



QUARTERLY STATEMENT

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

General Automobile Insurance Company, Inc.

NAIC Group Code	3638	3638	NAIC Company Code	13703	Employer's ID Number	26-2465659
	(Current Period)	(Prior Period)				
Organized under the Laws of	Ohio		State of Domicile or Port of Entry	Ohio		
Country of Domicile	United States					
Incorporated/Organized	01/22/2009		Commenced Business	01/28/2010		
Statutory Home Office	9700 Rockside Road, Suite 250		Valley View, OH 44125			
	(Street and Number)		(City or Town, State and Zip Code)			
Main Administrative Office	2636 Elm Hill Pike, Suite 510		Nashville, TN 37214	615-242-1961		
	(Street and Number)		(City or Town, State and Zip Code)	(Area Code) (Telephone Number)		
Mail Address	P. O. Box 305054		Nashville, TN 37230-5054			
	(Street and Number or P.O. Box)		(City or Town, State and Zip Code)			
Primary Location of Books and Records	2636 Elm Hill Pike, Suite 510		Nashville, TN 37214	615-744-1221		
	(Street and Number)		(City or Town, State and Zip Code)	(Area Code) (Telephone Number)		
Internet Web Site Address	www.pgac.com					
Statutory Statement Contact	R BURTON BARNES JR		615-744-1221			
	(Name)		(Area Code) (Telephone Number) (Extension)			
	BBARNES@PGAC.COM		615-744-1608			
	(E-Mail Address)		(Fax Number)			

OFFICERS

Name	Title	Name	Title
RANDY PHILIP PARKER	Chairman, President & CEO	BRIAN MICHAEL DONOVAN	CFO, Treasurer & Assistant Secretary
DAVID LEE HETTINGER	Sr. V.P., Chief Administrative Officer		

OTHER OFFICERS

SHERRILL CLEEK KAISER	Secretary	EILEEN MARY MANNERS	Assistant V.P., Claims
ALLISON WALKER GARRETSON	V.P., Underwriting & Premium Finance	BARRY SCOT DICE	V.P., Direct Sales & Marketing
KENTON LEE FOURMAN	V.P., Chief Information Officer	CHARLES WESLEY KIRKLAND, JR.	V.P., Claims
ERIC WILLIAM BUR	V.P., IA Sales & Distribution	JOHN ALLEN HOLLAR	V.P., Product Management
ANDREW PETER MARTIN	Sr. V.P. Company-wide Sales&Distribution	ROBERT EUGENE NELSON	Assistant Secretary
ELIZABETH ANN ROBERTS	V.P., Human Resources	TODD RAYMOND HAKALA	V.P., Actuary Services

DIRECTORS OR TRUSTEES

BRIAN MICHAEL DONOVAN	DAVID LEE HETTINGER	ELIZABETH ANN ROBERTS	RANDY PHILIP PARKER
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State of Tennessee.....
County of Davidson.....

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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.

RANDY PHILIP PARKER Chairman, President & CEO	BRIAN MICHAEL DONOVAN CFO, Treasurer & Assistant Secretary	ROBERT EUGENE NELSON Assistant Secretary
Subscribed and sworn to before me this 8 day of August, 2011		a. Is this an original filing? Yes [X] No []
Susan Hawk, Notary Public May 5, 2015		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	16,224,691		16,224,691	14,378,809
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks			0	0
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
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 (\$0), cash equivalents (\$0) and short-term investments (\$885,569)	885,569		885,569	2,632,227
6. Contract loans (including \$premium notes)			0	0
7. Derivatives			0	0
8. Other invested assets	0		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	218
12. Subtotals, cash and invested assets (Lines 1 to 11)	17,110,260	0	17,110,260	17,011,254
13. Title plants less \$charged off (for Title insurers only)			0	0
14. Investment income due and accrued	141,770		141,770	119,831
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	1,561,242	8,413	1,552,829	896,489
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premiums)	8,425,429		8,425,429	6,557,459
15.3 Accrued retrospective premiums			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers			0	0
16.2 Funds held by or deposited with reinsured companies			0	0
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	532,834		532,834	724,987
18.2 Net deferred tax asset	814,566	25,357	789,209	741,852
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	0
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)	28,586,101	33,770	28,552,331	26,051,872
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	28,586,101	33,770	28,552,331	26,051,872
DETAILS OF WRITE-INS				
1101. Miscellaneous Income Due			0	218
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	218
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 \$3,569,095)	5,399,761	4,954,211
2. Reinsurance payable on paid losses and loss adjustment expenses	1,123,034	241,177
3. Loss adjustment expenses	946,181	898,189
4. Commissions payable, contingent commissions and other similar charges		0
5. Other expenses (excluding taxes, licenses and fees)		0
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	181,632	285,231
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))		0
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 \$9,771,980 and including warranty reserves of \$)	9,724,686	8,921,683
10. Advance premium	136,925	67,048
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders		0
12. Ceded reinsurance premiums payable (net of ceding commissions)		0
13. Funds held by company under reinsurance treaties		0
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	578,064	368,346
20. Derivatives		0
21. Payable for securities	229,890	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	0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	18,320,173	15,735,885
27. Protected cell liabilities		0
28. Total liabilities (Lines 26 and 27)	18,320,173	15,735,885
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	2,500,000	2,500,000
31. Preferred capital stock		0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes		0
34. Gross paid in and contributed surplus	7,500,000	7,500,000
35. Unassigned funds (surplus)	232,158	315,987
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)	10,232,158	10,315,987
38. Totals (Page 2, Line 28, Col. 3)	28,552,331	26,051,872
DETAILS OF WRITE-INS		
2501.		
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)	0	0
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.		
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)	0	0

