



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

QUARTERLY STATEMENT

AS OF JUNE 30, 2011
OF THE CONDITION AND AFFAIRS OF THE

American Modern Surplus Lines Insurance Company

NAIC Group Code 0361 (Current) 0361 (Prior) NAIC Company Code 12489 Employer's ID Number 20-3901790

Organized under the Laws of Ohio, State of Domicile or Port of Entry Ohio

Country of Domicile United States of America

Incorporated/Organized 11/28/2005 Commenced Business 09/01/2006

Statutory Home Office _____ 7000 Midland Blvd. _____, _____ Amelia , OH 45102-2607
(Street and Number) _____ (City or Town, State and Zip Code)

Main Administrative Office 7000 Midland Blvd.
(Street and Number)
Amelia OH 45102-2607 800-543-2644-5478

(City or Town, State and Zip Code) (Area Code) (Telephone Number)

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

Primary Location of Books and Records _____ 7000 Midland Blvd.
(Street and Number)
Amelia , OH 45102 , 800-543-2644-5478
(City or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address www.amig.com

Statutory Statement Contact Kenneth L. Kuhn, 800-543-2644-5478
(Name) (Area Code) (Telephone Number)
kkuhn@amig.com, 513-947-4111
(E-mail Address) (FAX Number)

OFFICERS

CEO	Anthony Joseph Kuczinski #	Senior Vice President	William Todd Gray
Chairman of the Board / SVP	Juergen Erwin Kammerlohr #	Senior Vice President	James Paul Tierney

OTHER

Matthew Joseph T. McConnell Senior Vice President /
Treasurer Michael Lynn Flowers Vice President / Secretary Craig Richard Smiddy Vice President

DIRECTORS OR TRUSTEES

Juergen Erwin Kammerlohr Chairman # Michael Lynn Flowers James Paul Tierney
Paul Frederick Gelter Charles Schuster Griffith III #

State of Ohio SS: _____
County of Clermont _____

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.

Anthony Joseph Kuczinski
CEO

Michael Lynn Flowers
Vice President / Secretary

Kenneth Leo Kuhn
Vice President / Controller

Subscribed and sworn to before me this
____ day of _____

a. Is this an original filing?

b. If no,

1. State the amendment number.....
2. Date filed
3. Number of pages attached.....

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	27,893,272		27,893,272	29,561,520
2. Stocks:				0
2.1 Preferred stocks			0	0
2.2 Common stocks			0	0
3. Mortgage loans on real estate:				0
3.1 First liens			0	0
3.2 Other than first liens.....			0	0
4. Real estate:				0
4.1 Properties occupied by the company (less \$ encumbrances)			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$(264,182)), cash equivalents (\$0) and short-term investments (\$2,818,518)	2,554,336		2,554,336	512,511
6. Contract loans (including \$ premium notes)			0	0
7. Derivatives			0	0
8. Other invested assets			0	0
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	30,447,608	0	30,447,608	30,074,031
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	206,845		206,845	224,984
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	8,875,904	83,423	8,792,481	3,881,657
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)	248,466		248,466	293,165
15.3 Accrued retrospective premiums			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	943,539		943,539	375,743
16.2 Funds held by or deposited with reinsured companies	28,071,207		28,071,207	27,655,820
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	770,029		770,029	0
18.2 Net deferred tax asset	1,656,518	51,753	1,604,765	1,590,942
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software			0	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	0
23. Receivables from parent, subsidiaries and affiliates			0	1,015
24. Health care (\$) and other amounts receivable			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 to 25)	71,220,116	135,176	71,084,940	64,097,357
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	71,220,116	135,176	71,084,940	64,097,357
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0	0
2501.				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	0	0	0	0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 4,193,000)	7,826,933	7,376,363
2. Reinsurance payable on paid losses and loss adjustment expenses	2,617,654	949,535
3. Loss adjustment expenses	970,728	995,013
4. Commissions payable, contingent commissions and other similar charges	2,514,316	1,455,469
5. Other expenses (excluding taxes, licenses and fees)	32,796	25,616
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	1,912,711	1,606,896
7.1 Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))		65,626
7.2 Net deferred tax liability		0
8. Borrowed money \$ and interest thereon \$		0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 5,593,566 and including warranty reserves of \$)	19,263,539	19,215,346
10. Advance premium		0
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders		0
12. Ceded reinsurance premiums payable (net of ceding commissions)	2,935,791	2,063,702
13. Funds held by company under reinsurance treaties	7,469,357	3,758,493
14. Amounts withheld or retained by company for account of others		0
15. Remittances and items not allocated		0
16. Provision for reinsurance		0
17. Net adjustments in assets and liabilities due to foreign exchange rates		0
18. Drafts outstanding		0
19. Payable to parent, subsidiaries and affiliates	161,358	559,573
20. Derivatives		0
21. Payable for securities		0
22. Payable for securities lending		0
23. Liability for amounts held under uninsured plans		0
24. Capital notes \$ and interest thereon \$		0
25. Aggregate write-ins for liabilities	25,216	24,556
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	45,730,399	38,096,188
27. Protected cell liabilities		0
28. Total liabilities (Lines 26 and 27)	45,730,399	38,096,188
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	5,000,000	5,000,000
31. Preferred capital stock		0
32. Aggregate write-ins for other than special surplus funds	142,225	138,596
33. Surplus notes		0
34. Gross paid in and contributed surplus	15,000,000	15,000,000
35. Unassigned funds (surplus)	5,212,316	5,862,573
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		0
36.2 shares preferred (value included in Line 31 \$)		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	25,354,541	26,001,169
38. Totals (Page 2, Line 28, Col. 3)	71,084,940	64,097,357
DETAILS OF WRITE-INS		
2501. Unclaimed Funds	25,216	24,556
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	25,216	24,556
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998)(Line 29 above)	0	0
3201. Net Deferred Tax Assets Admitted under SSAP10R	142,225	138,596
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298)(Line 32 above)	142,225	138,596

