



QUARTERLY STATEMENT

As of March 31, 2011
of the Condition and Affairs of the

GREAT AMERICAN ALLIANCE INSURANCE COMPANY

NAIC Group Code.....84, 84

(Current Period) (Prior Period)

NAIC Company Code..... 26832

Employer's ID Number..... 95-1542353

Organized under the Laws of OHIO

State of Domicile or Port of Entry OHIO

Country of Domicile US

Incorporated/Organized..... September 11, 1945

Commenced Business..... April 1, 1946

Statutory Home Office

301 E Fourth Street..... Cincinnati OH 45202

(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office

301 E Fourth Street..... Cincinnati OH 45202

(Street and Number) (City or Town, State and Zip Code)

Mail Address

301 E Fourth Street..... Cincinnati OH 45202

(Street and Number or P. O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records

301 E Fourth Street..... Cincinnati OH 45202

513-369-5000

(Area Code) (Telephone Number)

Internet Web Site Address

www.GreatAmericanInsurance.com

Statutory Statement Contact

Robert James Schwartz

513-369-5092

(Name)

BSchwartz@GAIC.com

(Area Code) (Telephone Number) (Extension)

(E-Mail Address)

513-369-3873

(Fax Number)

OFFICERS

Name	Title	Name	Title
1. Donald Dumford Larson	President	2. Karen Holley Horrell	Senior Vice President, Executive Counsel & Secretary
3. Robert James Schwartz	Vice President & Controller	4. John Linn Doellman	Vice President & Actuary
Ronald James Brichler Eve Cutler Rosen	Executive Vice President Senior Vice President, General Counsel & Assistant Secretary	Gary John Gruber David John Witzgall	Executive Vice President Senior Vice President, Chief Financial Officer & Treasurer
Allen Fredrick Eling	Vice President	Annette Denise Gardner	Vice President & Assistant Treasurer
John Adalbert Rowney	Vice President	Stephen Charles Beraha	Assistant Vice President & Assistant Secretary
Kathleen Joan Brown	Assistant Vice President	Thomas Edward Mischell	Assistant Treasurer
Robert Jude Zbacnik	Assistant Treasurer		

DIRECTORS OR TRUSTEES

Ronald James Brichler	Gary John Gruber	Karen Holley Horrell	Donald Dumford Larson
Robert Eugene Maly	Vito Charles Peraino	Michael David Pierce	Eve Cutler Rosen
Piyush Kumar Singh	Michael Eugene Sullivan Jr.	David John Witzgall	

State of..... Ohio
County of..... Hamilton

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.

(Signature)
Donald Dumford Larson
1. (Printed Name)
President
(Title)

(Signature)
Karen Holley Horrell
2. (Printed Name)
Senior Vice President, Executive Counsel & Secretary
(Title)

(Signature)
Robert James Schwartz
3. (Printed Name)
Vice President & Controller
(Title)

Subscribed and sworn to before me

This 9th day of May, 2011

- a. Is this an original filing?
b. If no: 1. State the amendment number
2. Date filed
3. Number of pages attached

Yes [X] No []

Statement for March 31, 2011 of the **GREAT AMERICAN ALLIANCE INSURANCE COMPANY**
ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	26,564,579	0	26,564,579	27,200,820
2. Stocks:				
2.1 Preferred stocks.....	777,250	0	777,250	770,000
2.2 Common stocks.....	0	0	0	0
3. Mortgage loans on real estate:				
3.1 First liens.....	0	0	0	0
3.2 Other than first liens.....	0	0	0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	0	0	0	0
4.2 Properties held for the production of income (less \$.....0 encumbrances).....	0	0	0	0
4.3 Properties held for sale (less \$.....0 encumbrances).....	0	0	0	0
5. Cash (\$....28,239), cash equivalents (\$.....0) and short-term investments (\$....1,859,939).....	1,888,178	0	1,888,178	1,003,635
6. Contract loans (including \$.....0 premium notes).....	0	0	0	0
7. Derivatives.....	0	0	0	0
8. Other invested assets.....	0	0	0	0
9. Receivables for securities.....	0	0	0	0
10. Securities lending reinvested collateral assets.....	0	0	0	0
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	29,230,006	0	29,230,006	28,974,455
13. Title plants less \$.....0 charged off (for Title insurers only).....	0	0	0	0
14. Investment income due and accrued.....	303,438	0	303,438	318,558
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	0	0	0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	0	0	0	0
15.3 Accrued retrospective premiums.....	0	0	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	0	0	0	0
16.2 Funds held by or deposited with reinsured companies.....	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts.....	0	0	0	0
17. Amounts receivable relating to uninsured plans.....	0	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon.....	0	0	0	0
18.2 Net deferred tax asset.....	12,896	8,573	4,323	6,860
19. Guaranty funds receivable or on deposit.....	0	0	0	0
20. Electronic data processing equipment and software.....	0	0	0	0
21. Furniture and equipment, including health care delivery assets (\$.....0).....	0	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates.....	0	0	0	0
24. Health care (\$.....0) and other amounts receivable.....	0	0	0	0
25. Aggregate write-ins for other than invested assets.....	0	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	29,546,340	8,573	29,537,767	29,299,873
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0	0
28. Total (Lines 26 and 27).....	29,546,340	8,573	29,537,767	29,299,873

DETAILS OF WRITE-INS

1101.....	0	0	0	0
1102.....	0	0	0	0
1103.....	0	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501.....	0	0	0	0
2502.....	0	0	0	0
2503.....	0	0	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	0	0	0	0

