



## QUARTERLY STATEMENT

AS OF MARCH 31, 2011

OF THE CONDITION AND AFFAIRS OF THE

## OHIO INDEMNITY COMPANY

NAIC Group Code 0000,  
(Current Period)

(Prior Period)

NAIC Company Code 26565Employer's ID Number 31-0620146Organized under the Laws of Ohio, State of Domicile or Port of Entry OhioCountry of Domicile USIncorporated/Organized February 11, 1956 Commenced Business July 24, 1956Statutory Home Office 250 East Broad Street, 7th Floor, Columbus, Ohio 43215  
(Street and Number, City or Town, State and Zip Code)Main Administrative Office 250 East Broad Street, 7th Floor, Columbus, Ohio 43215  
(Street and Number, City or Town, State and Zip Code) (614)228-2800  
(Area Code) (Telephone Number)Mail Address 250 East Broad Street, 7th Floor, Columbus, Ohio 43215  
(Street and Number or P.O. Box, City or Town, State and Zip Code)Primary Location of Books and Records 250 East Broad Street, 7th Floor, Columbus, Ohio 43215  
(Street and Number, City or Town, State and Zip Code) (614)228-2800  
(Area Code) (Telephone Number)Internet Website Address www.Ohioindemnity.com  
Statutory Statement Contact Matthew Christopher Nolan (614) 220-5207  
mnolan@ohioindemnity.com (Area Code) (Telephone Number) (Extension)  
(E-Mail Address) (614) 228-5552  
(Fax Number)

## OFFICERS

John Scott Sokol (CEO and President)  
 Matthew Christopher Nolan (Treasurer)  
 Matthew Christopher Nolan (Secretary)

## OTHER OFFICERS

Daniel John Stephan  
 Stephen John Toth  
 Margaret Ann Noreen

## DIRECTORS OR TRUSTEES

Kenton Robert Bowen  
 Ann Marie LoConti  
 John Scott Sokol  
 Christopher Michael Valerian  
 Matthew Douglas Walter

State of Ohio }  
 County of Franklin } 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.

John Scott Sokol  
 CEO and President

Matthew Christopher Nolan  
 Treasurer

Matthew Christopher Nolan  
 Secretary

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 \_\_\_\_\_

Subscribed and sworn to before me this  
 28 day of April, 2011

## ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Col. 1 minus Col. 2)	
1. Bonds .....	67,498,540		67,498,540	69,516,824
2. Stocks:				
2.1 Preferred stocks .....	5,825,428		5,825,428	5,991,929
2.2 Common stocks .....	6,283,390		6,283,390	5,548,861
3. Mortgage loans on real estate:				
3.1 First liens .....				
3.2 Other than first liens .....				
4. Real estate:				
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 (\$ ....., 2,543,187 ), cash equivalents (\$ ....., ) and short-term investments (\$ ....., 8,027,477 ) .....	10,570,664		10,570,664	7,498,733
6. Contract loans (including \$ ....., premium notes) .....				
7. Derivatives .....				
8. Other invested assets .....				
9. Receivables for securities .....				
10. Securities lending reinvested collateral assets .....				
11. Aggregate write-ins for invested assets .....				
12. Subtotals, cash and invested assets (Line 1 to Line 11) .....	90,178,022		90,178,022	88,556,347
13. Title plants less \$ ....., charged off (for Title insurers only) .....				
14. Investment income due and accrued .....	1,014,736		1,014,736	972,244
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	6,453,918	21,156	6,432,762	5,613,143
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ....., earned but unbilled premiums) .....				
15.3 Accrued retrospective premiums .....				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	1,121,741		1,121,741	789,870
16.2 Funds held by or deposited with reinsured companies .....				
16.3 Other amounts receivable under reinsurance contracts .....				
17. Amounts receivable relating to uninsured plans .....				
18.1 Current federal and foreign income tax recoverable and interest thereon .....				
18.2 Net deferred tax asset .....	2,930,448	856,669	2,073,779	2,353,729
19. Guaranty funds receivable or on deposit .....				
20. Electronic data processing equipment and software .....	11,161		11,161	14,964
21. Furniture and equipment, including health care delivery assets (\$ ....., ) .....	210,497	210,497		
22. Net adjustment in assets and liabilities due to foreign exchange rates .....				
23. Receivables from parent, subsidiaries and affiliates .....				
24. Health care (\$ ....., ) and other amounts receivable .....				
25. Aggregate write-ins for other than invested assets .....	47,398	47,398		4,016
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Line 12 to Line 25) .....	101,967,921	1,135,720	100,832,201	98,304,313
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
28. Totals (Line 26 and Line 27) .....	101,967,921	1,135,720	100,832,201	98,304,313
<b>DETAILS OF WRITE-INS</b>				
1101 .....				
1102 .....				
1103 .....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....				
1199. Totals (Line 1001 through Line 1103 plus Line 1198) (Line 11 above) .....				
2501. Other Accounts Receivable .....				4,016
2502. Deferred Expenses .....	47,398	47,398		
2503 .....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....	47,398	47,398		
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above) .....	47,398	47,398		4,016

## STATEMENT AS OF MARCH 31, 2011 OF THE OHIO INDEMNITY COMPANY

## LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 4,550,000 )	9,776,283	10,270,648
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses	177,000	291,631
4. Commissions payable, contingent commissions and other similar charges	2,323,062	2,165,529
5. Other expenses (excluding taxes, licenses and fees)	667,197	1,110,357
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	38,044	524,477
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))	949,346	1,186,021
7.2 Net deferred tax liability		
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 54,215,294 and including warranty reserves of \$ 89,440 )	26,210,694	22,633,440
10. Advance premium		
11. Dividends declared and unpaid:		
11.1 Stockholders		2,600,000
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	3,697,302	2,569,362
13. Funds held by company under reinsurance treaties	725,843	750,982
14. Amounts withheld or retained by company for account of others	5,830,269	5,303,877
15. Remittances and items not allocated		
16. Provision for reinsurance		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates	123,659	86,934
20. Derivatives		
21. Payable for securities		
22. Payable for securities lending		
23. Liability for amounts held under uninsured plans		
24. Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities	3,559,409	3,608,914
26. Total liabilities excluding protected cell liabilities (Line 1 through Line 25)	54,078,108	53,102,172
27. Protected cell liabilities		
28. Total liabilities (Line 26 and Line 27)	54,078,108	53,102,172
29. Aggregate write-ins for special surplus funds		
30. Common capital stock	3,000,746	3,000,746
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds		
33. Surplus notes		
34. Gross paid in and contributed surplus	8,199,503	8,199,503
35. Unassigned funds (surplus)	35,553,844	34,001,892
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$ )		
36.2 shares preferred (value included in Line 31 \$ )		
37. Surplus as regards policyholders (Line 29 through Line 35, less Line 36)	46,754,093	45,202,141
38. Totals	100,832,201	98,304,313
<b>DETAILS OF WRITE-INS</b>		
2501. Reserve for Rate Credits and Retrospective Adjustment Based on Experience	3,559,409	3,608,914
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above)	3,559,409	3,608,914
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. Totals (Line 2901 through Line 2903 plus Line 2998) (Line 29 above)		
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. Totals (Line 3201 through Line 3203 plus Line 3298) (Line 32 above)		

## STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct (written \$ 22,544,630 )	17,603,266	15,940,651	71,553,303
1.2 Assumed (written \$ 1,356,392 )	1,481,928	1,334,532	5,992,418
1.3 Ceded (written \$ 9,445,824 )	8,157,594	6,734,898	31,613,217
1.4 Net (written \$ 14,455,198 )	10,927,600	10,540,285	45,932,504
<b>DEDUCTIONS:</b>			
2. Losses incurred (current accident year \$ 5,854,765 ):			
2.1 Direct	6,000,703	7,549,759	27,260,086
2.2 Assumed	120,815	47,959	289,194
2.3 Ceded	1,962,250	2,673,431	11,549,501
2.4 Net	4,159,268	4,924,287	15,998,779
3. Loss adjustment expenses incurred	178,267	307,900	1,669,756
4. Other underwriting expenses incurred	6,150,786	6,464,706	20,490,602
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Line 2 through Line 5)	10,488,321	11,696,893	38,159,137
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	439,279	(1,156,608)	7,773,367
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	1,045,846	979,983	3,989,889
10. Net realized capital gains (losses) less capital gains tax of \$ (161,495)	1,061,220	60,357	(28,991)
11. Net investment gain (loss) (Line 9 plus Line 10)	2,107,066	1,040,340	3,960,898
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ )			
13. Finance and service charges not included in premiums	454,243	(286)	1,487
14. Aggregate write-ins for miscellaneous income			
15. Total other income (Line 12 through Line 14)	454,243	(286)	1,487
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 8 plus Line 11 plus Line 15)			
17. Dividends to policyholders	3,000,588	(116,554)	11,735,752
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)			
19. Federal and foreign income taxes incurred	3,000,588	(116,554)	11,735,752
20. Net income (Line 18 minus Line 19) (to Line 22)	1,110,841	112,439	3,019,433
	1,889,747	(228,993)	8,716,319
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year			
22. Net income (from Line 20)	45,202,141	45,188,206	45,188,206
23. Net transfers (to) from Protected Cell accounts	1,889,747	(228,993)	8,716,319
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ (29,986)			
25. Change in net unrealized foreign exchange capital gain (loss)	(58,209)	327,851	(24,601)
26. Change in net deferred income tax			
27. Change in nonadmitted assets	(52,104)	354,292	(319,749)
28. Change in provision for reinsurance	(227,482)	125,491	741,966
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			(9,100,000)
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus			
38. Change in surplus as regards policyholders (Line 22 through Line 37)	1,551,952	578,641	13,935
39. Surplus as regards policyholders, as of statement date (Line 21 plus Line 38)	46,754,093	45,766,847	45,202,141
<b>DETAILS OF WRITE-INS</b>			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page			
0599. TOTALS (Line 0501 through Line 0503 plus Line 0598) (Line 5 above)			
1401. Settlement of prior year reserves	454,338	(286)	
1402. Miscellaneous income	(74)		1,487
1403. Interest expense	(21)		
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. TOTALS (Line 1401 through Line 1403 plus Line 1498) (Line 14 above)	454,243	(286)	1,487
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page			
3799. TOTALS (Line 3701 through Line 3703 plus Line 3798) (Line 37 above)			

## CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance .....	14,811,182	13,086,237	44,964,105
2. Net investment income .....	986,623	1,050,949	4,035,916
3. Miscellaneous income .....	454,243	(286)	1,487
4. Total (Line 1 through Line 3) .....	16,252,048	14,136,900	49,001,508
5. Benefit and loss related payments .....	4,985,504	10,880,070	19,789,752
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	7,215,744	7,083,210	21,615,636
7. Commissions, expenses paid and aggregate write-ins for deductions .....			
8. Dividends paid to policyholders .....	1,186,041	440,429	2,098,930
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses) .....			
10. Total (Line 5 through Line9) .....	13,387,289	18,403,709	43,504,318
11. Net cash from operations (Line 4 minus Line 10) .....	2,864,759	(4,266,809)	5,497,190
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	3,189,070	6,046,165	22,076,474
12.2 Stocks .....	2,370,935	669	1,341,879
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 (Line 12.1 through Line 12.7) .....	5,560,005	6,046,834	23,418,353
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	500,451	1,381,784	15,747,110
13.2 Stocks .....	2,779,673	604,293	6,127,111
13.3 Mortgage loans .....			
13.4 Real estate .....			
13.5 Other invested assets .....			
13.6 Miscellaneous applications .....			
13.7 Total investments acquired (Line 13.1 through Line 13.6) .....	3,280,124	1,986,077	21,874,221
14. Net increase or (decrease) in contract loans and premium notes .....			
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....	2,279,881	4,060,757	1,544,132
<b>Cash from Financing and Miscellaneous Sources</b>			
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 .....	2,600,000	4,916,755	11,416,755
16.6 Other cash provided (applied) .....	527,291	1,294,881	1,638,726
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) .....	(2,072,709)	(3,621,874)	(9,778,029)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17) .....	3,071,931	(3,827,926)	(2,736,707)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year .....	7,498,733	10,235,440	10,235,440
19.2 End of period (Line 18 plus Line 19.1) .....	10,570,664	6,407,514	7,498,733

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001 .....			
20.0002 .....			
20.0003 .....			
20.0004 .....			
20.0005 .....			
20.0006 .....			
20.0007 .....			
20.0008 .....			
20.0009 .....			
20.0010 .....			

**NOTES TO FINANCIAL STATEMENTS****SECTION A****1. Summary of Significant Accounting Policies:****A. Accounting Practices:**

The financial statements of Ohio Indemnity Company ("the Company") are presented on the basis of accounting practices prescribed or permitted by the Ohio Insurance Department ("the Department").

The Department recognizes only statutory accounting practices prescribed or permitted by the state of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures manual has been adopted as a component of prescribed or permitted practices by the state of Ohio.

**B. Use of Estimates in the Preparation of the Financial Statements:**

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the financial statements and revenue and expenses for the period then ended. It also requires estimates in the disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ materially from these estimates.

**C. Accounting Policy:**

Ohio Indemnity's insurance premiums are earned over the terms of the related insurance policies and reinsurance contracts. For certain of our lender service products, premiums are earned over the contract period in proportion to the amount of insurance protection provided as the amount of insurance protection declines according to a predetermined schedule. For all other products, premiums are earned pro rata over the contract period. The portion of premiums written applicable to the unexpired portion of insurance policies is recorded in the balance sheet as unearned premiums.

Certain lender service policies are eligible for premium adjustments based on loss experience. For certain policies, return premiums are calculated and settled on an annual basis. Certain other policies are eligible for an experience rating adjustment that is calculated and adjusted from period to period and settled upon cancellation of the policy. These balances are presented in the accompanying balance sheet as "Aggregate write-ins for liabilities". These adjustments are included in the calculation of net premiums earned.

SSAP No. 65, "Property and Casualty Contracts," requires a separate test for unearned premiums for policies with coverage periods equal to or in excess of thirteen months. Depending on the results of this test, a reporting entity may be required to record additional unearned premiums on a statutory basis that are not recorded on a GAAP basis. As of March 31, 2011 and 2010, we recorded \$949,188 and \$1,261,623, respectively, of additional unearned premiums under SSAP No. 65 for our GAP product line.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding commissions received or receivable.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost. Money market investments are reflected at cost.
- (2) Bonds not backed by other loans are stated at amortized value using the scientific interest method.
- (3) Redeemable preferred stocks are stated at amortized cost.
- (4) Common stocks, non-redeemable preferred stocks and mutual funds are stated at market values based upon prices prescribed by the NAIC.
- (5) Realized gains and losses on disposal of investments are determined by the specific identification method and are included in investment income. The carrying value of investments is revised and the amount of revision is charged to net realized losses on investments when management determines that a decline in the value of an investment is other-than-temporary.

We continually monitor the difference between the book value and the estimated fair value of our investments, which involves judgment as to whether declines in value are temporary in nature. If we believe a decline in the value of a particular available for sale investment is temporary, we record the decline as an unrealized loss in our shareholders' equity. If we believe the decline in any investment is "other-than-temporarily impaired," we record the decline as a realized loss through the income statement. If our judgment changes in the future, we may ultimately record a realized loss for a security after having originally concluded that the decline in value was temporary. We begin to monitor a security for other-than-temporary impairment when its fair value to book value ratio falls below 80%. Our assessment as to whether a security is other-than-temporarily impaired depends on, among other things: (1) the length of time and extent to which the estimated fair value has been less than book value; (2) whether the decline appears to be related to general market or industry conditions or is issuer specific; (3) our current judgment as to the financial condition and future prospects of the entity that issued the investment security; and (4) our intent to sell the security or the likelihood that we will be required to sell the security before its anticipated recovery.

We also continually monitor the credit quality of our fixed maturity investments to gauge our ability to be repaid principal and interest. We consider price declines of securities in our other-than-temporary impairment analysis where such price declines provide evidence of declining credit quality, and we distinguish between price changes caused by credit deterioration, as opposed to rising interest rates. In our evaluation of credit quality, we consider, among other things, credit ratings from major rating agencies, including Moody's Industry Services ("Moody's") and Standard & Poor's ("S&P").

**NOTES TO FINANCIAL STATEMENTS**

(6) Unpaid losses and loss adjustment expenses ("LAE") include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability is continually reviewed and any adjustments are reflected in the period determined.

Assumed reinsurance is a line of business with inherent volatility. Since the length of time required for the losses to be reported through the reinsurance system can be quite long, unexpected events are more difficult to predict. Ultimate loss experience for assumed reinsurance is based primarily on reports received by the Company from the underlying ceding insurers.