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 \$ 13,121,170)	10,242,521	9,080,821	13,916,785
1.2 Assumed (written \$ 20,971,901)	20,923,634	20,028,819	40,595,459
1.3 Ceded (written \$ 13,121,171)	10,242,521	9,080,821	13,916,785
1.4 Net (written \$ 20,971,900)	20,923,634	20,028,819	40,595,459
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 12,848,000):			
2.1 Direct	2,485,505	1,228,430	1,937,447
2.2 Assumed	11,326,382	8,025,896	16,345,185
2.3 Ceded	2,485,505	1,228,430	1,937,447
2.4 Net	11,326,382	8,025,896	16,345,185
3. Loss adjustment expenses incurred	873,063	752,058	1,924,534
4. Other underwriting expenses incurred	10,580,098	10,205,053	20,290,310
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	22,779,543	18,983,007	38,560,029
7. Net income of protected cells		0	0
8. Net underwriting gain or (loss) (Line 1 minus Line 6 + Line 7)	(1,855,909)	1,045,812	2,035,430
INVESTMENT INCOME			
9. Net investment income earned	415,257	435,356	749,410
10. Net realized capital gains (losses) less capital gains tax of \$ 154,854	287,586	354,532	327,118
11. Net investment gain (loss) (Lines 9 + 10)	702,843	789,888	1,076,528
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)		0	0
13. Finance and service charges not included in premiums	5,098	6,439	12,179
14. Aggregate write-ins for miscellaneous income	0	0	0
15. Total other income (Lines 12 through 14)	5,098	6,439	12,179
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(1,147,968)	1,842,139	3,124,137
17. Dividends to policyholders		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)	(1,147,968)	1,842,139	3,124,137
19. Federal and foreign income taxes incurred	(487,517)	596,333	1,122,126
20. Net income (Line 18 minus Line 19)(to Line 22)	(660,451)	1,245,806	2,002,011
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	26,001,169	23,660,499	23,660,499
22. Net income (from Line 20)	(660,451)	1,245,806	2,002,011
23. Net transfers (to) from Protected Cell accounts		0	0
24. Change in net unrealized capital gains (losses) less capital gains tax of \$		0	0
25. Change in net unrealized foreign exchange capital gain (loss)		0	0
26. Change in net deferred income tax	11,298	.75,670	27,161
27. Change in nonadmitted assets	(1,104)	281,325	172,902
28. Change in provision for reinsurance		0	0
29. Change in surplus notes		0	0
30. Surplus (contributed to) withdrawn from protected cells		0	0
31. Cumulative effect of changes in accounting principles		0	0
32. Capital changes:			
32.1 Paid in		0	0
32.2 Transferred from surplus (Stock Dividend)		0	0
32.3 Transferred to surplus		0	0
33. Surplus adjustments:			
33.1 Paid in	0	0	0
33.2 Transferred to capital (Stock Dividend)		0	0
33.3 Transferred from capital		0	0
34. Net remittances from or (to) Home Office		0	0
35. Dividends to stockholders		0	0
36. Change in treasury stock		0	0
37. Aggregate write-ins for gains and losses in surplus	3,629	0	138,596
38. Change in surplus as regards policyholders (Lines 22 through 37)	(646,628)	1,602,801	2,340,670
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	25,354,541	25,263,300	26,001,169
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 through 0503 plus 0598)(Line 5 above)	0	0	0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498)(Line 14 above)	0	0	0
3701. Net Deferred Tax Assets Admitted under SSAP10R	3,629		138,596
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. Totals (Lines 3701 through 3703 plus 3798)(Line 37 above)	3,629	0	138,596

STATEMENT AS OF JUNE 30, 2011 OF THE American Modern Surplus Lines Insurance Co.
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	16,977,791	17,469,289	39,295,855
2. Net investment income	353,307	644,304	924,586
3. Miscellaneous income	(410,287)	(727,468)	(1,121,129)
4. Total (Lines 1 to 3)	16,920,811	17,386,125	39,099,312
5. Benefit and loss related payments	9,775,489	8,576,253	17,144,468
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	10,105,604	15,800,078	28,661,549
8. Dividends paid to policyholders	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	502,992	655,320	1,389,650
10. Total (Lines 5 through 9)	20,384,085	25,031,651	47,195,667
11. Net cash from operations (Line 4 minus Line 10)	(3,463,274)	(7,645,526)	(8,096,355)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	20,344,324	37,320,014	43,636,327
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	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	20,344,324	37,320,014	43,636,327
13. Cost of investments acquired (long-term only):			
13.1 Bonds	18,153,550	12,756,549	28,567,589
13.2 Stocks	0	0	0
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)	18,153,550	12,756,549	28,567,589
14. Net increase (or 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)	2,190,774	24,563,465	15,068,738
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)	3,314,325	(6,740,995)	(6,902,777)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	3,314,325	(6,740,995)	(6,902,777)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	2,041,825	10,176,944	69,606
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	512,511	442,905	442,905
19.2 End of period (Line 18 plus Line 19.1)	2,554,336	10,619,849	512,511

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

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NOTES TO FINANCIAL STATEMENTS

1) Summary of Significant Accounting Policies

A) The accompanying financial statement of American Modern Surplus Lines Insurance Company has been prepared in conformity with accounting practices prescribed or permitted by the National Association of Insurance Commissioners and the State of Ohio.

2) Accounting Changes and Corrections of Errors

No Change.

3) Business Combinations and Goodwill

No Change.

4) Discontinued Operations

No Change.

5) Investments

A) through C) No Change.

D) Loan - Backed Securities

1) The Company uses dealer modeled prepayment assumptions for single class and multi-class mortgage-backed/asset backed securities.

2 & 3) The Company has not recognized any OTTI during the reporting period.

4) a. The aggregate amount of unrealized losses:

1. Less than 12 Months:	\$	0
2. 12 Months or Longer	\$	0

b. The aggregate related fair value of securities with unrealized losses:

1. Less than 12 Months:	\$	0
2. 12 Months or Longer	\$	0

E) through G) No Change

6) Joint Ventures, Partnerships and Limited Liability Companies

No Change.

7) Investment Income

No Change.

8) Derivative Instruments

No Change.

9) Income Taxes

A. The net deferred tax asset/(liability) at June 30 and the change from the prior year are comprised of the following components:

	6/30/2011			12/31/2010			Change Ordinary	Change Capital	Change Total
	Ordinary	Capital	Total	Ordinary	Capital	Total			
(1) Total gross deferred tax assets	1,658,459	-	1,658,459	1,643,438	-	1,643,438	15,021	-	15,021
(2) Total gross deferred tax liabilities	(1,941)	-	(1,941)	(1,847)	-	(1,847)	(94)	-	(94)
(3) Net deferred tax assets /liabilities)	1,656,518	-	1,656,518	1,641,591	-	1,641,591	14,927	-	14,927
(4) Total Deferred tax assets nonadmitted	(51,753)	-	(51,753)	150,216	-	150,216	(201,969)	-	(201,969)
(5) Net admitted deferred tax assets / (liabilities)	<u>1,604,765</u>	<u>-</u>	<u>1,604,765</u>	<u>1,791,807</u>	<u>-</u>	<u>1,791,807</u>	<u>(187,042)</u>	<u>-</u>	<u>(187,042)</u>
(7) The Company has elected to admit deferred tax assets pursuant to paragraph 10.e. for the years ended 6/30/11 and 12/31/10.									

STATEMENT AS OF JUNE 30, 2011 OF THE American Modern Surplus Lines Insurance Co.

NOTES TO FINANCIAL STATEMENTS

(8) The amount of admitted adjusted gross deferred tax assets admitted under each component of SSAP 10R:

	6/30/2011	12/31/2010	Change	Change	Change		
	Ordinary	Capital	Ordinary	Capital	Ordinary	Capital	Total
Admitted under paragraph 10.a. from prior years income taxes paid that can be recovered through loss carrybacks	1,261,675	-	1,261,675	1,452,346	-	1,452,346	(190,672)
Deferred tax asset, Paragraph 10.b., lesser of:							
Expected to be recognized within one year, admitted under paragraph 10.b.i	-	-	-	-	-	-	-
10% of adjusted capital and surplus, admitted under paragraph 10.b.ii	2,512,185	-	2,512,185	2,386,451	-	2,386,451	125,734
Admitted under paragraph 10.b. (lesser of b.i. or b.ii)	-	-	-	-	-	-	-
Adjusted gross DTAs offsetting existing DTLs, admitted under paragraph 10.c.	1,941	-	1,941	1,847	-	1,847	94
Total admitted from the application of paragraph 10.a - 10.c.	1,263,616	-	1,263,616	1,454,194	-	1,454,194	(190,577)
Admitted under paragraph 10.e.i. from prior years income taxes paid that can be recovered through loss carrybacks	142,225	-	142,225	138,596	-	138,596	3,629
Paragraph 10.e.ii., lesser of:							
Expected to be recognized within three years, admitted under paragraph 10.e.ii.a	-	-	-	-	-	-	-
15% of adjusted capital and surplus, admitted under paragraph 10.e.ii.b	3,768,278	-	3,768,278	3,579,677	-	3,579,677	188,601
Admitted under paragraph 10.e.ii. (lesser of e.ii.a or e.ii.b)	-	-	-	-	-	-	-
Adjusted gross DTAs offsetting existing DTLs, admitted under paragraph 10.e.iii.	-	-	-	-	-	-	-
Total admitted from the application of paragraph 10.e.	142,225	-	142,225	138,596	-	138,596	3,629
Total admitted adjusted gross deferred tax assets	1,405,841	-	1,405,841	1,592,789	-	1,592,789	(186,948)

The Company's risk-based capital level used for purposes of paragraph 10.d. is based on authorized control level risk based capital of \$4,919,270 and total adjusted capital of \$26,001,169 as of December 31, 2010 and authorized control level risk based capital of \$4,558,288 and total adjusted capital of \$23,660,499 as of December 31, 2009.