Statement for March 31, 2011 of the **GREAT AMERICAN ALLIANCE INSURANCE COMPANY**
LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$.....0)	0	0
2. Reinsurance payable on paid losses and loss adjustment expenses	0	0
3. Loss adjustment expenses	0	0
4. Commissions payable, contingent commissions and other similar charges	0	0
5. Other expenses (excluding taxes, licenses and fees)	3,750	3,000
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	0	0
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses))	43,261	22,887
7.2 Net deferred tax liability	0	0
8. Borrowed money \$.....0 and interest thereon \$.....0	0	0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$....72,228,651 and including warranty reserves of \$.....0)	0	0
10. Advance premium	0	0
11. Dividends declared and unpaid:		
11.1 Stockholders	0	0
11.2 Policyholders	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions)	0	0
13. Funds held by company under reinsurance treaties	0	0
14. Amounts withheld or retained by company for account of others	0	0
15. Remittances and items not allocated	0	0
16. Provision for reinsurance	0	0
17. Net adjustments in assets and liabilities due to foreign exchange rates	0	0
18. Drafts outstanding	0	0
19. Payable to parent, subsidiaries and affiliates	0	0
20. Derivatives	0	0
21. Payable for securities	0	0
22. Payable for securities lending	0	0
23. Liability for amounts held under uninsured plans	0	0
24. Capital notes \$.....0 and interest thereon \$.....0	0	0
25. Aggregate write-ins for liabilities	0	291
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	47,011	26,178
27. Protected cell liabilities	0	0
28. Total liabilities (Lines 26 and 27)	47,011	26,178
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	3,501,000	3,501,000
31. Preferred capital stock	0	0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes	0	0
34. Gross paid in and contributed surplus	18,489,979	18,489,979
35. Unassigned funds (surplus)	7,499,778	7,282,717
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 30 \$.....0)	0	0
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0)	0	0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	29,490,756	29,273,695
38. Totals	29,537,767	29,299,873

DETAILS OF WRITE-INS

2501. Other liabilities	0	291
2502.	0	0
2503.	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	0	291
2901.	0	0
2902.	0	0
2903.	0	0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above)	0	0
3201.	0	0
3202.	0	0
3203.	0	0
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 thru 3203 plus 3298) (Line 32 above)	0	0

Statement for March 31, 2011 of the **GREAT AMERICAN ALLIANCE INSURANCE COMPANY**
STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct..... (written \$....31,752,012)	28,272,755	26,616,990	117,245,065
1.2 Assumed..... (written \$....5,963)	6,742	4,013	32,790
1.3 Ceded..... (written \$....31,757,975)	28,279,497	26,621,002	117,277,855
1.4 Net..... (written \$....0)	0	0	0
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....0):			
2.1 Direct.....	14,827,441	11,075,049	34,819,404
2.2 Assumed.....	4,457	2,331	9,914
2.3 Ceded.....	14,831,898	11,077,380	34,829,318
2.4 Net.....	0	0	0
3. Loss adjustment expenses incurred.....	0	0	0
4. Other underwriting expenses incurred.....	0	0	0
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	0	0	0
7. Net income of protected cells.....	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	0	0	0
INVESTMENT INCOME			
9. Net investment income earned.....	253,407	233,900	978,092
10. Net realized capital gains (losses) less capital gains tax of \$....813.....	1,508	156,019	404,958
11. Net investment gain (loss) (Lines 9 + 10).....	254,915	389,919	1,383,050
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0).....	0	0	0
13. Finance and service charges not included in premiums.....	0	0	0
14. Aggregate write-ins for miscellaneous income.....	(6)	2	(3)
15. Total other income (Lines 12 through 14).....	(6)	2	(3)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	254,909	389,921	1,383,047
17. Dividends to policyholders.....	0	0	0
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).....	254,909	389,920	1,383,047
19. Federal and foreign income taxes incurred.....	42,561	65,167	201,497
20. Net income (Line 18 minus Line 19) (to Line 22).....	212,348	324,753	1,181,550
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	29,273,695	28,092,996	28,092,996
22. Net income (from Line 20).....	212,348	324,753	1,181,550
23. Net transfers (to) from Protected Cell accounts.....	0	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$....2,537.....	4,713	0	(12,740)
25. Change in net unrealized foreign exchange capital gain (loss).....	0	0	0
26. Change in net deferred income tax.....	2,857	3,697	17,606
27. Change in nonadmitted assets.....	(2,857)	0	(5,716)
28. Change in provision for reinsurance.....	0	0	0
29. Change in surplus notes.....	0	0	0
30. Surplus (contributed to) withdrawn from protected cells.....	0	0	0
31. Cumulative effect of changes in accounting principles.....	0	0	0
32. Capital changes:			
32.1 Paid in.....	0	0	0
32.2 Transferred from surplus (Stock Dividend).....	0	0	0
32.3 Transferred to surplus.....	0	0	0
33. Surplus adjustments:			
33.1 Paid in.....	0	0	0
33.2 Transferred to capital (Stock Dividend).....	0	0	0
33.3 Transferred from capital.....	0	0	0
34. Net remittances from or (to) Home Office.....	0	0	0
35. Dividends to stockholders.....	0	0	0
36. Change in treasury stock.....	0	0	0
37. Aggregate write-ins for gains and losses in surplus.....	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37).....	217,061	328,450	1,180,700
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	29,490,756	28,421,446	29,273,695

DETAILS OF WRITE-INS

0501.....	0	0	0
0502.....	0	0	0
0503.....	0	0	0
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	0	0	0
1401. Miscellaneous (expense) income.....	(6)	2	(3)
1402.....	0	0	0
1403.....	0	0	0
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	(6)	2	(3)
3701.....	0	0	0
3702.....	0	0	0
3703.....	0	0	0
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	0	0	0

Statement for March 31, 2011 of the **GREAT AMERICAN ALLIANCE INSURANCE COMPANY**
CASH FLOW

