* 1 0 9 5 2 2 0 1 1 2 0 1 0 0 1 0 2 *

QUARTERLY STATEMENT

As of June 30, 2011

of the Condition and Affairs of the

STONEBRIDGE CASUALTY INSURANCE COMPANY

NAIC Group Code.....0468, 0468 (Current Period) (Prior Period) NAIC Company Code..... 10952 Employer's ID Number..... 31-4423946

Organized under the Laws of OHIO State of Domicile or Port of Entry OHIO Country of Domicile US

Incorporated/Organized..... November 15, 1957 Commenced Business..... April 15, 1958

Statutory Home Office	366 E. Broad Street, C/O Andrew J. Federico….. Columbus ..... OH ..... 43215 *(Street and Number) (City or Town, State and Zip Code)*	
Main Administrative Office	4333 Edgewood Road NE….. Cedar Rapids ..... IA ..... 52499 *(Street and Number) (City or Town, State and Zip Code)*	319-355-8511 *(Area Code) (Telephone Number)*
Mail Address	4333 Edgewood Road NE….. Cedar Rapids ..... IA ..... 52499 *(Street and Number or P. O. Box) (City or Town, State and Zip Code)*	
Primary Location of Books and Records	4333 Edgewood Road NE….. Cedar Rapids ..... IA ..... 52499 *(Street and Number) (City or Town, State and Zip Code)*	319-355-8511 *(Area Code) (Telephone Number)*
Internet Web Site Address	www.aegonins.com	
Statutory Statement Contact	Brenda Kay Kraemer *(Name)*	319-355-8549 *(Area Code) (Telephone Number) (Extension)*
	bkraemer@aegonusa.com *(E-Mail Address)*	319-355-2210 *(Fax Number)*

OFFICERS

Name	Title	Name	Title
1. Edward H. Walker III	President	2. Michael Allen Eubanks	Senior Vice President, Secretary & Division General Counsel
3. Eric John Martin	Senior Vice President & Corporate Controller	4.	

OTHER

DIRECTORS OR TRUSTEES

Craig Dean Vermie	Brenda Kay Clancy	Martha Ann McConnell	Brian Arthur Smith
Cornelis Henricus Verhagen	Glyn Douglas Mangum Jr	Edward H. Walker III	

State of........ Iowa
County of..... Linn

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)	(Signature)	(Signature)
Edward H. Walker III	Michael Allen Eubanks	Eric John Martin
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President	Senior Vice President, Secretary & Division General Counsel	Senior Vice President & Corporate Controller
(Title)	(Title)	(Title)

Subscribed and sworn to before me
This 11th day of August, 2011

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

ASSETS

	Current Statement Date 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 December 31 Prior Year Net Admitted Assets
1. Bonds	211,322,180		211,322,180	215,244,742
2. Stocks:				
2.1 Preferred stocks			0	
2.2 Common stocks			0	
3. Mortgage loans on real estate:				
3.1 First liens			0	
3.2 Other than first liens			0	
4. Real estate:				
4.1 Properties occupied by the company (less $..........0 encumbrances)			0	
4.2 Properties held for the production of income (less $..........0 encumbrances)			0	
4.3 Properties held for sale (less $..........0 encumbrances)			0	
5. Cash ($.....(12,500,796)), cash equivalents ($..........0) and short-term investments ($.....27,607,206)	15,106,410		15,106,410	29,784,432
6. Contract loans (including $..........0 premium notes)			0	
7. Derivatives			0	
8. Other invested assets	38,614	109	38,505	45,527
9. Receivables for securities			0	
10. Securities lending reinvested collateral assets	27,041,834		27,041,834	32,616,098
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	253,509,038	109	253,508,929	277,690,799
13. Title plants less $..........0 charged off (for Title insurers only)			0	
14. Investment income due and accrued	2,288,939		2,288,939	2,207,226
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	7,427,331		7,427,331	6,679,951
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $..........0 earned but unbilled premiums)			0	
15.3 Accrued retrospective premiums			0	
16. Reinsurance:				
161. Amounts recoverable from reinsurers	9,238,540		9,238,540	9,698,331
16.2 Funds held by or deposited with reinsured companies	20,414		20,414	20,459
16.3 Other amounts receivable under reinsurance contracts			0	
17. Amounts receivable relating to uninsured plans			0	
18.1 Current federal and foreign income tax recoverable and interest thereon			0	
18.2 Net deferred tax asset	8,152,698	3,019,808	5,132,890	6,117,166
19. Guaranty funds receivable or on deposit	5,992		5,992	6,527
20. Electronic data processing equipment and software			0	
21. Furniture and equipment, including health care delivery assets ($..........0)			0	
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	
23. Receivables from parent, subsidiaries and affiliates	412,167		412,167	396,096
24. Health care ($..........0) and other amounts receivable			0	
25. Aggregate write-ins for other than invested assets	1,868,633	0	1,868,633	2,419,962
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25)	282,923,752	3,019,917	279,903,835	305,236,517
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	
28. Total (Lines 26 and 27)	282,923,752	3,019,917	279,903,835	305,236,517

DETAILS OF WRITE-INS

1101.			0	
1102.			0	
1103.			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. Accounts receivable	1,520,186		1,520,186	1,726,256
2502. State transferrable tax credits	348,447		348,447	434,539
2503. Prepaid reinsurance premium			0	259,167
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)	1,868,633	0	1,868,633	2,419,962

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Statement Date	2 December 31 Prior Year
1.	Losses (current accident year $.....21,482,524)	56,937,033	56,942,409
2.	Reinsurance payable on paid losses and loss adjustment expenses	312,417	357,601
3.	Loss adjustment expenses	3,779,167	3,848,166
4.	Commissions payable, contingent commissions and other similar charges	6,785,406	5,122,172
5.	Other expenses (excluding taxes, licenses and fees)	965,910	1,124,434
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)	975,592	3,198,507
7.1	Current federal and foreign income taxes (including $.....74,609 on realized capital gains (losses))	3,108,851	1,200,764
7.2	Net deferred tax liability		
8.	Borrowed money $..........0 and interest thereon $..........0		
9.	Unearned premiums (after deducting unearned premiums for ceded reinsurance of $.....115,163,007 and including warranty reserves of $..........0)	32,623,388	27,332,424
10.	Advance premium		
11.	Dividends declared and unpaid:		
	11.1 Stockholders		
	11.2 Policyholders		
12.	Ceded reinsurance premiums payable (net of ceding commissions)	2,874,743	2,848,698
13.	Funds held by company under reinsurance treaties	41,364,742	44,033,069
14.	Amounts withheld or retained by company for account of others		
15.	Remittances and items not allocated	390,789	668,499
16.	Provision for reinsurance	9,074,807	9,275,640
17.	Net adjustments in assets and liabilities due to foreign exchange rates		
18.	Drafts outstanding		
19.	Payable to parent, subsidiaries and affiliates	5,066,872	2,628,697
20.	Derivatives		
21.	Payable for securities		
22.	Payable for securities lending	27,041,834	32,616,098
23.	Liability for amounts held under uninsured plans		
24.	Capital notes $..........0 and interest thereon $..........0		
25.	Aggregate write-ins for liabilities	3,287,082	5,187,266
26.	Total liabilities excluding protected cell liabilities (Lines 1 through 25)	194,588,633	196,384,444
27.	Protected cell liabilities		
28.	Total liabilities (Lines 26 and 27)	194,588,633	196,384,444
29.	Aggregate write-ins for special surplus funds	0	0
30.	Common capital stock	8,724,386	8,724,386
31.	Preferred capital stock		
32.	Aggregate write-ins for other than special surplus funds	2,250,414	2,407,152
33.	Surplus notes		
34.	Gross paid in and contributed surplus	67,217,108	81,217,108
35.	Unassigned funds (surplus)	7,123,294	16,503,427
36.	Less treasury stock, at cost:		
	36.1 ....0.000 shares common (value included in Line 30 $..........0)		
	36.2 ....0.000 shares preferred (value included in Line 31 $..........0)		
37.	Surplus as regards policyholders (Lines 29 to 35, less 36)	85,315,202	108,852,073
38.	Totals	279,903,835	305,236,517

