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IN THE DISTRICT COURT OF LANCASTER COUNTY, NEBRASKA

STATE OF NEBRASKA, ex rel.)
 L. TIM WAGNER,)
 DIRECTOR OF INSURANCE OF)
 THE STATE OF NEBRASKA,)
)
 Petitioner,)
)
 vs.)
)
 AMWEST SURETY INSURANCE)
 COMPANY,)
)
 Respondent.)

Case No. CI 01 2102

APPLICATION NO. 111
(FILING DECEMBER 31, 2010
FINANCIAL STATEMENTS AND FOR
ORDER APPROVING SAME)

Bruce R. Ramage, Liquidator ("Liquidator") of Amwest Surety Insurance Company ("Amwest"), files herewith December 31, 2010 financial statements of Amwest and applies to the Court for an Order approving the same.

This application is made pursuant to the Nebraska Insurers Supervision, Rehabilitation and Liquidation Act, NEB. REV. STAT. § 44-4801 *et seq.*, specifically NEB. REV. STAT. § 44-4818 (5), and paragraph 7 of the Order of Liquidation, Declaration of Insolvency and *Injunction dated June 7, 2001, wherein the Liquidator is required to file certain financial reports and accounting with the Court for the period ending December 31, 2001 and at least annually thereafter.*

December 31, 2010 financial statements of Amwest, including a balance sheet and a statement of receipts and disbursements are attached hereto as Exhibit A and incorporated herein by reference.

LANCASTER COUNTY
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 CLERK OF THE
 DISTRICT COURT

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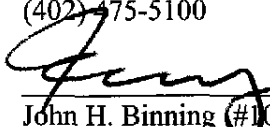
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The Liquidator prays for an Order approving the financial statements.

DATED: April 6, 2011.

BRUCE R. RAMGE, DIRECTOR OF THE
DEPARTMENT OF INSURANCE, STATE OF
NEBRASKA, LIQUIDATOR OF AMWEST
SURETY INSURANCE COMPANY, Petitioner

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AMWEST SURETY INSURANCE COMPANY, IN LIQUIDATION

Balance Sheet
December 31, 2010

Assets	(a)	(b)	(c), (f)
Bonds	345,744		59,649,208
Common stocks	0		1,660,959
Mortgage loans	0		70,236
Real estate	0		
Cash	28,725,713		194,169
Agents balances	0		874,973
Reinsurance recoverables on paid	(28,810)		68,400
EDP	0		7,084,187
Accrued interest and dividends	9,293		13,898
Write ins	2,338,302	(1)	0
	<u>31,390,241</u>		<u>2,103,908</u>
Total Assets			(e)
			803,969
			3,202,123
			11,121,804
			<u>26,673,212</u>
			<u>(2)</u>
			113,521,047
			<u>(82,130,806)</u>
			<u>31,390,241</u>
			<u>31,390,241</u>
			<u>31,390,241</u>

- (1) Aggregate write-ins assets
 - Collateral/Contract Fund receivable 30,278
 - Early Access Payments - CF's 2,308,024
 - Other assets 0
 - 2,338,302
- (2) Aggregate write-ins liabilities
 - Brokers commission payable 606,321
 - Pre-liquidation Contract Claims 25,522,883
 - Other liabilities 544,008
 - 26,673,212

** This Balance Sheet deviates from Statutory Accounting Principles as set forth in footnote (d) above

EXHIBIT A
1 of 2

AMWEST SURETY INSURANCE COMPANY, IN LIQUIDATION
Statement of Cash Receipts and Disbursements
Information Through December 31, 2010