	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
CASH FROM OPERATIONS			
1. Premiums collected net of reinsurance.....	0	0	0
2. Net investment income.....	319,437	303,078	1,163,420
3. Miscellaneous income.....	(6)	2	(3)
4. Total (Lines 1 through 3).....	319,431	303,080	1,163,417
5. Benefit and loss related payments.....	(0)	0	0
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	0	0	0
8. Dividends paid to policyholders.....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	23,000	3,000	402,865
10. Total (Lines 5 through 9).....	23,000	3,000	402,865
11. Net cash from operations (Line 4 minus Line 10).....	296,431	300,080	760,552
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	1,155,000	4,143,469	10,988,504
12.2 Stocks.....	0	0	0
12.3 Mortgage loans.....	0	0	0
12.4 Real estate.....	0	0	0
12.5 Other invested assets.....	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	0	0	0
12.7 Miscellaneous proceeds.....	0	3,386,664	20,000
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	1,155,000	7,530,133	11,008,504
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	566,600	5,662,080	11,067,630
13.2 Stocks.....	0	0	789,600
13.3 Mortgage loans.....	0	0	0
13.4 Real estate.....	0	0	0
13.5 Other invested assets.....	0	0	0
13.6 Miscellaneous applications.....	0	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6).....	566,600	5,662,080	11,857,230
14. Net increase (decrease) in contract loans and premium notes.....	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	588,400	1,868,053	(848,726)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds.....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	0	0	0
16.5 Dividends to stockholders.....	0	0	0
16.6 Other cash provided (applied).....	(288)	(1,533)	291
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	(288)	(1,533)	291
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	884,543	2,166,600	(87,883)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	1,003,635	1,091,518	1,091,518
19.2 End of period (Line 18 plus Line 19.1).....	1,888,178	3,258,118	1,003,635

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

20,0001	0	0	0
---------------	---	---	---

1.) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Practices

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

The Ohio Department of Insurance 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 purposes of 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. The Company has no prescribed or permitted practices that would result in differences between NAIC SAP and the state of Ohio basis, as shown below:

	03/31/2011	12/31/2010
(1) Net Income Ohio Basis	\$ 212,348	\$ 1,181,550
(2) State Prescribed Practices	0	0
(3) State Permitted Practices	0	0
 (4) Net Income, NAIC SAP	 \$ 212,348	 \$ 1,181,550
 (5) Statutory Surplus Ohio Basis	 \$ 29,490,756	 \$ 29,273,695
(6) State Prescribed Practices	0	0
(7) State Permitted Practices	0	0
 (8) Statutory Surplus, NAIC SAP	 \$ 29,490,756	 \$ 29,273,695

2.) ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS - No significant change.3.) BUSINESS COMBINATIONS AND GOODWILL - No significant change.4.) DISCONTINUED OPERATIONS - No significant change.5.) INVESTMENTS

A – C. No significant change.

D. Loan-Backed Securities - The Company does not hold any loan-backed securities.

E – G. No significant change.

6.) JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES - No significant change.7.) INVESTMENT INCOME - No significant change.8.) DERIVATIVE INSTRUMENTS - No significant change.9.) INCOME TAXES - No significant change.10.) INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES - No significant change.11.) DEBT - No significant change.12.) RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

No significant change.

13.) CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS - No significant change.14.) CONTINGENCIES - No significant change.15.) LEASES - No significant change.16.) INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

The Company does not have any financial instruments with off-balance sheet risk or financial instruments with concentrations of credit risk.

17.) SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

- A – B. No significant change.
- C. The Company did not have any wash sale transactions involving securities with a NAIC designation of 3 or below or unrated securities during 2011.

18.) GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

No significant change.

19.) DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS

No significant change.

20.) FAIR VALUE**1. Fair Value Measurements at Reporting Date**

The Company has categorized its assets and liabilities measured at fair value into the three-level fair value hierarchy as reflected in the following table. See item 4 below for a discussion of each of these three levels.

Description	Level 1	Level 2	Level 3	Total
Assets:				
Bonds:				
U.S. Government and government agencies	\$ -	\$ -	\$ -	\$ -
States, municipalities and political subdivisions	-	-	-	-
Foreign government	-	-	-	-
Residential MBS	-	-	-	-
Commercial MBS	-	-	-	-
All other Bonds	-	-	-	-
Total Bonds	-	-	-	-
Non-affiliated common stock	-	-	-	-
Non-affiliated preferred stock	-	777,250	-	777,250
Other investments	-	-	-	-
Total assets accounted for at fair value	<u>\$ -</u>	<u>\$ 777,250</u>	<u>\$ -</u>	<u>\$ 777,250</u>

2. The Company does not have any Level 3 securities carried at fair value.**3. Fair Value Recognition of Transfers Between Levels**

The Company recognizes and records the transfer of securities into and out of Level 3 due to changes in availability of market observable inputs. All transfers are reflected in the table above at fair value as of the end of the reporting period.

4. Inputs and Techniques Used in Estimating Fair Value

Level 1 - Quoted prices for identical assets or liabilities in active markets (markets in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis). The Company's Level 1 financial instruments consist primarily of publicly traded equity securities and highly liquid government bonds for which quoted market prices in active markets are available.

Level 2 - Quoted prices for similar instruments in active markets; quoted prices for identical or similar assets or liabilities in inactive markets (markets in which there are few transactions, the prices are not current, price quotations vary substantially over time or among market makers, or in which little information is released publicly); and valuations based on other significant inputs that are observable in active markets. The Company's Level 2 financial instruments include corporate and municipal fixed maturity securities and MBS priced using observable inputs. Level 2 inputs include benchmark yields, reported trades, corroborated broker/dealer quotes, issuer spreads and benchmark securities. When non-binding broker quotes can be corroborated by comparison to similar securities priced using observable inputs, they are classified as Level 2.

Level 3 - Valuations derived from market valuation techniques generally consistent with those used to estimate the fair value of Level 2 financial instruments in which one or more significant inputs are unobservable. The unobservable inputs may include management's own assumptions about the assumptions market participants would use based on the best information available in the circumstances. The Company's Level 3 is comprised of financial instruments whose fair value is estimated based on non-binding broker quotes or internally developed using significant inputs not based on, or corroborated by, observable market information.