DETAILS OF WRITE-INS

2501.	Accident & sickness active life reserves	2,323,911	2,059,095
2502.	Contingency reserves	963,171	963,171
2503.	Provision for doubtful reinsurance balances		2,165,000
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)	3,287,082	5,187,266
2901.			
2902.			
2903.			
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.	Increase in admitted deferred tax assets pursuant to SSAP No. 10R	2,250,414	2,407,152
3202.			
3203.			
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)	2,250,414	2,407,152

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 $.....108,306,754)	124,544,405	114,020,514	237,450,329
1.2 Assumed (written $.....(168,402))	2,327,623	2,924,344	5,603,068
1.3 Ceded (written $.....32,154,288)	56,178,778	52,604,447	107,088,459
1.4 Net (written $.....75,984,064)	70,693,250	64,340,411	135,964,938
DEDUCTIONS:			
2. Losses incurred (current accident year $.....43,321,420):			
2.1 Direct	53,634,077	54,090,704	113,506,713
2.2 Assumed	1,169,877	2,481,379	5,122,240
2.3 Ceded	18,128,620	16,209,939	36,867,502
2.4 Net	36,675,334	40,362,144	81,761,451
3. Loss adjustment expenses incurred	(67,492)	56,485	1,566,735
4. Other underwriting expenses incurred	30,059,264	26,319,997	51,091,981
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	66,667,106	66,738,626	134,420,167
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	4,026,144	(2,398,215)	1,544,771
INVESTMENT INCOME			
9. Net investment income earned	5,109,152	5,144,145	10,449,479
10. Net realized capital gains (losses) less capital gains tax of $.....74,609	102,715	(418,480)	590,688
11. Net investment gain (loss) (Lines 9 + 10)	5,211,867	4,725,665	11,040,167
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered $..........0 amount charged off $..........0)	0		
13. Finance and service charges not included in premiums			
14. Aggregate write-ins for miscellaneous income	112,106	151,831	(93,181)
15. Total other income (Lines 12 through 14)	112,106	151,831	(93,181)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	9,350,117	2,479,281	12,491,757
17. Dividends to policyholders			
18. Net income after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	9,350,117	2,479,281	12,491,757
19. Federal and foreign income taxes incurred	3,003,100	741,879	4,128,145
20. Net income (Line 18 minus Line 19) (to Line 22)	6,347,017	1,737,402	8,363,612
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	108,852,072	101,554,627	101,554,627
22. Net income (from Line 20)	6,347,017	1,737,402	8,363,612
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of $.....314,882	584,782	(565,480)	466,876
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax	(286,012)	(134,101)	366,373
27. Change in nonadmitted assets	(226,752)	(439,715)	184,742
28. Change in provision for reinsurance	200,833	1,409,554	236,603
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	(14,000,000)		
33.2 Transferred to capital (Stock Dividend)			
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders	(16,000,000)		
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus	(156,738)	(2,031,704)	(2,320,761)
38. Change in surplus as regards policyholders (Lines 22 through 37)	(23,536,870)	(24,044)	7,297,445
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	85,315,202	101,530,583	108,852,072

DETAILS OF WRITE-INS

0501.			
0502.			
0503.			
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 income	629,662	761,404	1,392,165
1402. Accident and sickness active life reserve	(264,816)	(557,058)	(1,052,460)
1403. Funds withheld ceded investment income	(252,690)	(624,660)	(1,003,421)
1498. Summary of remaining write-ins for Line 14 from overflow page	(50)	572,145	570,535
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	112,106	151,831	(93,181)
3701. Change in admitted deferred tax assets pursuant to SSAP No. 10R	(156,738)	(618,057)	(783,943)
3702. Change in contingency reserve		(840,000)	(963,171)
3703. Release of special surplus from retroactive reinsurance		(573,647)	(573,647)
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)	(156,738)	(2,031,704)	(2,320,761)

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	75,262,879	64,932,177	134,832,991
2.	Net investment income	5,152,578	4,878,207	10,505,096
3.	Miscellaneous income	112,106	(421,816)	1,498,172
4.	Total (Lines 1 through 3)	80,527,563	69,388,568	146,836,259
5.	Benefit and loss related payments	36,266,058	33,068,091	74,534,240
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7.	Commissions, expenses paid and aggregate write-ins for deductions	30,778,441	24,845,234	49,967,530
8.	Dividends paid to policyholders			
9.	Federal and foreign income taxes paid (recovered) net of $.....74,609 tax on capital gains (losses)	1,169,622	540,168	5,955,986
10.	Total (Lines 5 through 9)	68,214,121	58,453,493	130,457,756
11.	Net cash from operations (Line 4 minus Line 10)	12,313,442	10,935,075	16,378,503
	CASH FROM INVESTMENTS			
12.	Proceeds from investments sold, matured or repaid:			
	12.1 Bonds	13,217,410	45,675,472	78,742,923
	12.2 Stocks			1
	12.3 Mortgage loans			
	12.4 Real estate			
	12.5 Other invested assets	5,574,313		
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments			166
	12.7 Miscellaneous proceeds		1,988,560	
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	18,791,723	47,664,032	78,743,090
13.	Cost of investments acquired (long-term only):			
	13.1 Bonds	8,284,304	69,118,071	95,858,748
	13.2 Stocks			
	13.3 Mortgage loans			
	13.4 Real estate			
	13.5 Other invested assets	52,873		32,635,027
	13.6 Miscellaneous applications			
	13.7 Total investments acquired (Lines 13.1 to 13.6)	8,337,177	69,118,071	128,493,775
14.	Net increase (decrease) in contract loans and premium notes			
15.	Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	10,454,546	(21,454,039)	(49,750,685)
	CASH FROM FINANCING AND MISCELLANEOUS SOURCES			
16.	Cash provided (applied):			
	16.1 Surplus notes, capital notes			
	16.2 Capital and paid in surplus, less treasury stock	(14,000,000)		
	16.3 Borrowed funds		1,020,184	
	16.4 Net deposits on deposit-type contracts and other insurance liabilities			
	16.5 Dividends to stockholders	16,000,000		
	16.6 Other cash provided (applied)	(7,446,010)	(3,782,121)	26,303,377
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	(37,446,010)	(2,761,937)	26,303,377
	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)	(14,678,022)	(13,280,901)	(7,068,805)
19.	Cash, cash equivalents and short-term investments:			
	19.1 Beginning of year	29,784,432	36,853,237	36,853,237
	19.2 End of period (Line 18 plus Line 19.1)	15,106,409	23,572,336	29,784,432