(9) The increased amount by tax character, and the change in such, of admitting adjusted gross DTAs as the result of the application of paragraph 10e:

	6/30/2011	12/31/2010	Change	Change	Change		
	Ordinary	Capital	Ordinary	Capital	Ordinary	Capital	Total
Increased (decreased) amount of admitted DTA- ordinary	142,225		138,596		3,629		3,629
Increased (decreased) amount of admitted DTA- capital			142,225				3,629
Increased (decreased) amount of admitted DTA- total							3,629

(10) The amount of admitted DTAs, admitted assets, statutory surplus and total adjusted capital in the risk-based capital calculation and the increased amount of DTAs, admitted assets and surplus as the result of the application of paragraph 10e:

	6/30/2011	12/31/2010	Change	Change	Change		
	Ordinary	Capital	Ordinary	Capital	Ordinary	Capital	Total
<u>SSAP 10R, Paragraphs 10a, 10b and 10c</u>							
Admitted Deferred Tax Assets	1,263,616	-	1,263,616	1,454,194	-	1,454,194	(190,577)
Admitted Assets		70,942,715			63,958,761		6,983,954
Adjusted Statutory Surplus		25,212,314			25,862,573		(650,259)
Total Adjusted Capital from DTAs		1,261,675			1,452,347		(190,672)
<u>Increase due to SSAP 10R, Paragraphs 10e</u>							
Admitted Deferred Tax Assets	142,225	-	142,225	138,596	-	138,596	3,629
Admitted Assets		142,225			138,596		3,629
Adjusted Statutory Surplus		142,225			138,596		3,629

(11) The change in deferred income taxes reported in surplus before consideration of nonadmitted assets is comprised of the following components:

	6/30/2011	12/31/2010	Change	12/31/2010	12/31/2009	Change
Net adjusted deferred tax asset (liability)	1,656,518	1,641,591	14,927	1,641,591	1,475,834	165,757
Tax-effect of unrealized gains and losses	-	-	-	-	-	-
Net tax effect without unrealized gains and losses	1,656,518	1,641,591	14,927	1,641,591	1,475,834	165,757
Change in deferred income tax			(14,927)			(165,757)

B. Unrecognized deferred tax liabilities

(1) There are no temporary differences for which deferred tax liabilities are not recognized.

(2) None

(3) There are no unrecognized DTL for temporary differences related to investments in foreign subsidiaries and foreign corporate joint ventures that are essentially permanent in duration.

(4) There are no DTL for temporary differences other than those in item (3) above that is not recognized.

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

	6/30/2011	12/31/2010	Change
Current year tax expense (benefit)- ordinary income	(487,517)	1,085,535	(1,573,052)
Current year tax expense (benefit)- realized gains/(losses)	154,854	176,140	(21,286)
Current year tax expense (benefit) incurred	(332,663)	1,261,675	(1,594,338)
Prior year adjustments	0	36,591.00	(36,591)
Current income taxes incurred	(332,663)	1,298,266	(1,630,929)

Deferred income tax assets and liabilities consist of the following major components:

	6/30/2011	12/31/2010	Change	Change	Change		
	Ordinary	Capital	Ordinary	Capital	Ordinary	Capital	Total
Deferred tax assets:							
Unearned Premium Reserve	1,348,448	-	1,348,448	1,345,074	-	1,345,074	3,373
Loss Reserve Discounting	240,385	-	240,385	228,737	-	228,737	11,648
Reserve for Assessments	40,429	-	40,429	40,429	-	40,429	-
Bond Impairments	-	-	-	-	-	-	-
Nonadmitted asset	29,198	-	29,198	29,198	-	29,198	-
Total gross deferred tax assets	1,658,459	-	1,658,459	1,643,438	-	1,643,438	15,021
Statutory Valuation Allowance Adjustment	-	-	-	-	-	-	-
Total adjusted gross deferred tax assets	1,658,459	-	1,658,459	1,643,438	-	1,643,438	15,021
Nonadmitted deferred tax assets	(252,618)	-	(252,618)	(50,649)	-	(50,649)	(201,969)
Admitted deferred tax assets	1,405,841	-	1,405,841	1,592,789	-	1,592,789	(186,948)
Deferred tax liabilities:							
Unrealized <Gains> Losses	-	-	-	-	-	-	-
Other	(1,941)	-	(1,941)	(1,847)	-	(1,847)	(94)
Total deferred tax liabilities	(1,941)	-	(1,941)	(1,847)	-	(1,847)	(94)
Net admitted deferred tax asset (liability)	1,403,900	-	1,403,900	1,590,942	-	1,590,942	(187,042)

There was no valuation allowance adjustment to gross deferred tax assets as of June 30, 2011 or December 31, 2010, respectively.

The Company has no specific tax planning strategies that would effect the determination of DTA's or the determination of net-admitted DTA's.

STATEMENT AS OF JUNE 30, 2011 OF THE American Modern Surplus Lines Insurance Co.

NOTES TO FINANCIAL STATEMENTS

D. The Company's income tax incurred and change in deferred income tax differs from the amount obtained by applying the federal statutory rate of 35% to income before income taxes as follows:

	6/30/2011	12/31/2010
	Total	Total
Current income taxes incurred	(332,663)	1,298,266
Change in deferred income tax (without tax on unrealized gains and losses)	(14,927)	(165,757)
Total income tax reported	<u>(347,590)</u>	<u>1,132,509</u>
Income before taxes	(993,115)	3,300,276
Expected Income tax expense (benefit) at 35% statutory rate	35%	35%
	(347,590)	1,155,097
Increase (decrease) in actual tax reported resulting from:		
a. Dividends received deduction	-	-
b. Tax-exempt income	-	-
c. Change in deferred taxes on nonadmitted assets	-	(27,540)
d. Prior period adjustments	-	4,952
Total income tax reported	<u>(347,590)</u>	<u>1,132,509</u>

E. Operating loss carryforward

(1) As of June 30, 2011, there are no operating loss, net capital loss or tax credit carryforwards available for tax purposes.

(2) The amount of Federal income taxes incurred that are available for recoupment in the event of future net losses are:

	Ordinary	Capital	Total
2011	-	154,854	154,854
2010	1,085,535	176,140	1,261,675
2009	494,859	78,539	573,398

(3) There are no deposits admitted under Section 6603 of the Internal Revenue Code.