The Company's investment managers, American Money Management Corporation (an affiliate) is responsible for the valuation process and uses data from outside sources (including nationally recognized pricing services and broker/dealers) in establishing fair value. Valuation techniques utilized by pricing services and prices obtained from external sources are reviewed by AMMC's internal investment professionals who are familiar with the securities being priced and the markets in which they trade to ensure the fair value determination is representative of an exit price. To validate the appropriateness of the prices obtained, these investment managers consider widely published indices (as benchmarks), recent trades, changes in interest rates, general economic conditions and the credit quality of the specific issuers.

21.) OTHER ITEMS - No significant change.**22.) EVENTS SUBSEQUENT**

There have not been any events subsequent to March 31, 2011, which may have a material effect on the financial condition of the Company.

23.) REINSURANCE - No significant change.

- 24.) RETROSPECTIVELY RATED CONTRACTS - No significant change.
- 25.) CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES - No significant change.
- 26.) INTERCOMPANY POOLING ARRANGEMENTS - No significant change.
- 27.) STRUCTURED SETTLEMENTS - No significant change.
- 28.) HEALTH CARE RECEIVABLES - No significant change.
- 29.) PARTICIPATING POLICIES - No significant change.
- 30.) PREMIUM DEFICIENCY RESERVES - No significant change.
- 31.) HIGH DEDUCTIBLES - No significant change.
- 32.) DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES OR UNPAID LOSS ADJUSTMENT EXPENSES - No significant change.
- 33.) ASBESTOS/ENVIRONMENTAL RESERVES - No significant change.
- 34.) SUBSCRIBER SAVINGS ACCOUNTS - No significant change.
- 35.) MULTIPLE PERIL CROP INSURANCE - No significant change
- 36.) FINANCIAL GUARANTY INSURANCE - The Company does not write financial guaranty insurance.

Statement for March 31, 2011 of the **GREAT AMERICAN ALLIANCE INSURANCE COMPANY**
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.

Not applicable

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). 2/19/2008.....

6.4 By what department or departments?

Ohio

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 [] No [] N/A [X]

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

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? Yes [] No [X]

7.2 If yes, give full information:
Not applicable

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.

Not applicable

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

8.4 If the 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

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:

Not applicable

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).

Not applicable

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

Statement for March 31, 2011 of the **GREAT AMERICAN ALLIANCE INSURANCE COMPANY**
GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

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

Not applicable

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 any amounts receivable from parent included in the Page 2 amount: \$.....0

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:

Not applicable

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$.....0

13. Amount of real estate and mortgages held in short-term investments: \$.....0

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

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.....	\$0	\$0
14.22 Preferred Stock.....	\$0	\$0
14.23 Common Stock.....	\$0	\$0
14.24 Short-Term Investments.....	\$0	\$0
14.25 Mortgage Loans on Real Estate.....	\$0	\$0
14.26 All Other.....	\$0	\$0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$0	\$0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above.....	\$0	\$0

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.

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
The Bank of New York Mellon	1 Wall Street, New York, NY 10286

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, broker/dealers or individuals acting on behalf of broker/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
Not applicable	American Money Management Corporation	1 East Fourth Street, Cincinnati, OH 45202

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:

Not applicable

Statement for March 31, 2011 of the **GREAT AMERICAN ALLIANCE INSURANCE COMPANY**
GENERAL INTERROGATORIES (continued)

PART 2
PROPERTY & 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 [X] N/A []
If yes, attach an explanation.
Not applicable
-
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.
Not applicable
-
- 3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes [] No [X]
3.2 If yes, give full and complete information thereto:
Not applicable
-
- 4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation liabilities 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 following schedule:
- | 1
Line of Business | 2
Maximum Interest | 3
Disc. Rate | Total Discount | | | | Discount Taken During Period | | | |
|-----------------------|-----------------------|-----------------|--------------------|-----------------|-----------|------------|------------------------------|-----------------|------------|-------------|
| | | | 4
Unpaid Losses | 5
Unpaid LAE | 6
IBNR | 7
Total | 8
Unpaid Losses | 9
Unpaid LAE | 10
IBNR | 11
Total |
| Total..... |0.0 |0.000 % |0 |0 |0 |0 |0 |0 |0 | |
5. Operating Percentages:
5.1 A&H loss percent 0.0 %
5.2 A&H cost containment percent 0.0 %
5.3 A&H expense percent excluding cost containment expenses 0.0 %
- 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. 0
6.3 Do you act as an administrator for health savings accounts? Yes [] No [X]
6.4 If yes, please provide the amount of funds administered as of the reporting date. 0

Statement for March 31, 2011 of the **GREAT AMERICAN ALLIANCE INSURANCE COMPANY**
SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Name of Reinsurer	4 Domiciliary Jurisdiction	5 Is Insurer Authorized? (YES or NO)
------------------------------	------------------------------	------------------------	-------------------------------	---

