

Directors

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Managing Partner
Gallagher, Evelius & Jones

Philip J. Raub
Adjunct Professor, Harford
Community College

George L. Bunting, Jr.
President & C.E.O.
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Arnold I. Richman
Chairman
The Shelter Group

Juliet Eurich
Executive Director
Alvin and Fanny B.
Thalheimer Foundation

James S. Riepe
Senior Advisor and Retired
Vice-Chairman,
T. Rowe Price Associates, Inc.

Freeman A. Hrabowski, III
President, University of
Maryland at Baltimore County

Marjorie Rodgers Cheshire
Executive Vice President
A&R Companies

Hugh W. Mohler
Senior Business Consultant
Employee One

Officers

Sharon V. Woodward
President & Treasurer

Juliet Eurich
Assistant Secretary

Mary B. Harlee
Vice-President

Lisa M. Sadler
Assistant Secretary

Alice P. Jones
Secretary



Baltimore Equitable Insurance



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217th Annual
Statement

2011

Baltimore Equitable Society
Income Statement
for the Year Ending December 31, 2011

INCOME

Net Investment Income Earned	3,488,000
Net Realized Capital Gains (Losses)	4,349,000

Total Income	\$ 7,837,000
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Losses Incurred, net	2,073,000
Loss Expense Incurred, net	317,000
Other Underwriting Expenses Incurred	1,902,000
Reinsurance Expense Incurred	1,199,000

Total Expenses Incurred	\$ 5,491,000
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Net Income (Loss) Before Federal Taxes	\$ 2,346,000
Federal Income Tax Benefit (Expense)	\$ (557,000)

NET INCOME (LOSS) FOR THE YEAR ENDING 12-31-11	\$ 1,789,000
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Financial Statements of the Baltimore Equitable Society are audited by Johnson Lambert & Co.

The Society has no known unrecognized liabilities.

For the protection of our policyholders, the Society keeps the ratio between Insurance at Risk and Assets at a very conservative level. Various reinsurance programs such as catastrophic, facultative and excess of loss, are in place to maintain a high level of protection for our policyholders.

The Society is a non-assessable mutual insurance company. When we were founded in 1794, each policyholder shared in the success or failure of the organization. If additional funds were needed, the policyholder was assessed his share. In the 1800's when our financial condition was strong, we changed to a non-assessable organization.

We are now starting our 218th continuous year of service to members/policyholders.

Baltimore Equitable Society
Balance Sheet at December 31, 2011

ASSETS

Bonds at Amortized Cost	34,701,000
Stocks at Market Value	85,954,000
Short Term Investments (money market funds & cash)	1,901,000
Accrued Investment Income	312,000
Reinsurance Recoverables on Paid Losses	205,000
Electronic Data Processing Equipment	27,000
Perpetual Deposits in the Course of Collection	104,000

Total Assets	\$ 123,204,000
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LIABILITIES

Loss Reserves	527,000
Loss Adjustment Expenses Due	69,000
Other Accrued Expenses Due	144,000
Federal Tax Liability	262,000
Net Deferred Tax Liability	3,734,000
Ceded Reinsurance Premiums Payable	44,000
Funds Due for Pending Investment Transactions	901,000
Perpetual Deposits	47,124,000

Total Liabilities	\$ 52,805,000
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POLICYHOLDER EQUITY

Total Policyholder Protective Fund	\$ 70,399,000
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Total Liabilities and Policyholder Equity	\$ 123,204,000
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