(7) Pursuant to the terms of certain surety bonds issued by the Company that guarantee the payment of reimbursable unemployment compensation benefits, certain monies are held by the Company in contract funds on deposit and are used for the payment of benefit charges. The Company has agreements with cost containment service firms designed to control the unemployment compensation costs of the employers enrolled in the program. Benefit charges incurred in excess of the contract funds on deposit are recorded by us as losses and loss adjustment expenses. If there are any remaining contract funds on deposit after all benefit charges, those funds are shared between the Company and the cost containment firms and our share is recorded as management fees. Management fees are recognized when earned based on the development of benefit charges. Management fees of \$454,338 and \$0 were recognized for the period ended March 31 2011 and 2010, respectively.

(8) Certain software costs are capitalized in accordance with SSAP No. 82, "Accounting for the Costs of Computer Software Developed or Obtained for Internal Use and Web Site Development Costs." Depreciation is computed using the straight-line method in amounts adequate to amortize costs over the estimated useful life of the applicable asset, which is approximately three years. The amounts of capitalized costs were \$11,161 and \$14,964 at March 31, 2011 and December 31, 2010, respectively. Depreciation expense was \$3,803 and \$26,516 for the period ended March 31, 2011 and March 31, 2010, respectively.

2. Accounting Changes and Corrections of Errors: Not applicable.

3. Business Combinations and Goodwill: Not applicable.

4. Discontinued Operations: Not applicable.

5. Investments:

A. Mortgage Loans: Not applicable.

B. Debt Restructuring: Not applicable.

C. Reverse Mortgages: Not applicable.

D. Loan-Backed Securities: Not applicable.

E. Repurchase Agreements: Not applicable.

6. Joint Ventures, Partnerships and Limited Liability Companies: Not applicable.

7. Investment Income:

A. Accrued Investment Income: The Company nonadmits investment income due and accrued if amounts are over 90 days past due.

B. Amounts Nonadmitted: Not applicable.

8. Derivative Instruments: Not applicable.

9. Income Taxes:

A. The components of the net deferred tax asset at March 31 are as follows:

	<u>March 31, 2011</u>	<u>December 31, 2010</u>
(1)Gross deferred tax assets	\$3,451,076	\$3,519,790
(2)Gross deferred tax liabilities	(520,628)	(567,224)
(3)Net deferred tax assets	2,930,448	2,952,566
(4)Nonadmitted deferred tax assets	(856,669)	(598,837)
(5)Admitted deferred tax assets	2,073,779	2,353,729
(6)Increase (decrease) in deferred tax assets nonadmitted	257,832	(710,070)

B. Unrecognized deferred tax liabilities: Not applicable.

C. Current income taxes incurred consist of the following major components:

**NOTES TO FINANCIAL STATEMENTS**

	<u>March 31, 2011</u>	<u>March 31, 2010</u>
(1) Current income tax expense		
Federal income tax expense	\$1,110,841	\$112,439
Realized capital gains (losses) tax expense (benefit)	(161,495)	(51,155)
Total statutory income tax expense	<u>\$949,346</u>	<u>\$61,284</u>

(2) Net change in deferred taxes:	<u>March 31, 2011</u>	<u>March 31, 2010</u>
Change in DTA's	\$ (68,714)	\$338,394
Change in DTL's	<u>46,596</u>	<u>(152,995)</u>
Net change in deferred taxes	(22,118)	185,399
Change in DTL's on net unrealized capital gains (losses)	(29,986)	<u>168,893</u>
Gross change in deferred taxes	<u>\$(52,104)</u>	<u>\$354,292</u>

(3) Deferred income taxes include an expense of \$ 0 from net operating losses.

**D. Reconciliation of federal income tax rate to actual effective rate:**

The significant books to tax adjustments were as follows:

	<u>March 31, 2011</u>	<u>March 31, 2010</u>
Expected federal income tax expense	\$965,292	\$(57,021)
Change in unearned premium reserves	243,253	457,661
Book over capital gains	(467,402)	(54,284)
Book over tax reserves	(8,404)	(117,405)
Tax exempt interest and dividends received deduction	(223,037)	(251,872)
Alternative minimum tax credit	-	100,695
Capital Loss carryforward	161,455	(51,155)
Valuation allowance	239,063	-
Other	<u>39,126</u>	<u>34,665</u>
 Federal income tax expense	 <u>949,346</u>	 <u>\$61,284</u>

**E. Operating Loss and Tax Credit Carryforwards**

(1) At March 31, 2011, the Company had \$0 of net operating loss carryforward. The Company also has an alternative minimum tax credit of \$280,857 at March 31, 2011 with no expiration date.

(2) The following is income tax expense for 2011, 2010 and 2009 that is available for recoupment in the event of future net losses:

2011 (current year)	\$ 949,346
2010 (current - 1)	2,844,522
2009 (current - 2)	1,542,567

**F. Consolidated Federal Income Tax Return:**

(1) The Company's federal income tax return is consolidated with the following entities:

Bancinsurance Corporation and Ultimate Services Agency, LLC ("USA")

(2) The Company files a consolidated federal income tax return with its parent, Bancinsurance Corporation. The Company has a tax sharing agreement, as approved by the Board of Directors, with its parent whereby federal income tax expense is determined as if the Company filed a separate federal income tax return and payments for this liability are made to the parent.

**14. Contingencies:**

A. Contingent Commitments: Not applicable.

B. Assessments: Not applicable.

C. Gain Contingencies: Not applicable.

D. All Other Contingencies:

**NOTES TO FINANCIAL STATEMENTS**

We are involved in legal proceedings arising in the ordinary course of business which are routine in nature and incidental to our business. We currently believe that none of these matters, either individually or in the aggregate, is reasonably likely to have a material adverse effect on our financial condition, results of operations or liquidity. However, because litigation is subject to inherent uncertainties and the outcome of such matters cannot be predicted with certainty, future developments could cause any one or more of these matters to have a material adverse effect on our financial condition, results of operations and liquidity.

**17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities:**

- A. Transfers of Receivables Reported as Sales: Not applicable.
- B. Transfers and Servicing of Financial Assets: Not applicable.
- C. Wash Sales: Not applicable.

**20. Fair Value Measurement:**

The following table summarizes the Company's financial assets measured at fair value on a recurring basis as of March 31, 2011:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Bonds	1,549,028	-	1,549,028	-
Preferred stocks	3,141,147	3,141,147	-	-
Common stocks	6,283,390	6,283,390	-	-
<b>Total</b>	<b>10,973,565</b>	<b>9,424,537</b>	<b>1,549,028</b>	<b>-</b>

The Company has categorized its assets into the three-level hierarchy based upon the priority of the inputs to the respective valuation technique. The following summarizes the type of assets included within the three-level hierarchy presented in the table above:

- *Level 1* – This category includes exchange-traded preferred stocks, common stocks and mutual funds. Redeemable preferred stocks with an NAIC rating of 3 through 6 are carried at the lower of cost or fair value. The preferred stock and common stock listed in the above table are carried at fair value.
- *Level 2* – This category includes bonds. Bonds with an NAIC rating of 3 through 6 are carried at the lower of amortized cost or fair value. The bonds listed in the above table are carried at fair value.
- *Level 3* – The Company has no Level 3 assets or liabilities.

As of March 31, 2011, the Company had no financial liabilities that were measured at fair value and no financial assets that were measured at fair value on a non-recurring basis. The Company also did not have any non-financial assets or non-financial liabilities that were measured at fair value on a recurring or non-recurring basis.

**21. Other Items:**

- A. Extraordinary Items: Not applicable.
- B. Troubled Debt Restructuring: Not applicable.

**C. Other Disclosures:**

The Company elected to use rounding in reporting amounts in this Annual Statement. The Company also set a tolerance for rounding errors at 1 for validation purposes.

- D. Nature of any portion of the balance that is reasonably possible to uncollectible for assets covered by SSAP No. 6: Not applicable.
- E. Business Interruption Insurance recoveries: Not applicable.
- F. State Transferable Tax Credits: Not applicable.
- G. Subprime-Mortgage-Related Risk Exposure: Not applicable.

**22. Events Subsequent: Not applicable.****23. Reinsurance:**

- A. Unsecured Reinsurance Recoverables: Not applicable.
- B. Reinsurance Recoverable in Dispute: Not applicable.

**C. Reinsurance Assumed and Ceded:**

(1)The following table summarizes assumed and ceded unearned premiums and the related commission equity at March 31, 2011, stated in dollars.

