Accounting – Defined Contribution Pension Plans* (ASC 962), investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. As required by ASC 962, the statements of net assets available for benefits-present the fair value of the investment contracts, as well as the adjustment of the fully benefit responsive investment contracts from fair value to contract value. The statements of changes in net assets available for benefits are prepared on a contract-value basis.

All investment transactions are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

(c) Payment of Benefits

Benefits are recorded when paid.

(d) Administrative Expenses

Certain administrative expenses of the Plan are paid by the Company and, therefore, not treated as deductions from Plan assets. The majority of these costs are payments to the Plan trustee or recordkeeper for charges, record-keeping expense charges, and other charges for special administrative services or requests.

(e) Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits at the date of the financial statements and the reported amounts of changes in net assets available for benefits during the reporting period. Actual results could differ from these estimates.

(3) Financial Information Certified by Trustee

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the plan administrator has obtained certifications from Frontier Trust Company, the current trustee of the Plan, and Reliance Trust Company, the former trustee of the Plan, that all information relating to the Plan's investments and related investment income is complete and accurate. Information as to the value of the investments in the trust fund managed by the trustee, investment income (loss), and all information in the supplemental schedule is presented in reliance solely upon those certifications.

Investments

All of the cash and investments of the Plan are participant-directed.

At December 31, 2012 and 2011, the Plan's investments, at fair value, were as follows:

		2012	2011
AFS Washington Mutual Investors*,**	$	947,283	817,510
American Balanced Fund*,**		1,821,169	1,605,902
Bond Fund of America		489,632	416,606
Davis New York Venture Fund*,**		1,038,556	996,713
American Target Retirement 2010		93,428	71,620
American Target Retirement 2015		457,366	403,647
American Target Retirement 2020		657,299	565,396
American Target Retirement 2025		293,254	232,616
American Target Retirement 2030		276,398	214,198
American Target Retirement 2035		420,563	296,369
American Target Retirement 2040		371,373	298,084
American Target Retirement 2045		216,779	157,015
American Target Retirement 2050		302,579	113,917
EuroPacific Growth Fund*,**		1,140,101	1,004,680
Federated Max-Cap Instl Service Fund		696,166	703,032
Nationwide S&P 500 Index Fund		188,362	—
Nationwide Small Cap Index Fund		38,553	—
Fidelity Advisor Equity Growth Fund		236,714	236,306
Growth Fund of America*,**		1,842,489	1,580,700
American Capital World G&I*,**		1,212,096	1,183,290
American New World		321,834	304,544
Calamos Growth Fund		678,539	644,480
American US Government Securities		93,872	55,905
Ivy Asset Strategy		591,748	511,950
Pimco GNMA Fund		63,465	45,369
Pimco Total Return		656,613	324,589
MET Managed GIC*,**		2,528,552	2,172,591
	$	17,674,783	14,957,029

* Represents 5% or more of net assets available for benefits at December 31, 2012.

** Represents 5% or more of net assets available for benefits at December 31, 2011.

During the years ended December 31, 2012 and 2011, the Plan's investments in mutual funds, including gains and losses on investments bought and sold, as well as held during the year, appreciated and (depreciated) in value by $1,730,006 and $(592,144), respectively. The Plan's investments in the guaranteed investment contract appreciated in value by $126,293 and $40,382 during the years ended December 31, 2012 and 2011, respectively.

(Continued)

(4) Fair Value Measurements

ASC 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value, which provides a fair value hierarchy that prioritizes inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value.

Mutual funds: Valued at the NAV of shares held by the Plan at year-end.