STATEMENT OF INCOME

	1	2	3
	Current Year	Prior Year	Prior Year Ended
	to Date	to Date	December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 11,508,498)	9,686,628	3,451,295	10,349,346
1.2 Assumed (written \$ 12,353,511)	11,550,508	10,277,171	20,939,388
1.3 Ceded (written \$ 11,508,498)	9,686,628	3,451,295	10,349,346
1.4 Net (written \$ 12,353,511)	11,550,508	10,277,171	20,939,388
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 7,162,165):			
2.1 Direct	5,866,345	2,214,697	7,514,735
2.2 Assumed	7,585,278	6,203,370	12,943,607
2.3 Ceded	5,952,104	2,224,371	7,514,735
2.4 Net	7,499,519	6,193,696	12,943,607
3. Loss adjustment expenses incurred	924,388	721,033	1,895,352
4. Other underwriting expenses incurred	5,186,400	3,697,581	7,766,576
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	13,610,307	10,612,310	22,605,535
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(2,059,799)	(335,139)	(1,666,147)
INVESTMENT INCOME			
9. Net investment income earned	261,977	112,257	307,296
10. Net realized capital gains (losses) less capital gains tax of \$	60,353	(1,131)	28,742
11. Net investment gain (loss) (Lines 9 + 10)	322,330	111,126	336,038
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)	0	0	0
13. Finance and service charges not included in premiums	1,646,041	643,094	1,872,706
14. Aggregate write-ins for miscellaneous income	14,109	10,866	(71,140)
15. Total other income (Lines 12 through 14)	1,660,150	653,960	1,801,566
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(77,319)	429,947	471,457
17. Dividends to policyholders	0	0	0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	(77,319)	429,947	471,457
19. Federal and foreign income taxes incurred	63,787	635,179	899,532
20. Net income (Line 18 minus Line 19)(to Line 22)	(141,106)	(205,232)	(428,075)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	10,315,987	10,021,960	10,021,960
22. Net income (from Line 20)	(141,106)	(205,232)	(428,075)
23. Net transfers (to) from Protected Cell accounts		0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$		26	0
25. Change in net unrealized foreign exchange capital gain (loss)		0	0
26. Change in net deferred income tax	52,291	526,172	762,276
27. Change in nonadmitted assets	6,430	(4,037)	(40,200)
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)		1,500,000	1,500,000
32.3 Transferred to surplus		0	0
33. Surplus adjustments:			
33.1 Paid in		0	0
33.2 Transferred to capital (Stock Dividend)		(1,500,000)	(1,500,000)
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	(1,444)	0	26
38. Change in surplus as regards policyholders (Lines 22 through 37)	(83,829)	316,929	294,027
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	10,232,158	10,338,889	10,315,987
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. Other Interest Income / (Expense)	14,109	10,866	(71,140)
1402. Other Miscellaneous Income	0	0	0
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)	14,109	10,866	(71,140)
3701. Other Increase / (Decreases)	(1,444)	0	26
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)	(1,444)	0	26

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.....	9,910,441	13,689,716	22,454,395
2. Net investment income	265,142	116,290	263,689
3. Miscellaneous income	1,660,150	653,960	1,801,566
4. Total (Lines 1 to 3)	11,835,733	14,459,966	24,519,650
5. Benefit and loss related payments	6,172,111	2,188,360	7,748,219
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	6,166,395	4,252,987	8,478,508
8. Dividends paid to policyholders	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	(128,366)	981,100	1,630,972
10. Total (Lines 5 through 9)	12,210,140	7,422,447	17,857,699
11. Net cash from operations (Line 4 minus Line 10)	(374,407)	7,037,519	6,661,951
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	2,622,770	59,089	1,810,010
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	28	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	2,622,770	59,117	1,810,010
13. Cost of investments acquired (long-term only):			
13.1 Bonds	4,433,403	2,050,643	10,025,786
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)	4,433,403	2,050,643	10,025,786
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)	(1,810,633)	(1,991,526)	(8,215,776)
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).....	438,382	(145,493)	360,195
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	438,382	(145,493)	360,195
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)	(1,746,658)	4,900,500	(1,193,630)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	2,632,227	3,825,857	3,825,857
19.2 End of period (Line 18 plus Line 19.1)	885,569	8,726,357	2,632,227

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. The accompanying financial statements of The General Automobile Insurance Company, Inc. (GAIC) have been prepared in accordance with the NAIC Accounting Practices and Procedures Manual except to the extent that Ohio law differs. However, as of this Statement date, there have been no requests from the State of Ohio to depart from the prescribed NAIC guidelines.

