



ANNUAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2009
OF THE CONDITION AND AFFAIRS OF THE
SENECA INSURANCE COMPANY, INC.

NAIC Group Code 0158, NAIC Company Code 10936, Employer's ID Number 13-2941133
Organized under the Laws of New York, State of Domicile or Port of Entry New York
Country of Domicile United States
Incorporated/Organized 03/29/1978, Commenced Business 07/01/1978
Statutory Home Office 160 Water Street, New York, NY 10038-4922
Main Administrative Office 160 Water Street, New York, NY 10038-4922, 212-344-3000
Mail Address 160 Water Street, New York, NY 10038-4922
Primary Location of Books and Records 160 Water Street, New York, NY 10038-4922, 212-344-3000
Internet Website Address www.senecainsurance.com
Statutory Statement Contact Vincent I. Maida, 212-344-3000
vmaida@senecainsurance.com, 212-344-4567

OFFICERS

Table with 4 columns: Name, Title, Name, Title. Marc James Adee #, President, CEO; Vincent Isadore Maida, Vice President; Marc Todd Andrew Wolin, SrVP, COO, Treasurer, Secretary.

OTHER OFFICERS

Table with 4 columns: Name, Title, Name, Title. Gabriel John Abbinanti, Vice President; John Christopher Brennan #, Vice President; Thomas Alan Diaczynsky #, Vice President; Melvin George Funk, Vice President; David Alan Hansen, Vice President; James Kramer, Vice President; Kent Alan Kuwitzky, Vice President; Keith McCarthy, Senior Vice President; Ellen Caramore O'Connor, Vice President; Joseph Edward Stanton, Vice President; Ahmed Kamal Yaknour, VP & Chief Information Officer; David Wiles Bishop, Vice President; Albert Joseph Caradonio, Vice President; Frank Vincent Donahue Jr., Vice President; Dennis James Hammer, Vice President; Michael Stanley Kotte Jr., Vice President; Matthew William Kunish, Vice President; Robert Carol LeBrun, Vice President; Kathleen Ann McNamara, Vice President; Michael James Skadra #, Vice President; Chris Ivan Stormo, Vice President.

DIRECTORS OR TRUSTEES

Table with 4 columns: Name, Title, Name, Title. Paul William Bassaline, Harvey Childs, Stephen Arthur Eisenmann #, Donald Ross Fischer; David John Ghezzi, Dennis James Hammer, Gabriel Milton Krausman, Matthew William Kunish; Albert Benjamin Lewis, Douglas M Libby, Mary Jane Robertson, Chris Ivan Stormo; Marc Todd Andrew Wolin.

State of New York

County of New York ss

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

Marc Todd Andrew Wolin, SrVP, COO, Treasurer, Secretary

Marc Todd Andrew Wolin, SrVP, COO, Treasurer, Secretary

Vincent Isadore Maida, Vice President

Subscribed and sworn to before me this 16th day of February, 2010

- a. Is this an original filing? Yes [X] No []
b. If no,
1. State the amendment number
2. Date filed
3. Number of pages attached

Lancelot L. Thomas Notary Public State of New York
No. 24-4943150, Qualified in Kings County
Commission Expires October 17, 2010

ANNUAL STATEMENT FOR THE YEAR 2009 OF THE SENECA INSURANCE COMPANY, INC.