Guaranteed investment contract: Valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the creditworthiness of the issuer.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair market value hierarchy, the Plan's asset at fair value as of December 31, 2012 and 2011:

	Investments at fair value as of December 31, 2012			
	Level 1	Level 2	Level 3	Total
Guaranteed investment contract	$ —	2,528,552	—	2,528,552
Mutual funds:				
Stocks	13,842,649	—	—	13,842,649
Fixed income	1,303,582	—	—	1,303,582
Total investments	$ 15,146,231	2,528,552	—	17,674,783

	Investments at fair value as of December 31, 2011			
	Level 1	Level 2	Level 3	Total
Guaranteed investment contract	$ —	2,172,591	—	2,172,591
Mutual funds:				
Stocks	11,941,969	—	—	11,941,969
Fixed income	842,469	—	—	842,469
Total investments	$ 12,784,438	2,172,591	—	14,957,029

(5) Investment Contract with Insurance Company

In a Met Managed Guaranteed Investment Contract (GIC), the assets are invested in a MetLife separate account. MetLife will guarantee principal and accrued interest, based on credited interest rates, for participant-initiated withdrawals, as long as the contract remains active. Interest is credited to the contract at interest rates that reflect the performance of the underlying portfolio. The rate resets quarterly and the minimum credit rate is 0%.

MetLife will reset the rate by amortizing the difference between the market value of the portfolio and the guaranteed value over the weighted average duration of the Fund's investment. Participants will receive the principal and accrued earnings credited to their accounts on withdrawal for allowed events. These events include transfers to the Plan's investment options and payments because of retirement, termination of employment, disability, and in-service withdrawals as permitted by the Plan. During 2012 and 2011, this fund yielded 5.37% and 6.18%, respectively, and the average yield credited to participants was 2.93% and 2.54%, respectively.

The GIC is presented at contract value in the Form 5500 for the years ended December 31, 2012 and 2011.

(6) Income Tax Status

On March 31, 2008, the IRS stated that the prototype adopted by the Plan, as then designed, qualifies under Section 401(a) of the IRC. The Plan has not received a determination letter specific to the Plan itself; however, the Plan administrator and the Plan's tax counsel believe that the Plan, as amended, is designed and is being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2009.

(7) Risks and Uncertainties

The plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

(8) Plan Termination

The Company has established the Plan with the intent to maintain it indefinitely, but retains the right, at any time, to discontinue contributions and terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, all participants will become 100% vested in their accounts.

(9) Recent Accounting Pronouncements

On January 1, 2012, the Plan adopted Financial Accounting Standards Board (FAS) Accounting Standards Update (ASU) No. 2011-04, "Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure requirements in U.S. GAAP and IFRSs" (ASU 2011-04). ASU 2011-04 provides new guidance concerning fair value measurements and disclosure. The new guidance is the result of joint efforts by the FASB and the International Accounting Standards Board (IASB) to develop a single, converged fair value framework on how to measure fair value and the necessary disclosures concerning fair value measurements. The guidance is applied prospectively. The adoption did not have any material effect on the Plan's financial statements.

(10) Subsequent Event

The Plan has evaluated subsequent events through October 11, 2013, the date on which the financial statements were available for issuance, and concluded that no subsequent events have occurred that require recognition in the financial statements or disclosure in the notes to the financial statements.

Schedule I

TOWER HILL INSURANCE GROUP, LLC 401(k) PLAN

Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)