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

20.0001			

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of the Company are presented on the basis of accounting practices prescribed by the Insurance Department of the State of Ohio. The Insurance Department of the State of Ohio 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 Ohio Insurance Law. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures Manual (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Ohio. While the Commissioner of Insurance has the right to permit specific practices that deviate from prescribed practices, none are included within this financial statement.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed by the State of Ohio is shown below:

	June 30, 2011	December 31, 2010
Net Income, State of Ohio Basis	$ 6,347,017	$8,363,612
State Prescribed Practices	0	0
State Permitted Practices	0	0
Net Income, NAIC SAP	$ 6,347,017	$8,363,612
Statutory Surplus, State of Ohio Basis	$85,315,202	$108,852,073
State Prescribed Practices	0	0
State Permitted Practices	0	0
Statutory Surplus, NAIC SAP	$85,315,202	$108,852,073

Note 2 - Accounting Changes and Corrections of Errors

Effective January 1, 2011, the Company adopted revisions to SSAP No. 43R – *Loan-backed and Structured Securities* to clarify the definitions of loan-backed and structured securities. The clarified guidance was applied prospectively.

Note 3 - Business Combinations and Goodwill

No significant change.

Note 4 - Discontinued Operations

No significant change.

Note 5 - Investments

D. Loan-Backed Securities

(2) Aggregate totals for loan-backed securities with a recognized other-than-temporary impairment during the current reporting period are shown below classified on the basis of the other-than-temporary impairment:

	1 Book/Adj Carrying Value Amortized Cost Before Current Period OTTI	2 Recognized Other-Than-Temporary Impairment	3 Amortized Cost After Other-Than-Temporary Impairment	4 Fair Value
1st Qtr Present Value of Cash Flows Expected to be Less than the Amortized Cost Basis	$ -	$ -	$ -	$ -
2nd Qtr Present Value of Cash Flows Expected to be Less than the Amortized Cost Basis	367,936	35,876	332,060	265,712
3rd Qtr Present Value of Cash Flows Expected to be Less than the Amortized Cost Basis	-	-	-	-
4th Qtr Present Value of Cash Flows Expected to be Less than the Amortized Cost Basis	-	-	-	-
Aggregate Total	$ 367,936	$ 35,876	$ 332,060	$ 265,712

NOTES TO FINANCIAL STATEMENTS

(3) Detail for each security with a recognized other-than-temporary impairment, currently held by the reporting entity, where the present value of cash flows expected to be collected is less than the amortized cost basis of the securities, is shown below:

1	2	3	4	5	6	7
CUSIP	Book/Adj Carrying Value Amortized Cost Before Current Period OTTI	Present Value of Projected Cash Flows	Recognized Other-Than-Temporary Impairment	Amortized Cost After Other-Than-Temporary Impairment	Fair Value at Time of OTTI	Date of Financial Statement Where Reported
22942KCA6	$ 491,068	$ 453,135	$ 37,933	$ 453,135	$ 253,559	3Q 2009
22942KCA6	453,135	442,465	10,670	442,465	262,698	3Q 2009
43718MAD6	5,620,894	5,307,233	313,661	5,307,233	2,898,766	4Q 2009
22942KCA6	406,690	402,099	4,592	402,099	298,213	1Q 2010
43718MAD6	5,226,795	5,002,824	223,971	5,002,824	2,919,386	1Q 2010
74925FAA1	917,213	876,094	41,119	876,094	812,403	1Q 2010
22942KCA6	383,425	380,456	2,969	380,456	273,804	2Q 2010
52522QAM4	662,553	633,842	28,711	633,842	451,831	2Q 2010
65536PAA8	157,996	148,508	9,488	148,508	135,313	2Q 2010
22942KCA6	365,655	364,641	1,014	364,641	284,816	3Q 2010
65536PAA8	87,271	80,446	6,825	80,446	75,595	3Q 2010
22942KCA6	350,148	326,654	23,494	326,654	266,028	4Q 2010
52522QAM4	579,986	574,453	5,534	574,453	442,345	4Q 2010
74925FAA1	766,041	733,740	32,301	733,740	720,926	4Q 2010
22942KCA6	306,869	272,405	34,464	272,405	232,293	2Q 2011
65536PAA8	61,066	59,655	1,411	59,655	33,419	2Q 2011

(4) The unrealized losses of loan-backed securities where fair value is less than cost or amortized cost for which an other-than-temporary impairment has not been recognized in earnings at June 30, 2011 are as follows:

a. Aggregate amount of unrealized losses:			
	1. Less than 12 Months	$	26,642
	2. 12 Months or Longer	$	3,209,285
b. Aggregate related fair value of securities with unrealized losses:			
	1. Less than 12 Months	$	3,341,656
	2. 12 Months or Longer	$	15,097,012

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

No significant change.

Note 7 - Investment Income

No significant change.

Note 8 - Derivative Instruments

No significant change.

Note 9 - Income Taxes

No significant change.

Note 10 - Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

The Company paid a $30,000,000 dividend to its parent company, AEGON USA, LLC, on May 10, 2011.

Note 11 - Debt

No significant change.

Note 12 - Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

No significant change.

NOTES TO FINANCIAL STATEMENTS

Note 13 - Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

The Company paid a $30,000,000 dividend to its parent company, AEGON USA, LLC, on May 10, 2011. This amount consisted of an ordinary cash dividend of $10,800,000, an extraordinary cash dividend of $5,200,000 and a return of capital of $14,000,000.

Note 14 - Contingencies

No significant change.

Note 15 - Leases

No significant change.

Note 16 - Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

No significant change.

Note 17 - Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

C. Wash Sales - None.

Note 18 - Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

No significant change.

Note 19 - Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

No significant change.

Note 20 - Fair Value

(1) Fair Value Measurements at Reporting Date

(1) Description	(2) (Level 1)	(3) (Level 2)	(4) (Level 3)	(5) Total
a. Assets at fair value				
Bonds				
Industrial and Misc	$ -	$ 2,570,598	$ 5,247,295	$ 7,817,893
Hybrid Securities	-	-	-	-
Total Bonds	$ -	$ 2,570,598	$ 5,247,295	$ 7,817,893
Short Term (a)				
Government	$ -	$ -	$ -	$ -
Industrial and Misc	-	-	-	-
Mutual Funds	-	27,607,206	-	27,607,206
Total Short Term	$ -	$ 27,607,206	$ -	$ 27,607,206
Total assets at fair value	$ -	$ 30,177,804	$ 5,247,295	$ 35,425,099
b. Liabilities at fair value				
Derivative liabilities	$ -	$ -	$ -	$ -
Total liabilities at fair value	$ -	$ -	$ -	$ -

(a) Short-Term Investments are carried at amortized cost; which approximates fair value.

(2) Fair Value Measurements in (Level 3) of the Fair Value Hierarchy

	(1) Balance at 03/31/2011	(2) Transfers in (Level 3)	(3) Transfers out (Level 3)	(4) Total Gains and (Losses) Included in Net Income	(5) Total Gains and (Losses) Included in Surplus	(6) Purchases, Issuances, Sales and Settlements	(7) Balance at 06/30/2011
Bonds							
RMBS	$ 5,725,392	$	$ -	$ 7,170	$ 22,951	$ 508,219	$ 5,247,295
Total	$ 5,725,392	$ -	$ -	$ 7,170	$ 22,951	$ 508,219	$ 5,247,295

(3) The Company's policy is to recognize transfers in and out of Level 3 as of the beginning of the reporting period.