F. Consolidated federal income tax return

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

Munich American Holding Corporation (MAHC)	American Modern Insurance Group, Inc.
Munich Re America Corporation (MRAC)	American Modern Insurance Co. of Florida
Munich Reinsurance America, Inc. (MRAm)	American Modern Lloyds Insurance Company
American Alternative Insurance Corporation (AAIC)	American Modern Select Insurance Co.
MEAG New York Corp.	American Modern Surplus Lines Insurance Co.
Munich Re Capital Markets New York, Inc.	American Southern Home Insurance Co.
Munich American Securities Corporation	American Western Home Insurance Co.
Munich Re America Brokers, Inc.	Atlas Insurance Agency, Inc.
AM-RE Consultants, Inc.	Copper Leaf Research
Munich Re America Services, Inc.	First Marine Insurance Co.
Munich-American Global Services, Inc.	Lloyds Modern Corp.
Munich-American RiskPartners, Inc.	Marbury Agency, Inc.
Princeton Eagle West (Holding), Inc.	The Midland Co.
Princeton Eagle West Insurance Company, Ltd.	Midland-Guardian Co.
Munich-American HealthCare Services, Inc.	Midwest Enterprises, Inc.
Munich American Reassurance Company	Modern Life Insurance Company of Arizona, Inc.
Munich American Reinsurance Casualty Company	Specialty Insurance Services Corp.
Munich Atlanta Financial Corporation	Sunbelt General Agency
Agora Insurance Network Solutions, Inc.	The Hartford Steam Boiler Inspection and Insurance Company
Lifeplans, Inc.	The Hartford Steam Boiler Inspection and Insurance Company of Connecticut
Family Caring Network, Inc.	HSB Group, Inc.
Cairnstone, Inc.	HSB Engineering Finance Corporation
Sterling Life Insurance Company	HSB Ventures, Inc.
Olympic Health Management Systems, Inc.	HSB Associates, Inc.
Olympic Health Management Services, Inc.	One State Street Intermediaires, Inc.
OHM Services of Texas, Inc.	HSB Investment Corporation
National Senior Membership Group	The Polytechnic Company
American Family Home Insurance Co.	RayHart Investment Company
American Modern Home Insurance Co.	HSB Professional Loss Control, Inc.
American Modern Home Service Co.	EIG, Co
Windsor Health	

(2) The Company has a written tax sharing agreement with Munich American Holding Corporation approved by the Company's Board of Directors, setting forth the allocation and payment of federal income tax. The consolidated tax provision or credit is allocated to the separate companies on the basis of separate return computations. If the current year results in a reported profit for the insurance company, the tax provision recorded is currently payable to the parent company. If the current year results in a reported loss for the insurance company, the tax credit recorded is currently payable from the parent company to the insurance company. Thus, in loss years, Federal income taxes are recouped immediately and not carried forward. Estimated settlements are performed quarterly with the final amount settled once the tax return is filed.

10) Information Concerning Parent, Subsidiaries, Affiliates and Related Parties

A) through C) No Change.

D) As of June 30, 2011, the Company had a balance due to related parties in the amount of \$ 161,358.

E) through L) No Change.

11) Debt

No Change.

12) Retirement Plans, Deferred Compensation, and Other Postretirement Benefit Plans

No Change.

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

No Change.

14) Contingencies

No Change.

15) Leases

No Change.

16) Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

NOTES TO FINANCIAL STATEMENTS

No Change.

17) Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A) The Company did not participate in the transfers of receivables reported as Sales.

B) The Company did not participate in the transfers and servicing of financial assets.

C) 1) The Company did not have any transactions involving Wash Sales.

2) The Company does not own any NAIC designation 3 or below securities.

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

No Change.

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

No Change.

20) Fair Value Measurements

Fair Value Measurements at Reporting Date

Description	Level 1	Level 2	Level 3	Total
Assets at Fair Value				
Bonds				
U.S. Governments	0	0	0	0
Industrial and Misc	0	0	0	0
Parent, Subsidiaries and Affiliates	0	0	0	0
Total Bonds	0	0	0	0
Total Assets at Fair Value	0	0	0	0

21) Other Items

The Company has no extraordinary items or troubled debt restructuring items to report.

The Company does not own any hybrid securities, has no State Transferable Tax Credits or Sub Prime Mortgage Related Risk Exposure to report.

22) Events Subsequent

There are no subsequent events that may have a material effect on the financial condition of the Company.

23) Reinsurance

A) & B) No Change.

C) The maximum amount of return commission due to or from reinsurers if all reinsurance contracts were cancelled at June 30, 2011 was:

(1)	ASSUMED	CEDED	NET
a. Affiliates	Premium \$19,263,539	Commission \$4,527,971	Premium \$5,593,566
			Commission \$1,568,587

b. Direct Unearned Premium Reserve \$ 5,593,566

(2) & (3) No Change

D) through G) No Change

24) Retrospectively Rated Contracts & Contracts Subject to Redetermination

No Change.

25) Change in Incurred Losses and Loss Adjustment Expenses

Reserves as of December 31, 2010 were \$6,070 million. As of June 30, 2011 \$2,192 million has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$2,945 million as a result of re-estimation of unpaid claims and claim adjustment expenses principally on homeowners and private passenger auto liability and Physical Damage

NOTES TO FINANCIAL STATEMENTS

lines of insurance. Therefore, there has been a \$ (933) million unfavorable (favorable) prior year development since December 31, 2010 to June 30, 2011. The increase (decrease) is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

26) Intercompany Pooling Arrangements

No Change.

27) Structured Settlements

No Change.

28) Health Care Receivables

No Change.

29) Participating Policies

No Change.

30) Premium Deficiency Reserves

1. Liability carried for premium deficiency reserves	\$ 0
2. Date of the most recent evaluation of this liability	6/30/11
3. Was anticipated investment income utilized in the calculation	No

31) High Deductibles

No Change.

32) Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expense

No Change.

33) Asbestos/Environmental Reserves

No Change.

34) Subscriber Savings Accounts

No Change.

35) Multiple Peril Crop Insurance

No Change.

36) Financial Guaranty Insurance

No Change.

STATEMENT AS OF JUNE 30, 2011 OF THE American Modern Surplus Lines Insurance Co.
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 the name of the 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 [] N/A [X]
 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). 12/17/2010

6.4 By what department or departments?
 Ohio Department of Insurance

6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [] 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:

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

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

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

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

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

STATEMENT AS OF JUNE 30, 2011 OF THE American Modern Surplus Lines Insurance Co.
GENERAL INTERROGATORIES

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 [] 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 []

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 []

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

FINANCIAL

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

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

INVESTMENT

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

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

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

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

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

14.2 If yes, please complete the following:

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

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [] No []

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.

STATEMENT AS OF JUNE 30, 2011 OF THE American Modern Surplus Lines Insurance Co.
GENERAL INTERROGATORIES

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 1, III - General Examination Considerations, F.
 Outsourcing of Critical Functions, 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
State Street Bank & Trust Company	801 Pennsylvania Ave, Kansas City, MO 64105

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 information relating thereto:

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

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of 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
112020	MEAG New York Corporation	540 Madison Ave, 6th Fl, New York, NY 10022

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:

STATEMENT AS OF JUNE 30, 2011 OF THE American Modern Surplus Lines Insurance Co.
GENERAL INTERROGATORIES

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 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 Discount 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	0	0	0	0

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

- 6.1 Do you act as a custodian for health savings accounts? Yes [] No [X]

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

- 6.3 Do you act as an administrator for health savings accounts? Yes [] No [X]