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

	<u>2011</u>	<u>2010</u>
<u>Net Income</u>		
(1) Ohio company state basis (Page 4, Line 20, Column 1 & 2)	\$(141)	\$(428)
(2) State prescribed practices that increase / (decrease) NAIC SAP:		
(3) State permitted practices that increase / (decrease) NAIC SAP:		
(4) NAIC SAP	\$(141)	\$(428)
<u>Surplus</u>		
(5) Ohio company state basis (Page 3, Line 37, Column 1 & 2)	\$10,232	\$10,316
(6) State prescribed practices that increase / (decrease) NAIC SAP:		
(7) State permitted practices that increase / (decrease) NAIC SAP:		
(8) NAIC SAP	\$10,232	\$10,316

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

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

C. Accounting Policy

Premiums are earned over the terms of the related insurance policies. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct business.

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

- (1) Short-term investments are stated at cost.
- (2) Bonds are stated at amortized cost using the yield to maturity method.
- (3) Common stocks, if owned are stated at lower of cost or market.
- (4) The Company holds no preferred stock.
- (5) The Company holds no mortgage loans.
- (6) The Company holds no loan backed securities.
- (7) The Company has no investments in subsidiaries or affiliated companies.
- (8) The Company has no investments in joint ventures, partnerships & limited liability company.
- (9) The Company has no investments in derivatives.
- (10) The Company anticipates investment income as a factor in the premium deficiency calculation.
- (11) The Company has no loss reserves
- (12) The Company has not modified its capitalization policy from the prior period.
- (13) The Company has no pharmaceutical rebate receivables.

2. Accounting Changes and Corrections of Errors:

No change.

3. Business Combinations and Goodwill

None.

4. Discontinued Operations

None.

5. Investments

- A) The Company has no mortgage loans.
- B) The Company did not restructure any debt.
- C) The Company holds no reverse mortgages.
- D) Loan-Backed Securities
 - (1) The source used to determine prepayment assumptions is Intex.
 - (2) Not applicable.
 - (3) There are no securities currently held with recognized impairments.
 - (4) None.
 - (5) Not applicable.
- E) The Company has no repurchase agreements.
- F) The Company has no real estate investments.
- G) The Company has no low-income housing tax credits (LIHTC).

6. Joint Ventures, Partnerships and Limited Liability Companies

Not Applicable.

7. Investment Income

All Investment Income due and accrued is admitted.

8. Derivative Instruments

NOTES TO FINANCIAL STATEMENTS

None.

9. Income Taxes

A. The components of the net DTA recognized in the Company's Assets, Liabilities, Surplus and Other Funds is as follows:

	30-June-11			31-Dec-10		
	Ordinary	Capital	Total	Ordinary	Capital	Total
Total gross deferred tax assets	814,566		814,566	762,276		762,276
Total gross deferred tax liabilities		-	-		-	-
Net deferred tax asset	814,566	-	814,566	762,276		762,276
Deferred tax assets nonadmitted			(25,357)			(20,423)
Net admitted deferred tax asset			789,209			741,852
(Increase) Decrease in nonadmitted asset			(4,934)			(20,423)

The Company has not elected to admit additional DTAs pursuant to SSAP 10R, paragraph 10e. The current period election does not differ from the prior reporting period.

The amount of each result or component of the calculation, by tax character of paragraphs 10a, 10bi, 10bii, 10c:

	30-June-11			31-Dec-10		
	Ordinary	Capital	Total	Ordinary	Capital	Total
Recovered through loss carrybacks (10a)	789,209	-	789,209	741,852		741,852
Expected to be recognized within 1 year (10b)	0		0	0		0
Adjusted gross DTAs offset against DTLs (10c)	-		-			-
Risk-based capital level used in paragraph 10d:						
Total adjusted capital	10,232,158			10,315,987		
Authorized control level	1,555,826			1,555,826		

The following amounts resulting from the calculation in paragraphs 10a, 10b, and 10c:

	30-June-11	31-Dec-10
Admitted DTAs	789,209	741,852
Admitted Assets	28,552,331	26,051,872
Statutory Surplus	10,232,158	10,315,987
Total Adjusted Capital	10,232,158	10,315,987

	30-June-11			31-Dec-10		
	Ordinary	Capital	Total	Ordinary	Capital	Total
Impact of Tax Planning Strategies:						
Adjusted Gross DTAs	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
(% of Total Adjusted Gross DTAs)						
Net Admitted Adjusted Gross DTAs	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
(% of Total Net Admitted Adjusted Gross DTAs)						

B. Unrecognized DTLs
Not applicable

C. Current Tax and Change in Deferred Tax
The provisions for income taxes incurred on earnings for the periods ended are:

	30-June-11	31-Dec-10
Current federal income tax provision	63,786	899,531
Prior year (overaccrual)/underaccrual	0	0
Federal and foreign income taxes incurred	63,786	899,531

The tax effect of temporary differences that give rise to significant portions of the deferred tax

NOTES TO FINANCIAL STATEMENTS

assets and deferred tax liabilities are as follows:

	30-June-11	31-Dec-10
Deferred Tax Assets		
Unearned premium reserve@ 20%	752,049	624,518
Discounted loss reserves	130,738	105,302
Guaranty fund accrual	-	-
Allowance for Bad Debts	(68,220)	32,456
Unearned Provisional Commission	-	-
Impairment Loss on Investments	-	-
Total deferred tax assets	814,566	762,276
Nonadmitted deferred tax assets	(25,357)	(20,423)
Admitted deferred tax assets	789,209	741,852
Deferred Tax Liabilities		
	-	-
Total deferred tax liabilities	-	-
Net admitted deferred tax assets	789,209	741,852

The change in net deferred income taxes is comprised of the following:

	30-June-11	31-Dec-10	Change
Total deferred tax assets	814,566	762,276	52,290
Total deferred tax liabilities	-	-	-
Net deferred tax asset	814,566	762,276	52,290
Tax effect of unrealized gains			-
Change in net deferred income tax			52,290

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate

The significant items causing a difference between the statutory federal income tax rate and the Company's effective income tax rate are as follows:

	30-June-11	Effective Rate
Provision computed at statutory rate	13,694	35.00%
Tax exempt interest	(1,819)	-4.65%
Other permanent differences	4,013	10.26%
State tax	(289)	-0.74%
Rate differential	(4,104)	-10.49%
Provision to return adjustment		0.00%
Total	11,496	29.38%

	30-June-11	Effective Rate
Federal and foreign income taxes incurred	63,786	163.03%
Current taxes on realized capital gains	-	0.00%
Change in net deferred income taxes	(52,290)	-133.64%
Total statutory income taxes	11,496	29.38%

E. Operating Loss and Tax Credit Carryforwards

At the end of the year, the Company did not have any unused operating loss carryforwards available to offset against future taxable income.

Income tax expense for 2011 ytd and 2010 in the amounts of \$63,787 & \$899,532 are available for recoupment in the event of future losses.

F. Consolidated Federal Income Tax Return

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

PGC Holdings Corp. (parent)	The General Automobile Insurance Services, Inc.
Permanent General Companies, Inc.	The General Automobile Insurance Services of Georgia, Inc.
Permanent General Assurance Corporation	The General Automobile Insurance Services of Louisiana, Inc.
PGA Service Corporation	The General Automobile Insurance Services of Ohio, Inc.
Permanent General Assurance Corporation of Ohio	The General Automobile Insurance Services of Texas, Inc.

2) The method of allocation between the companies is subject to written agreement, approved by the Board of Directors. Allocation is based upon separate return calculations with current credit for net losses. Intercompany tax balances are settled quarterly.

NOTES TO FINANCIAL STATEMENTS

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

A,B,C. In March 2011 PGASC returned capital in the amount of \$1,500,000 to it's parent PGAC. In March 2011 Permanent General Companies, Inc. made a capital contribution of \$700,000 to it's subsidiary PGAC.

D. At June 30, 2011, the Company reported \$578,064 net payable to its parent and affiliates. The terms of the settlement requires these amounts are settled within 90 days.

E. The Company has made no guarantees or undertakings for the benefit of the parent or affiliates.

F. GAIC is an affiliate of PGC Holdings Corp. and as such has a tax agreement in place with this affiliated company. GAIC also has a service agreement in place with its affiliate Permanent General Companies, Inc (PGC), which is a wholly owned subsidiary of PGC Holdings Corp. Under this agreement PGC performs administrative services on behalf of GAIC. These services include; claims administration, underwriting, policy issuance and record keeping, legal services, data processing and accounting.

G. All outstanding shares of the company are owned by the parent company PGAC of Ohio.

H. No amounts have been deducted from the value of an upstream entity or ultimate parent owned either directly or indirectly.

I,J. The Company has no investment in an SCA entity.

K. None.

L. None.
- 11. Debt**

None.
- 12. Retirement Plans, Deferred Compensation, Post employment Benefits and Compensated Absences and Other Post retirement Benefit Plans.**

None.
- 13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations**

No change.
- 14. Contingencies**

(A) The company has no contingent commitments to a SCA entity, joint ventures, partnerships, or limited liability companies.

(B) There were no assessments made that could materially effect the presentation of the enclosed financials.

(C) The company has no gain contingencies.

(D) The company has no extra contractual obligations and bad faith losses stemming from lawsuits.

(E) All Other Contingencies.

Various lawsuits against the Company have arisen in the course of the Company's business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company.
- 15. Leases**

None.
- 16. Information about Financial Instruments with Off-balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk.**

None.
- 17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**

None.
- 18. Gain or Loss to the Report Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans.**

None.
- 19. Direct Premium Written/Produced by MGA/3rd Party Administration**

None.
- 20. Fair Value Measurements.**

A. (1) Assets Measured at Fair Value on a Recurring Basis
None.

(2) Assets Measured at Fair Value on a Recurring Basis Using Significant Unobservable Inputs (Level 3)
None.