NOTES TO FINANCIAL STATEMENTS

(4) Bonds classified in Level 2 are valued using inputs from third party pricing services or corroborated broker quotes. Level 3 measurements for bonds are primarily those valued using non-corroborated broker quotes or internal modeling.

Note 21 - Other Items

No significant change.

Note 22 - Events Subsequent

As of August 10, 2011, the Company is not aware of any Type I Recognized or Type II Non-recognized events subsequent to June 30, 2011, which would have a material adverse affect upon the financial condition of the Company.

Note 23 - Reinsurance

No significant change.

Note 24 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

No significant change.

Note 25 - Change in Incurred Losses and Loss Adjustment Expenses

There were no significant changes during the first quarter of 2011.

Note 26 - Intercompany Pooling Arrangements

No significant change.

Note 27 - Structured Settlements

No significant change.

Note 28 - Health Care Receivables

No significant change.

Note 29 - Participating Policies

No significant change.

Note 30 - Premium Deficiency Reserves

No significant change.

Note 31 - High Deductibles

No significant change.

Note 32 - Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

No significant change.

Note 33 - Asbestos/Environmental Reserves

No significant change.

Note 34 - Subscriber Savings Accounts

No significant change.

NOTES TO FINANCIAL STATEMENTS

Note 35 - Multiple Peril Crop Insurance

No significant change.

Note 36 - Financial Guaranty Insurance

B. 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. 12/31/2009.......................

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. 12/31/2009.......................

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). 6/28/2011.........................

6.4 By what department or departments?
Ohio, Iowa, New York, Arkansas and Vermont

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? 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 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:

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]

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

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 [X] No [ ]

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:

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: $...........................38,614

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 [ ] 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	$ 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
BNY MELLON	NEW YORK, NY

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
114537	AEGON USA INVESTMENTS MANAGEMENT, LLC	CEDAR RAPIDS, IA

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 (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.

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 canceled? 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 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	2	3	Total Discount				Discount Taken During Period			
			4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Disc. Rate	Unpaid Losses	Unpaid LAE	IBNR	Total	Unpaid Losses	Unpaid LAE	IBNR	Total
						0				0
Total	XXX	XXX	0	0	0	0	0	0	0	0

5. Operating Percentages:
   5.1 A&H loss percent 5.0 %
   5.2 A&H cost containment percent 0.0 %
   5.3 A&H expense percent excluding cost containment expenses 15.0 %

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

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

	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2	3	4	5	6	7
States, Etc.	Active Status	Current Year to Date	Prior Year to Date	Current Year to Date	Prior Year to Date	Current Year to Date	Prior Year to Date
1. Alabama AL	L	608,857	452,550	858,299	1,003,040	22,804,376	22,768,717
2. Alaska AK	L	112,043	99,292	58,987	41,193	45,014	32,250
3. Arizona AZ	L	1,525,924	1,292,539	943,422	752,957	700,792	556,783
4. Arkansas AR	L	486,473	394,856	188,377	165,278	143,288	128,755
5. California CA	L	17,083,633	12,841,334	6,833,708	3,869,322	5,059,947	2,941,793
6. Colorado CO	L	1,186,584	1,066,091	624,727	603,437	468,846	456,655
7. Connecticut CT	L	1,481,735	1,298,469	1,052,039	827,304	747,851	605,996
8. Delaware DE	L	408,017	348,412	126,268	153,412	91,817	116,606
9. District of Columbia DC	L	297,764	281,098	73,683	102,487	68,384	80,732
10. Florida FL	L	7,574,040	6,390,543	5,524,785	3,381,245	4,145,286	2,545,793
11. Georgia GA	L	2,127,499	1,823,242	2,246,798	2,204,624	2,081,944	721,749
12. Hawaii HI	L	260,966	244,976	159,322	136,632	114,520	101,859
13. Idaho ID	L	209,948	177,437	86,398	63,707	65,290	53,742
14. Illinois IL	L	2,818,575	2,474,724	1,433,907	1,273,214	1,121,691	969,449
15. Indiana IN	L	1,141,782	948,760	601,124	511,243	490,538	375,211
16. Iowa IA	L	3,352,039	3,348,434	173,130	265,346	125,316	196,236
17. Kansas KS	L	520,637	445,663	254,188	214,938	228,838	167,125
18. Kentucky KY	L	700,853	686,851	379,412	345,937	300,623	269,727
19. Louisiana LA	L	744,178	835,769	268,640	299,073	208,091	307,037
20. Maine ME	L	597,992	411,899	206,741	107,428	200,095	89,641
21. Maryland MD	L	2,586,058	2,472,938	1,348,941	722,261	1,079,858	574,876
22. Massachusetts MA	L	8,953,235	6,796,727	1,611,984	1,447,060	1,146,001	1,056,096
23. Michigan MI	L	1,810,699	1,551,847	1,026,438	1,141,959	919,759	975,596
24. Minnesota MN	L	1,048,234	844,254	546,845	444,241	428,635	312,578
25. Mississippi MS	L	345,843	385,686	137,602	155,365	1,538,976	1,558,812
26. Missouri MO	L	1,227,466	1,108,405	565,849	470,739	448,721	380,900
27. Montana MT	L	149,524	158,361	85,413	64,157	67,068	52,545
28. Nebraska NE	L	313,978	213,661	122,559	122,484	107,664	116,037
29. Nevada NV	L	834,794	1,513,136	652,922	713,734	516,727	463,075
30. New Hampshire NH	L	611,922	1,139,984	178,428	210,587	127,342	153,805
31. New Jersey NJ	L	5,179,347	3,999,635	2,357,964	2,205,891	1,824,542	1,696,195
32. New Mexico NM	L	478,161	378,906	218,881	208,547	202,383	156,606
33. New York NY	L	11,183,701	8,110,392	5,626,334	4,684,206	4,072,886	3,465,907
34. North Carolina NC	L	2,097,495	2,069,282	733,599	513,116	534,835	375,992
35. North Dakota ND	L	103,398	64,444	59,928	42,593	42,983	34,245
36. Ohio OH	L	3,382,732	3,152,487	1,331,409	912,195	1,073,286	752,113
37. Oklahoma OK	L	807,049	614,380	486,796	323,474	432,710	250,837
38. Oregon OR	L	1,191,560	891,996	525,585	366,159	522,779	386,607
39. Pennsylvania PA	L	5,738,711	5,162,933	2,001,979	1,889,291	1,501,651	1,497,241
40. Rhode Island RI	L	886,747	831,308	225,334	276,782	168,701	205,074
41. South Carolina SC	L	940,927	788,081	455,783	426,493	14,626,655	13,001,554
42. South Dakota SD	L	291,030	262,576	128,567	114,391	109,090	87,164
43. Tennessee TN	L	1,353,234	1,148,710	1,192,058	660,080	21,068,063	24,474,666
44. Texas TX	L	3,912,294	12,884,514	4,696,827	6,981,107	4,901,493	6,033,119
45. Utah UT	L	520,311	449,062	180,251	81,808	187,849	94,194
46. Vermont VT	L	127,449	101,266	72,093	98,423	51,170	71,997
47. Virginia VA	L	3,289,915	3,028,222	1,305,701	1,203,556	1,068,690	916,131
48. Washington WA	L	1,462,001	1,259,705	943,548	635,879	729,684	511,052
49. West Virginia WV	L	434,812	383,923	117,516	84,339	102,461	78,774
50. Wisconsin WI	L	1,178,281	861,458	769,619	408,360	577,661	321,338
51. Wyoming WY	L	137,368	113,516	106,392	24,821	75,668	17,445
52. American Samoa AS	N	22,723	11,397	17,510	2,812	12,233	2,049
53. Guam GU	N	2,589	1,285		1,280		933
54. Puerto Rico PR	N	120,493	74,971	58,345	10,184	40,762	7,422
55. US Virgin Islands VI	N	22,258	12,304	26,071	10,478	18,214	7,636
56. Northern Mariana Islands MP	N	138					
57. Canada CN	N	1,804,915	1,400,390	1,105,612	587,781	772,412	428,362
58. Aggregate Other Alien OT	XXX	515,823	177,957	103,852	47,446	72,555	34,577
59. Totals	(a) 51	108,306,754	100,283,038	53,218,490	44,615,896	100,384,714	94,039,406
DETAILS OF WRITE-INS							
5801. AF Europe	XXX	6	177,957	26,408	47,446	18,449	34,577
5802. AF Pacific	XXX			3,917		2,737	
5803. Brazil	XXX			67,888		47,429	
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX	515,817	0	5,639	0	3,940	0
5899. Totals (Lines 5801 thru 5803 + Line 5898) (Line 58 above)	XXX	515,823	177,957	103,852	47,446	72,555	34,577

