

**MedAmerica Mutual Risk Retention Group, Inc.**  
 Summary Statement of Admitted Assets, Liabilities, and Surplus  
 December 31, 2007 and 2006

	<u>Admitted Assets</u>	
	<u>2007</u>	<u>2006</u>
Cash and investments	\$34,471,264	\$29,180,625
Other assets	<u>1,931,161</u>	<u>1,657,210</u>
Total admitted assets	<u>\$36,402,425</u>	<u>\$30,837,835</u>
	<u>Liabilities and Surplus</u>	
	<u>2007</u>	<u>2006</u>
Loss reserves	\$15,989,578	\$13,237,796
Other liabilities	<u>6,107,280</u>	<u>6,533,517</u>
Total liabilities	\$22,096,858	\$19,771,313
Surplus	<u>\$14,305,567</u>	<u>\$11,066,522</u>
Total liabilities and surplus	<u>\$36,402,425</u>	<u>\$30,837,835</u>

**MedAmerica Mutual Risk Retention Group, Inc.**  
 Summary Statement of Income  
 For the Years Ended December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
Premiums earned	\$12,643,202	\$7,742,267
Losses and loss adjustment expense	(7,966,916)	(6,023,231)
Other underwriting expense	<u>(1,189,676)</u>	<u>(1,419,100)</u>
Net underwriting income	3,486,610	299,936
Investment income	1,202,303	904,572
Dividends to Policyholders	<u>(443,006)</u>	<u>(134,208)</u>
Income before federal income taxes	4,245,907	1,070,300
Federal income tax expense	<u>(1,541,475)</u>	<u>(198,577)</u>
Net income	<u>\$2,704,432</u>	<u>\$871,723</u>