December 31, 2012

Identity of issue, borrower, lessor, or similar party	Description of investment	Current value
American Funds	AFS Washington Mutual Investors	$ 947,283
American Funds	American Balanced Fund	1,821,169
American Funds	Bond Fund of America	489,632
Davis	Davis New York Venture Fund	1,038,556
American Funds	American Target Retirement 2010	93,428
American Funds	American Target Retirement 2015	457,366
American Funds	American Target Retirement 2020	657,299
American Funds	American Target Retirement 2025	293,254
American Funds	American Target Retirement 2030	276,398
American Funds	American Target Retirement 2035	420,563
American Funds	American Target Retirement 2040	371,373
American Funds	American Target Retirement 2045	216,779
American Funds	American Target Retirement 2050	302,579
American Funds	EuroPacific Growth Fund	1,140,101
Federated	Federated Max-Cap Instl Service Fund	696,166
Nationwide	Nationwide S&P 500 Index Fund	188,362
Nationwide	Nationwide Small Cap Index Fund	38,553
Fidelity	Fidelity Advisor Equity Growth Fund	236,714
American Funds	Growth Fund of America	1,842,489
American Funds	American Capital World G&I	1,212,096
American Funds	American New World	321,834
Calamos	Calamos Growth Fund	678,539
American Funds	American US Government Securities	93,872
Ivy	Ivy Asset Strategy	591,748
Pimco	Pimco GNMA Fund	63,465
Pimco	Pimco Total Return	656,613
METLife	MET Managed GIC, at contract value	2,419,477
		17,565,708
Adjustment from contract value to fair value for fully benefit-responsive investment contract		109,075
Total assets held		17,674,783
* Participants loans with interest rates ranging from 4.25% to 9.25% and maturity dates ranging from February 2013 to February 2032		514,522
		$ 18,189,305

* Party in interest to the Plan

Cost information has not been included because investments are participant-directed.

See accompanying independent auditors' report.

Schedule C, Part I, line 2(h) Formula Description and Schedule C, Part I, line 3(e) Formula Description

Plan Name: TOWER HILL INSURANCE GROUP, LLC 401(K) PLAN

Plan Number: 213528

Broker Dealer: UBS PaineWebber, Inc.

Ticker Symbol	Investment Name	Formula used to determine Sub-TA Compensation paid to Ascensus	Formula used to determine 12b-1 Compensation to Broker Dealer
AMUSX	American Funds U.S. Govt SecA	12 dollars per fund position	25 basis points
AABTX	American Funds Trgt Date Ret 2015A	10 basis points	25 basis points
AACTX	American Funds Trgt Date Ret 2020A	10 basis points	25 basis points
AADTX	American Funds Trgt Date Ret 2025A	10 basis points	25 basis points
AAETX	American Funds Trgt Date Ret 2030A	10 basis points	25 basis points
AAFTX	American Funds Trgt Date Ret 2035A	10 basis points	25 basis points
AAGTX	American Funds Trgt Date Ret 2040A	10 basis points	25 basis points
AAHTX	American Funds Trgt Date Ret 2045A	10 basis points	25 basis points
AALTX	American Funds Trgt Date Ret 2050A	10 basis points	25 basis points
NYVTX	Davis New York Venture Fund A	12 dollars per fund position	24 basis points
ABALX	American Funds American Balanced Fund A	12 dollars per fund position	25 basis points
ABNDX	American Funds Bond of America A	12 dollars per fund position	25 basis points
AAATX	American Funds Trgt Date Ret 2010A	10 basis points	25 basis points
AGTHX	American Funds Growth Fund of America A	12 dollars per fund position	25 basis points
QUUGQ	MetLife GAC-28582	N/A	N/A
AWSHX	American Funds Washington Mutual Inv A	12 dollars per fund position	25 basis points
CWGIX	American Funds Cap World Gr and IncA	12 dollars per fund position	25 basis points
NEWFX	American Funds New World Fund A	12 dollars per fund position	25 basis points
PTTAX	PIMCO Total Return Fund A	20 basis points	25 basis points
PAGNX	PIMCO GNMA Fund A	20 basis points	N/A
CVGRX	Calamos Growth Fund A	25 basis points	25 basis points
GMRAX	Nationwide Small Cap Index Fund A	25 basis points	25 basis points
GRMAX	Nationwide S&P 500 Index Fund A	25 basis points	25 basis points

Schedule C, Part I, line 2(h) Formula Description and Schedule C, Part I, line 3(e) Formula Description

Plan Name: TOWER HILL INSURANCE GROUP, LLC 401(K) PLAN

Plan Number: 213528

Broker Dealer: UBS PaineWebber, Inc.