	<u>Assumed</u>		<u>Ceded</u>		<u>Assumed Less Ceded</u>	
	1	2	3	4	5	6
	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity
a. Affiliates	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. All Other	<u>2,499,383</u>	<u>1,249,692</u>	<u>54,215,294</u>	<u>4,972,489</u>	<u>(51,715,911)</u>	<u>(3,722,798)</u>
c. Total	2,499,383	1,249,692	54,215,294	4,972,489	(51,715,911)	(3,722,798)

## NOTES TO FINANCIAL STATEMENTS

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D. Direct Unearned Premium Reserve: \$ 71,872,686

(2)The additional or return commission, predicated on loss experience or on any other form of profit sharing arrangements in this annual statement as a result of existing contractual arrangements: Not applicable.

25. Change in incurred Losses and Loss Adjustment Expenses:

Reserves as of December 31, 2010 were \$10.56 million. As of March 31, 2011, \$3.87 million has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$4.94 million as a result of re-estimation of unpaid claims and claim adjustment expenses principally from our lender service, unemployment, waste industry and other specialty product lines. Therefore, there has been a \$ 1.75 million favorable prior-year development since December 31, 2010 to March 31, 2011. The decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

36. Financial guaranty Insurance: Not applicable

**GENERAL INTERROGATORIES****PART 1 - COMMON INTERROGATORIES****GENERAL**

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?  Yes ( )  No (X)

1.2 If yes, has the report been filed with the domiciliary state?  Yes ( )  No ( )

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?  Yes ( )  No (X)

2.2 If yes, date of change: \_\_\_\_\_

3. Have there been any substantial changes in the organizational chart since the prior quarter end?  Yes ( )  No (X)  
If yes, complete the Schedule Y - Part 1 - organizational chart.

4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?  Yes ( )  No (X)

4.2 If yes, provide name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....	.....	.....
.....	.....	.....
.....	.....	.....

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?  Yes ( )  No (X)  N/A ( )  
If yes, attach an explanation.

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2006

6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2006

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 07/08/2007

6.4 By what department or departments?  
OHIO DEPARTMENT OF INSURANCE  
.....

6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?  Yes (X)  No ( )  N/A ( )

6.6 Have all of the recommendations within the latest financial examination report been complied with?  Yes (X)  No ( )  N/A ( )

7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.)  Yes ( )  No (X)

7.2 If yes, give full information  
.....

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?  Yes ( )  No (X)

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.  
.....

8.3 Is the company affiliated with one or more banks, thrifts or securities firms?  Yes ( )  No (X)

8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....

## GENERAL INTERROGATORIES (continued)

9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes (X) No ( )

- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.

9.11 If the response to 9.1 is No, please explain:  
.....

9.2 Has the code of ethics for senior managers been amended? Yes ( ) No (X)

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).  
.....

9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes ( ) No (X)

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).  
.....

### FINANCIAL

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes ( ) No (X)

10.2 If yes, indicate the amounts receivable from parent included in the Page 2 amount: \$ .....

### INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes ( ) No (X)

11.2 If yes, give full and complete information relating thereto:  
.....

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ .....

13. Amount of real estate and mortgages held in short-term investments: \$ .....

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes ( ) No (X)

14.2 If yes, please complete the following:

	1 Prior Year-End Book/ Adjusted Carrying Value	2 Current Quarter Book/ Adjusted Carrying Value
14.21 Bonds .....	\$ .....	\$ .....
14.22 Preferred Stock .....	\$ .....	\$ .....
14.23 Common Stock .....	\$ .....	\$ .....
14.24 Short-Term Investments .....	\$ .....	\$ .....
14.25 Mortgage Loans on Real Estate .....	\$ .....	\$ .....
14.26 All Other .....	\$ .....	\$ .....
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Line 14.21 to Line 14.26) .....	\$ .....	\$ .....
14.28 Total Investment in Parent included in Line 14.21 to Line 14.26 above .....	\$ .....	\$ .....

15.1 Has the reporting entity entered into any hedging transactions reported on schedule DB? Yes ( ) No (X)

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes ( ) No ( )

If no, attach a description with this statement.

## GENERAL INTERROGATORIES (continued)

16. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, F - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes (X) No ( )

16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
Fifth Third Bank .....	38 Fountain Square, Cincinnati, OH 45263 .....
Meeder Asset Management .....	6125 Memorial Drive, Dublin 43017 .....
Huntington National Bank .....	30050 Chagrin Boulevard, Suite 150, Pepper Pike, OH 44124 .....

16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....	.....	.....
.....	.....	.....
.....	.....	.....

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? Yes ( ) No (X)

16.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of brokers/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
108271 .....	Sit Investment Associates .....	80 South Eighth Street, 3300 IDS Center Minneapolis, MN 55402 .....
105794 .....	Meeder Asset Management .....	6125 Memorial Drive, Dublin, OH 43017 .....
7745 .....	Huntington National Bank .....	30050 Chagrin Boulevard, Suite 150, Pepper Pike, OH 44124 .....

17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes (X) No ( )

17.2 If no, list exceptions:

.....

**GENERAL INTERROGATORIES - Line 4.2 (Continued)**

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
---------------------	------------------------	------------------------

4.2 - Entities that have ceased to exist as a result of the merger or consolidation.

**GENERAL INTERROGATORIES - Line 8.4 (Continued)**

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
---------------------	-----------------------------	----------	----------	----------	-----------	----------

**GENERAL INTERROGATORIES - Line 16.1 (continued)**

1 Name of Custodian(s)	2 Custodian Address
---------------------------	------------------------

Agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook  
 UBS Financial Services ..... 180 Market Street New Albany, Ohio 43054 .....  
 16.1 - Agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook

**GENERAL INTERROGATORIES - Line 16.2 (continued)**

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
--------------	------------------	------------------------------

**GENERAL INTERROGATORIES - Line 16.4 (continued)**

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
--------------------	--------------------	---------------------	-------------

**GENERAL INTERROGATORIES - Line 16.5 (continued)**

1 Central Registration Depository	2 Name(s)	3 Address
---	--------------	--------------

Investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments  
 0221 ..... UBS Financial Services ..... 180 Market Street New Albany, Ohio 43054 .....  
 16.5 - Investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments

**GENERAL INTERROGATORIES (continued)****PART 2****PROPERTY AND CASUALTY INTERROGATORIES**

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? Yes ( ) No ( ) N/A (X)  
If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? Yes ( ) No (X)  
If yes, attach an explanation.

3.1 Have any of the reporting entity's primary reinsurance contracts been cancelled? Yes ( ) No (X)

3.2 If yes, give full and complete information thereto  
.....  
.....

4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see Annual Statement Instructions pertaining to disclosure of discounting for definition of "tabular reserves") discounted at a rate of interest greater than zero? Yes ( ) No (X)

4.2 If yes, complete the Discount Schedule.

5. Operating Percentages:

5.1 A&H loss percent ..... %

5.2 A&H cost containment percent ..... %

5.3 A&H expense percent excluding cost containment expenses ..... %

6.1 Do you act as a custodian for health savings accounts? Yes ( ) No (X)

6.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$.....

