

**QUARTERLY STATEMENT**

**OF THE**

**OHIO SECURITY INSURANCE COMPANY**

**of** **FAIRFIELD**

**in the state of** **OHIO**

**TO THE**

**Insurance Department**

**OF THE**

**STATE OF**

**FOR THE QUARTER ENDED**

**June 30, 2011**

**PROPERTY AND CASUALTY**

**2011**



24082201120100102

QUARTERLY STATEMENT

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

Ohio Security Insurance Company

NAIC Group Code	0111	0111	NAIC Company Code	24082	Employer's ID Number	31-0541777
	(Current Period)	(Prior Period)				
Organized under the Laws of	Ohio			State of Domicile or Port of Entry		
Country of Domicile	United States of America					
Incorporated/Organized:	November 1, 1950			Commenced Business:		
Statutory Home Office:	9450 Seward Road			Fairfield, OH 45014		
	(Street and Number)			(City or Town, State and Zip Code)		
Main Administrative Office:	175 Berkeley Street					
	(Street and Number)					
	Boston, MA 02116			617-357-9500		
	(City or Town, State and Zip Code)			(Area Code) (Telephone Number)		
Mail Address:	175 Berkeley Street			Boston, MA 02116		
	(Street and Number or P.O. Box)			(City or Town, State and Zip Code)		
Primary Location of Books and Records:	175 Berkeley Street			Boston, MA 02116		
	(Street and Number)			(City or Town, State and Zip Code)		
Internet Website Address:	www.lmac.com					
Statutory Statement Contact:	Pamela Heenan			617-357-9500 x44689		
	(Name)			(Area Code) (Telephone Number) (Extension)		
	Statutory.Compliance@LibertyMutual.com			617-574-5955		
	(E-Mail Address)			(Fax Number)		

OFFICERS

Chairman of the Board

James Paul Condrin, III #

Name	Title
1. James Paul Condrin, III #	President and Chief Executive Officer
2. Dexter Robert Legg	Secretary
3. Michael Joseph Fallon	Treasurer and Chief Financial Officer

VICE-PRESIDENTS

Name	Title	Name	Title
Anthony Alexander Fontanes	EVP and Chief Investment Officer	Joseph Anthony Gilles	Executive Vice President
Scott Rhodes Goodby	EVP and Chief Operating Officer		

DIRECTORS OR TRUSTEES

James Paul Condrin, III #	Michael Joseph Fallon	John Derek Doyle	Joseph Anthony Gilles
Scott Rhodes Goodby	Christopher Charles Mansfield		

State of Massachusetts

County of Suffolk ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature)	(Signature)	(Signature)
James Paul Condrin, III #	Dexter Robert Legg	Michael Joseph Fallon
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
President and Chief Executive Officer	Secretary	Treasurer and Chief Financial Officer
(Title)	(Title)	(Title)

Subscribed and sworn to before me this	a. Is this an original filing?	[ X ] Yes [ ] No
18th day of July, 2011	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	14,263,126		14,263,126	11,251,933
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks				
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$ 0 encumbrances)				
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ 0), cash equivalents (\$ 0), and short-term investments (\$ 747,163)	747,163		747,163	1,017,512
6. Contract loans (including \$ 0 premium notes)				
7. Derivatives				
8. Other invested assets				
9. Receivables for securities				
10. Securities lending reinvested collateral assets	240,112		240,112	915,128
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	15,250,401		15,250,401	13,184,573
13. Title plants less \$ 0 charged off (for Title insurers only)				
14. Investment income due and accrued	143,723		143,723	141,191
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection				
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums)				
15.3 Accrued retrospective premiums				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	1,413,503		1,413,503	1,746,501
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon	33,746		33,746	1,864,763
18.2 Net deferred tax asset	89,510	89,510		
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets (\$ 0)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	6,170,490		6,170,490	3,066,141
24. Health care (\$ 0) and other amounts receivable				
25. Aggregate write-ins for other than invested assets				
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	23,101,373	89,510	23,011,863	20,003,169
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	23,101,373	89,510	23,011,863	20,003,169

DETAILS OF WRITE-IN LINES				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501.				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)				