B. (1) Assets Measured at Fair Value on a Nonrecurring Basis
None.

C. Not applicable.

D. Not applicable.
- 21. Other Items.**

A. Extraordinary Items
None.

B. Troubled Debt Restructuring. Debtors
None.

C. Other Disclosures
None.

D. The Company routinely assesses the collectibility of premiums and agent balances. The uncollectible amounts are not material to the Company's financial condition.

E. Business Interruption Insurance Recoveries.
None.

NOTES TO FINANCIAL STATEMENTS

F. State Transferable Tax Credits
None.

G. Subprime Mortgage Related Risk Exposure
None.

22. Events Subsequent.
None.

23. Reinsurance
No change.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination.
None.

25. Change in Incurred Losses and Loss Adjustment Expenses
Loss & lae reserves as of December 31, 2010 were \$5.852 million. As of June 30, 2011, \$3.649 million has been paid for incurred loss & lae expenses attributable to insured events or prior years. Reserves remaining for prior years are now \$2.541 million as a result of re-estimation of unpaid claims and lae expenses. Therefore, there has been a \$.338 million unfavorable prior year development from 12/31/2010 to 06/30/2011 principally on liability lines of business. \$.244 million of the reserve development was from accident year 2010 and \$.094 was from accident year 2009 and prior. States entered into since 2005 accounted for \$.130 million of the total development due to claim severity projected at the end of the second quarter 2011 being higher than was projected at year-end 2010. In older states, Tennessee accounted for \$.040 million of development because of claims severity. Ohio had \$.032 million of development from higher than average projected case reserves. Florida had \$.032 million of adverse development from accident year 2010 due to higher than projected pip frequency and severity. The development is generally the result of an ongoing analysis of recent loss development trends and are increased or decreased as additional information becomes known regarding individual claims. The Company has no retrospectively rated policies that are subject to premium adjustments.

26. Intercompany Pooling Arrangements
Effective January 1, 2010, the Company entered into a reinsurance pooling agreement with PGAC (NAIC company code - 37648) (lead entity) an affiliated property and casualty insurance company domiciled in Ohio and PGAC of Ohio (NAIC company code - 22906) which is the parent of the Company. The business includes private passenger auto liability & auto physical damage with PGAC receiving 59%, PGAC-Ohio receiving 33%, & GAIC receiving 8%. This Agreement applies only to that portion of any insurance or reinsurance which the parties hereto retain net for their own account and in calculating the amount of any loss hereunder, only loss or losses in respect of that portion of any insurance or reinsurance which the parties hereto retain net for their own account shall be included. The Company has a net payable balance of \$254,520 at 06/30/2011.

27. Structured Settlements
None.

28. Health Care Receivables
None.

29. Participating Policies
None.

30. Premium Deficiency Reserves
1. Liability carried for premium deficiency reserves. \$0
2. Date of the most recent evaluation of this liability. 06/30/2011
3. Was anticipated investment income utilized in the calculation? Yes _ No X

31. High Deductibles
None.

32. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses
None.

33. Asbestos/Environmental Reserves
None.

34. Subscriber Savings Accounts
None

35. Multi Peril Crop Insurance
None

36. Financial Guaranty Insurance
None.

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 ☒
- 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 ☒
- 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 ☒

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 ☒
- 4.2

If yes, provide the 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	2	3
Name of Entity	NAIC Company Code	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?

If yes, attach an explanation.

Yes ☐ No ☒ NA ☐
- 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.
- 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).
- 6.4

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 ☐ NA ☒
- 6.6

Have all of the recommendations within the latest financial examination report been complied with?.....

Yes ☒ No ☐ NA ☐
- 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 ☒
- 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 ☒
- 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 ☒
- 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	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC

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
Bank of America.....	225 Franklin Street, Boston, Ma. 02110.....

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

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

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted.)

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] NA []

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:

			TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
1	2	3	4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Discount Rate	Unpaid Losses	Unpaid LAE	IBNR	TOTAL	Unpaid Losses	Unpaid LAE	IBNR	TOTAL
.....
.....
.....
TOTAL			0	0	0	0	0	0	0	0

5. Operating Percentages:

5.1 A&H loss percent 0.0%

5.2 A&H cost containment percent 0.0%

5.3 A&H expense percent excluding cost containment expenses 0.0%

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

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

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. \$.....