6.3 Do you act as an administrator for health savings accounts? Yes ( ) No (X)

6.4 If yes, please provide the balance of the funds administered as of the reporting date. \$.....

**Page 9**  
Schedule F - Ceded Reinsurance  
**NONE**

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

Current Year to Date - Allocated by States and Territories

States, etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
1. Alabama	AL L	47,281	26,127	5,904		24,576	19,575
2. Alaska	AK L	115,566	103,115		644	3,697	3,997
3. Arizona	AZ L	6,151	(9,801)			34,898	15,224
4. Arkansas	AR L	19,468	10,752	8,354	36,841	12,345	21,994
5. California	CA L	5,078,259	7,856,523	1,626,288	1,551,358	513,142	772,996
6. Colorado	CO L	19,183	25,969		5,962	77,430	63,233
7. Connecticut	CT L	195,357	185,003	43,006	56,532	175,503	214,615
8. Delaware	DE L	146	(77)			6,999	14,647
9. District of Columbia	DC L	21,510	19,155		9,119	3,780	2,675
10. Florida	FL L	247,600	237,877	84,174	98,590	359,178	358,033
11. Georgia	GA L	27,985	19,471	9,900	1,794	45,915	39,130
12. Hawaii	HI L	37,014		8,166		14,719	1,225
13. Idaho	ID L	3,691	734			740	175
14. Illinois	IL L	135,327	107,793	39,256	54,556	338,575	634,183
15. Indiana	IN L	235,719	95,638	39,741	74,728	96,205	105,530
16. Iowa	IA L	9,699	10,297	10,188	1,110	9,367	847
17. Kansas	KS L	17,172	43,306	10,422	6,015	51,672	46,259
18. Kentucky	KY L	502,146	383,766	173,793	126,002	866,409	866,661
19. Louisiana	LA L	41,483	19,648	7,263	86,079	31,709	193,082
20. Maine	ME L	17,745	12,742	1,483	8,834	5,806	13,681
21. Maryland	MD L	191,382	209,413	8,710	78,688	220,498	133,932
22. Massachusetts	MA L	814,901	602,193	196,218	280,045	363,712	402,372
23. Michigan	MI L	98,670	205,658	30,390	84,314	209,015	249,170
24. Minnesota	MN L	9,453	7,800			9,964	9,311
25. Mississippi	MS L	32,322	23,489	24,474	12,625	24,997	14,407
26. Missouri	MO L	462,478	226,431	1,059	43,051	341,783	283,389
27. Montana	MT L	7,346	92				
28. Nebraska	NE L	276	105			3	381
29. Nevada	NV L	267,591	(442)	2,206		253,197	213,441
30. New Hampshire	NH L	13,796	10,339	145	35,967	12,198	31,974
31. New Jersey	NJ L	681,539	527,321	339,267	507,524	1,191,742	1,153,007
32. New Mexico	NM L	43,239	39,864	9,818	7,696	7,860	9,271
33. New York	NY L	1,226,399	1,021,278	352,509	434,777	1,267,825	1,042,233
34. North Carolina	NC L	131,693	290,046	872		263,059	116,059
35. North Dakota	ND L	9,888	3,372		2,734	1,060	802
36. Ohio	OH L	2,452,217	2,162,626	1,297,613	1,743,087	1,580,670	1,820,198
37. Oklahoma	OK L	37,821	17,110	25,021	11,733	66,455	48,866
38. Oregon	OR L	212,858	203,641	7,134	5,236	30,396	10,905
39. Pennsylvania	PA L	137,779	153,993	4,130	53,593	43,223	17,222
40. Rhode Island	RI L	738,808	1,087,824	666,404	1,193,500	633,125	784,721
41. South Carolina	SC L	18,253	11,365	3,906	132	4,236	1,001
42. South Dakota	SD L		200				
43. Tennessee	TN L	65,377	93,855	55,662	55,338	117,529	38,045
44. Texas	TX L	7,873,404	6,204,820	1,979,283	1,955,978	2,531,144	2,117,761
45. Utah	UT L	2,650	2,779				72,341
46. Vermont	VT L	28,090	15,793	10,753	38,139	8,609	24,687
47. Virginia	VA L	54,407	267,322	9,417	29,824	89,198	79,945
48. Washington	WA L	18,067	11,582	2,999	1,327	7,911	3,738
49. West Virginia	WV L	58,719	27,186	1,035	10,713	103,947	38,418
50. Wisconsin	WI L	76,226	84,379			9,794	60,222
51. Wyoming	WY L	479	359				4,146
52. American Samoa	AS N						
53. Guam	GU N						
54. Puerto Rico	PR N						
55. U.S. Virgin Islands	VI N						
56. Northern Mariana Islands	MP N						
57. Canada	CN N						
58. Aggregate Other Alien	OT XXX						
59. Totals	(a) 51	22,544,630	22,659,831	7,096,963	8,713,979	12,119,600	12,169,727

**DETAILS OF WRITE-INS**

5801.	XXX
5802.	XXX
5803.	XXX
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX
5899. TOTALS (Line 5801 through Line 5803 plus Line 5898) (Line 58 above)	XXX

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer;  
(E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

(a) Insert the number of "L" responses except for Canada and Other Alien.

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES  
OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**

**PART 1 - ORGANIZATIONAL CHART**

---

**Schedule Y as of March 31, 2011**

**Fenist, LLC**  
(A Holding Company)  
Organized in Ohio

**Bancinsurance Corporation**  
(A Holding Company)  
Incorporated in Ohio

**Ohio Indemnity Company**  
(An Insurance Company)  
Incorporated in Ohio

**Ultimate Services Agency, LLC**  
(An Insurance Agency)  
Organized in Ohio

**BIC Statutory Trust I**  
(A Trust)  
Organized in Connecticut

**BIC Statutory Trust II**  
(A Trust)  
Organized in Delaware

## PART 1 - LOSS EXPERIENCE

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire				
2. Allied lines				
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril				
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine	7,122,620	1,707,187	24.0	47.4
10. Financial guaranty				
11.1 Medical professional liability-occurrence				
11.2 Medical professional liability-claims made				
12. Earthquake				
13. Group accident and health				
14. Credit accident and health				
15. Other accident and health				
16. Workers' compensation				
17.1 Other liability-occurrence	10,859	41,399	381.2	(310.9)
17.2 Other liability-claims made				
17.3 Excess Workers' Compensation				
18.1 Products liability-occurrence				
18.2 Products liability-claims made				
19.1, 19.2 Private passenger auto liability				
19.3, 19.4 Commercial auto liability	441,485	(47,827)	(10.8)	57.1
21. Auto physical damage				
22. Aircraft (all perils)				
23. Fidelity	2,386,548	290,698	12.2	(18.7)
24. Surety				
26. Burglary and theft				
27. Boiler and machinery				
28. Credit	2,411,985	641,518	26.6	36.7
29. International				
30. Warranty	16,543	(76,180)	(460.5)	(169.9)
31. Reinsurance-Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32. Reinsurance-Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33. Reinsurance-Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	5,213,226	3,443,908	66.1	79.0
35. TOTALS	17,603,266	6,000,703	34.1	47.4
<b>DETAILS OF WRITE-INS</b>				
3401. Collateral Protection	2,404,228	2,005,633	83.4	106.4
3402. Excess of Loss	1,298,008	897,103	69.1	52.1
3403. GAP	1,510,990	541,172	35.8	37.0
3498. Summary of remaining write-ins for Line 34 from overflow page				
3499. Totals (Line 3401 through Line 3403 plus Line 3498) (Line 34)	5,213,226	3,443,908	66.1	79.0

## PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year to Date		
1. Fire					
2. Allied lines					
3. Farmowners multiple peril					
4. Homeowners multiple peril					
5. Commercial multiple peril					
6. Mortgage guaranty					
8. Ocean marine					
9. Inland marine					
10. Financial guaranty					
11.1 Medical professional liability-occurrence					
11.2 Medical professional liability-claims made					
12. Earthquake					
13. Group accident and health					
14. Credit accident and health					
15. Other accident and health					
16. Workers' compensation					
17.1 Other liability-occurrence	(293)	(293)	(49)		
17.2 Other liability-claims made					
17.3 Excess Workers' Compensation					
18.1 Products liability-occurrence					
18.2 Products liability-claims made					
19.1, 19.2 Private passenger auto liability					
19.3, 19.4 Commercial auto liability	616,412	616,412	3,439,466		
21. Auto physical damage					
22. Aircraft (all perils)					
23. Fidelity					
24. Surety	2,674,763	2,674,763	2,750,544		
26. Burglary and theft					
27. Boiler and machinery					
28. Credit	2,001,747	2,001,747	1,436,189		
29. International					
30. Warranty	228,572	228,572	8,430		
31. Reinsurance-Nonproportional Assumed Property	XXX	XXX	XXX		
32. Reinsurance-Nonproportional Assumed Liability	XXX	XXX	XXX		
33. Reinsurance-Nonproportional Assumed Financial Lines	XXX	XXX	XXX		
34. Aggregate write-ins for other lines of business	8,681,557	8,681,557	9,379,572		
35. TOTALS	22,544,630	22,544,630	22,659,833		
<b>DETAILS OF WRITE-INS</b>					
3401. Collateral Protection	3,185,635	3,185,635	4,206,051		
3402. Excess of Loss	4,386,672	4,386,672	4,404,707		
3403. GAP	1,109,250	1,109,250	768,814		
3498. Summary of remaining write-ins for Line 34 from overflow page					
3499. Totals (Line 3401 through Line 3403 plus Line 3498) (Line 34)	8,681,557	8,681,557	9,379,572		