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	1,081,623	975,783	159,739	308,600	4,653,270	4,139,112
2. Alaska.....	AK	436,694	508,362	13,223	18,554	949,264	1,000,271
3. Arizona.....	AZ	575,578	279,709	44,764	327,228	4,721,874	5,028,978
4. Arkansas.....	AR	100,248	98,904	9,750	155,102	430,124	740,437
5. California.....	CA	2,528,145	2,450,559	954,320	1,292,100	24,697,036	22,565,299
6. Colorado.....	CO	100,182	133,155	25,794	37,634	964,226	1,021,248
7. Connecticut.....	CT	54,275	128,861	316,128	227,627	12,696,740	12,214,609
8. Delaware.....	DE	32,477	13,780	4,647	14,331	1,060,784	2,044,237
9. District of Columbia.....	DC	71,532	153,715	16,755	17,614	621,777	384,502
10. Florida.....	FL	548,015	488,032	170,434	94,500	5,120,354	5,887,404
11. Georgia.....	GA	2,761,883	2,549,812	281,447	378,107	8,603,609	7,305,021
12. Hawaii.....	HI	114,519	96,989	15,564	13,277	422,625	523,967
13. Idaho.....	ID	46,987	67,136	5,233	8,753	325,556	283,630
14. Illinois.....	IL	2,662,761	3,603,931	357,252	470,649	10,150,677	7,867,213
15. Indiana.....	IN	494,580	424,442	220,343	257,831	3,363,773	3,651,259
16. Iowa.....	IA	163,181	161,794	22,510	759,839	194,433	900,945
17. Kansas.....	KS	92,514	134,190	(125,492)	112,130	747,074	1,768,652
18. Kentucky.....	KY	680,220	824,438	42,041	192,538	2,020,008	2,178,399
19. Louisiana.....	LA	837,003	544,287	102,810	39,356	2,672,539	2,286,407
20. Maine.....	ME	38,695	89,684	30,303	51,530	100,719	172,982
21. Maryland.....	MD	363,394	266,328	129,224	269,907	4,333,201	3,761,960
22. Massachusetts.....	MA	432,155	463,541	285,732	2,049,536	4,631,769	6,690,171
23. Michigan.....	MI	377,631	380,686	240,519	247,433	8,285,444	9,067,533
24. Minnesota.....	MN	210,290	262,230	234,912	205,059	2,791,716	1,724,307
25. Mississippi.....	MS	582,104	710,884	248,924	110,953	2,188,432	2,075,927
26. Missouri.....	MO	63,983	105,735	70,664	169,585	900,227	1,707,250
27. Montana.....	MT	75,637	36,258	0	0	147,120	135,260
28. Nebraska.....	NE	56,214	10,748	24,128	442,132	139,434	376,934
29. Nevada.....	NV	229,396	79,502	323,445	(41,650)	3,257,555	3,209,591
30. New Hampshire.....	NH	30,494	100,442	24,583	25,121	102,495	138,396
31. New Jersey.....	NJ	589,906	735,105	362,171	589,203	13,704,324	14,510,527
32. New Mexico.....	NM	347,108	249,191	192,455	219,154	1,165,537	1,138,746
33. New York.....	NY	2,456,913	1,308,049	330,277	971,262	22,110,332	23,989,917
34. North Carolina.....	NC	3,103,825	2,755,445	257,912	338,457	11,238,528	9,192,162
35. North Dakota.....	ND	152,374	192,407	1,291	9,594	224,349	242,304
36. Ohio.....	OH	833,090	822,119	1,374,464	324,022	6,280,803	6,416,603
37. Oklahoma.....	OK	124,878	287,632	134,368	169,421	3,257,940	3,274,400
38. Oregon.....	OR	401,897	434,863	11,683	312,467	2,339,122	2,564,804
39. Pennsylvania.....	PA	781,438	860,274	578,633	520,246	6,451,359	17,586,817
40. Rhode Island.....	RI	215,352	83,095	8,975	20,811	429,126	15,552,731
41. South Carolina.....	SC	960,082	1,155,264	283,217	314,352	5,434,024	4,390,958
42. South Dakota.....	SD	38,105	26,114	22,008	14,832	(9,597)	68,683
43. Tennessee.....	TN	1,128,955	919,582	161,468	265,996	9,090,691	10,367,579
44. Texas.....	TX	2,278,875	2,025,213	366,771	2,379,461	11,965,551	15,601,038
45. Utah.....	UT	70,611	92,013	57,250	111,074	2,958,873	3,255,326
46. Vermont.....	VT	(3,778)	18,890	5,803	20,699	.67,036	137,538
47. Virginia.....	VA	1,078,743	916,294	73,047	306,909	3,617,662	3,967,626
48. Washington.....	WA	425,177	287,339	262,605	175,996	2,274,600	2,435,089
49. West Virginia.....	WV	256,389	134,091	508,581	104,710	2,075,169	1,657,681
50. Wisconsin.....	WI	658,734	659,376	120,607	68,927	3,697,676	2,909,012
51. Wyoming.....	WY	10,927	17,883	142,324	21,599	143,368	94,759
52. American Samoa.....	AS	0	0	0	0	0	0
53. Guam.....	GU	0	0	0	0	0	0
54. Puerto Rico.....	PR	0	0	0	0	0	0
55. US Virgin Islands.....	VI	0	0	0	0	0	0
56. Northern Mariana Islands.....	MP	0	0	0	0	0	0
57. Canada.....	CN	0	0	0	0	0	0
58. Aggregate Other Alien.....	OT	0	0	0	0	0	0
59. Totals.....	(a).....51	31,752,012	30,124,156	9,505,609	15,514,566	219,810,328	250,206,203

DETAILS OF WRITE-INS

5801.	XXX	0	0	0	0	0	0
5802.	XXX	0	0	0	0	0	0
5803.	XXX	0	0	0	0	0	0
5898. Summary of remaining write-ins for Line 58 from overflow page.....	XXX	0	0	0	0	0	0
5899. Totals (Lines 5801 thru 5803 + Line 5898) (Line 58 above).....	XXX	0	0	0	0	0	0

(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

NONE

Statement for March 31, 2011 of the **GREAT AMERICAN ALLIANCE INSURANCE COMPANY**
PART 1 - LOSS EXPERIENCE