(L) - Licensed or Chartered - Licensed Insurance Carrier or Domicilied 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

PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date 1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	4 Prior Year to Date Direct Loss Percentage
1. Fire			0.0	
2. Allied lines			0.0	
3. Farmowners multiple peril			0.0	
4. Homeowners multiple peril			0.0	
5. Commercial multiple peril			0.0	
6. Mortgage guaranty			0.0	
8. Ocean marine			0.0	
9. Inland marine	85,667,595	48,161,632	56.2	60.2
10. Financial guaranty			0.0	
11.1. Medical professional liability - occurrence			0.0	
11.2. Medical professional liability - claims-made			0.0	
12. Earthquake			0.0	
13. Group accident and health	477,545	40,008	8.4	6.7
14. Credit accident and health	290,159	105,286	36.3	11.8
15. Other accident and health	152,625	(10,329)	(6.8)	27.4
16. Workers' compensation		(1,517,975)	0.0	
17.1 Other liability-occurrence	1,500,000		0.0	
17.2 Other liability-claims made			0.0	
17.3 Excess workers' compensation			0.0	
18.1 Products liability-occurrence			0.0	
18.2 Products liability-claims made			0.0	
19.1, 19.2 Private passenger auto liability			0.0	
19.3, 19.4 Commercial auto liability			0.0	
21. Auto physical damage			0.0	
22. Aircraft (all perils)			0.0	
23. Fidelity			0.0	
24. Surety			0.0	
26. Burglary and theft			0.0	
27. Boiler and machinery			0.0	
28. Credit	26,882,531	4,169,461	15.5	22.7
29. International			0.0	
30. Warranty	698,353	20,802	3.0	56.4
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	8,875,599	2,665,191	30.0	54.6
35. Totals	124,544,407	53,634,076	43.1	47.4
DETAILS OF WRITE-INS				
3401. Credit unemployment	5,188,933	460,841	8.9	18.0
3402. Contract liability	3,612,455	2,189,768	60.6	123.0
3403. Vehicle service contracts	73,062	14,582	20.0	26.3
3498. Sum. of remaining write-ins for Line 34 from overflow page	1,149	0	0.0	XXX
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34)	8,875,599	2,665,191	30.0	54.6

PART 2 - DIRECT PREMIUMS WRITTEN

Lines of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year 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	53,872,184	92,687,131	78,261,756
10. Financial guaranty			
11.1 Medical professional liability - occurrence			
11.2 Medical professional liability - claims made			
12. Earthquake			
13. Group accident and health	219,466	477,385	1,104,803
14. Credit accident and health	140,253	290,159	324,756
15. Other accident and health	69,383	152,538	399,651
16. Workers' compensation			
17.1 Other liability-occurrence		3,000,000	3,000,000
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			
21. Auto physical damage			
22. Aircraft (all perils)			
23. Fidelity			
24. Surety			
26. Burglary and theft			
27. Boiler and machinery			
28. Credit	1,763,554	3,142,073	10,711,142
29. International			
30. Warranty	179,876	381,719	567,630
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	4,119,669	8,175,747	5,913,299
35. Totals	60,364,385	108,306,752	100,283,037
DETAILS OF WRITE-INS			
3401. Credit unemployment	2,564,490	5,188,933	3,526,590
3402. Contract liability	1,557,835	2,989,517	2,410,857
3403. Vehicle service contracts	(2,957)	(3,852)	(37,138)
3498. Sum. of remaining write-ins for Line 34 from overflow page	301	1,149	12,990
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34)	4,119,669	8,175,747	5,913,299

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 (Cols. 1 + 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 (Cols. 4 + 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 (Cols. 7 + 8 + 9)	11 Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1)	12 Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	13 Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2008 + Prior	8,962	29,124	38,086	823		823	8,337	64	27,097	35,498	198	(1,963)	(1,765)
2. 2009	280	973	1,253	211		211		210	180	390	(69)	(583)	(652)
3. Subtotals 2009 + Prior	9,242	30,097	39,339	1,034	0	1,034	8,337	274	27,277	35,888	129	(2,546)	(2,417)
4. 2010	1,432	22,078	23,510	13,786		13,786		482	4,775	5,257	12,354	(16,821)	(4,467)
5. Subtotals 2010 + Prior	10,674	52,175	62,849	14,820	0	14,820	8,337	756	32,052	41,145	12,483	(19,367)	(6,884)
6. 2011	XXX	XXX	XXX	XXX	21,839	21,839	XXX	383	21,512	21,895	XXX	XXX	XXX
7. Totals	10,674	52,175	62,849	14,820	21,839	36,659	8,337	1,139	53,564	63,040	12,483	(19,367)	(6,884)
8. Prior Year-End's Surplus As Regards Policyholders	108,852										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. 116.9 %	2. (37.1)%	3. (11.0)%
													Col. 13, Line 7 Line 8
													4. (6.3)%

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?	NO

Explanation:

1.
2.
3.
4.