STATEMENT AS OF MARCH 31, 2011 OF THE OHIO INDEMNITY COMPANY

**PART 3 (000 Omitted)**

**LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE**

Years in Which Losses Occurred	1 Prior Year-End Known Case Loss and LAE Reserves	2 Prior Year-End IBNR Loss and LAE Reserves	3 Total Prior Year-End Loss and LAE Reserves (Column 1 plus Column 2)	4 2011 Loss and LAE Payments on Claims Reported as of Prior Year-End	5 2011 Loss and LAE Payments on Claims Unreported as of Prior Year-End	6 Total 2011 Loss and LAE Payments (Column 4 plus Column 5)	7 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End	8 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	9 Q.S. Date IBNR Loss and LAE Reserves	10 Total Q.S. Loss and LAE Reserves (Column 7 plus Column 8 plus Column 9)	11 Prior Year-End Known Case Loss and LAE Reserves	12 Prior Year-End IBNR Loss and LAE Reserves Developed (Savings) / Deficiency (Column 4 plus Column 8 plus Column 7 minus Column 1)	13 Prior Year-End Total Loss and LAE Reserve Developed (Savings) / Deficiency (Column 11 plus Column 12)
1. 2008 + Prior	.....	1,224	1,224	.....	12	12	.....	5	1,101	1,106	.....	(106)	(106)
2. 2009	.....	939	939	.....	751	751	.....	.....	913	913	.....	725	725
3. Subtotals 2009 + prior	.....	2,163	2,163	.....	763	763	.....	5	2,014	2,019	.....	619	619
4. 2010	561	7,838	8,399	522	2,579	3,101	137	77	2,701	2,915	98	(2,481)	(2,383)
5. Subtotals 2010 + prior	561	10,001	10,562	522	3,342	3,864	137	82	4,715	4,934	98	(1,862)	(1,764)
6. 2011	XXX	XXX	XXX	XXX	1,082	1,082	XXX	292	4,727	5,019	XXX	XXX	XXX
7. Totals	561	10,001	10,562	522	4,424	4,946	137	374	9,442	9,953	98	(1,862)	(1,764)
8. Prior Year-End Surplus As Regards Policy-holders	.....	45,202	.....	.....	.....	.....	.....	.....	.....	.....	Column 11, Line 7 As % of Column 1, Line 7	Column 12, Line 7 As % of Column 2, Line 7	Column 13, Line 7 As % of Column 3, Line 7
											1. .... 17.5 %.	2. .... (18.6) %.	3. .... (16.7) %
											Line 8	Column 13, Line 7	Line 8
											4. .... (3.9) %		

**SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES**

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	Responses
1. Will the Trusted Surplus Statement be filed with the state of domicile and the NAIC with this statement?	NO
EXPLANATION:	
BARCODE:	
Document Identifier 490:	 2 6 5 6 5 2 0 1 1 4 9 0 0 0 0 0 0 1

2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?	NO
EXPLANATION:	
BARCODE:	
Document Identifier 455:	 2 6 5 6 5 2 0 1 1 4 5 5 0 0 0 0 0 1

3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO
EXPLANATION:	
BARCODE:	
Document Identifier 365:	 2 6 5 6 5 2 0 1 1 3 6 5 0 0 0 0 0 1

4. Will the Director and Officer Supplement be filed with the state of domicile and the NAIC with this statement?	NO
EXPLANATION:	
BARCODE:	
Document Identifier 505:	 2 6 5 6 5 2 0 1 1 5 0 5 0 0 0 0 0 1

**SCHEDULE A - VERIFICATION**

## Real Estate

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after ac		
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		
5. Deduct amounts received on disposals		
6. Total foreign exchange change in book/ac		
7. Deduct current year's other than temporar		
8. Deduct current year's depreciation		
9. Book/adjusted carrying value at end of cu		
Line 5 plus Line 6 minus Line 7 plus Line 8		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)		

**NONE****SCHEDULE B - VERIFICATION**

## Mortgage Loans

	1 Year To Date	2 Prior Year Ended December 31
1. Book value/recorded investment excludin		
2. Cost of acquired:		
2.1. Actual cost at time of acquisition		
2.2. Additional investment made after a		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and mort		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		
10. Deduct current year's other than temporary impairment recognized		
11. Book value/recorded investment excluding accrued interest at end of current period (Line 1 plus Line 2 plus		
Line 3 plus Line 4 plus Line 5 plus Line 6 minus Line 7 minus Line 8 plus Line 9 minus Line 10)		
12. Total Valuation Allowance		
13. Subtotal (Line 11 plus Line 12)		
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)		

**SCHEDULE BA - VERIFICATION**

## Other Long-Term Invested Assets

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December		
2. Cost of acquired:		
2.1. Actual cost at time of acquisition		
2.2. Additional investment made after a		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other than temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Line 1 plus Line 2 plus Line 3 plus Line 4 plus		
Line 5 plus Line 6 minus Line 7 minus Line 8 plus Line 9 minus Line 10)		
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)		

**SCHEDULE D - VERIFICATION**

## Bonds and Stocks

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	81,057,614	82,783,228
2. Cost of bonds and stocks acquired	3,280,124	21,874,221
3. Accrual of discount	65,391	292,409
4. Unrealized valuation increase (decrease)	(86,831)	(36,585)
5. Total gain (loss) on disposals	1,016,866	45,320
6. Deduct consideration for bonds and stocks disposed of	5,560,005	23,418,353
7. Deduct amortization of premium	48,660	233,434
8. Total foreign exchange change in book/adjusted carrying value	117,140	249,222
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Line 1 plus Line 2 plus Line 3 plus Line 4 plus	79,607,359	81,057,614
Line 5 minus Line 6 minus Line 7 plus Line 8 minus Line 9)		
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	79,607,359	81,057,614

## STATEMENT AS OF MARCH 31, 2011 OF THE OHIO INDEMNITY COMPANY

## SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity

During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1 (a)	69,000,202				69,348,251			69,000,202
2. Class 2 (a)	4,785,514	12,034,462	802,145	690,831	4,674,200			4,785,514
3. Class 3 (a)	715,582			(15,440)	700,142			715,582
4. Class 4 (a)	537,754			(271,119)	266,635			537,754
5. Class 5 (a)	266,316			3,669	269,985			266,316
6. Class 6 (a)				266,802	266,802			
7. Total Bonds	75,305,368	12,034,462	11,810,372	(3,443)	75,526,015			75,305,368
<b>PREFERRED STOCK</b>								
8. Class 1	861,770			333,560	(74,810)	453,400		861,770
9. Class 2	2,548,484		75,000	96,756	2,570,240			2,548,484
10. Class 3	2,566,487	108,750		111,363	2,786,600			2,566,487
11. Class 4								
12. Class 5		15,188				15,188		15,188
13. Class 6								
14. Total Preferred Stock	5,991,929	108,750	408,560	133,309	5,825,428			5,991,929
15. Total Bonds and Preferred Stock	81,297,297	12,143,212	12,218,932	129,866	81,351,443			81,297,297

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation:

NAIC 1 \$ 8,027,477 ; NAIC 2 \$ ; NAIC 3 \$ ; NAIC 4 \$ ; NAIC 5 \$ ; NAIC 6 \$ .

**SCHEDULE DA - PART 1**

Short-Term Investments Owned End of Current Quarter

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999    Totals .....	8,027,477	XXX	8,027,477	5,288	

**SCHEDULE DA - VERIFICATION**

Short-Term Investments

	1 Year To Date	2 Prior Year Ended December 31
1. Book / adjusted carrying value, December 31 of prior year .....	5,788,545	1,551,046
2. Cost of short-term investments acquired .....	4,818,011	4,627,361
3. Accrual of discount .....		
4. Unrealized valuation increase (decrease) .....		
5. Total gain (loss) on disposals .....	2,579,079	389,862
6. Deduct consideration received on disposals .....		
7. Deduct amortization of premium .....		
8. Total foreign exchange change in book/adjusted carrying value .....		
9. Deduct current year's other than temporary impairment recognized .....		
10. Book/adjusted carrying value at end of current period (Line 1 + Line 2 + Line 3 + Line 4 + Line 5 - Line 6 - Line 7 + Line 8 - Line 9) .....	8,027,477	5,788,545
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11) .....	8,027,477	5,788,545

**Page SI04**

Schedule DB, Part A, Verification  
**NONE**

Schedule DB, Part B, Verification  
**NONE**

**Page SI05**

Schedule DB, Pt. C, Section 1, Replicated (Synthetic Assets) Open  
**NONE**

**Page SI06**

Sch DB, Pt C, Sn 2, Replication (Syn Assets) Transactions Open  
**NONE**

**Page SI07**

Schedule DB, Verification  
**NONE**

**SCHEDULE E - VERIFICATION**

(Cash Equivalents)

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....		2,144,698
2. Cost of cash equivalents acquired .....		511
3. Accrual of discount .....		
4. Unrealized valuation increase (decrease) .....		
5. Total gain (loss) on disposals .....		
6. Deduct consideration received on disposals .....		2,145,209
7. Deduct amortization of premium .....		
8. Total foreign exchange change in book/adjusted carrying value .....		
9. Deduct current year's other than temporary impairment recognized .....		
10. Book/adjusted carrying value at end of current period (Line 1 + Line 2 + Line 3 + Line 4 + Line 5 - Line 6 - Line 7 + Line 8 - Line 9) .....		
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11) .....		