LIABILITIES, SURPLUS AND OTHER FUNDS

	1	2
	Current Statement Date	December 31, Prior Year
1. Losses (current accident year \$ 0)		
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses		
4. Commissions payable, contingent commissions and other similar charges		
5. Other expenses (excluding taxes, licenses and fees)		
6. Taxes, licenses and fees (excluding federal and foreign income taxes)		
7.1. Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))		
7.2. Net deferred tax liability		
8. Borrowed money \$ 0 and interest thereon \$ 0		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 31,539,853 and including warranty reserves of \$ 0)		
10. Advance premium		
11. Dividends declared and unpaid:		
11.1. Stockholders		
11.2. Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	5,994,258	2,719,007
13. Funds held by company under reinsurance treaties		
14. Amounts withheld or retained by company for account of others		
15. Remittances and items not allocated		
16. Provision for reinsurance		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates	1,712,603	2,054,007
20. Derivatives		
21. Payable for securities	520,978	
22. Payable for securities lending	240,112	915,128
23. Liability for amounts held under uninsured plans		
24. Capital notes \$ 0 and interest thereon \$ 0		
25. Aggregate write-ins for liabilities	4,693	
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	8,472,644	5,688,142
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	8,472,644	5,688,142
29. Aggregate write-ins for special surplus funds		
30. Common capital stock	3,500,430	3,500,430
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds		
33. Surplus notes		
34. Gross paid in and contributed surplus	1,499,570	1,499,570
35. Unassigned funds (surplus)	9,539,219	9,315,027
36. Less treasury stock, at cost:		
36.1. 0 shares common (value included in Line 30 \$ 0)		
36.2. 0 shares preferred (value included in Line 31 \$ 0)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	14,539,219	14,315,027
38. Totals (Page 2, Line 28, Col. 3)	23,011,863	20,003,169

DETAILS OF WRITE-IN LINES		
2501. Other liabilities	4,693	
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	4,693	
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)		
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)		

STATEMENT OF INCOME

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 34,961,646)	18,237,469	13,108,008	25,315,940
1.2 Assumed (written \$ 0)			
1.3 Ceded (written \$ 34,961,646)	18,237,469	13,108,008	25,315,940
1.4 Net (written \$ 0)			
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 0):			
2.1 Direct	9,732,906	6,972,395	19,428,700
2.2 Assumed			
2.3 Ceded	9,732,906	6,972,395	19,428,700
2.4 Net			
3. Loss adjustment expenses incurred			
4. Other underwriting expenses incurred			
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)			
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)			
INVESTMENT INCOME			
9. Net investment income earned	215,383	195,416	381,423
10. Net realized capital gains (losses) less capital gains tax of \$ 0			(2,763)
11. Net investment gain (loss) (Lines 9 + 10)	215,383	195,416	378,660
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 0 amount charged off \$ 0)			
13. Finance and service charges not included in premiums			
14. Aggregate write-ins for miscellaneous income		(101)	(155)
15. Total other income (Lines 12 through 14)		(101)	(155)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	215,383	195,315	378,505
17. Dividends to policyholders			
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	215,383	195,315	378,505
19. Federal and foreign income taxes incurred	(8,809)	33,954	78,238
20. Net income (Line 18 minus Line 19) (to Line 22)	224,192	161,361	300,267
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	14,315,027	14,035,410	14,035,410
22. Net income (from Line 20)	224,192	161,361	300,267
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 0			
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax			(24,850)
27. Change in nonadmitted assets		(9,450)	4,200
28. Change in provision for reinsurance			
29. Change in surplus notes			
30. Surplus (contributed to) withdrawn from protected cells			
31. Cumulative effect of changes in accounting principles			
32. Capital changes:			
32.1 Paid in			
32.2 Transferred from surplus (Stock Dividend)			
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in			
33.2 Transferred to capital (Stock Dividend)			
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders			
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus			
38. Change in surplus as regards policyholders (Lines 22 through 37)	224,192	151,911	279,617
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	14,539,219	14,187,321	14,315,027

DETAILS OF WRITE-IN LINES			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 05 from overflow page			
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 05 above)			
1401. Other income/(expense)		(101)	(155)
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)		(101)	(155)
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page			
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)			