Bar Code:

* 1 0 9 5 2 2 0 1 1 4 9 0 0 0 0 0 2 *

* 1 0 9 5 2 2 0 1 1 4 5 5 0 0 0 0 2 *

* 1 0 9 5 2 2 0 1 1 3 6 5 0 0 0 0 2 *

* 1 0 9 5 2 2 0 1 1 5 0 5 0 0 0 0 2 *

Overflow Page for Write-Ins

Additional Write-ins for Statement of Income:

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1404. Fines and Penalties	(50)	(1,502)	(3,112)
1405. Recognition of retroactive reinsurance gain		573,647	573,647
1497. Summary of remaining write-ins for Line 14	(50)	572,145	570,535

Additional Write-ins for Schedule T:

	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
States, Etc.	Active Status	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
5804. Venezuela	XXX			2,804		1,959	
5805. Unknown	XXX	358,880		2,835		1,981	
5806. Bolivia	XXX	7,489					
5807. China	XXX	736					
5808. Croatia	XXX	2,223					
5809. Finland	XXX	306					
5810. Italy	XXX	8,245					
5811. Jamaica	XXX	7,455					
5812. Mayotte	XXX	1,850					
5813. Netherlands	XXX	18,211					
5814. Peru	XXX	1,633					
5815. Poland	XXX	2,169					
5816. Puerto Rico	XXX	46					
5817. Slovenia	XXX	64					
5818. Solomon Islands	XXX	8					
5819. Turkey	XXX	26,128					
5820. UK	XXX	47,828					
5821. NUIE	XXX	335					
5822. San Marino	XXX	299					
5823. Armed Forces Cen/S AM	XXX	3,035					
5824. Armed Forces Europe	XXX	20,465					
5825. Armed Forces Pacific	XXX	8,412					
5897. Summary of remaining write-ins for Line 58 from overflow	XXX	515,817	0	5,639	0	3,940	0

Additional Write-ins for Part 1:

	Current Year to Date			4
Lines of Business	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	Prior Year to Date Direct Loss Percentage
3404. Tuition reimbursement	1,149		0.0	49.6
3497. Summary of remaining write-ins for Line 34	1,149	0	0.0	XXX

Additional Write-ins for Part 2:

	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
3404. Tuition reimbursement	301	1,149	12,990
3497. Summary of remaining write-ins for Line 34	301	1,149	12,990

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	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
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/adjusted carrying value		
7. Deduct current year's other than temporary impairment recognized		
8. Deduct current year's depreciation		
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		
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	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
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 mortgage interest points and commitment fees		
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 (Lines 1+2+3+4+5+6-7-8+9-10)	0	0
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)	0	0
14. Deduct total nonadmitted amounts		
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	45,526	138,244
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		33
2.2 Additional investment made after acquisition	52,873	18,896
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)	(29,522)	(4,320)
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals	49	
8. Deduct amortization of premium and depreciation	30,215	107,326
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 (Lines 1+2+3+4+5+6-7-8+9-10)	38,613	45,526
12. Deduct total nonadmitted amounts	109	
13. Statement value at end of current period (Line 11 minus Line 12)	38,504	45,526

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	215,244,744	196,402,810
2. Cost of bonds and stocks acquired	8,284,304	95,858,750
3. Accrual of discount	129,224	376,182
4. Unrealized valuation increase (decrease)	929,186	722,588
5. Total gain (loss) on disposals	212,159	1,447,212
6. Deduct consideration for bonds and stocks disposed of	13,217,411	78,742,926
7. Deduct amortization of premium	224,148	439,855
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized	35,876	380,016
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	211,322,183	215,244,744
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	211,322,183	215,244,744

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)	187,589,170	53,564,582	76,565,751	380,532	187,589,170	164,968,532		172,879,910
2. Class 2 (a)	60,522,235	999,670	14,021	(376,437)	60,522,235	61,131,447		66,150,725
3. Class 3 (a)	2,605,571			4,703	2,605,571	2,610,274		6,840,065
4. Class 4 (a)	341,910			(1,347)	341,910	340,562		343,282
5. Class 5 (a)	10,495,943		618,216	843	10,495,943	9,878,571		5,920,959
6. Class 6 (a)								
7. Total Bonds	261,554,829	54,564,252	77,197,988	8,294	261,554,829	238,929,386	0	252,134,941
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	261,554,829	54,564,252	77,197,988	8,294	261,554,829	238,929,386	0	252,134,941

(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 $..........0; NAIC 2 $..........0; NAIC 3 $..........0; NAIC 4 $..........0; NAIC 5 $..........0; NAIC 6 $..........0.

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	27,607,206	XXX	27,607,206	5,599	

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	36,890,199	19,200,760
2. Cost of short-term investments acquired	62,987,956	196,476,741
3. Accrual of discount	581	10,536
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	72,271,529	178,797,838
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 (Lines 1+2+3+4+5-6-7+8-9)	27,607,206	36,890,199
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	27,607,206	36,890,199

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

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	(0)	19,795,450
2. Cost of cash equivalents acquired	58,663,325	53,764,269
3. Accrual of discount	27,112	30,417
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals	1,041	166
6. Deduct consideration received on disposals	58,691,478	73,590,303
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 (Lines 1+2+3+4+5-6-7+8-9)	(0)	(0)
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	(0)	(0)

Sch. A-Pt 2
NONE

Sch. A-Pt 3
NONE

Sch. B-Pt 2
NONE

Sch. B-Pt 3
NONE

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets ACQUIRED AND ADDITIONS MADE During the Current Quarter

1	2	Location 3	Location 4	5	6	7	8	9	10	11	12	13
CUSIP Identification	Name or Description	City	State	Name of Vendor or General Partner	NAIC Desig-nation	Date Originally Acquired	Type and Strategy	Actual Cost at Time of Acquisition	Additional Investment Made After Acquisition	Amount of Encumbrances	Commitment for Additional Investment	Percentage of Ownership
All Other Low Income Housing Tax Credit - Unaffiliated												
000000 00 0	BC Wilber School LLC	Boston	MA	Beacon Wilber LLC		12/01/2009		-	18,906		13,248	5.0
3599999. Total - All Other Low Income Housing Tax Credit - Unaffiliated								0	18,906	0	13,248	XXX
3999999. Subtotal - Unaffiliated								0	18,906	0	13,248	XXX
4199999. Totals								0	18,906	0	13,248	XXX

SCHEDULE BA - PART 3

Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Quarter

1	2	Location 3	Location 4	5	6	7	8	Changes in Book/Adjusted Carrying Value 9	10	11	12	13	14	15	16	17	18	19	20
CUSIP Identification	Name or Description	City	State	Name of Purchaser or Nature of Disposal	Date Originally Acquired	Disposal Date	Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Unrealized Valuation Increase (Decrease)	Current Year's (Depreciation) or (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Capitalized Deferred Interest and Other	Total Change in B./A.C.V (9+10-11+12)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value Less Encumbrances on Disposal	Consideration	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Investment Income
Joint Venture or Partnership Interests That Have Underlying Characteristics of Real Estate - Unaffiliated																			
000000 00 0	Foss Virginia 2010 Fund I, LLC	St. Paul	MN	Capital Distribution	09/22/2010	05/02/2011	49	-	-	-		0		49	49			0	
1799999. Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Real Estate - Unaffiliated							49	0	0	0	0	0	0	49	49	0	0	0	0
3999999. Subtotal - Unaffiliated							49	0	0	0	0	0	0	49	49	0	0	0	0
4199999. Totals							49	0	0	0	0	0	0	49	49	0	0	0	0

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 - Industrial and Miscellaneous									
04650N AB 0	AT&T INC EXCHGD 5.350% 09/01/40		05/12/2011	Tax Free Exchange		3,777,989	3,750,000		1FE
718172 AK 5	PHILIP MORRIS INTL INC 4.125% 05/17/21		05/12/2011	GOLDMAN SACHS & CO.		2,492,900	2,500,000	286	1FE
84756N AB 5	SPECTRA ENERGY PARTNERS 4.600% 06/15/21		06/06/2011	WELLS FARGO BANK		999,670	1,000,000		2FE
3899999.	Total - Bonds - Industrial & Miscellaneous					7,270,559	7,250,000	286	XXX
8399997.	Total - Bonds - Part 3					7,270,559	7,250,000	286	XXX
8399999.	Total - Bonds					7,270,559	7,250,000	286	XXX
9999999.	Total - Bonds, Preferred and Common Stocks					7,270,559	XXX	286	XXX