Ticker Symbol	Investment Name	Formula used to determine Sub-TA Compensation paid to Ascensus	Formula used to determine 12b-1 Compensation to Broker Dealer
WASAX	Ivy Asset Strategy Fund A	25 basis points	25 basis points
FMXSX	Federated Max Cap Index SS	5 basis points	30 basis points
FAEGX	Fidelity Advisor Equity Growth Fund T	N/A	25 basis points
592176598	MetLife GAC-25053 Class 65	N/A	40 basis points
AEPGX	American Funds EuroPacific Growth Fund A	12 dollars per fund position	25 basis points

Schedule C, Part I, line 2(h) Formula Description and Schedule C, Part I, line 3(e)
Formula Description - Additional Fee Notes

Plan Name: TOWER HILL INSURANCE GROUP, LLC 401(K) PLAN

Plan Number: 213528

Broker Dealer: UBS PaineWebber, Inc.

American Funds

American Funds A-share upfront compensation (all equity, target date, and bond funds):

-$1M to $4M = 1.00%

-$4M through $10M = 0.50%

-$10M and over = 0.25%

TOWER HILL INSURANCE GROUP, LLC 401(k) PLAN

Financial Statements and Supplemental Schedule

December 31, 2012 and 2011

(With Independent Auditors' Report Thereon)

TOWER HILL INSURANCE GROUP, LLC 401(k) PLAN

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KPMG LLP
Suite 1700
100 North Tampa Street
Tampa, FL 33602

Independent Auditors' Report

The Participants and Administrative Committee
Tower Hill Insurance Group, LLC 401(k) Plan:

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Tower Hill Insurance Group, LLC 401(k) Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

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Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

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Disclaimer of Opinion

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

KPMG LLP, is Delaware limited liability partnership, the U.S. member firm of KPMG International Cooperative ("KPMG International"), a Swiss entity.

Other Matter

The supplemental schedule, Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2012 is required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on this supplemental schedule.

Report on Form and Content in Compliance With DOL Rules and Regulations

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KPMG LLP

Jacksonville, Florida
October 11, 2013
Certified Public Accountants

TOWER HILL INSURANCE GROUP, LLC 401(k) PLAN

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Receivables:		
Employer contributions	—	17,353
Participants' contributions	—	47,072
Total receivables	—	64,425
Net assets reflecting investments at fair value	18,189,305	15,672,360
Adjustment from fair value to contract value for fully benefit-responsive investment contract	(109,075)	(122,504)
Net assets available for benefits	$ 18,080,230	15,549,856

See accompanying notes to financial statements.

TOWER HILL INSURANCE GROUP, LLC 401(k) PLAN

Statements of Changes in Net Assets Available for Benefits

Years ended December 31, 2012 and 2011

	2012	2011
Additions to net assets attributed to:		
Investment income (loss):		
Dividend and interest income	$ 278,070	157,276
Net appreciation (depreciation) in fair value of investments	1,730,006	(592,144)
Net appreciation in guaranteed investment contract	126,293	40,382
Total investment income (loss)	2,134,369	(394,486)
Contributions:		
Employer	515,836	492,163
Participants – deferrals	1,499,602	1,484,401
Participants – rollovers	81,772	53,382
Total contributions	2,097,210	2,029,946
Total additions	4,231,579	1,635,460
Deductions from net assets attributed to:		
Payment of benefits and distributions	1,693,394	775,938
Administrative expenses	7,811	1,185
Total deductions	1,701,205	777,123
Net increase	2,530,374	858,337
Net assets available for plan benefits:		
Beginning of year	15,549,856	14,691,519
End of year	$ 18,080,230	15,549,856

See accompanying notes to financial statements.

(1) Description of Plan

The following description of Tower Hill Insurance Group, LLC 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

(a) General

The Plan is a defined contribution plan with an Internal Revenue Code (IRC) 401(k) provision covering all eligible employees of Tower Hill Insurance Group, LLC and affiliates (the Company). The Plan is subject to the provisions of the Employee Retirement Income Securities Act of 1974 (ERISA).