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	241,992,277		241,992,277	135,717,621
2. Stocks (Schedule D):				
2.1 Preferred stocks				
2.2 Common stocks	49,020,911		49,020,911	42,815,897
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....				
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)				
5. Cash (\$(3,200,419) , Schedule E, Part 1), cash equivalents (\$8,259,149 , Schedule E, Part 2) and short-term investments (\$17,738,681 , Schedule DA).....	22,797,411		22,797,411	123,801,678
6. Contract loans, (including \$ premium notes)				
7. Other invested assets (Schedule BA)				
8. Receivables for securities				
9. Aggregate write-ins for invested assets				
10. Subtotals, cash and invested assets (Lines 1 to 9)	313,810,599		313,810,599	302,335,196
11. Title plants less \$ charged off (for Title insurers only).....				
12. Investment income due and accrued	4,971,901		4,971,901	2,322,481
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	2,995,020	64,027	2,930,993	2,488,438
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premium).....	13,603,149		13,603,149	13,600,081
13.3 Accrued retrospective premium.....				
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers	1,781,647		1,781,647	2,402,876
14.2 Funds held by or deposited with reinsured companies				
14.3 Other amounts receivable under reinsurance contracts				
15. Amounts receivable relating to uninsured plans				
16.1 Current federal and foreign income tax recoverable and interest thereon				
16.2 Net deferred tax asset.....	8,833,593	2,793,135	6,040,458	7,825,334
17. Guaranty funds receivable or on deposit				
18. Electronic data processing equipment and software.....	1,037,819	858,777	179,042	396,389
19. Furniture and equipment, including health care delivery assets (\$)	181,531	181,531		
20. Net adjustment in assets and liabilities due to foreign exchange rates				
21. Receivables from parent, subsidiaries and affiliates	57,120		57,120	
22. Health care (\$) and other amounts receivable.....				
23. Aggregate write-ins for other than invested assets	660,292	54,892	605,400	513,185
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	347,932,671	3,952,362	343,980,309	331,883,980
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....				
26. Total (Lines 24 and 25)	347,932,671	3,952,362	343,980,309	331,883,980
DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page				
0999. Totals (Lines 0901 through 0903 plus 0998)(Line 9 above)				
2301. Equities and deposits in pools and associations.....	604,868		604,868	512,524
2302. Miscellaneous receivables.....	532		532	661
2303. Other assets nonadmitted.....	54,892	54,892		
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	660,292	54,892	605,400	513,185

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	81,610,737	90,190,610
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)		
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	28,401,780	31,246,551
4. Commissions payable, contingent commissions and other similar charges	850,083	861,379
5. Other expenses (excluding taxes, licenses and fees)	2,905,924	3,201,471
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	2,883,427	1,938,180
7.1 Current federal and foreign income taxes (including \$ (626,695) on realized capital gains (losses))	2,978,398	4,846,459
7.2 Net deferred tax liability		
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ 3,865,775 and including warranty reserves of \$)	54,316,474	49,858,048
10. Advance premium		
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	1,636,949	2,535,954
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)	136,479	139,604
14. Amounts withheld or retained by company for account of others	50,022	36,609
15. Remittances and items not allocated		
16. Provision for reinsurance (Schedule F, Part 7)	139,636	192,790
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates		19,681
20. Payable for securities		
21. Liability for amounts held under uninsured plans		
22. Capital notes \$ and interest thereon \$		
23. Aggregate write-ins for liabilities	1,000,000	1,057,427
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23)	176,909,909	186,124,763
25. Protected cell liabilities		
26. Total liabilities (Lines 24 and 25)	176,909,909	186,124,763
27. Aggregate write-ins for special surplus funds		
28. Common capital stock	4,800,000	4,800,000
29. Preferred capital stock		
30. Aggregate write-ins for other than special surplus funds		
31. Surplus notes		
32. Gross paid in and contributed surplus	26,275,566	26,275,566
33. Unassigned funds (surplus)	135,994,834	114,683,651
34. Less treasury stock, at cost:		
34.1 shares common (value included in Line 28 \$)		
34.2 shares preferred (value included in Line 29 \$)		
35. Surplus as regards policyholders (Lines 27 to 33, less 34) (Page 4, Line 39)	167,070,400	145,759,217
36. Totals (Page 2, Line 26, Col. 3)	343,980,309	331,883,980
DETAILS OF WRITE-INS		
2301. Miscellaneous payables	1,000,000	1,057,427
2302.		
2303.		
2398. Summary of remaining write-ins for Line 23 from overflow page		
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	1,000,000	1,057,427
2701.		
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page		
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)		
3001.		
3002.		
3003.		
3098. Summary of remaining write-ins for Line 30 from overflow page		
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)		