CASH FLOW

	1	2	3
Cash from Operations	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
1. Premiums collected net of reinsurance	3,275,251	(190,550)	1,249,271
2. Net investment income	242,765	214,866	415,120
3. Miscellaneous income		(988)	2,326
4. Total (Lines 1 to 3)	3,518,016	23,328	1,666,717
5. Benefit and loss related payments	(332,998)	2,997,934	741,288
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions			
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)	(1,839,826)	45,500	(16,490)
10. Total (Lines 5 through 9)	(2,172,824)	3,043,434	724,798
11. Net cash from operations (Line 4 minus Line 10)	5,690,840	(3,020,106)	941,919
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	800,000		125,000
12.2 Stocks			
12.3 Mortgage loans			
12.4 Real estate			
12.5 Other invested assets	3,084,382		
12.6 Net gains (or losses) on cash, cash equivalents and short-term investments			
12.7 Miscellaneous proceeds			
12.8 Total investment proceeds (Lines 12.1 to 12.7)	3,884,382		125,000
13. Cost of investments acquired (long-term only):			
13.1 Bonds	3,841,106		2,039,382
13.2 Stocks			
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets	2,409,366		915,128
13.6 Miscellaneous applications	(520,978)		
13.7 Total investments acquired (Lines 13.1 to 13.6)	5,729,494		2,954,510
14. Net increase (or decrease) in contract loans and premium notes			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(1,845,112)		(2,829,510)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes			
16.2 Capital and paid in surplus, less treasury stock			
16.3 Borrowed funds			
16.4 Net deposits on deposit-type contracts and other insurance liabilities			
16.5 Dividends to stockholders			
16.6 Other cash provided (applied)	(4,116,077)	2,528,729	(352,646)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(4,116,077)	2,528,729	(352,646)
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)	(270,349)	(491,377)	(2,240,237)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	1,017,512	3,257,749	3,257,749
19.2 End of period (Line 18 plus Line 19.1)	747,163	2,766,372	1,017,512

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

20.0001			
20.0002			
20.0003			

# NOTES TO FINANCIAL STATEMENTS

**Note 1 - Summary of Significant Accounting Policies**

A. Accounting Practices

Effective January 1, 2001, and subject to any deviations prescribed or permitted by the State of Ohio, the accompanying financial statements of Ohio Security Insurance Company (the “Company”) have been prepared in conformity with the National Association of Insurance Commissioners (“NAIC”) *Accounting Practices and Procedures Manual* (“APP Manual”).

**Note 2 - Accounting Changes and Correction of Errors**

The Company adopted SSAP No. 35R, *Guaranty Fund and Other Assessments*, effective January 1, 2011. The cumulative effect of adopting SSAP No. 35R is reported in the Capital and Surplus Account and is not considered material.

**Note 3 - Business Combinations and Goodwill**

No change.

**Note 4 - Discontinued Operations**

No change.

**Note 5 - Investments**

Not applicable.

**Note 6 - Joint Ventures, Partnerships & Limited Liability Companies**

No change.

**Note 7 - Investment Income**

No change.

**Note 8 - Derivative Instruments**

No change.

**Note 9 - Income Taxes**

No change.

**Note 10 - Information Concerning Parent, Subsidiaries and Affiliates**

No change.

**Note 11 - Debt**

No change.

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

No change.

**Note 13 - Capital and Surplus, Shareholders’ Dividend Restrictions and Quasi-Reorganizations**

No change.

**Note 14 - Contingencies**

No change.

**Note 15 - Leases**

No change.

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

No change.

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## NOTES TO FINANCIAL STATEMENTS

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

## C. Wash Sales

In the course the Company's asset management, securities are sold and reacquired within 30 days of the sale date. There are no transactions for securities with NAIC designation 3 or below sold during the second quarter of 2011, and reacquired within 30 days of the sale date.

**Note 18 - Gain or Loss from Uninsured Accident and Health Plans and the Uninsured Portion of Partially Insured Plans**

No change.

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

No change.

**Note 20 - Fair Value Measurements**

Pursuant to the guidance in SSAP No. 100, *Fair Value Measurements*, the Company has no assets or liabilities measured at fair value.

**Note 21 - Other Items**

No change.

**Note 22 - Events Subsequent**

No change.

**Note 23 - Reinsurance**

No change

**Note 24 - Retrospectively Rated Contracts and Contracts Subject to Redetermination**

No change.

**Note 25 - Changes in Incurred Losses and Loss Adjustment Expenses**

Not applicable.

**Note 26 - Inter-Company Pooling Arrangements**

No change.

**Note 27 - Structured Settlements**

No change.

**Note 28 - Health Care Receivables**

No change.

**Note 29 - Participating Policies**

No change.

**Note 30 - Premium Deficiency Reserves**

No change.

**Note 31 - High Dollar Deductible Policies**

No change.