Lines 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.....	99,041	3,897	3.9	18.2
2. Allied lines.....	105,429	150,601	142.8	105.4
3. Farmowners multiple peril.....	1,088,541	(654,132)	(60.1)	217.1
4. Homeowners multiple peril.....	7,849	2,194	27.9	0.0
5. Commercial multiple peril.....	4,064,976	1,345,502	33.1	25.6
6. Mortgage guaranty.....	0	0	0.0	0.0
8. Ocean marine.....	0	0	0.0	0.0
9. Inland marine.....	276,573	(211,863)	(76.6)	19.1
10. Financial guaranty.....	0	0	0.0	0.0
11.1 Medical professional liability - occurrence.....	0	0	0.0	0.0
11.2 Medical professional liability - claims-made.....	0	0	0.0	0.0
12. Earthquake.....	20,994	18,930	90.2	(2.8)
13. Group accident and health.....	0	0	0.0	0.0
14. Credit accident and health.....	0	0	0.0	0.0
15. Other accident and health.....	0	0	0.0	0.0
16. Workers' compensation.....	11,657,661	8,568,047	73.5	26.9
17.1 Other liability-occurrence.....	3,808,059	2,930,709	77.0	61.1
17.2 Other liability-claims made.....	1,219,875	3,514,245	288.1	(86.6)
17.3 Excess workers' compensation.....	0	0	0.0	0.0
18.1 Products liability-occurrence.....	37,123	(316,229)	(851.8)	(2,057.5)
18.2 Products liability-claims made.....	0	0	0.0	0.0
19.1, 19.2 Private passenger auto liability.....	0	8,557	0.0	0.0
19.3, 19.4 Commercial auto liability.....	1,178,819	(482,289)	(40.9)	35.7
21. Auto physical damage.....	272,711	154,031	56.5	88.9
22. Aircraft (all perils).....	0	0	0.0	0.0
23. Fidelity.....	39,226	44,663	113.9	161.8
24. Surety.....	106,512	33,911	31.8	3.4
26. Burglary and theft.....	10,597	(38,871)	(366.8)	(60.6)
27. Boiler and machinery.....	145,295	25,101	17.3	15.1
28. Credit.....	2,903,589	664,521	22.9	0.0
29. International.....	0	0	0.0	0.0
30. Warranty.....	6,889	658	9.5	17.8
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.....	1,222,996	(934,742)	(76.4)	54.5
35. Totals.....	28,272,755	14,827,441	52.4	41.6

DETAILS OF WRITE-INS

3401. Collateral protection.....	1,222,996	(934,742)	(76.4)	54.5
3402.	0	0	0.0	0.0
3403.	0	0	0.0	0.0
3498. Sum of remaining write-ins for Line 34 from overflow page.....	0	0	0.0	XXX
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34).....	1,222,996	(934,742)	(76.4)	54.5

PART 2 - DIRECT PREMIUMS WRITTEN

Lines of Business	1 Current Quarter	2 Current Year to Date		3 Prior Year Year to Date
		1	2	
1. Fire.....	47,930	47,930	47,930	48,711
2. Allied lines.....	84,690	84,690	84,690	199,043
3. Farmowners multiple peril.....	1,190,073	1,190,073	1,190,073	1,438,212
4. Homeowners multiple peril.....	7,849	7,849	7,849	0.0
5. Commercial multiple peril.....	5,509,675	5,509,675	5,509,675	4,179,716
6. Mortgage guaranty.....	0	0	0	0
8. Ocean marine.....	0	0	0	0
9. Inland marine.....	342,945	342,945	342,945	313,362
10. Financial guaranty.....	0	0	0	0
11.1 Medical professional liability - occurrence.....	0	0	0	0
11.2 Medical professional liability - claims made.....	0	0	0	0
12. Earthquake.....	18,360	18,360	18,360	18,954
13. Group accident and health.....	0	0	0	0
14. Credit accident and health.....	0	0	0	0
15. Other accident and health.....	0	0	0	0
16. Workers' compensation.....	16,846,647	16,846,647	16,846,647	13,204,244
17.1 Other liability-occurrence.....	3,724,892	3,724,892	3,724,892	4,954,067
17.2 Other liability-claims made.....	1,569,114	1,569,114	1,569,114	1,218,986
17.3 Excess workers' compensation.....	0	0	0	0
18.1 Products liability-occurrence.....	21,884	21,884	21,884	14,327
18.2 Products liability-claims made.....	0	0	0	0
19.1 19.2 Private passenger auto liability.....	0	0	0	0
19.3 19.4 Commercial auto liability.....	1,305,205	1,305,205	1,305,205	1,257,597
21. Auto physical damage.....	339,795	339,795	339,795	331,656
22. Aircraft (all perils).....	0	0	0	0
23. Fidelity.....	25,558	25,558	25,558	35,227
24. Surety.....	294,519	294,519	294,519	29,130
26. Burglary and theft.....	.8,281	.8,281	.8,281	6,904
27. Boiler and machinery.....	184,417	184,417	184,417	147,817
28. Credit.....	21,354,974	21,354,974	21,354,974	0.0
29. International.....	0	0	0	0
30. Warranty.....	3	3	3	77
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.....	(21,124,798)	(21,124,798)	(21,124,798)	2,726,127
35. Totals.....	31,752,012	31,752,012	31,752,012	30,124,156

DETAILS OF WRITE-INS

3401. Collateral protection.....	(21,124,798)	(21,124,798)	(21,124,798)	2,726,127
3402.	0	0	0	0
3403.	0	0	0	0
3498. Sum of remaining write-ins for Line 34 from overflow page.....	0	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34).....	(21,124,798)	(21,124,798)	(21,124,798)	2,726,127

PART 3 (000 omitted)**LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE**

Years in Which Losses Occurred	1	2	3	4	5	6	7	8	9	10	11	12	13
	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2011 Loss and LAE Payments on Claims Reported as of Prior Year-End	2011 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2011 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2008 + Prior.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
2. 2009.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
3. Subtotals 2009 + Prior.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
4. 2010.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
5. Subtotals 2010 + Prior.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
6. 2011.....	....XXX.....	....XXX.....	....XXX.....	....XXX.....	.....0	....XXX.....	.....0	.....0	.....0	....XXX.....	....XXX.....	....XXX.....	....XXX.....
7. Totals.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
8. Prior Year-End's Surplus As Regards Policyholders.....	.....0										Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1. .....0.0 %	2. .....0.0 %	3. .....0.0 %
													Col. 13, Line 7 Line 8
													4. .....0.0 %

NONE

Statement for March 31, 2011 of the **GREAT AMERICAN ALLIANCE INSURANCE COMPANY**
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.

	Response
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	NO _____
2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?	NO _____
3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO _____
4. Will the Director and Officer Supplement be filed with the state of domicile and the NAIC with this statement?	YES _____

Explanation:

- 1.
- 2.
- 3.
- 4.