(b) Eligibility

Employees of the Company are eligible to become participants in the Plan and receive employer matching contributions upon completing two months of service and attaining age 18, and nonelective contributions upon completing one year of service.

(c) Contributions

Each eligible employee is automatically enrolled in the Plan, at a contribution rate of 3%, and becomes a participant in the Plan unless the employee elects to decline participation. The contribution percentage increases by 1% each January 1 until it reaches 6%.

Under the Plan, eligible participants may elect to contribute a percentage of their compensation for the year, not to exceed IRC limits. Participants' maximum elective deferrals for the years ended December 31, 2012 and 2011 were $17,000 and $16,500, respectively. Other Internal Revenue Service (IRS) limits exist for certain highly compensated employees participating in the Plan.

The Plan also allows for participants age 50 and older to contribute additional tax-deferred contributions. The catch-up contributions are subject to IRS limits of $5,500 in 2012 and in 2011.

The Plan allows employees to allocate their contributions among 27 investment options, all of which are held by Frontier Trust Company.

The Plan permits the Company to make discretionary matching contributions, which, during the years ended December 31, 2012 and 2011, equaled 50% of the participant's voluntary contribution up to the first 6% of the participant's compensation.

(d) Vesting

Participants begin to vest in Company matching contributions after attaining two years of service. Thereafter, participants vest in Company matching contributions ratably over the next four years. Participant contributions are vested immediately.

(e) Participants' Accounts

Each participant's account is credited with their contributions and their share of the Company's discretionary matching contributions. Investment income is allocated to each participant's account based upon the participant's relative beginning account balance adjusted by withdrawals and contributions made during the allocation period. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account balance.

(f) Payment of Benefits

Upon termination of service for any reason, including death, disability, or retirement, if the participant's vested account balance is $1,000 or less, the form of benefit payment is a lump sum. If the vested account balance exceeds $1,000, the form of benefit payment can be lump sum, partial, or installment payments.

(g) Early Withdrawal

Under certain conditions, participants, while still employed by the Company, are permitted to withdraw up to the employee contribution portion of their account balance. These conditions include unreimbursed medical expenses, the purchase of a principal residence, the payment of postsecondary education tuition, or to prevent eviction from or foreclosure on a principal residence. A participant's right to make deferrals will be suspended for six months after the receipt of the hardship withdrawal. A participant may also make a withdrawal from his or her account when the participant attains age 59½.

(h) Allocation of Forfeitures

Forfeitures may be used by the Plan to reduce the Company's matching contributions for the Plan year in which the forfeiture occurs. Any remaining forfeitures are allocated to participant accounts as if they were additional Company contributions. During the years ended December 31, 2012 and 2011, forfeitures amounted to $37,826 and $20,455, respectively, and $0 and $30,534 were used, respectively, to reduce Company contributions to the Plan.

(i) Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account and bear a fixed rate of interest at a rate commensurate with local prevailing rates. Notes receivable from participants are recorded at their unpaid principal balance plus any accrued but unpaid interest.

(j) Participant Rollovers

Participants may contribute distributions from other qualified plans. These rollover contributions are always 100% vested.

(2) Summary of Significant Policies

(a) Basis of Accounting

The Plan's financial statements have been prepared on the accrual basis of accounting.

(b) Investment Valuation and Income Recognition

The Plan's investments in mutual funds are stated at fair value, generally based on quoted market prices. Shares of mutual funds are valued at the net asset value (NAV) of shares held by the Plan at year-end. The fair value of the guaranteed investment contract is calculated by discounting the related cash flows based on current yields of similar instruments with comparable duration.

As described in Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 962, *Plan Accounting – Defined Contribution Pension Plans* (ASC 962), investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. As required by ASC 962, the statements of net assets available for benefits-present the fair value of the investment contracts, as well as the adjustment of the fully benefit responsive investment contracts from fair value to contract value. The statements of changes in net assets available for benefits are prepared on a contract-value basis.