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

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Government																					
36203V ZX 1	GNMA 360858 7.000% 04/01/24		06/01/2011	Paydown		100	100	95	95		4		4		100			0	3	04/01/2024	1
36204N F3 6	GNMA 374686 7.000% 04/01/24		06/01/2011	Paydown		6,635	6,635	6,291	6,339		296		296		6,635			0	159	04/01/2024	1
36204T HK 3	GNMA 379234 7.000% 04/01/24		06/01/2011	Paydown		316	316	299	301		14		14		316			0	9	04/01/2024	1
36204T LK 8	GNMA 379330 7.000% 04/01/24		06/01/2011	Paydown		459	459	435	438		20		20		459			0	13	04/01/2024	1
36205H 5Z 8	GNMA 391564 7.000% 05/01/24		06/01/2011	Paydown		1,499	1,499	1,421	1,432		67		67		1,499			0	36	05/01/2024	1
36205M 2G 2	GNMA 395075 7.000% 05/01/24		06/01/2011	Paydown		726	726	689	694		32		32		726			0	21	05/01/2024	1
36223A RJ 3	GNMA 302089 7.000% 05/01/24		06/01/2011	Paydown		277	277	262	264		12		12		277			0	8	05/01/2024	1
36225A QF 0	GNMA 780454 7.000% 10/01/26		06/01/2011	Paydown		108	108	109	109				0		108			0	3	10/01/2026	1
912828 JR 2	US TREASURY 3.750% 11/15/18		05/13/2011	Various		1,618,002	1,500,000	1,657,031	1,627,438		(5,450)		(5,450)		1,621,988		(3,987)	(3,987)	28,278	11/15/2018	1
912828 KD 1	US TREASURY 2.750% 02/15/19		05/13/2011	GOLDMAN SACHS & CO		2,009,523	2,000,000	1,959,063	1,965,728		1,377		1,377		1,967,105		42,418	42,418	41,174	02/15/2019	1
0599999.	Total - Bonds - U.S. Government					3,637,645	3,510,120	3,625,695	3,602,838	0	(3,628)	0	(3,628)	0	3,599,213	0	38,431	38,431	69,704	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment																					
31374W 5D 0	FNMA 326744 7.000% 12/01/25		06/01/2011	Paydown		1,439	1,439	1,444	1,443		(4)		(4)		1,439			0	42	12/01/2025	1
3199999.	Total - Bonds - U.S. Special Revenue & Assessment					1,439	1,439	1,444	1,443	0	(4)	0	(4)	0	1,439	0	0	0	42	XXX	XXX
Bonds - Industrial and Miscellaneous																					
04650N AA 2	AT&T INC EXCHANGED 144A 5.350% 09/01/40		05/12/2011	Tax Free Exchange		3,777,989	3,750,000	3,778,500	3,778,162		(173)		(173)		3,777,989			0	99,755	09/01/2040	1FE
126650 AQ 3	CVS CAREMARK CORP 144A 5.789% 01/10/26		06/10/2011	Redemption 100.0000		11,039	11,039	10,332	10,424		615		615		11,039			0	266	01/10/2026	1FE
149123 BH 3	CATERPILLAR INC UNSECD 6.550% 05/01/11		05/01/2011	Maturity		100,000	100,000	100,160	99,984		16		16		100,000			0	3,275	05/01/2011	1FE
22942K CA 6	CREDIT SUISSE MTG 2006- 7.000% 08/01/36		06/27/2011	Capital Distribution		11,380		11,380	11,380				0		11,380			0		07/01/2036	2Z*
22942K CA 6	CREDIT SUISSE MTG 2006- 7.000% 08/01/36		06/01/2011	Redemption 12.6946		2,640	20,798	2,641	2,641				0		2,641			0		08/01/2036	2Z*
36185M AF 9	GMAC MTGE CORP LN TR 4.893% 11/01/35		06/01/2011	Paydown		82,750	82,750	82,750	54,451	28,299			28,299		82,750			0	1,667	11/01/2035	1Z*
36228C VR 1	GS MTG SEC CORP II 2005 4.680% 07/01/39		06/01/2011	Paydown		93,533	93,533	94,466	93,712		(179)		(179)		93,533			0	1,825	03/01/2014	1Z*
36228C ZS 5	GS MTG SEC CORP II 2007 1.142% 03/06/20		05/06/2011	Paydown		52,079	52,079	51,832	51,956		124		124		52,079			0	489	03/06/2020	1Z*
43718M AD 6	RESIDENTIAL FNDG II 5.720% 09/01/36		06/27/2011	Capital Distribution		80,438		80,438	80,438				0		80,438			0		05/01/2030	6Z*
52108H 4U 5	LBUBS COMM MTGE TR 2005 4.664% 07/11/30		06/11/2011	Paydown		36,100	36,100	36,280	36,137		(38)		(38)		36,100			0	698	08/11/2014	1Z*
52522Q AM 4	LEHMAN MTGE TR 2007-10 6.000% 12/01/37		06/27/2011	Capital Distribution		16,095		16,095	16,095				0		16,095			0		10/01/2021	1Z*
52522Q AM 4	LEHMAN MTGE TR 2007-10 6.000% 12/01/37		06/01/2011	Redemption 66.6304		13,698	20,558	13,698	13,697				0		13,698			0		12/01/2037	1Z*
65536P AA 8	NOMURA ASSET ACC CORP 0.286% 05/25/36		06/27/2011	Capital Distribution		621		621	621				0		621			0		04/25/2036	1Z*
65536P AA 8	NOMURA ASSET ACC CORP 0.286% 05/25/36		06/01/2011	Redemption 44.3117		440	993	440	440				0		440			0		05/25/2036	1Z*
718172 AB 5	PHILIP MORRIS INTL INC 4.875% 05/16/13		05/12/2011	GOLDMAN SACHS & CO		2,529,775	2,350,000	2,343,514	2,346,591		623		623		2,347,214		182,561	182,561	57,599	05/16/2013	1FE
74925F AA 1	RESIDENTIAL AC LN INC 1.586% 08/25/36		06/27/2011	Various		6,860		6,860	6,860				0		6,860			0		09/25/2017	1Z*
74925F AA 1	RESIDENTIAL AC LN INC 1.586% 08/25/36		06/01/2011	Various		27,257	30,967	27,258	27,258				0		27,258			0		08/25/2036	1Z*
802815 AQ 3	SANTANDER US DEBT SA 3.724% 01/20/15	F	05/24/2011	CITIGROUP		991,050	1,000,000	1,000,000	1,000,000				0		1,000,000		(8,950)	(8,950)	31,757	01/20/2015	1FE
80384H AA 8	SASCO 2008-03 A1 144A 0.466% 05/25/38		06/27/2011	Paydown		427,781	427,781	420,732	362,819	59,780	5,182		64,962		427,781			0	945	05/25/2038	5Z*
921796 MR 6	VANDERBILT MTGE & FIN 7.820% 12/01/32		06/01/2011	Paydown		190,435	190,435	197,220	181,287	11,907	(2,758)		9,149		190,435			0	6,095	12/01/2017	5FE