	June 7, 2001 to Dec. 31, 2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	June 7, 2001 to Dec. 31, 2010
Receipts:											
Fee income	5,908,648	2,927,553	2,265,913	918,510	492,609	65,061	2,240	75	-	-	12,580,609
Net reinsurance transactions	8,472,307.00	811,652.08	660.72	553.06	8,597,754.00	-	-	1,327,268	1,279,204	7,196,626	27,686,024
Indemnity recoveries	1,550,876.00	2,306,761.61	1,952,625.86	1,773,178.33	1,282,355.43	2,066,145	1,163,320	1,496,650	495,902	366,129	14,453,942
Contract fund recoveries	2,413,209.00	968,643.23	982,110.10	1,877,368.07	0.00	-	24,297	540,979	925,708	-	7,732,314
Collateral recoveries	884,770.00	516,580.37	2,664,738.07	574,933.51	96,794.25	-	-	258,904	-	-	4,996,721
Interest income	1,065,647.00	1,768,730.46	1,261,975.05	902,606.95	1,237,934.08	1,598,635	2,182,661	1,094,715	136,098	78,229	11,327,231
Agents balances	2,697,471.00	856,084.81	557,774.85	252,494.05	47,471.09	4,781	3,251	-	-	-	4,419,327
Settlements and Preferences	11,557.97	512,564.12	2,822,244.07	1,389,383.31	4,834,989.43	1,303,865	-	3,931,994	286,169	366,875	15,459,641
Administrative reimbursement	34,380.53	37,373.43	48,183.16	64,152.74	67,861.77	4,906	30,000	-	-	-	286,858
Miscellaneous	216,735.19	234,754.57	485,615.62	802,267.64	25,084.76	31,136	495,640	146,720	317	8,094	2,446,365
Total cash receipts	23,255,602	10,940,698	13,041,841	8,555,448	16,682,853	5,074,528	3,901,409	8,797,304	3,123,398	8,015,951	101,389,032
Disbursements:											
Net operating costs	(5,311,170)	(5,764,722)	(3,552,957)	(3,512,098)	(2,593,868)	(2,426,710)	(1,359,283)	(1,021,651)	(733,596)	(516,104)	(26,792,157)
Payroll and related costs	(3,887,478)	(3,532,631)	(2,021,528)	(1,209,464)	(826,772)	(320,215)	(206,046)	(262,063)	(259,033)	(287,408)	(12,812,638)
Loss and LAE payments	(566,913)	(3,066,781)	(2,957,017)	(2,061,946)	(1,631,732)	(1,758,245)	(807,055)	(12,960,170)	(9,862,358)	(1,251,184)	(36,923,410)
Early Access Payments	(67,468)	(73,342)	9,906	617,961	(651,526)	-	(2,860,461)	-	-	-	(2,860,461)
Net Bail Exchange Transactions	(9,833,029)	(12,437,476)	(8,521,596)	(6,165,547)	(5,703,898)	(4,505,170)	(5,232,855)	(14,243,884)	(10,854,986)	(2,054,696)	(64,470)
Total cash disbursements	(29,665,454)	(24,874,932)	(20,034,118)	(13,784,556)	(16,786,329)	(8,695,220)	(10,206,675)	(26,274,713)	(21,710,970)	(23,714,388)	(138,433,136)
Net operating cash flows	13,422,573	(1,496,778)	4,520,245	2,389,901	10,978,966	569,358	(1,331,446)	(5,446,579)	(7,731,588)	5,961,256	21,835,896
Other cash flows:											
Release of encumbered assets	-	500,500	1,477,550	254,948	647,140	432,476	-	463,871	483,757	6,433	4,266,674
Net investment transactions	(9,353,094)	15,504,518	4,722,647	(5,654,902)	(7,576,219)	10,159,540	22,416,332	-	1,954	75,000	30,295,775
Fiduciary Funds Paid to FWIC	(4,033,068)	(4,384,177)	(6,858,466)	(841,549)	(128,048)	(14,313)	(4,539,471)	(1,822,403)	-	-	(1,822,403)
Net Cash Collateral Transactions	(13,386,182)	11,620,841	(658,269)	(6,241,503)	(7,057,128)	10,577,702	17,876,861	(2,858,066)	(170,910)	(417,438)	9,285,908
Total other cash flows	(27,802,308)	12,136,672)	(3,086,986)	(13,518,512)	(14,064,646)	10,615,395)	13,643,622)	(4,254,295)	(1,367,683)	(1,142,031)	11,111,834)
Net cash Flows	36,391	10,124,063	3,861,976	(3,851,603)	3,921,828	11,147,061	16,545,415	(8,304,646)	(7,902,498)	5,543,818	31,121,804

EXHIBIT A
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