All investment transactions are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

(c) Payment of Benefits

Benefits are recorded when paid.

(d) Administrative Expenses

Certain administrative expenses of the Plan are paid by the Company and, therefore, not treated as deductions from Plan assets. The majority of these costs are payments to the Plan trustee or recordkeeper for charges, record-keeping expense charges, and other charges for special administrative services or requests.

(e) Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits at the date of the financial statements and the reported amounts of changes in net assets available for benefits during the reporting period. Actual results could differ from these estimates.

(3) Financial Information Certified by Trustee

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the plan administrator has obtained certifications from Frontier Trust Company, the current trustee of the Plan, and Reliance Trust Company, the former trustee of the Plan, that all information relating to the Plan's investments and related investment income is complete and accurate. Information as to the value of the investments in the trust fund managed by the trustee, investment income (loss), and all information in the supplemental schedule is presented in reliance solely upon those certifications.

Investments

All of the cash and investments of the Plan are participant-directed.

At December 31, 2012 and 2011, the Plan's investments, at fair value, were as follows:

		2012	2011
AFS Washington Mutual Investors*,**	$	947,283	817,510
American Balanced Fund*,**		1,821,169	1,605,902
Bond Fund of America		489,632	416,606
Davis New York Venture Fund*,**		1,038,556	996,713
American Target Retirement 2010		93,428	71,620
American Target Retirement 2015		457,366	403,647
American Target Retirement 2020		657,299	565,396
American Target Retirement 2025		293,254	232,616
American Target Retirement 2030		276,398	214,198
American Target Retirement 2035		420,563	296,369
American Target Retirement 2040		371,373	298,084
American Target Retirement 2045		216,779	157,015
American Target Retirement 2050		302,579	113,917
EuroPacific Growth Fund*,**		1,140,101	1,004,680
Federated Max-Cap Instl Service Fund		696,166	703,032
Nationwide S&P 500 Index Fund		188,362	—
Nationwide Small Cap Index Fund		38,553	—
Fidelity Advisor Equity Growth Fund		236,714	236,306
Growth Fund of America*,**		1,842,489	1,580,700
American Capital World G&I*,**		1,212,096	1,183,290
American New World		321,834	304,544
Calamos Growth Fund		678,539	644,480
American US Government Securities		93,872	55,905
Ivy Asset Strategy		591,748	511,950
Pimco GNMA Fund		63,465	45,369
Pimco Total Return		656,613	324,589
MET Managed GIC*,**		2,528,552	2,172,591
	$	17,674,783	14,957,029

* Represents 5% or more of net assets available for benefits at December 31, 2012.

** Represents 5% or more of net assets available for benefits at December 31, 2011.

During the years ended December 31, 2012 and 2011, the Plan's investments in mutual funds, including gains and losses on investments bought and sold, as well as held during the year, appreciated and (depreciated) in value by $1,730,006 and $(592,144), respectively. The Plan's investments in the guaranteed investment contract appreciated in value by $126,293 and $40,382 during the years ended December 31, 2012 and 2011, respectively.

(Continued)

(4) Fair Value Measurements

ASC 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value, which provides a fair value hierarchy that prioritizes inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value.

Mutual funds: Valued at the NAV of shares held by the Plan at year-end.