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	100,613,760	98,006,198
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)	23,453,879	25,486,433
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	8,944,214	9,595,879
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	44,068,947	39,376,615
5. Aggregate write-ins for underwriting deductions		
6. Total underwriting deductions (Lines 2 through 5)	76,467,040	74,458,927
7. Net income of protected cells		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	24,146,720	23,547,271
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	13,479,072	9,635,475
10. Net realized capital gains (losses) less capital gains tax of \$ (626,695) (Exhibit of Capital Gains (Losses))	121,659	9,676,754
11. Net investment gain (loss) (Lines 9 + 10)	13,600,731	19,312,229
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)		
13. Finance and service charges not included in premiums		
14. Aggregate write-ins for miscellaneous income		
15. Total other income (Lines 12 through 14)		
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	37,747,451	42,859,500
17. Dividends to policyholders		
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	37,747,451	42,859,500
19. Federal and foreign income taxes incurred	9,392,285	10,987,832
20. Net income (Line 18 minus Line 19) (to Line 22)	28,355,166	31,871,668
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	145,759,217	127,722,571
22. Net income (from Line 20)	28,355,166	31,871,668
23. Net transfers (to) from Protected Cell accounts		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 2,059,538	4,771,505	(2,467,759)
25. Change in net unrealized foreign exchange capital gain (loss)		
26. Change in net deferred income tax	(832,630)	1,033,767
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 26, Col. 3)	1,016,974	189,523
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	53,154	(75,790)
29. Change in surplus notes		
30. Surplus (contributed to) withdrawn from protected cells		
31. Cumulative effect of changes in accounting principles		
32. Capital changes:		
32.1. Paid in		
32.2. Transferred from surplus (Stock Dividend)		
32.3. Transferred to surplus		
33. Surplus adjustments:		
33.1. Paid in		
33.2. Transferred to capital (Stock Dividend)		
33.3. Transferred from capital		
34. Net remittances from or (to) Home Office		
35. Dividends to stockholders	(12,052,986)	(12,514,763)
36. Change in treasury stock (Page 3, Lines 34.1 and 34.2, Column 2 minus Column 1)		
37. Aggregate write-ins for gains and losses in surplus		
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	21,311,183	18,036,646
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 35)	167,070,400	145,759,217
DETAILS OF WRITE-INS		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page		
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)		
1401.		
1402.		
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page		
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)		
3701.		
3702.		
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page		
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)		

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance.....	103,734,411	100,117,454
2. Net investment income	10,437,196	10,059,326
3. Miscellaneous income		
4. Total (Lines 1 through 3)	114,171,607	110,176,780
5. Benefit and loss related payments	31,412,523	28,595,916
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions	54,657,343	51,589,828
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$6,879,806 tax on capital gains (losses).....	10,633,651	16,859,504
10. Total (Lines 5 through 9)	96,703,517	97,045,248
11. Net cash from operations (Line 4 minus Line 10)	17,468,090	13,131,532
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	35,980,936	220,202,242
12.2 Stocks	8,122,769	
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds		
12.8 Total investment proceeds (Lines 12.1 to 12.7)	44,103,705	220,202,242
13. Cost of investments acquired (long-term only):		
13.1 Bonds	139,795,505	106,349,818
13.2 Stocks	10,069,408	
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications		
13.7 Total investments acquired (Lines 13.1 to 13.6)	149,864,913	106,349,818
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(105,761,208)	113,852,424
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock.....		
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders	12,052,986	12,514,763
16.6 Other cash provided (applied).....	(658,163)	(1,073,379)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(12,711,149)	(13,588,142)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....	(101,004,267)	113,395,814
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	123,801,678	10,405,864
19.2 End of year (Line 18 plus Line 19.1)	22,797,411	123,801,678