**Page E01**

Sch. A, Pt. 2, Real Estate Acquired  
**NONE**

Sch. A, Pt. 3, Real Estate Disposed  
**NONE**

**Page E02**

Schedule B, Part 2, Mortgage Loans Acquired  
**NONE**

Schedule B, Part 3, Mortgage Loans Disposed  
**NONE**

**Page E03**

Sch. BA, Pt. 2, Other Long-Term Invested Assets Acquired  
**NONE**

Sch. BA, Pt. 3, Other Long-Term Invested Assets Disposed  
**NONE**

## STATEMENT AS OF MARCH 31, 2011 OF THE OHIO INDEMNITY COMPANY

## SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired by the Company During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments									
912828-PW-4	UNITED STATES TREAS NTS		01/19/2011	SIT INVESTMENTS	500,451	500,000.00		173	1FE
0599999 - Subtotal - Bonds - U.S. Governments					500,451	500,000.00		173	
8399997 - Subtotal - Bonds - Part 3					500,451	500,000.00		173	
8399999 - Subtotal - Bonds					500,451	500,000.00		173	
Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)									
493267-40-5	KEYCORP NEW		01/12/2011	Undefined	1,000.00	108,750			P3LFE
8499999 - Subtotal - Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)					108,750				
8999997 - Subtotal - Preferred Stocks - Part 3					108,750				
8999999 - Subtotal - Preferred Stocks					108,750				
Common Stocks - Industrial and Miscellaneous (Unaffiliated)									
002824-10-0	ABBOTT LABS		01/27/2011	UBS FINANCIAL SERVICES	4,000.00	189,019			L
022095-10-3	ALTRIA GROUP INC		03/28/2011	UBS FINANCIAL SERVICES	6,000.00	149,897			L
037833-10-0	APPLE INC		01/27/2011	UBS FINANCIAL SERVICES	600.000	204,680			L
00206R-10-2	AT&T INC		03/28/2011	UBS FINANCIAL SERVICES	6,000.00	172,638			L
060505-10-4	BANK OF AMERICA CORPORATION		03/28/2011	UBS FINANCIAL SERVICES	10,000.00	141,256			L
06738E-20-4	BARCLAYS PLC		01/12/2011	UBS FINANCIAL SERVICES	5,000.000	95,740			L
30231G-10-2	EXXON MOBIL CORP		01/12/2011	UBS FINANCIAL SERVICES	1,000.000	76,768			L
397624-20-6	GREIF INC		02/28/2011	UBS FINANCIAL SERVICES	6,000.000	372,440			L
428236-10-3	HEWLETT PACKARD CO		03/09/2011	MCDONALD & COMPANY	8,000.000	357,976			L
458140-10-0	INTEL CORP		03/28/2011	UBS FINANCIAL SERVICES	8,000.000	168,265			L
46625H-10-0	JPMORGAN CHASE & CO		03/28/2011	UBS FINANCIAL SERVICES	4,000.000	182,753			L
66987V-10-9	NOVARTIS A G		02/10/2011	UBS FINANCIAL SERVICES	2,500.000	142,780			L
780259-20-6	ROYAL DUTCH SHELL PLC		01/12/2011	TUCKER ANTHONY	1,500.000	101,711			L
89151E-10-9	TOTAL S A		02/10/2011	UBS FINANCIAL SERVICES	2,500.000	148,866			L
931142-10-3	WAL MART STORES INC		02/10/2011	UBS FINANCIAL SERVICES	3,000.000	166,134			L
9099999 - Subtotal - Common Stocks - Industrial and Miscellaneous (Unaffiliated)					2,670,923				
9799997 - Subtotal - Common Stocks - Part 3					2,670,923				
9799999 - Subtotal - Common Stocks					2,670,923				
9899999 - Subtotal - Preferred and Common Stocks					2,779,673				
9999999 - TOTALS					3,280,124				173

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues

## STATEMENT AS OF MARCH 31, 2011 OF THE OHIO INDEMNITY COMPANY

## SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of  
by the Company During the Current Quarter

1 CUSIP Identifi- cation	2 Description	3 Foreign	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change In Book/Adjusted Carrying Value					16 Book/Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC Designa- tion or Market Indi- cator (a)		
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amort- ization) / Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B. /A. C. V. (11+12-13)	15 Total Foreign Exchange Change in B. /A. C. V.									
Bonds - U. S. States, Territories and Possessions																							
163106-AV-9	CHELAN CNTY WASH FIRE PROTN DI G.O.		02/08/2011	SIT INVESTMENTS		201,020	200,000.00	200,800	200,000							200,000		1,020	1,020	2,042	12/01/2017	2FE	
1799999	- Subtotal - Bonds - U. S. States, Territories and Possessions					201,020	200,000.00	200,800	200,000							200,000		1,020	1,020	2,042			
Bonds - U. S. Special Revenue and Special Assessment and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																							
01170P-EW-2	ALASKA HSG FIN CORP HOME MTG R HOM		03/01/2011	CALLED @ 100.000000		10,000	10,000.00	10,050	10,000							10,000				2	12/01/2034	1FE	
01170P-EX-0	ALASKA HSG FIN CORP HOME MTG R HOM		03/01/2011	CALLED @ 100.000000		5,000	5,000.00	5,056	5,000							5,000				1	12/01/2039	1FE	
041841-AV-9	ARLINGTON TEX SPL OBLIG	SPL	02/15/2011	CALLED @ 104.081000		213,366	205,000.00	221,695	213,495			(207)				213,288		78	78	5,125	08/15/2034	1FE	
052409-AQ-2	AUSTIN TEX CONVENTION ENTERPRI REV		01/01/2011	CALLED @ 100.000000		500,000	500,000.00	522,325	500,000							500,000				15,000	01/01/2023	1FE	
090929-DZ-0	BIRMINGHAM ALA SPL CARE FACS F REV		02/16/2011	SIT INVESTMENTS		250,653	250,000.00	252,900	251,589			(135)				251,454		(801)	(801)	3,023	06/01/2023	1FE	
19464H-CU-3	COLLIER COUNTY FLA HSG FIN		02/15/2011	CALLED @ 100.000000		10,000	10,000.00	10,000	10,000							10,000				263	08/15/2015	1FE	
23226R-AB-6	CUYAHOGA CNTY OHIO HSG MTG REV SR		03/20/2011	CALLED @ 100.000000		2,800	2,800.00	2,884	2,800							2,800				80	03/20/2042	1FE	
248297-BU-6	DENHAM SPRINGS-LIVINGSTON HSG SIN		03/01/2011	CALLED @ 100.000000		11,320	11,320.00	11,811	11,320							11,320				96	11/01/2040	1FE	
283758-JD-3	EL PASO TEX HSG FIN CORP MTG R SIN		03/01/2011	CALLED @ 100.000000		12,346	12,346.00	12,840	12,346							12,346				134	04/01/2033	1FE	
441695-BM-4	HOUMA TERREBONNE PUB TR FING A REV		03/01/2011	CALLED @ 100.000000		6,000	6,000.00	6,215	6,000							6,000				73	12/01/2040	1FE	
45129Y-WL-6	IDAHO HSG & FIN ASSN SINGLE FA MTG		01/01/2011	CALLED @ 100.000000		30,000	30,000.00	30,645	30,000							30,000				825	01/01/2040	1FE	
45129Y-XV-3	IDAHO HSG & FIN ASSN SINGLE FA SIN		01/01/2011	CALLED @ 100.000000		30,000	30,000.00	31,596	30,000							30,000				848	07/01/2026	1FE	
45505T-FZ-9	INDIANA ST HSG & CMNTY DEV AUT MTG		03/01/2011	CALLED @ 100.000000		25,000	25,000.00	26,781	25,000							25,000				807	01/01/2040	1FE	
474553-AK-0	JEFFERSON PARISH LA FIN AUTH R SIN		02/01/2011	CALLED @ 100.000000		45,000	45,000.00	47,475	45,000							45,000				35	06/01/2038	1FE	
506488-CH-6	LAFAYETTE LA PUB TR FING AUTH REV		03/01/2011	CALLED @ 100.000000		27,000	27,000.00	28,125	27,000							27,000				245	01/01/2041	1FE	
60535Q-EM-8	MISSISSIPPI HOME CORP SINGLE F SIN		02/01/2011	CALLED @ 100.000000		10,000	10,000.00	10,625	10,000							10,000				2	06/01/2038	1FE	
60535Q-GF-1	MISSISSIPPI HOME CORP SINGLE F SIN		03/01/2011	CALLED @ 100.000000		10,000	10,000.00	10,755	10,000							10,000				6	06/01/2038	1FE	
60636X-Q2-5	MISSOURI ST HSG DEV COMMN SING SIN		03/01/2011	CALLED @ 100.000000		15,000	15,000.00	15,000	15,000							15,000				390	09/01/2031	1FE	
65820E-QD-5	NORTH CAROLINA HSG FIN AGY ... SIN		03/01/2011	CALLED @ 100.000000		15,000	15,000.00	15,399	15,000							15,000				435	09/01/2012	1FE	
658909-AW-6	NORTH DAKOTA ST HSG FIN AGY ... HOM		01/01/2011	CALLED @ 100.000000		20,000	20,000.00	20,000	20,000							20,000				535	07/01/2034	1FE	
67756Q-JB-4	OHIO ST HSG FIN AGY RESIDENTIA MTG		03/01/2011	CALLED @ 100.000000		35,000	35,000.00	35,000	35,000							35,000				954	09/01/2033	1FE	
67756Q-LF-2	OHIO ST HSG FIN AGY RESIDENTIA REV		03/01/2011	CALLED @ 100.000000		15,000	15,000.00	15,000	15,000							15,000				390	09/01/2029	1FE	
67756Q-MV-6	OHIO ST HSG FIN AGY RESIDENTIA REV		03/01/2011	CALLED @ 100.000000		5,000	5,000.00	5,000	5,000							5,000				119	09/01/2029	1FE	
79353G-AB-7	ST TAMMANY PARISH LA FIN AUTH SIN		03/01/2011	CALLED @ 100.000000		6,440	6,440.00	6,601	6,440							6,440				46	12/01/2039	1FE	
954842-AQ-3	WEST ORANGE HEALTHCARE DIST FL REV		02/01/2011	CALLED @ 101.000000		252,500	250,000.00	256,375	251,796			704				252,500				7,250	02/01/2031	1FE	
97710A-XY-5	WISCONSIN ST HEALTH & EDL FACS REV		03/18/2011	CALLED @ 100.000000		150,000	150,000.00	150,750	150,000							150,000				4,659	08/15/2019	1FE	
3199999	- Subtotal - Bonds - U. S. Special Revenue and Special Assessment and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions					1,712,425	1,700,906.00	1,760,904	1,712,786			362				1,713,148		(724)	(724)	41,343			
Bonds - Industrial and Miscellaneous (Unaffiliated)																							
78442F-BS-6	SLM CORP MTN BOOK ENTRY		03/01/2011	SIT INVESTMENTS		1,275,625	1,300,000.00	408,421	578,414			23,731				602,145		673,480	673,480	10,879	01/31/2014	2FE	
3899999	- Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					1,275,625	1,300,000.00	408,421	578,414			23,731				602,145		673,480	673,480	10,879			
8399997	- Subtotal - Bonds - Part 4					3,189,070	3,200,906.00	2,370,125	2,491,199			24,093				2,515,293		673,777	673,777	54,264			
8399999	- Subtotal - Bonds					3,189,070	3,200,906.00	2,370,125	2,491,199			24,093				2,515,293		673,777	673,777	54,264			
Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)																							
225448-20-8	CREDIT SUISSE GUERNSEY BRH		03/04/2011	UBS FINANCIAL SERVICES	10,000,000	269,990	258,560	267,800	(9,240)			23,731				258,560		11,430	11,430			P1LFE	
902973-88-2	US BANCORP DEL		02/28/2011	MERRILL LYNCH (COLS)	3,000,000	81,383	75,000	80,970	(5,970)			23,731				75,000		6,383	6,383	1,509		P1LFE	
94985V-20-2	WELLS FARGO CAP XII		03/07/2011	MERRILL LYNCH (COLS)	3,000,000	80,993	25,00	75,000	75,000			23,731				75,000		5,993	5,993			RP2LFE	
8499999	- Subtotal - Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)					432,366		408,560	423,770			(15,210)				408,560		23,806	23,806	1,509			
8999997	- Subtotal - Preferred Stocks - Part 4					432,366		408,560	423,770	</													