Guaranteed investment contract: Valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the creditworthiness of the issuer.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair market value hierarchy, the Plan's asset at fair value as of December 31, 2012 and 2011:

	Investments at fair value as of December 31, 2012			
	Level 1	Level 2	Level 3	Total
Guaranteed investment contract	$ —	2,528,552	—	2,528,552
Mutual funds:				
Stocks	13,842,649	—	—	13,842,649
Fixed income	1,303,582	—	—	1,303,582
Total investments	$ 15,146,231	2,528,552	—	17,674,783

	Investments at fair value as of December 31, 2011			
	Level 1	Level 2	Level 3	Total
Guaranteed investment contract	$ —	2,172,591	—	2,172,591
Mutual funds:				
Stocks	11,941,969	—	—	11,941,969
Fixed income	842,469	—	—	842,469
Total investments	$ 12,784,438	2,172,591	—	14,957,029

(5) Investment Contract with Insurance Company

In a Met Managed Guaranteed Investment Contract (GIC), the assets are invested in a MetLife separate account. MetLife will guarantee principal and accrued interest, based on credited interest rates, for participant-initiated withdrawals, as long as the contract remains active. Interest is credited to the contract at interest rates that reflect the performance of the underlying portfolio. The rate resets quarterly and the minimum credit rate is 0%.

MetLife will reset the rate by amortizing the difference between the market value of the portfolio and the guaranteed value over the weighted average duration of the Fund's investment. Participants will receive the principal and accrued earnings credited to their accounts on withdrawal for allowed events. These events include transfers to the Plan's investment options and payments because of retirement, termination of employment, disability, and in-service withdrawals as permitted by the Plan. During 2012 and 2011, this fund yielded 5.37% and 6.18%, respectively, and the average yield credited to participants was 2.93% and 2.54%, respectively.

The GIC is presented at contract value in the Form 5500 for the years ended December 31, 2012 and 2011.

(6) Income Tax Status

On March 31, 2008, the IRS stated that the prototype adopted by the Plan, as then designed, qualifies under Section 401(a) of the IRC. The Plan has not received a determination letter specific to the Plan itself; however, the Plan administrator and the Plan's tax counsel believe that the Plan, as amended, is designed and is being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2009.

(7) Risks and Uncertainties

The plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

(8) Plan Termination

The Company has established the Plan with the intent to maintain it indefinitely, but retains the right, at any time, to discontinue contributions and terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, all participants will become 100% vested in their accounts.

(9) Recent Accounting Pronouncements

On January 1, 2012, the Plan adopted Financial Accounting Standards Board (FAS) Accounting Standards Update (ASU) No. 2011-04, "Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure requirements in U.S. GAAP and IFRSs" (ASU 2011-04). ASU 2011-04 provides new guidance concerning fair value measurements and disclosure. The new guidance is the result of joint efforts by the FASB and the International Accounting Standards Board (IASB) to develop a single, converged fair value framework on how to measure fair value and the necessary disclosures concerning fair value measurements. The guidance is applied prospectively. The adoption did not have any material effect on the Plan's financial statements.

(10) Subsequent Event

The Plan has evaluated subsequent events through October 11, 2013, the date on which the financial statements were available for issuance, and concluded that no subsequent events have occurred that require recognition in the financial statements or disclosure in the notes to the financial statements.

Schedule I

TOWER HILL INSURANCE GROUP, LLC 401(k) PLAN

Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)

December 31, 2012

Identity of issue, borrower, lessor, or similar party	Description of investment	Current value
American Funds	AFS Washington Mutual Investors	$ 947,283
American Funds	American Balanced Fund	1,821,169
American Funds	Bond Fund of America	489,632
Davis	Davis New York Venture Fund	1,038,556
American Funds	American Target Retirement 2010	93,428
American Funds	American Target Retirement 2015	457,366
American Funds	American Target Retirement 2020	657,299
American Funds	American Target Retirement 2025	293,254
American Funds	American Target Retirement 2030	276,398
American Funds	American Target Retirement 2035	420,563
American Funds	American Target Retirement 2040	371,373
American Funds	American Target Retirement 2045	216,779
American Funds	American Target Retirement 2050	302,579
American Funds	EuroPacific Growth Fund	1,140,101
Federated	Federated Max-Cap Instl Service Fund	696,166
Nationwide	Nationwide S&P 500 Index Fund	188,362
Nationwide	Nationwide Small Cap Index Fund	38,553
Fidelity	Fidelity Advisor Equity Growth Fund	236,714
American Funds	Growth Fund of America	1,842,489
American Funds	American Capital World G&I	1,212,096
American Funds	American New World	321,834
Calamos	Calamos Growth Fund	678,539
American Funds	American US Government Securities	93,872
Ivy	Ivy Asset Strategy	591,748
Pimco	Pimco GNMA Fund	63,465
Pimco	Pimco Total Return	656,613
METLife	MET Managed GIC, at contract value	2,419,477
		17,565,708
Adjustment from contract value to fair value for fully benefit-responsive investment contract		109,075
Total assets held		17,674,783
* Participants loans with interest rates ranging from 4.25% to 9.25% and maturity dates ranging from February 2013 to February 2032		514,522
		$ 18,189,305