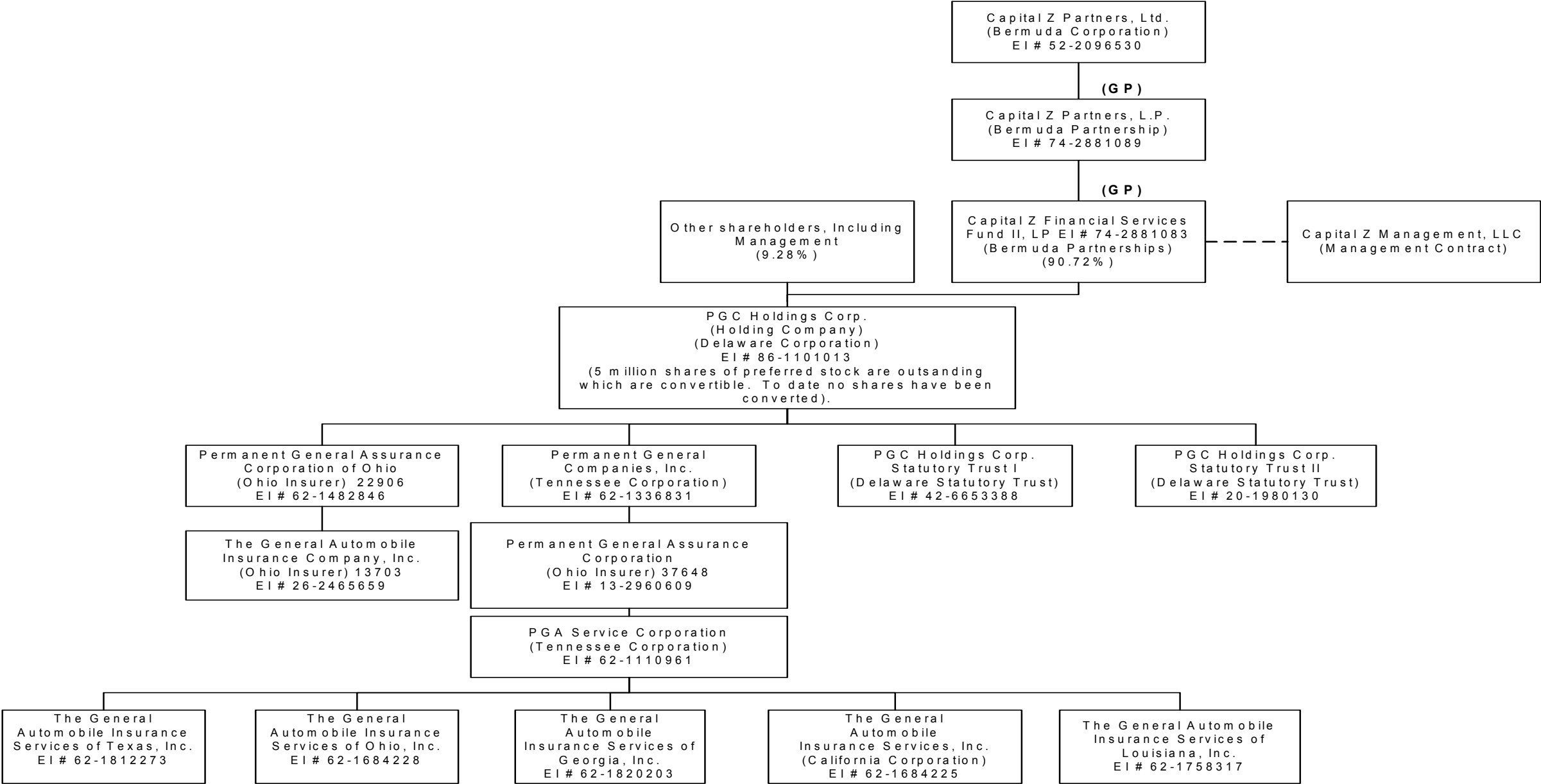
SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories								
States, etc.	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid		
		2	3	4	5	6	7	
	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	N	0	0	0	0	0	
2. Alaska	AK	N	0	0	0	0	0	
3. Arizona	AZ	L	0	0	0	0	0	
4. Arkansas	AR	N	0	0	0	0	0	
5. California	CA	N	0	0	0	0	0	
6. Colorado	CO	N	0	0	0	0	0	
7. Connecticut	CT	N	0	0	0	0	0	
8. Delaware	DE	N	0	0	0	0	0	
9. District of Columbia	DC	N	0	0	0	0	0	
10. Florida	FL	N	0	0	0	0	0	
11. Georgia	GA	N	0	0	0	0	0	
12. Hawaii	HI	N	0	0	0	0	0	
13. Idaho	ID	N	0	0	0	0	0	
14. Illinois	IL	N	0	0	0	0	0	
15. Indiana	IN	N	0	0	0	0	0	
16. Iowa	IA	N	0	0	0	0	0	
17. Kansas	KS	N	0	0	0	0	0	
18. Kentucky	KY	L	0	0	0	0	0	
19. Louisiana	LA	N	0	0	0	0	0	
20. Maine	ME	N	0	0	0	0	0	
21. Maryland	MD	N	0	0	0	0	0	
22. Massachusetts	MA	N	0	0	0	0	0	
23. Michigan	MI	N	0	0	0	0	0	
24. Minnesota	MN	N	0	0	0	0	0	
25. Mississippi	MS	N	0	0	0	0	0	
26. Missouri	MO	N	0	0	0	0	0	
27. Montana	MT	N	0	0	0	0	0	
28. Nebraska	NE	N	0	0	0	0	0	
29. Nevada	NV	N	0	0	0	0	0	
30. New Hampshire	NH	N	0	0	0	0	0	
31. New Jersey	NJ	N	0	0	0	0	0	
32. New Mexico	NM	N	0	0	0	0	0	
33. New York	NY	N	0	0	0	0	0	
34. No. Carolina	NC	N	0	0	0	0	0	
35. No. Dakota	ND	N	0	0	0	0	0	
36. Ohio	OH	L	10,994,347	10,725,070	4,837,008	1,365,195	3,709,560	849,502
37. Oklahoma	OK	N	0	0	0	0	0	0
38. Oregon	OR	L	514,151	0	43,319	0	53,960	0
39. Pennsylvania	PA	N	0	0	0	0	0	0
40. Rhode Island	RI	N	0	0	0	0	0	0
41. So. Carolina	SC	L	0	0	0	0	0	0
42. So. Dakota	SD	N	0	0	0	0	0	0
43. Tennessee	TN	L	0	0	0	0	0	0
44. Texas	TX	L	0	0	0	0	0	0
45. Utah	UT	N	0	0	0	0	0	0
46. Vermont	VT	N	0	0	0	0	0	0
47. Virginia	VA	N	0	0	0	0	0	0
48. Washington	WA	N	0	0	0	0	0	0
49. West Virginia	WV	N	0	0	0	0	0	0
50. Wisconsin	WI	N	0	0	0	0	0	0
51. Wyoming	WY	N	0	0	0	0	0	0
52. American Samoa	AS	N	0	0	0	0	0	0
53. Guam	GU	N	0	0	0	0	0	0
54. Puerto Rico	PR	N	0	0	0	0	0	0
55. U.S. Virgin Islands	VI	N	0	0	0	0	0	0
56. Northern Mariana Islands	MP	N	0	0	0	0	0	0
57. Canada	CN	N	0	0	0	0	0	0
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0	0
59. Totals	(a) 7		11,508,498	10,725,070	4,880,327	1,365,195	3,763,520	849,502
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