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

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

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	E 267,293	93,047	19,500	16,500	37,890	4,581
2. Alaska	AK	E 7,532	0		4,000		0
3. Arizona	AZ	E 194,613	93,972	292,034	81,400	445,126	14,799
4. Arkansas	AR	E 4,868	3,225		0		0
5. California	CA	N 0	0		0	0	0
6. Colorado	CO	E 77,951	11,529		0		0
7. Connecticut	CT	N 0	0		0		0
8. Delaware	DE	E 6,602	0		0		0
9. District of Columbia	DC	E 1,285	(848)		0		0
10. Florida	FL	E 3,883,065	205,299	322,861	1,582,461	22,450	406,588
11. Georgia	GA	E 338,852	16,582	20,292	2,615	1,885	0
12. Hawaii	HI	E 108,305	104,174	41,358	82,305	143,929	233,556
13. Idaho	ID	E 3,411	703		0		0
14. Illinois	IL	E 1,671,020	37,291	884	8,576	12,487	110,041
15. Indiana	IN	E 127,247	(18,273)	22,141	0	922	0
16. Iowa	IA	N 0			0		0
17. Kansas	KS	E 1,989	1,049		0		0
18. Kentucky	KY	E 38,436	16,892	17,208	0		0
19. Louisiana	LA	E 92,515	15,916		0		0
20. Maine	ME	E 18,414	8,096	4,309	0		0
21. Maryland	MD	E 76,955	1,037		0	37,527	0
22. Massachusetts	MA	N 0			0		0
23. Michigan	MI	N 0	0		0		0
24. Minnesota	MN	E 74,231	3,342		0		0
25. Mississippi	MS	N 0	0		0		0
26. Missouri	MO	E 40,487	4,068		0		0
27. Montana	MT	E 1,084	0		0		0
28. Nebraska	NE	E 39,111	148		0		0
29. Nevada	NV	E 54,199	332		0		0
30. New Hampshire	NH	N 0	0		0		0
31. New Jersey	NJ	E 318,411	537,070	37,583	447,783	437,542	303,954
32. New Mexico	NM	N 0			0		0
33. New York	NY	E 82,416	42,790	35,119	10,183	407	0
34. North Carolina	NC	E 62,148	54,145	16,346	1,648		11,156
35. North Dakota	ND	E 723	0		0		0
36. Ohio	OH	L 56,952	0	20,835	0	25,568	0
37. Oklahoma	OK	N 0	0		0		0
38. Oregon	OR	E 11,588	1,757		0		0
39. Pennsylvania	PA	E 912,204	26,512	632,364		30,446	0
40. Rhode Island	RI	N 0	0		0		0
41. South Carolina	SC	E 308,408	298,472	29,049	5,405	92,901	0
42. South Dakota	SD	E 1,367	0		0		0
43. Tennessee	TN	E 139,354	2,069		0		0
44. Texas	TX	E 3,940,788	19,030	123,688	14,221	327,505	276,428
45. Utah	UT	E 12,561	6		0		0
46. Vermont	VT	E 2,096			0		0
47. Virginia	VA	E 24,927	(730)		0		0
48. Washington	WA	E 11,184	2,673		0		0
49. West Virginia	WV	E 7,734	188		0		0
50. Wisconsin	WI	E 100,940	60,537		0		0
51. Wyoming	WY	E 0			0		0
52. American Samoa	AS	N 0			0		0
53. Guam	GU	N 0			0		0
54. Puerto Rico	PR	N 0	0		0		0
55. U.S. Virgin Islands	VI	E 0			0		0
56. Northern Mariana Islands	MP	N 0			0		0
57. Canada	CN	N 0			0		0
58. Aggregate Other Alien OT	OT	XXX 0	0	0	0	0	0
59. Totals		(a) 1 13,121,170	1,644,196	1,635,571	2,257,097	1,616,585	1,361,103
DETAILS OF WRITE-INS							
5801.		XXX					
5802.		XXX					
5803.		XXX					
5898.	Summary of remaining write-ins for Line 58 from overflow page	XXX 0	0	0	0	0	0
5899.	Totals (Lines 5801 through 5803 plus 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

Quarterly Statement - Schedule Y Munich American Holding Corporation

<u>Company Name</u>	<u>Federal ID Number</u>	<u>NAIC Company Code</u>	<u>State of Domicile</u>	<u>Percentage Owned</u>
Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft		AA-1340165	GERMANY	
-- Munich-American Holding Corporation	22-3753262		DE	100%
-- -- Munich Re America Corporation	13-3672116		DE	100%
-- -- -- Munich Reinsurance America, Inc.	13-4924125	10227	DE	100%
-- -- -- American Alternative Insurance Corporation	52-2048110	19720	DE	100%
-- -- -- The Princeton Excess and Surplus Lines Insurance Company	22-3410482	10786	DE	100%
-- -- -- Princeton Eagle West (Holding), Inc.	95-4551801		DE	100%
-- -- -- Princeton Eagle West Insurance Co., Ltd.	98-0157330	AA-3194111	BERMUDA	100%
-- -- -- Princeton Eagle Holding (Bermuda), Ltd.			BERMUDA	100%
-- -- -- Princeton Eagle Insurance Company, Ltd.			BERMUDA	100%
-- -- Munich Re Capital Markets New York, Inc.	52-2108519		DE	100%
-- -- MEAG NY Corporation	06-1398157		DE	100%
-- -- MEAG Hong Kong, Ltd.			HONG KONG	100%
-- -- Munich Re America Services, Inc.	13-3069874		DE	100%
-- -- Munich Health North America, Inc	54-2165277		DE	100%
-- -- -- Munich Re Stop Loss, Inc.	65-0644164		DE	100%
-- -- -- Excess Reinsurance, Inc.			TURKS & CAICOS	100%
-- -- -- Windsor Health Group, Inc	62-1832645		TN	100%
-- -- -- Windsor Management Services, Inc	62-1530448		TN	100%
-- -- -- Windsor Health Plan, Inc.	62-1531881		TN	100%
-- -- -- Windsor DME Operations, Inc	20-0011706		TN	100%
-- -- -- Windsor HomeCare Network, LLC	20-0011696		TN	100%
-- -- -- Windsor Long Term Care,, LLC	20-1806821		TN	100%
-- -- -- Tennessee Utilities Assistance Fund, Inc.	20-4622360		TN	100%
-- -- -- 50 Plus Strategies, Inc.	20-1806860		TN	100%
-- -- -- Sterling Life Insurance Company	13-1867829	77399	IL	100%
-- -- -- Olympic Health Management Systems, Inc.	91-1500758		WA	100%
-- -- -- -- Olympic Health Management Services, Inc.	91-1599329		WA	100%
-- -- -- -- OHM Services of Texas, Inc.	76-0422730		WA	100%
-- -- -- -- National Senior Membership Group	91-1914479		WA	100%
-- -- Munich-American Global Services (Munich) GmbH (A)			GERMANY	100%
-- -- Munich Re America Brokers, Inc.	13-2940720		DE	100%
-- -- Munich Re America Management, Ltd.			ENGLAND	100%
-- -- Munich American Reassurance Company	58-0828824	66346	GA	100%
-- -- -- Munich American Reinsurance Casualty Company	77-0687583		SC	100%
-- -- -- Munich Atlanta Financial Corporation	51-0264311		GA	100%
-- -- -- Agora Insurance Network Solutions, Inc.	36-4444532		IL	100%
-- -- -- LifePlans, Inc.	04-2925808		MA	100%
-- -- -- -- LifePlans LTC Services, Inc.	04-3075657		MA	100%
-- -- MR Parkview Holding Corporation			DE	100%
-- -- MSMR Parkview LLC			DE	38.46%
-- -- The Midland Company	31-0742526		OH	100%
-- -- -- Midland-Guardian Co.	31-0626204		OH	100%
-- -- -- -- Marbury Agency, Inc.	31-0831559		OH	100%
-- -- -- -- American Modern Insurance Group, Inc.	31-1395650		OH	100%
-- -- -- -- -- The Atlas Insurance Agency, Inc.	31-0530321		OH	100%
-- -- -- -- -- Midwest Enterprises, Inc.	59-6066315		FL	100%