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

No change.

**Note 33 - Asbestos/Environmental Reserves**

No change.

**Note 34 - Subscriber Savings Accounts**

No change.



**NOTES TO FINANCIAL STATEMENTS**

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**Note 35 - Multiple Peril Crop Insurance**

No change.

**Note 36 - Financial Guarantee Insurance Contracts**

No change.

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?  
If yes, complete the Schedule Y – Part 1 – organizational chart.

Yes ☒ No ☐

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 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?  
If yes, attach an explanation.

Yes ☐ No ☒ N/A ☐

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

12/31/2008

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.

12/31/2008

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).

05/28/2010

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 ☒

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

Yes ☐ No ☐ N/A ☒

7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes ☐ No ☒

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 ☒

GENERAL INTERROGATORIES

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

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

9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

(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.

Yes [ X ] No [ ]

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 [ X ] No [ ]

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

During Q2, Code provisions were added for Registered Investment Adviser compliance, as a Liberty Mutual subsidiary obtained SEC approval as a Registered Investment Adviser. In Q2, several non-material changes to the Code were also made to clarify existing provisions.

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

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

.....

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.....

FINANCIAL

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

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 0

INVESTMENT

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

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

.....

.....

.....

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

GENERAL INTERROGATORIES

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

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

14.2 If yes, please complete the following:

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$ 0	\$ 0
14.22 Preferred Stock	\$ 0	\$ 0
14.23 Common Stock	\$ 0	\$ 0
14.24 Short-Term Investments	\$ 0	\$ 0
14.25 Mortgage Loans on Real Estate	\$ 0	\$ 0
14.26 All Other	\$ 0	\$ 0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	\$ 0	\$ 0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$ 0	\$ 0

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

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ]  
If no, attach a description with this statement.

16. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, F – Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No [ ]

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

1	2
Name of Custodian(s)	Custodian Address
JP Morgan Chase	1 Chase Manhattan Plaza, New York, NY 10005

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	2	3
Name(s)	Location(s)	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	2	3	4
Old Custodian	New Custodian	Date of Change	Reason

GENERAL INTERROGATORIES

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
N/A	Liberty Mutual Investment Advisors, LLC	175 Berkeley Street, Boston, MA 02116
N/A	Liberty Mutual Group Inc.	175 Berkeley Street, Boston, MA 02116

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

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?  
If yes, attach an explanation.

Yes [ ] No [X] N/A [ ]

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?  
If yes, attach an explanation.

Yes [ ] No [X]

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	2	3	TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
			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
.....	.....	.....	0	0	0	0	0	0	0	0
.....	.....	.....	0	0	0	0	0	0	0	0
.....	.....	.....	0	0	0	0	0	0	0	0
.....	.....	.....	0	0	0	0	0	0	0	0
TOTAL			0	0	0	0	0	0	0	0

5. Operating Percentages:

5.1. A&H loss percent 0.00 %

5.2. A&H cost containment percent 0.00 %

5.3. A&H expense percent excluding cost containment expenses 0.00 %

6.1 Do you act as a custodian for health savings accounts?

Yes [ ] No [X]

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

\$ 0

6.3 Do you act as an administrator for health savings accounts?

Yes [ ] No [X]

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

\$ 0

**NONE      Schedule F**

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year To Date - Allocated by States and Territories