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 .....			.0 0	.0 0
2.	Allied lines .....			.0 0	.0 0
3.	Farmowners multiple peril .....			.0 0	.0 0
4.	Homeowners multiple peril .....			.0 0	.0 0
5.	Commercial multiple peril .....			.0 0	.0 0
6.	Mortgage guaranty .....			.0 0	.0 0
8.	Ocean marine .....			.0 0	.0 0
9.	Inland marine .....			.0 0	.0 0
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 .....			.0 0	.0 0
17.2	Other liability – claims made .....			.0 0	.0 0
17.3	Excess Workers' Compensation .....			.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	7,697,754	4,326,967	56.2	55.2
19.3,19.4	Commercial auto liability .....			.0 0	.0 0
21.	Auto physical damage	1,988,874	1,539,378	77.4	100.6
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	9,686,628	5,866,345	60.6	64.2
DETAILS OF WRITE-INS					
3401.	.....			
3402.	.....			
3403.	.....			
3498.	Sum. 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)	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	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	0		0
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	0		0
17.2	Other liability – claims made	0		0
17.3	Excess Workers' Compensation	0		
18.1	Products liability - occurrence	0		0
18.2	Products liability – claims made	0		0
19.1,19.2	Private passenger auto liability	2,521,596	9,097,592	8,541,867
19.3,19.4	Commercial auto liability	0		0
21.	Auto physical damage	647,078	2,410,906	2,183,203
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	3,168,674	11,508,498	10,725,070
DETAILS OF WRITE-INS				
3401.	.....		
3402.	.....		
3403.	.....		
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2011 Loss and LAE Payments on Claims Reported as of Prior Year-End	2011 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2011 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols.7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2008 + Prior	247	(12)	235	155	1	156	157	1	(48)	110	65	(34)	31
2. 2009	600	155	755	420	2	422	314	2	80	396	134	(71)	63
3. Subtotals 2009 + prior	847	143	990	575	3	578	471	3	32	506	199	(105)	94
4. 2010	3,302	1,560	4,862	3,056	15	3,071	1,528	7	500	2,035	1,282	(1,038)	244
5. Subtotals 2010 + prior	4,149	1,703	5,852	3,631	18	3,649	1,999	10	532	2,541	1,481	(1,143)	338
6. 2011	XXX	XXX	XXX	XXX	4,281	4,281	XXX	2,407	1,398	3,805	XXX	XXX	XXX
7. Totals	4,149	1,703	5,852	3,631	4,299	7,930	1,999	2,417	1,930	6,346	1,481	(1,143)	338
8. Prior Year-End Surplus As Regards Policy-holders	10,316										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. 35.7	2. (67.1)	3. 5.8
											Col. 13, Line 7 As a % of Col. 1 Line 8		
											4. 3.3		

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 on "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.




13703201149000002

2.




13703201145500002

3.



13703201136500002

4.



13703201150500002

OVERFLOW PAGE FOR WRITE-INS

SCHEDULE A - VERIFICATION

Real Estate

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

SCHEDULE B – VERIFICATION

Mortgage Loans

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

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

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

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	14,378,809	6,167,926
2. Cost of bonds and stocks acquired	4,433,403	10,025,786
3. Accrual of discount	3,957	4,826
4. Unrealized valuation increase (decrease)	0	0
5. Total gain (loss) on disposals	60,353	28,742
6. Deduct consideration for bonds and stocks disposed of	2,622,770	1,810,010
7. Deduct amortization of premium	29,060	38,461
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)	16,224,691	14,378,809
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	16,224,691	14,378,809

STATEMENT AS OF JUNE 30, 2011 OF THE General Automobile Insurance Company, Inc.