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART

Annual Statement - Schedule Y Munich American Holding Corporation

<u>Company Name</u>	<u>Federal ID Number</u>	<u>NAIC Company Code</u>	<u>State of Domicile</u>	<u>Percentage Owned</u>
-- -- -- -- -- Copper Leaf Research	38-3470438		MI	100%
-- -- -- -- -- Specialty Insurance Services Corp.	34-1894203		OH	100%
-- -- -- -- -- American Modern Life Insurance Co.	86-6052181	65811	OH	100%
-- -- -- -- -- Southern Pioneer Life Insurance Co.	62-0754973	74365	AR	100%
-- -- -- -- -- Union Life Insurance Co.	71-0832310	83909	AR	100%
-- -- -- -- -- Ouachita Life Insurance Co.	62-1337325	88820	AR	100%
-- -- -- -- -- Capitol Life & Accident Insurance Co.	71-0295644	90840	AR	100%
-- -- -- -- -- Hyneiman Life Corp.	71-0567545		AR	100%
-- -- -- -- -- Arkansas Life Insurance Co.	74-2253621	97551	AZ	100%
-- -- -- -- -- American Modern Home Insurance Co.	31-0715697	23469	OH	100%
-- -- -- -- -- American Modern Lloyd's Insurance Co.	31-1056196	42005	TX	100%
-- -- -- -- -- First Marine Insurance Company	43-1262602	42722	MO	100%
-- -- -- -- -- American Western Home Insurance Co.	31-0920414	35912	OK	100%
-- -- -- -- -- Modern Life Insurance Co. of Arizona, Inc.	31-0920421	88226	AZ	100%
-- -- -- -- -- American Southern Home Insurance Co.	59-2236254	41998	FL	100%
-- -- -- -- -- American Modern Insurance Co. of Florida, Inc.	20-2769607	12314	FL	100%
-- -- -- -- -- American Modern Select Insurance Co.	38-2342976	38652	OH	100%
-- -- -- -- -- American Modern Home Service Co.	31-1279157		OH	100%
-- -- -- -- -- Lloyd's Modern Corp.	31-1056196		TX	100%
-- -- -- -- -- American Family Home Insurance Co.	31-0711074	23450	FL	100%
-- -- -- -- -- American Modern Surplus Lines Insurance Co.	20-3901790	12489	OH	100%
-- -- HSB Group, Inc.	13-4141052		DE	100%
-- -- -- HSB Engineering Finance Corp	06-1497387		DE	100%
-- -- -- HSB Ventures Inc.	06-1566995		DE	100%
-- -- -- The Hartford Steam Boiler Inspection and Insurance Company	06-0384680	11452	CT	100%
-- -- -- EIG, Co.	06-1413773		DE	100%
-- -- -- HSB Engineering Insurance Limited			ENGLAND	100%
-- -- -- -- The Boiler Inspection and Insurance Company of Canada			CANADA	100%
-- -- -- -- HSB Haughton Engineering Insurance Services Limited			ENGLAND	100%
-- -- -- -- HSB Inspection Quality, Limited			ENGLAND	100%
-- -- -- HSB Solomon Associates LLC	54-2013079		DE	100%
-- -- -- Solomon Associates Limited			ENGLAND	100%
-- -- -- The Polytechnic Club, Inc.	06-1084969		CT	100%
-- -- -- HSB Associates, Inc.	06-1041366		NY	100%
-- -- -- One State Street Intermediaries, Inc.	06-1120606		CT	100%

STATEMENT AS OF JUNE 30, 2011 OF THE American Modern Surplus Lines Insurance Co.

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART

Annual Statement - Schedule Y Munich American Holding Corporation

<u>Company Name</u>	<u>Federal ID Number</u>	<u>NAIC Company Code</u>	<u>State of Domicile</u>	<u>Percentage Owned</u>
-- -- -- -- HSB Investment Corp.	06-1088420		CT	100%
-- -- -- -- TEGG Corporation	25-1688015		DE	33%
-- -- -- -- Ra-Hart Investment Company	06-1025071		TX	100%
-- -- -- -- HSB Professional Loss Control, Inc.	62-0974339		TN	100%
-- -- -- -- Global Standards, LLC	06-1636726		DE	100%
-- -- -- -- Hartford Steam Boiler Colombia Ltda.			COLOMBIA	10%
-- -- -- -- Mechanical & Materials Engineering LLC	02-0662171		DE	100%
-- -- -- -- HSB Reliability Technologies LLC	54-2061444		DE	100%
-- -- -- -- HSB Japan KK			JAPAN	100%
-- -- -- -- The Hartford Steam Boiler Inspection and Insurance Company of Connecticut	06-1240885	29890	CT	100%
-- -- -- -- Hartford Steam Boiler Colombia Ltda.			COLOMBIA	90%
-- -- -- -- Hartford Steam Boiler (M) Sdn. Bhd.			MALAYSIA	100%
-- -- -- -- HSB Technical Consulting & Service (Shanghai) Company, Ltd.			CHINA	100%
-- -- -- -- Hartford Steam Boiler International-GmbH			GERMANY	100%
-- -- -- -- -- Hartford Steam Boiler International India Pvt. Ltd.			INDIA	100%
-- -- -- -- -- Hartford Steam Boiler (Singapore) PTE, Ltd.			SINGAPORE	100%

PART 1 - LOSS EXPERIENCE

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire	5,013,800	924,941	18.4	14.3
2. Allied Lines	4,093,640	659,971	16.1	9.5
3. Farmowners multiple peril			0.0	0.0
4. Homeowners multiple peril	319,957	505,203	157.9	(14.4)
5. Commercial multiple peril	135,628	92,694	68.3	0.0
6. Mortgage guaranty			0.0	0.0
8. Ocean marine			0.0	0.0
9. Inland marine	9,721	78,920	811.9	60.2
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			0.0	0.0
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			0.0	0.0
17.1 Other liability - occurrence	510,053	132,219	25.9	85.5
17.2 Other liability - claims-made			0.0	0.0
17.3 Excess workers' compensation			0.0	0.0
18.1 Products liability - occurrence			0.0	0.0
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	77,888	59,337	76.2	146.5
21. Auto physical damage	81,834	32,220	39.4	133.1
22. Aircraft (all perils)			0.0	0.0
23. Fidelity			0.0	0.0
24. Surety			0.0	0.0
26. Burglary and theft			0.0	0.0
27. Boiler and machinery			0.0	0.0
28. Credit			0.0	0.0
29. International			0.0	0.0
30. Warranty			0.0	0.0
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	0	0	0.0	0.0
35. Totals	10,242,521	2,485,505	24.3	13.5
DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499. Totals (Lines 3401 through 3403 plus 3498)(Line 34 above)	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date	
1. Fire	5,087,157	6,221,888	499,474	
2. Allied Lines	4,278,048	5,326,146	657,093	
3. Farmowners multiple peril	0		0	
4. Homeowners multiple peril	200,231	349,287	300,958	
5. Commercial multiple peril	88,646	181,505	8,425	
6. Mortgage guaranty	0		0	
8. Ocean marine	0		0	
9. Inland marine	388	1,928	14,253	
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	0		0	
14. Credit accident and health	0		0	
15. Other accident and health	0		0	
16. Workers' compensation	0		0	
17.1 Other liability - occurrence	764,425	880,545	56,000	
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	41,064	77,886	63,391	
21. Auto physical damage	33,301	81,985	44,599	
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	0		0	
29. International	0		0	
30. Warranty	0		0	
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	0	0	0	
35. Totals	10,493,260	13,121,170	1,644,193	
DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498)(Line 34 above)	0	0	0	0

STATEMENT AS OF JUNE 30, 2011 OF THE American Modern Surplus Lines Insurance Co.