* Party in interest to the Plan

Cost information has not been included because investments are participant-directed.

See accompanying independent auditors' report.

Attachment to 2012 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name TOWER HILL INSURANCE GROUP, LLC 401(K) PLAN **EIN:** 27-0867974
Plan Sponsor's Name TOWER HILL INSURANCE GROUP, LLC **PN:** 002

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	American Funds	American Funds American Balanced Fund A	0	1,821,169
	American Funds	American Funds Bond of America A	0	489,632
	American Funds	American Funds Cap World Gr and InA	0	1,212,096
	American Funds	American Funds Growth Fund of America A	0	1,842,489
	American Funds	American Funds EuroPacific Growth Fund A	0	1,140,101
	American Funds	American Funds Washington Mutual Inv A	0	947,283
	American Funds	American Funds U.S. Govt SecA	0	93,872

Attachment to 2012 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name TOWER HILL INSURANCE GROUP, LLC 401(K) PLAN **EIN:** 27-0867974
Plan Sponsor's Name TOWER HILL INSURANCE GROUP, LLC **PN:** 002

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	American Funds	American Funds New World Fund A	0	321,834
	Calamos	Calamos Growth Fund A	0	678,539
	Davis	Davis New York Venture Fund A	0	1,038,556
	lvy	Ivy Asset Strategy Fund A	0	591,748
	PIMCO	PIMCO GNMA Fund A	0	63,465
	PIMCO	PIMCO Total Return Fund A	0	656,613
	Federated	Federated Max Cap Index SS	0	696,166

Attachment to 2012 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name TOWER HILL INSURANCE GROUP, LLC 401(K) PLAN **EIN:** 27-0867974
Plan Sponsor's Name TOWER HILL INSURANCE GROUP, LLC **PN:** 002

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	Fidelity	Fidelity Advisor Equity Growth Fund T	0	236,714
	American Funds	American Funds Trgt Date Ret 2010A	0	93,428
	American Funds	American Funds Trgt Date Ret 2015A	0	457,366
	American Funds	American Funds Trgt Date Ret 2020A	0	657,299
	American Funds	American Funds Trgt Date Ret 2025A	0	293,254
	American Funds	American Funds Trgt Date Ret 2030A	0	276,398
	American Funds	American Funds Trgt Date Ret 2035A	0	420,563

Attachment to 2012 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name TOWER HILL INSURANCE GROUP, LLC 401(K) PLAN **EIN:** 27-0867974
Plan Sponsor's Name TOWER HILL INSURANCE GROUP, LLC **PN:** 002

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	American Funds	American Funds Trgt Date Ret 2040A	0	371,373
	American Funds	American Funds Trgt Date Ret 2045A	0	216,779
	American Funds	American Funds Trgt Date Ret 2050A	0	302,579
	Nationwide	Nationwide Small Cap Index Fund A	0	38,553
	Nationwide	Nationwide S&P 500 Index Fund A	0	188,362
	MetLife	MetLife GAC-25053 Class 65	0	2,419,477
	Participants Loan Account	Various Rates and Maturities	0	514,522