		1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
			2	3	4	5	6	7
States, Etc.		Active Status	Current Year to Date	Prior Year to Date	Current Year to Date	Prior Year to Date	Current Year to Date	Prior Year to Date
1. Alabama	AL	L	580,686	1,147	23,210		17,371	1,008
2. Alaska	AK	L	2,236,541		51,968		189,701	
3. Arizona	AZ	L	812	1,812		3,394	1,437	1,830
4. Arkansas	AR	L	21,951	(20,180)			42,138	72,112
5. California	CA	N						
6. Colorado	CO	L	398	136				
7. Connecticut	CT	L	114,363	120,583	194,914	82,242	725,988	363,214
8. Delaware	DE	L	3,034	(884)		4,877	14,437	29,100
9. District of Columbia	DC	L	(1,678)	9,219			38,199	34,726
10. Florida	FL	L	392,790	(1,541,462)	529,856	1,260,563	2,469,405	2,244,561
11. Georgia	GA	L	3,493,661	4,691,828	1,126,628	2,951,507	5,820,473	4,410,748
12. Hawaii	HI	N						
13. Idaho	ID	L	1,131,038	1,494	88,285		111,743	1,938
14. Illinois	IL	L	587,079	343,617	582,791	471,493	2,041,442	2,616,713
15. Indiana	IN	L	1,593,978	727,314	623,725	725,235	3,923,743	2,231,765
16. Iowa	IA	L	43,951	41,204	29,223	9,524	51,431	195,948
17. Kansas	KS	L	14,496	20,808		33,267	6,873	30,411
18. Kentucky	KY	L	202,229	198,092	62,883	68,212	441,249	354,079
19. Louisiana	LA	L	(744)					
20. Maine	ME	N						
21. Maryland	MD	L	135,839	263,013	939,941	580,773	16,015,555	15,745,365
22. Massachusetts	MA	L	603	(1,785)				873
23. Michigan	MI	L	79,766	(30,475)	7,973	27,532	30,943	1,053,720
24. Minnesota	MN	L	68,508					
25. Mississippi	MS	L	335,022	(6,433)	1,372	33	7,060	7,862
26. Missouri	MO	L	129,591	218,935	89,741	6,506	47,231	152,744
27. Montana	MT	L	1,347,444	503	36,672		161,409	
28. Nebraska	NE	L	32,721	26,366	7,235	1,403	127,263	115,449
29. Nevada	NV	L	12,979	14,354	196		5,588	5,545
30. New Hampshire	NH	N						
31. New Jersey	NJ	L	205,973	165,650	168,950	164,189	1,626,557	2,302,957
32. New Mexico	NM	L	(3,205)	(7,283)		(64)	5,858	29,615
33. New York	NY	L	5,185	(11,552)	95,261	10,208	87,186	30,003
34. North Carolina	NC	L	335,100	643,275	547,948	438,913	3,890,132	4,624,861
35. North Dakota	ND	L	8,727					
36. Ohio	OH	L	1,329,483	761,401	299,661	1,601,898	1,687,506	1,364,665
37. Oklahoma	OK	L	26,497	25,797	14,738	25,359	162,902	59,807
38. Oregon	OR	L	4,285,328		74,405		416,682	
39. Pennsylvania	PA	L	1,575,552	1,583,006	863,125	1,538,632	8,097,469	5,077,908
40. Rhode Island	RI	L						
41. South Carolina	SC	L	1,641,947	695,143	266,414	1,695,992	1,306,565	953,944
42. South Dakota	SD	L	11,049					
43. Tennessee	TN	L	2,273,395	1,113,145	808,807	600,719	925,309	2,304,812
44. Texas	TX	L	69,924	58,574	12,472	25,704	416,087	450,247
45. Utah	UT	L	(154)	(8,222)		27,181	42,275	119,660
46. Vermont	VT	N						
47. Virginia	VA	L	567,911	145,167	259,915	235,260	2,633,461	2,979,164
48. Washington	WA	L	9,908,974		381,969		1,123,461	18,192
49. West Virginia	WV	L	151,031	162,389	22,455	20,505	136,910	81,869
50. Wisconsin	WI	L	13,330	(4,894)		319	8,149	18,934
51. Wyoming	WY	L	(1,459)	(350)		(1,000)	6,776	16,347
52. American Samoa	AS	N						
53. Guam	GU	N						
54. Puerto Rico	PR	N						
55. U.S. Virgin Islands	VI	N						
56. Northern Mariana Islands	MP	N						
57. Canada	CN	N						
58. Aggregate Other Alien	OT	X X X						
59. Totals		(a) 46	34,961,646	10,400,452	8,212,733	12,610,376	54,863,964	50,102,696