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	1,356	329	1,685	231	26	257	965	43	233	1,241	(160)	(27)	(187)
2. 2009	1,624	280	1,904	228	27	255	693	68	164	925	(703)	(21)	(724)
3. Subtotals 2009 + Prior	2,980	609	3,589	459	53	512	1,658	111	397	2,166	(863)	(48)	(911)
4. 2010	3,090	1,692	4,782	1,733	872	2,605	1,287	334	470	2,091	(70)	(16)	(86)
5. Subtotals 2010 + Prior	6,070	2,301	8,371	2,192	925	3,117	2,945	445	867	4,257	(933)	(64)	(997)
6. 2011	XXX	XXX	XXX	XXX	8,655	8,655	XXX	3,219	1,322	4,541	XXX	XXX	XXX
7. Totals	6,070	2,301	8,371	2,192	9,580	11,772	2,945	3,664	2,189	8,798	(933)	(64)	(997)
8. Prior Year-End Surplus As Regards Policyholders											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
			26,001								1. (15.4)	2. (2.8)	3. (11.9)
													Col. 13, Line 7 As a % of Col. 1 Line 8
													4. (3.8)

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.

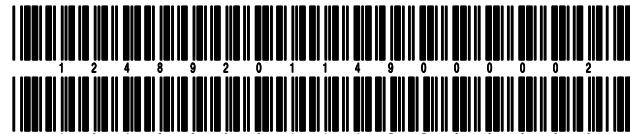
	Response
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	NO
2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?	NO
3. Will the Medicare Part D Coverage Supplement be filed with the state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

Explanations:

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

Bar Codes:

1. Trusteed Surplus Statement [Document Identifier 490]



2. Supplement A to Schedule T [Document Identifier 455]



3. Medicare Part D Coverage Supplement [Document Identifier 365]



4. Director and Officer Supplement [Document Identifier 505]



STATEMENT AS OF JUNE 30, 2011 OF THE American Modern Surplus Lines Insurance Co.

OVERFLOW PAGE FOR WRITE-INS

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		
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 the end of current period (Lines 1+2+3+4-5+6-7-8)		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)		

NONE**SCHEDULE B - VERIFICATION**

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year		
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 paid 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)		
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)		
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)		

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		
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 depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other than temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)		

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	29,561,519	44,191,420
2. Cost of bonds and stocks acquired	18,153,550	28,567,589
3. Accrual of discount	146,717	46,309
4. Unrealized valuation increase (decrease)	0	0
5. Total gain (loss) on disposals	442,439	503,256
6. Deduct consideration for bonds and stocks disposed of	20,344,324	43,636,327
7. Deduct amortization of premium	66,628	110,728
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)	27,893,273	29,561,519
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	27,893,273	29,561,519

STATEMENT AS OF JUNE 30, 2011 OF THE American Modern Surplus Lines Insurance Co.

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)	30,228,096	17,604,963	17,341,451	56,842	30,228,096	30,548,450	0	30,174,565
2. Class 2 (a)	228,196	0	64,973	117	228,196	163,340	0	228,080
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	30,456,292	17,604,963	17,406,424	56,959	30,456,292	30,711,790	0	30,402,645
PREFERRED STOCK								
8. Class 1	0	0	0	0	0	0	0	0
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	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	30,456,292	17,604,963	17,406,424	56,959	30,456,292	30,711,790	0	30,402,645

(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

SI02

STATEMENT AS OF JUNE 30, 2011 OF THE American Modern Surplus Lines Insurance Co.

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
91999999 Totals	2,818,518	XXX	2,818,518	0	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	841,127	313,994
2. Cost of short-term investments acquired	9,828,834	24,984,502
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	7,851,443	24,457,369
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)	2,818,518	841,127
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	2,818,518	841,127

Schedule DB - Part A - Verification - Options, Caps, Floors, Collars, Swaps and Forwards
N O N E

Schedule DB - Part B - Verification - Futures Contracts
N O N E

Schedule DB - Part C - Section 1 - Replication (Synthetic Asset) Transactions (RSATs) Open
N O N E

Schedule DB-Part C-Section 2-Reconciliation of Replication (Synthetic Asset) Transactions Open
N O N E

Schedule DB - Verification - Book/Adjusted Carrying Value, Fair Value and Potential Exposure of
Derivatives
N O N E

STATEMENT AS OF JUNE 30, 2011 OF THE American Modern Surplus Lines Insurance Co.

SCHEDULE E - VERIFICATION

(Cash Equivalents)

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	0
2. Cost of cash equivalents acquired	0	25,896,568
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	0	25,896,568
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)	0	0
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	0	0

Schedule A - Part 2 - Real Estate Acquired and Additions Made
N O N E

Schedule A - Part 3 - Real Estate Disposed
N O N E

Schedule B - Part 2 - Mortgage Loans Acquired
N O N E

Schedule B - Part 3 - Mortgage Loans Disposed, Transferred or Repaid
N O N E

Schedule BA - Part 2 - Other Long-Term Invested Assets Acquired
N O N E

Schedule BA - Part 3 - Other Long-Term Invested Assets Disposed, Transferred or Repaid
N O N E

STATEMENT AS OF JUNE 30, 2011 OF THE American Modern Surplus Lines Insurance Co.

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 Desig- nation or Market Indicator (a)
3137EA-CM-9	FEDERAL HOME LN MTG CORP		.05/05/2011	BANC OF AMERICA SECUR	1,993,908	2,000,000		5,347	1..
31359M-WJ-8	FEDERAL NATL MTG ASSN		.05/06/2011	CITIGROUP GLOBAL MARKETS	2,219,718	2,000,000		5,396	1..
912828-EA-4	U.S. TREASURY IPS		.04/05/2011	DEUTSCHE BANK SECURITIES	1,879,225	1,699,695		7,131	1..
912828-ET-3	U.S. TREASURY IPS		.04/05/2011	BARCLAYS CAPITAL FIXED	1,971,084	1,776,752		7,951	1..
912828-JE-1	U.S. TREASURY IPS		.04/05/2011	BNP PARIBAS SECURITIES	547,058	.511,045		1,572	1..
0599999. Bonds - U.S. Governments					8,610,993	7,987,492	27,397	XXX	
254683-AH-8	DISCOVER CARD MASTER TRUST		.05/13/2011	BARCLAYS CAPITAL FIXED	1,424,109	1,300,000		5,713	1FE..
448814-JB-0	HYDRO QUEBEC		.06/30/2011	R B C DOMINION SECURITIES	999,810	1,000,000		0	1FE..
62889K-AB-7	NCUA GUARANTEED NOTES		.06/16/2011	BARCLAYS CAPITAL FIXED	1,997,220	2,000,000		0	1FE..
3899999. Bonds - Industrial and Miscellaneous (Unaffiliated)					4,421,139	4,300,000	5,713	XXX	
8399997. Total - Bonds - Part 3					13,032,132	12,287,492	33,110	XXX	
8399998. Total - Bonds - Part 5					XXX	XXX	XXX	XXX	XXX
8399999. Total - Bonds					13,032,132	12,287,492	33,110	XXX	
8999997. Total - Preferred Stocks - Part 3					0	XXX	0	XXX	
8999998. Total - Preferred Stocks - Part 5					XXX	XXX	XXX	XXX	
8999999. Total - Preferred Stocks					0	XXX	0	XXX	
9799997. Total - Common Stocks - Part 3					0	XXX	0	XXX	
9799998. Total - Common Stocks - Part 5					XXX	XXX	XXX	XXX	
9799999. Total - Common Stocks					0	XXX	0	XXX	
9899999. Total - Preferred and Common Stocks					0	XXX	0	XXX	
9999999 - Totals					13,032,132	XXX	33,110	XXX	

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0

STATEMENT AS OF JUNE 30, 2011 OF THE American Modern Surplus Lines Insurance Co.