## STATEMENT AS OF MARCH 31, 2011 OF THE OHIO INDEMNITY COMPANY

## SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of  
by the Company During the Current Quarter

1 CUSIP Identifi- cation	2 Description	3 Foreign	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change In Book/Adjusted Carrying Value					16 Total Change in B./A.C.V. (11+12-13)	17 Total Foreign Exchange Change in B./A.C.V.	18 Book/Adjusted Carrying Value at Disposal Date	19 Foreign Exchange Gain (Loss) on Disposal	20 Realized Gain (Loss) on Disposal	21 Total Gain (Loss) on Disposal	22 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC Designa- tion or Market Indi- cator (a)			
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amort- ization) / Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.												
	8999999 - Subtotal - Preferred Stocks					432,366		408,560	423,770	(15,210)			(15,210)			408,560		23,806	23,806	1,509						
	Common Stocks - Industrial and Miscellaneous (Unaffiliated)																									
	40624Q-10-4 HALLMARK FINANCIAL SERVICES, INC.		03/01/2011	5TH-3RD BANK		20,369.000	182,290	50,821	185,358	(134,536)			(134,536)			50,821		131,468	131,468		L					
	9099999 - Subtotal - Common Stocks - Industrial and Miscellaneous (Unaffiliated)						182,290	50,821	185,358	(134,536)			(134,536)			50,821		131,468	131,468							
	Common Stocks - Mutual Funds																									
	030098-10-7 AMERICAN STRATEGIC INCM PTFL		03/28/2011	SIT INVESTMENTS		45,071.000	507,681	344,523	543,556	(199,034)			(199,034)			344,523		163,159	163,159	14,238	L					
	030099-10-5 AMERN STRATEGIC INCOME PTFL II		03/16/2011	SIT INVESTMENTS		142,000.000	1,248,598	1,223,942	1,323,511	(99,569)			(99,569)			1,223,942		24,656	24,656	38,619	L					
	9299999 - Subtotal - Common Stocks - Mutual Funds						1,756,279	1,568,465	1,867,067	(298,603)			(298,603)			1,568,465		187,815	187,815	52,857						
	9799997 - Subtotal - Common Stocks - Part 4						1,938,569		1,619,286	2,052,425	(433,139)			(433,139)			1,619,286		319,283	319,283	52,857					
	9799999 - Subtotal - Common Stocks						1,938,569		1,619,286	2,052,425	(433,139)			(433,139)			1,619,286		319,283	319,283	52,857					
E05.1	9899999 - Subtotal - Preferred and Common Stocks						2,370,935		2,027,846	2,476,195	(448,349)			(448,349)			2,027,846		343,089	343,089	54,366					
	9999999 - TOTALS						5,560,005		4,397,971	4,967,395	(448,349)	24,093		(424,256)			4,543,139		1,016,866	1,016,866	108,630					

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Schedule DB, Part A, Section 1  
**NONE**

Financial or Economic Impact of the Hedge  
**NONE**

**Page E07**

Schedule DB, Part B, Section 1  
**NONE**

Schedule DB, Part B, Section 1, Broker Name  
**NONE**

Schedule DB, Part B, Financial or Economic Impact of the Hedge  
**NONE**

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Schedule DB, Part D  
**NONE**

**Page E09**

Schedule DL, Part 1  
**NONE**

**Page E10**

Schedule DL, Part 2  
**NONE**

**SCHEDULE E - PART 1 - CASH**

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
Name	Location and Supplemental Information							
Open Depositories								
Everbank	R MEEDER AND ASSOCIATES, DUBLIN, OHIO							249,027
FifthThird Bank	CINCINNATI, OHIO				2,525,397	2,224,047	1,132,621	
Hillcrest Bank	R MEEDER AND ASSOCIATES, DUBLIN, OHIO			85				249,023
Nationwide	R MEEDER AND ASSOCIATES, DUBLIN, OHIO							249,022
US Bank	ST PAUL, MINNESOTA				845,410	674,095		651,175
0199988 - Deposits in	3 depositories that do not exceed the allowable limit in any one depository (See Instructions) - Open Depositories				19,048	16,390	12,015	
0199999 - TOTAL - Open Depositories				85	3,389,855	2,914,532	2,542,883	
0399999 - TOTAL Cash on Deposit				85	3,389,855	2,914,532	2,542,883	
0499999 - Cash in Company's Office						304	304	304
0599999 - TOTALS				85	3,390,159	2,914,836	2,543,187	

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Schedule E, Part 2, Cash Equivalents  
**NONE**