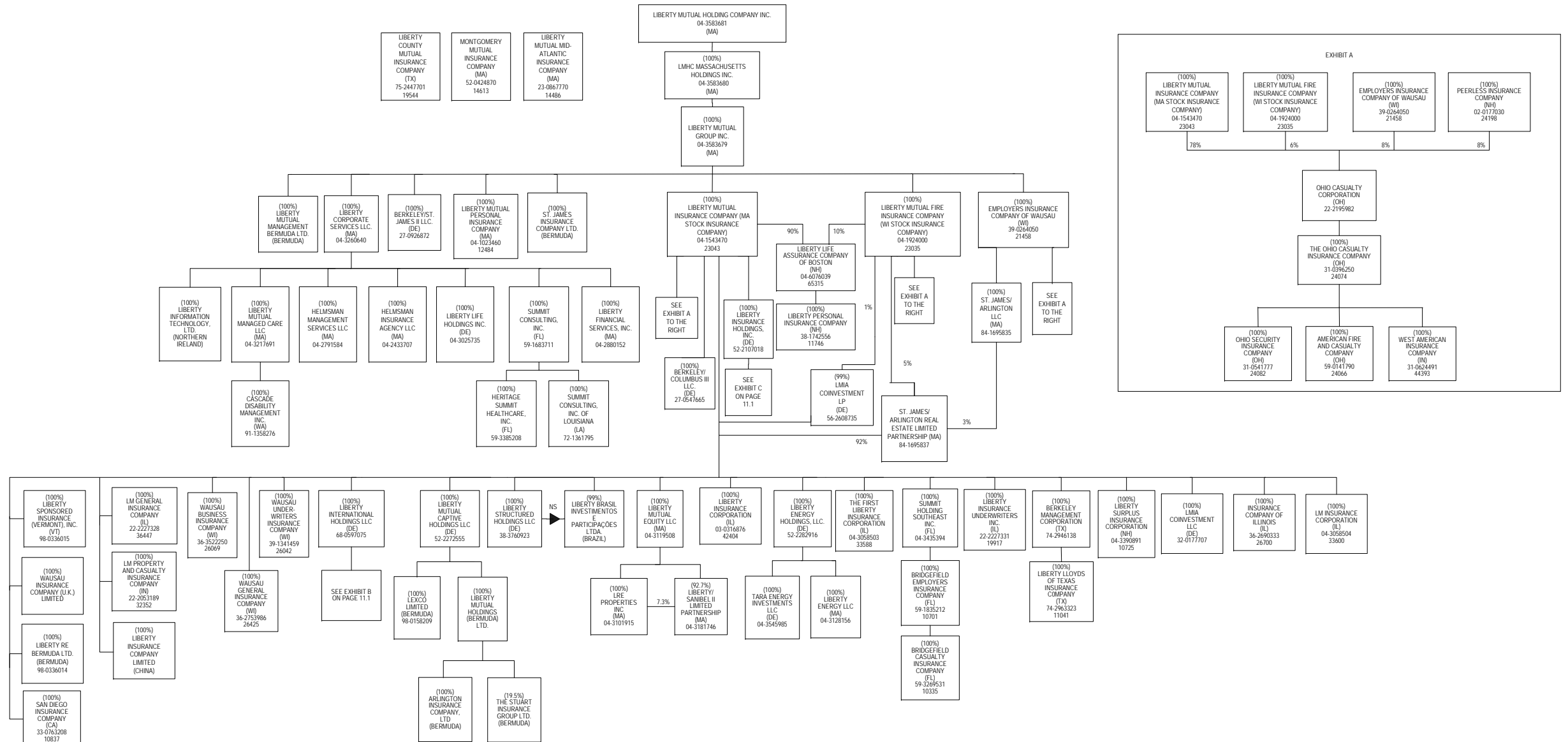
DETAILS OF WRITE-INS							
5801.		X X X					
5802.		X X X					
5803.		X X X					
5898.	Summary of remaining write-ins for Line 58 from overflow page	X X X					
5899.	Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X					

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG: (R) Registered - Non-domiciled RRGs: (Q) Qualified - Qualified or Accredited Reinsurer:  
(E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state: (N) None of the above - Not allowed to write business in the state.  
(a) Insert the number of L responses except for Canada and Other Alien.