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).....	14,888,055	1,876,882	2,667,968	(8,879)	14,888,055	14,088,091	.0	14,446,781
2. Class 2 (a).....	2,146,431	.930,579	262,904	(3,277)	2,146,431	2,810,829	.0	2,564,255
3. Class 3 (a).....	211,789	.0	.0	(449)	211,789	.211,340	.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	17,246,276	2,807,460	2,930,872	(12,604)	17,246,276	17,110,260	0	17,011,036
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 & Preferred Stock	17,246,276	2,807,460	2,930,872	(12,604)	17,246,276	17,110,260	0	17,011,036

(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	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	885,569	XXX	885,569	0	0

SCHEDULE DA - VERIFICATION

Short-Term Investments		
	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	2,632,227	3,825,857
2. Cost of short-term investments acquired	486,546	8,955,207
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.....	2,233,203	10,148,837
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).....	885,569	2,632,227
11. Deduct total nonadmitted amounts.....	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	885,569	2,632,227

Schedule DB - Part A - Verification

NONE

Schedule DB - Part B- Verification

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

NONE

Schedule E Verification

NONE

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

Schedule BA - Part 2

NONE

Schedule BA - Part 3

NONE

E04

E04

E04

E04

STATEMENT AS OF JUNE 30, 2011 OF THE General Automobile Insurance Company, Inc.

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter																						
1	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	F o r e i g n	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)	
3137A9-KA-3..	FHR 3843 KA 4.000% 07/15/36		..06/01/2011..	Paydown.....		.....10,455	.....10,455	.....10,961	.....0	.....0	.....(506)	.....0	.....(506)	.....0	.....10,455	.....0	.....0	.....0	.....35	..09/01/2018..	..1...
31417J-TR-1..	FNMA POOL #AC0559 4.000% 10/01/24		..06/01/2011..	Paydown.....		.....60,108	.....60,108	.....61,334	.....61,124	.....0	.....(13)	.....0	.....(13)	.....0	.....61,111	.....0	.....(1,003)	.....(1,003)	.....978	..10/01/2024..	..1...
880591-CJ-9..	TENN VALLEY AUTH(TVA) 6.750% 11/01/25		..04/26/2011..	BARCLAYS.....		.....628,245	.....500,000	.....598,000	.....593,189	.....0	.....(1,375)	.....0	.....(1,375)	.....0	.....591,814	.....0	.....36,431	.....36,431	.....16,500	..11/01/2025..	..1FE...
3199999 - Total - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of...						698,808	570,563	670,295	654,313	0	(1,894)	0	(1,894)	0	663,379	0	35,428	35,428	17,512	XXX	XXX	
115885-AE-5..	BROWNING-FERRIS INDS 9.25 05/01/2021 9.....		..05/09/2011..	Redemption 132.9330.....		.....265,866	.....200,000	.....252,904	.....251,869	.....0	.....1,035	.....0	.....1,035	.....0	.....252,904	.....0	.....12,962	.....12,962	.....9,661	..05/01/2021..	..2FE...
115885-AE-5..	BROWNING-FERRIS INDS 9.25 05/01/2021 9.....		..05/09/2011..	Capital Distribution.....		.....10,000	.....0	.....10,000	.....10,000	.....0	.....0	.....0	.....0	.....0	.....10,000	.....0	.....0	.....0	.....0	..05/01/2021..	..2FE...
771196-A0-5..	ROCHE HLDGS INC 5.03/01/2014 5.000% 03.....		..04/26/2011..	MORGAN STANLEY.....		.....69,921	.....64,000	.....69,271	.....67,886	.....0	.....(381)	.....0	.....(381)	.....0	.....67,505	.....0	.....2,416	.....2,416	.....2,116	..03/01/2014..	..1FE...
3899999 - Bonds - Industrial and Miscellaneous						345,787	264,000	332,175	329,755	0	654	0	654	0	330,409	0	15,378	15,378	11,777	XXX	XXX	
8399997 - Bonds - Part 4						1,044,595	834,563	1,002,470	984,068	0	(1,240)	0	(1,240)	0	993,788	0	50,807	50,807	29,289	XXX	XXX	
8399999 - Total - Bonds						1,044,595	834,563	1,002,470	984,068	0	(1,240)	0	(1,240)	0	993,788	0	50,807	50,807	29,289	XXX	XXX	
8999999 - Total - Preferred Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9799999 - Total - Common Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9899999 - Total - Preferred and Common Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX

Schedule DB - Part A - Section 1

NONE

Sch. DB - Pt. A - Sn. 1 - Footnote (a)

NONE

Schedule DB - Part B - Section 1

NONE

Sch. DB - Pt. B - Sn. 1 - Footnotes

NONE

Schedule DB - Part D

NONE

Schedule DL - Part 1

NONE

Schedule DL - Part 2

NONE

Schedule E - Part 1

NONE

Schedule E - Part 2 - Cash Equivalents

NONE