Bar Code:



NONE

Statement for March 31, 2011 of the **GREAT AMERICAN ALLIANCE INSURANCE COMPANY**
SCHEDULE A - VERIFICATION

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....	0	0
2.2 Additional investment made after acquisition.....	0	0
3. Current year change in encumbrances.....	0	0
4. Total gain (loss) on disposals.....	0	0
5. Deduct amounts received on disposals.....	0	0
6. Total foreign exchange change in book/adjusted carrying value.....	0	0
7. Deduct current year's other than temporary impairment recognized.....	0	0
8. Deduct current year's depreciation.....	0	0
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8).....	0	0
10. Deduct total nonadmitted amounts.....	0	0
11. Statement value at end of current period (Line 9 minus Line 10).....	0	0

NONE

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year.....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....	0	0
2.2 Additional investment made after acquisition.....	0	0
3. Capitalized deferred interest and other.....	0	0
4. Accrual of discount.....	0	0
5. Unrealized valuation increase (decrease).....	0	0
6. Total gain (loss) on disposals.....	0	0
7. Deduct amounts received on disposals.....	0	0
8. Deduct amortization of premium and mortgage interest points and commitment fees.....	0	0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest.....	0	0
10. Deduct current year's other than temporary impairment recognized.....	0	0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	0	0
12. Total valuation allowance.....	0	0
13. Subtotal (Line 11 plus Line 12).....	0	0
14. Deduct total nonadmitted amounts.....	0	0
15. Statement value at end of current period (Line 13 minus Line 14).....	0	0

NONE

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....	0	0
2.2 Additional investment made after acquisition.....	0	0
3. Capitalized deferred interest and other.....	0	0
4. Accrual of discount.....	0	0
5. Unrealized valuation increase (decrease).....	0	0
6. Total gain (loss) on disposals.....	0	0
7. Deduct amounts received on disposals.....	0	0
8. Deduct amortization of premium and depreciation.....	0	0
9. Total foreign exchange change in book/adjusted carrying value.....	0	0
10. Deduct current year's other than temporary impairment recognized.....	0	0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	0	0
12. Deduct total nonadmitted amounts.....	0	0
13. Statement value at end of current period (Line 11 minus Line 12).....	0	0

NONE

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.....	27,970,820	26,673,041
2. Cost of bonds and stocks acquired.....	566,600	11,857,230
3. Accrual of discount.....	2,465	14,045
4. Unrealized valuation increase (decrease).....	7,250	(19,600)
5. Total gain (loss) on disposals.....	2,321	626,310
6. Deduct consideration for bonds and stocks disposed of.....	1,155,000	10,988,504
7. Deduct amortization of premium.....	52,624	191,702
8. Total foreign exchange change in book/adjusted carrying value.....	0	0
9. Deduct current year's other than temporary impairment recognized.....	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	27,341,829	27,970,820
11. Deduct total nonadmitted amounts.....	0	0
12. Statement value at end of current period (Line 10 minus Line 11).....	27,341,829	27,970,820

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
BONDS								
1. Class 1 (a).....	28,170,844	2,048,590	1,744,754	(50,162)	28,424,518	0	0	28,170,844
2. Class 2 (a).....	0	0	0	0	0	0	0	0
3. Class 3 (a).....	0	0	0	0	0	0	0	0
4. Class 4 (a).....	0	0	0	0	0	0	0	0
5. Class 5 (a).....	0	0	0	0	0	0	0	0
6. Class 6 (a).....	0	0	0	0	0	0	0	0
7. Total Bonds.....	28,170,844	2,048,590	1,744,754	(50,162)	28,424,518	0	0	28,170,844
PREFERRED STOCK								
8. Class 1.....	770,000	0	0	7,250	777,250	0	0	770,000
9. Class 2.....	0	0	0	0	0	0	0	0
10. Class 3.....	0	0	0	0	0	0	0	0
11. Class 4.....	0	0	0	0	0	0	0	0
12. Class 5.....	0	0	0	0	0	0	0	0
13. Class 6.....	0	0	0	0	0	0	0	0
14. Total Preferred Stock.....	770,000	0	0	7,250	777,250	0	0	770,000
15. Total Bonds and Preferred Stock.....	28,940,844	2,048,590	1,744,754	(42,912)	29,201,768	0	0	28,940,844

(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 \$....1,859,939; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

Statement for March 31, 2011 of the **GREAT AMERICAN ALLIANCE INSURANCE COMPANY**
SCHEDULE DA - PART 1

Short-Term Investments

	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.....	1,859,939	XXX.....	1,859,939	52	0

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.....	970,024	1,037,034
2. Cost of short-term investments acquired.....	1,481,990	11,588,190
3. Accrual of discount.....	0	0
4. Unrealized valuation increase (decrease).....	0	0
5. Total gain (loss) on disposals.....	0	0
6. Deduct consideration received on disposals.....	592,075	11,655,200
7. Deduct amortization of premium.....	0	0
8. Total foreign exchange change in book/adjusted carrying value.....	0	0
9. Deduct current year's other than temporary impairment recognized.....	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	1,859,939	970,024
11. Deduct total nonadmitted amounts.....	0	0
12. Statement value at end of current period (Line 10 minus Line 11).....	1,859,939	970,024

Sch. DB-Pt A-Verification
NONE

Sch. DB-Pt B-Verification
NONE

Sch. DB-Pt C-Sn 1
NONE

Sch. DB-Pt C-Sn 2
NONE

Sch. DB-Verification
NONE

Sch. E-Verification
NONE

Sch. A-Pt 2
NONE

Sch. A-Pt 3
NONE

Sch. B-Pt 2
NONE

Sch. B-Pt 3
NONE

Sch. BA-Pt 2
NONE

Sch. BA-Pt 3
NONE

SCHEDULE D - PART 3

Show all Long-Term Bonds and Stock Acquired 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. Political Subdivisions of States, Territories and Possessions

414005 GD 4	HARRIS CNTY TX 5.00 10-01-20 NC.....	.....	01/07/2011	MORGAN KEEGAN & COMPANY.....	.....	566,600	.....	500,000	.....	7,014	1FE.....
2499999.	Total - Bonds - U.S. Political Subdivision of States, Territories & Possessions.....	.....	.....	.....	.....	566,600	.....	500,000	.....	7,014	....XXX.....
8399997.	Total - Bonds - Part 3.....	.....	.....	.....	.....	566,600	.....	500,000	.....	7,014	....XXX.....
8399999.	Total - Bonds.....	.....	.....	.....	.....	566,600	.....	500,000	.....	7,014	....XXX.....
9999999.	Total - Bonds, Preferred and Common Stocks.....	.....	.....	.....	.....	566,600	.....	XXX	.....	7,014	....XXX.....