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Desig-nation or Market Indicator (a)
3899999.	Total - Bonds - Industrial & Miscellaneous					8,451,960	8,167,033	8,275,217	8,174,953	99,986	3,412	0	103,398	0	8,278,351	0	173,611	173,611	204,371	XXX	XXX
8399997.	Total - Bonds - Part 4					12,091,044	11,678,592	11,902,356	11,779,234	99,986	(220)	0	99,766	0	11,879,003	0	212,042	212,042	274,117	XXX	XXX
8399999.	Total - Bonds					12,091,044	11,678,592	11,902,356	11,779,234	99,986	(220)	0	99,766	0	11,879,003	0	212,042	212,042	274,117	XXX	XXX
9999999.	Total - Bonds, Preferred and Common Stocks					12,091,044	XXX	11,902,356	11,779,234	99,986	(220)	0	99,766	0	11,879,003	0	212,042	212,042	274,117	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

SCHEDULE DL - PART 1
SECURITIES LENDING COLLATERAL ASSETS

Reinvested Collateral Assets Owned Current Statement Date

1 CUSIP Identification	2 Description	3 NAIC Designation /Market Indicator	4 Fair Value	5 Book/Adjusted Carrying Value	6 Maturity Dates
Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations					
000000 00 0	TRI PARTY REPO GOLDMAN SACHS	1	1,000,000	1,000,000	08/01/2011
06945H W9 4	BARTON CAPITAL LLC	1	1,499,271	1,499,271	09/09/2011
09248U 61 9	BLACKROCK LIQUIDITY FUNDS	1	4,168,133	4,168,133	07/01/2011
16536J U1 3	CHESHAM FINANCE LLC CP 144A	1	1,000,000	1,000,000	07/01/2011
27873K U1 8	EBURY FINANCE LLC	1	1,000,000	1,000,000	07/01/2011
38501C U7 0	LLOYDS BANKING GROUP PLC	1	999,955	999,955	07/07/2011
52468K U7 4	LEGACY CAPITAL LLC	1	1,499,932	1,499,932	07/07/2011
53127U U1 6	LIBERTY STREET FDG LLC	1	1,500,000	1,500,000	07/01/2011
5766P1 UD 1	MATCHPOINT MASTER TRUST	1	1,499,930	1,499,930	07/13/2011
6117P5 U6 2	MONT BLANC CAPITAL CORP	1	1,499,948	1,499,948	07/06/2011
65409S VB 1	NIEUW AMSTERDAM REC	1	999,818	999,818	08/11/2011
7588R1 UL 7	REGENCY MARKETS NO 1 LLC	1	999,916	999,916	07/20/2011
8342E3 U5 3	SOLITAIRE FUNDING LLC	1	999,968	999,968	07/05/2011
86257C 4V 1	STRAIGHT A FUNDING LLC	1	1,499,653	1,499,653	08/22/2011
92646L U1 6	MITSUBISHI UFJ FINANCIAL GROUP	1	1,500,000	1,500,000	07/01/2011
3299999. Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations			21,666,523	21,666,523	XXX
Industrial & Miscellaneous (Unaffiliated) - Residential Mortgage-Backed Securities					
83613G AA 7	SOUNDVIEW HM EQ LN 2008-1	3	185,556	185,556	02/25/2038
3399999. Industrial & Miscellaneous (Unaffiliated) - Residential Mortgage-Backed Securities			185,556	185,556	XXX
Industrial & Miscellaneous (Unaffiliated) - Commercial Mortgage-Backed Securities					
05522R CB 2	BANK OF AMERICA CR CARD TR	1	500,225	500,213	12/16/2013
161571 BH 6	CHASE ISSUANCE TR	1	499,920	500,000	10/15/2013
161571 BJ 2	CHASE ISSUANCE TR	1	499,860	500,000	11/15/2013
46629R AA 2	JPMORGAN CHASE COMM 2006-FL2A	1	95,902	96,057	11/15/2018
46629R AB 0	JPMORGAN CHASE COMM 2006-FL2A	1	1,350,862	1,396,829	11/15/2018
52524N AA 5	LEHMAN FLOATING RATE 2007-LLFA	1	1,089,406	1,106,297	06/15/2022
55264T AE 1	MBNA CR CARD MASTER NOTE TR	1	500,030	500,083	12/16/2013
61756L AA 9	MORGAN STNLY CAP I 2007-XLF9	1	427,932	440,114	12/15/2020
78445A AA 4	SLM STUDENT LN TR 2008-4	1	62,897	62,851	07/25/2013
78445C AA 0	SLM STUDENT LN TR 2008-6	1	87,394	87,311	10/27/2014
3499999. Industrial & Miscellaneous - Commercial Mortgage-Backed Securities			5,114,429	5,189,754	XXX
3899999. Total - Industrial & Miscellaneous (Unaffiliated)			26,966,508	27,041,834	XXX
Totals					
7799999. Total - Issuer Obligations			21,666,523	21,666,523	XXX
7899999. Total - Residential Mortgage-Backed Securities			185,556	185,556	XXX
7999999. Total - Commercial Mortgage-Backed Securities			5,114,429	5,189,754	XXX
8399999. Subtotal - Bonds			26,966,508	27,041,834	XXX
9999999. Totals			26,966,508	27,041,834	XXX

General Interrogatory:

1. The activity for the year to date: Fair Value $.....(5,508,666) Book/Adjusted Carrying Value $.....(5,574,264)
2. Average balance for the year to date: Fair Value $.....28,486,184 Book/Adjusted Carrying Value $.....28,591,096
3. Reinvested securities lending collateral assets book/adjusted carrying value included in this schedule by NAIC designation:
   NAIC 1: $.....26,856,277 NAIC 2: $..........0 NAIC 3: $.....185,557 NAIC 4: $..........0 NAIC 5: $..........0 NAIC 6: $..........0

SCHEDULE DL - PART 2
SECURITIES LENDING COLLATERAL ASSETS

Reinvested Collateral Assets Owned Current Statement Date

1 CUSIP Identification	2 Description	3 NAIC Designation /Market Indicator	4 Fair Value	5 Book/Adjusted Carrying Value	6 Maturity Dates

General Interrogatory:

1. The activity for the year to date: Fair Value $..........0 Book/Adjusted Carrying Value $..........0
2. Average balance for the year to date: Fair Value $..........0 Book/Adjusted Carrying Value $..........0
3. Grand Total Schedule DL Part 1 and Part 2: Fair Value $.....26,966,508 Book/Adjusted Carrying Value $.....27,041,834

Statement for June 30, 2011 of the **STONEBRIDGE CASUALTY 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 6 First Month	7 Second Month	8 Third Month	9 *
Open Depositories								
HSBC Bank USA New York New York					1,040,937	158,800	62,740	XXX
JP Morgan Chase North Syracuse, New York					(10,163,828)	(11,226,508)	(12,563,536)	XXX
0199999. Total Open Depositories	XXX	XXX	0	0	(9,122,891)	(11,067,708)	(12,500,796)	XXX
0399999. Total Cash on Deposit	XXX	XXX	0	0	(9,122,891)	(11,067,708)	(12,500,796)	XXX
0599999. Total Cash	XXX	XXX	0	0	(9,122,891)	(11,067,708)	(12,500,796)	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