SCHEDULE D - PART 4

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

1 CUSIP Ident- ification	2 Description	3 For- eign	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consid- eration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change In Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain Value at Disposal Date	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 In- dicator (a)				
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amor- tization)/ Acretion	13 Current Year's Other Than Temporary Impairment Recogn- ized	14 Total Change in Book/ Adjusted Carrying Value (11 + 12 - 13)	15 Total Foreign Exchange Change in Book /Adjusted Carrying Value											
..3137EA-CM-9	FEDERAL HOME LN MTG CORP		06/16/2011	CITIGROUP GLOBAL MARKETS						2,027,610	2,000,000	1,993,908	0	0	153	0	1,994,061	0	.33,549	.33,549	.9,333	09/10/2015	1		
..912828-GX-2	U.S. TREASURY IPS		04/06/2011	BNP PARIBAS SECURITIES						4,294,885	3,500,000	3,922,188	3,913,227	(6,090)	(8,520)	0	0	3,898,617	0	.396,268	.396,268	.70,347	07/15/2017	1	
..912828-MZ-0	U.S. TREASURY NOTES		05/06/2011	VARIOUS						2,446,465	2,350,000	2,396,948	2,392,480	0	(3,262)	0	0	2,389,218	0	.57,247	.57,247	.30,299	04/30/2015	1	
..912828-PE-4	U.S. TREASURY NOTES		05/13/2011	RBS SECURITIES INC.						2,066,196	2,100,000	2,078,183	2,078,699	0	1,555	0	0	2,080,254	0	(14,058)	(14,058)	14,052	10/31/2015	1FE	
..912828-PJ-3	U.S. TREASURY NOTES		05/13/2011	DEUTSCHE BANK SECURITIES						987,379	1,000,000	983,753	983,950	0	1,140	0	0	.985,090	0	.2,289	.2,289	.6,195	11/30/2015	1FE	
..912828-PR-5	U.S. TREASURY NOTES		05/13/2011	VARIOUS						1,603,668	1,600,000	1,593,875	0	0	729	0	1,594,604	0	9,065	9,065	2,787	01/31/2013	1		
0599999. Bonds - U.S. Governments										13,426,203	12,550,000	12,968,855	9,368,356	(6,090)	(8,205)	0	(14,295)	0	12,941,844	0	484,360	484,360	133,013	XXX	XXX
..31397E-MK-8	FHLMC REMIC		06/15/2011	PRINCIPAL RECEIPT						25,312	25,312	25,201	25,287	0	.25	0	0	25,312	0	0	0	.564	05/15/2029	1	
..31403D-SE-0	FNMA P/T POOL 745817		06/27/2011	PRINCIPAL RECEIPT						11,795	11,795	11,310	11,375	0	.420	0	0	11,795	0	0	0	.242	09/01/2036	1	
..31407M-MR-3	FNMA P/T POOL 834768		06/27/2011	PRINCIPAL RECEIPT						7,250	7,250	7,123	7,142	0	.108	0	0	7,250	0	0	0	.168	07/01/2035	1	
..31396V-CQ-9	FNMA REMIC		06/27/2011	PRINCIPAL RECEIPT						16,257	16,257	16,155	16,226	0	.31	0	0	16,257	0	0	0	.372	11/25/2029	1	
..31396L-AA-8	FNMA SERIES 2006-99 CLASS PA		06/27/2011	PRINCIPAL RECEIPT						22,440	22,440	22,428	22,428	0	.11	0	0	22,440	0	0	0	.505	05/25/2030	1	
3199999. Bonds - U.S. Special Revenues										83,054	83,054	82,193	82,458	0	.595	0	.595	0	83,054	0	0	0	1,851	XXX	XXX
..149123-BH-3	CATERPILLAR INC		05/01/2011	MATURITY						100,000	100,000	106,670	100,481	0	(481)	0	(481)	0	100,000	0	0	0	3,275	05/01/2011	1FE
..52108H-ZX-5	LB UBS COMMERCIAL		06/17/2011	PRINCIPAL RECEIPT						2,463	2,463	2,340	2,423	0	.40	0	.40	0	2,463	0	0	0	.40	03/15/2029	1FE
..740816-AF-0	PRESIDENT + FELLOWS HARVARD		06/02/2011	CALLED						1,363,318	1,363,318	1,489,970	0	0	(12,613)	0	(12,613)	0	1,477,357	0	(114,039)	(114,039)	16,161	01/15/2014	1FE
..88732J-AG-3	TIME WARNER CABLE INC		06/13/2011	GOLDMAN SACHS & CO						68,136	65,000	64,891	64,962	0	.11	0	.11	64,973	0	3,163	3,163	3,325	07/02/2012	2FE	
3899999. Bonds - Industrial and Miscellaneous (Unaffiliated)										1,533,917	1,530,781	1,663,871	167,866	0	(13,043)	0	(13,043)	0	1,644,793	0	(110,876)	(110,876)	22,801	XXX	XXX
8399997. Total - Bonds - Part 4										15,043,174	14,163,835	14,714,919	9,618,680	(6,090)	(20,653)	0	(26,743)	0	14,669,691	0	373,484	373,484	157,665	XXX	XXX
8399998. Total - Bonds - Part 5										XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
8399999. Total - Bonds										15,043,174	14,163,835	14,714,919	9,618,680	(6,090)	(20,653)	0	(26,743)	0	14,669,691	0	373,484	373,484	157,665	XXX	XXX
8999997. Total - Preferred Stocks - Part 4										0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	
8999998. Total - Preferred Stocks - Part 5										XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
8999999. Total - Preferred Stocks										0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	
9799997. Total - Common Stocks - Part 4										0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	
9799998. Total - Common Stocks - Part 5										XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
9799999. Total - Common Stocks										0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	
9899999. Total - Preferred and Common Stocks										0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	
9999999 - Totals										15,043,174	XXX	14,714,919	9,618,680	(6,090)	(20,653)	0	(26,743)	0	14,669,691	0	373,484	373,484	157,665	XXX	XXX

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

Schedule DB - Part A - Section 1 - Options, Caps, Floors, Collars, Swaps and Forwards Open
N O N E

Schedule DB - Part B - Section 1 - Futures Contracts Open
N O N E

Schedule DB - Part B - Section 1B - Brokers with whom cash deposits have been made
N O N E

Schedule DB - Part D - Counterparty Exposure for Derivative Instruments Open
N O N E

Schedule DL - Part 1 - Reinvested Collateral Assets Owned
N O N E

Schedule DL - Part 2 - Reinvested Collateral Assets Owned
N O N E

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	
US BANK	CINCINNATI, OH COMMERCIAL ACCOUNT				106,312	144,106	17,744	XXX
US BANK	CINCINNATI, OH OUTSTANDING A/P CHECKS				(14,827)	(14,619)	(14,749)	XXX
US BANK	CINCINNATI, OH CLAIM CHECK PAYABLE ACCOUNT				(56,065)	1,768	(394,239)	XXX
JP MORGAN CHASE	NEW YORK, NY COMMERCIAL ACCOUNT				2,771	2,062	27,062	XXX
0199998. Deposits in ...	1 depositories that do not exceed the allowable limit in any one depository (See instructions) - Open Depositories	XXX	XXX	438	30	100,000	100,000	100,000
0199999. Totals - Open Depositories		XXX	XXX	438	30	138,191	233,317	(264,182)
0299998. Deposits in ...	0 depositories that do not exceed the allowable limit in any one depository (See instructions) - Suspended Depositories	XXX	XXX					XXX
0299999. Totals - Suspended Depositories		XXX	XXX	0	0	0	0	0
0399999. Total Cash on Deposit		XXX	XXX	438	30	138,191	233,317	(264,182)
0499999. Cash in Company's Office		XXX	XXX	XXX	XXX			XXX
0599999. Total - Cash		XXX	XXX	438	30	138,191	233,317	(264,182)

STATEMENT AS OF JUNE 30, 2011 OF THE American Modern Surplus Lines Insurance Co.

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

NON E

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