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues:.....0.

QE04

SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 F o r e i g n Disposal Date	4 Name of Purchaser	5 Number of Shares of Stock	6 Consideration	7 Par Value	8 Actual Cost	9 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 Design- ation or Market Indicator (a)
									11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Other Than Temporary Impairment	14 Total Change in B./A.C.V. (11+12-13)	15 Change in B./A.C.V. Recognized							

Bonds - U.S. Political Subdivisions of States, Territories and Possessions

403755 VM 0	GWINNETT CNTY SD GA 5.00 02-01-11 NC.....	02/01/2011	REDEEMED.....		1,000,000	1,000,000	1,059,990	1,002,317	0	(2,317)	0	(2,317)	0	1,000,000	0	0	0	25,000	02/01/2011	1FE.....
839550 S3 5	SOUTH PORTLAND-ME-TXB 4.50 3-01-14NC.....	03/01/2011	SINKING FUND PAYMENT.....		145,000	145,000	140,865	142,833	0	105	0	105	0	142,938	0	2,062	2,062	3,263	03/01/2014	1FE.....
2499999.	Total - Bonds - U.S. Political Subdivisions of States, Territories & Possessions.....				1,145,000	1,145,000	1,200,855	1,145,150	0	(2,212)	0	(2,212)	0	1,142,938	0	2,062	2,062	28,263	XXX...	XXX...

Bonds - U.S. Special Revenue and Special Assessment

454622 PZ 8	INDIANA BD BK 5.05 011519 C14@100A15.....	01/15/2011	SINKING FUND PAYMENT.....		10,000	10,000	9,656	9,740	0	1	0	1	0	9,741	0	259	259	253	01/15/2019	1FE.....
3199999.	Total - Bonds - U.S. Special Revenue & Assessment.....				10,000	10,000	9,656	9,740	0	1	0	1	0	9,741	0	259	259	253	XXX...	XXX...
8399997.	Total - Bonds - Part 4.....				1,155,000	1,155,000	1,210,511	1,154,890	0	(2,211)	0	(2,211)	0	1,152,679	0	2,321	2,321	28,516	XXX...	XXX...
8399999.	Total - Bonds.....				1,155,000	1,155,000	1,210,511	1,154,890	0	(2,211)	0	(2,211)	0	1,152,679	0	2,321	2,321	28,516	XXX...	XXX...
9999999.	Total - Bonds, Preferred and Common Stocks.....				1,155,000	XXX.....	1,210,511	1,154,890	0	(2,211)	0	(2,211)	0	1,152,679	0	2,321	2,321	28,516	XXX...	XXX...

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues:.....0.

Sch. DB-Pt A-Sn 1
NONE

Sch. DB-Pt A-Sn 1-Footnote
NONE

Sch. DB-Pt B-Sn 1
NONE

Sch. DB-Pt B-Sn 1-Footnote
NONE

Sch. DB-Pt B-Sn 1B-Broker List
NONE

Sch. DB-Pt D
NONE

Sch. DL-Pt. 1
NONE

Sch. DL-Pt. 2
NONE

Statement for March 31, 2011 of the **GREAT AMERICAN ALLIANCE INSURANCE COMPANY**
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	

Open Depositories

The Bank of New York Mellon.....	New York, New York.....	.....	.....0.010	.....0	.....0	.....502	.....476	.....501	XXX..
PNC Bank.....	Pittsburgh, Pennsylvania.....	.....	.....0.000	.....0	.....0	.....30,645	.....27,703	.....27,737	XXX..
0199999. Total Open Depositories.....	.....	....XXX.....	....XXX.....	.....0	.....0	.....31,147	.....28,179	.....28,239	XXX..
0399999. Total Cash on Deposit.....	.....	....XXX.....	....XXX.....	.....0	.....0	.....31,147	.....28,179	.....28,239	XXX..
0599999. Total Cash.....	.....	....XXX.....	....XXX.....	.....0	.....0	.....31,147	.....28,179	.....28,239	XXX..

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
------------------	-----------	-----------------------	--------------------------	-----------------------	--------------------------------------	--	-------------------------------------

NONE



DIRECTOR AND OFFICER SUPPLEMENT

Year To Date For the Period Ended March 31, 2011

NAIC Group Code.....84

NAIC Company Code.....26832

Company Name: GREAT AMERICAN ALLIANCE INSURANCE COMPANY

If the reporting entity writes any director and officer (D&O) business, please provide the following:

1. Monoline Policies

1 Direct Written Premiums	2 Direct Earned Premiums	3 Direct Losses Incurred
.....0	0	(1,073,131)

2. Commercial Multiple Peril (CMP) Packaged Policies

- 2.1 Does the reporting entity provide D&O liability coverage as part of a CMP packaged policy? Yes No [X]
- 2.2 Can the direct premium earned for D&O liability coverage provided as part of a CMP packaged policy be quantified or estimated? Yes No [X]
- 2.3 If the answer to question 2.2 is yes, provide the quantified or estimated direct premium earned amount for D&O liability coverage in CMP packaged policies:
- 2.31 Amount quantified: \$.....0
- 2.32 Amount estimated using reasonable assumptions: \$.....0
- 2.4 If the answer to question 2.1 is yes, provide direct losses incurred (losses paid plus change in case reserves) for the D&O liability coverages provided in CMP packaged policies: \$.....0