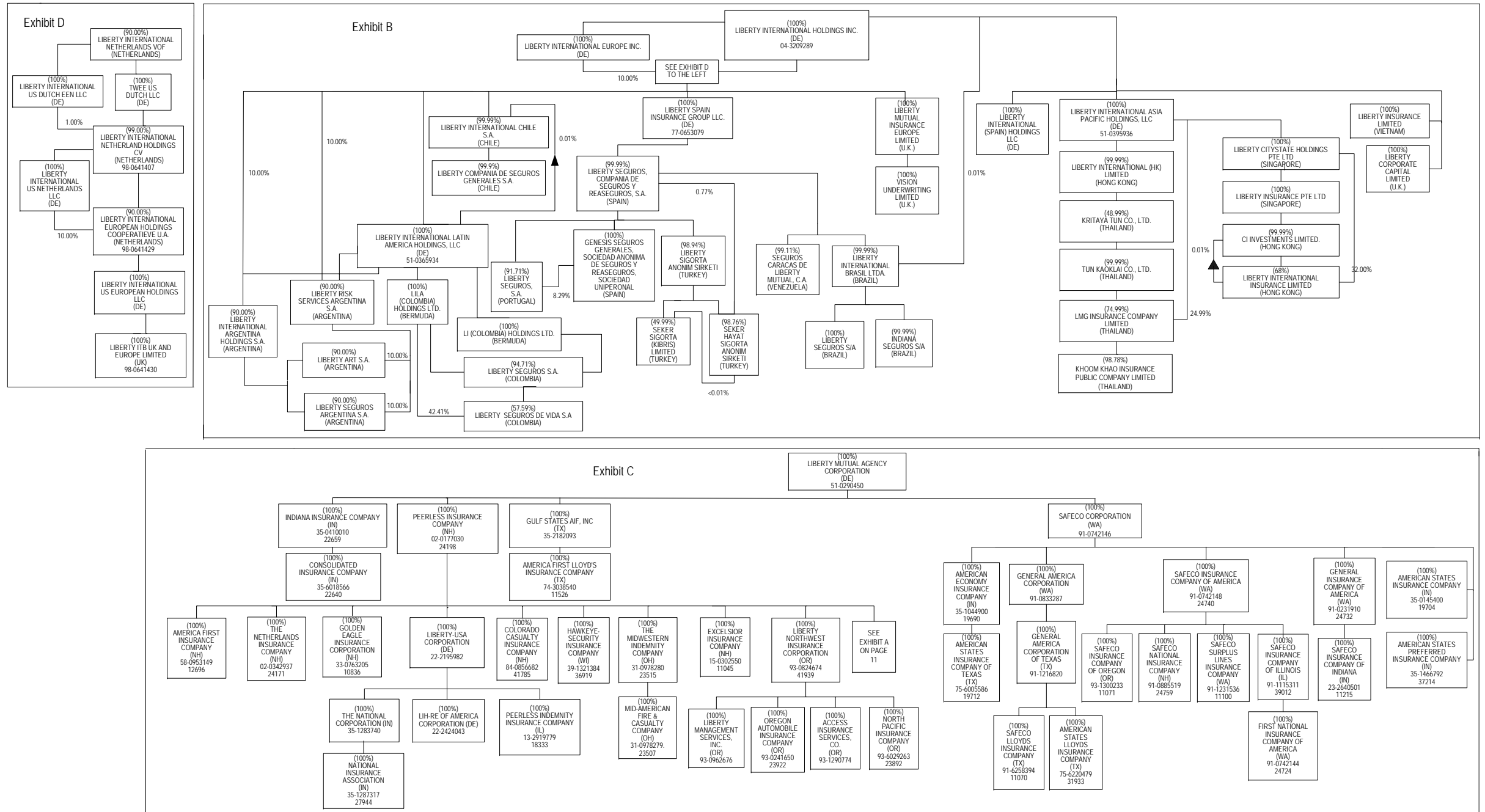
**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**

## PART 1 - ORGANIZATIONAL CHART



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

## PART 1 - ORGANIZATIONAL CHART



PART 1 – LOSS EXPERIENCE

Lines of Business	Current Year to Date			Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire	36,436	2,751	7.6	
2. Allied lines	29,757	2,067	6.9	
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril	4,702,148	2,000,548	42.5	
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine				
10. Financial guaranty				
11.1 Medical professional liability-occurrence				
11.2 Medical professional liability-claims made				
12. Earthquake	225			
13. Group accident and health				
14. Credit accident and health				
15. Other accident and health				
16. Workers' compensation	2,025,864	1,158,602	57.2	5.1
17.1 Other liability-occurrence	211,492	130,375	61.6	-597.4
17.2 Other liability-claims made				
17.3 Excess Workers' Compensation				
18.1 Products liability-occurrence	121,558	10,922	9.0	-165.8
18.2 Products liability-claims made				
19.1, 19.2 Private passenger auto liability	86,483	2,192	2.5	98.2
19.3, 19.4 Commercial auto liability	7,286,435	4,589,229	63.0	73.3
21. Auto physical damage	3,736,464	1,836,220	49.1	59.9
22. Aircraft (all perils)				
23. Fidelity				
24. Surety				
26. Burglary and theft				
27. Boiler and machinery	607			
28. Credit				
29. International				
30. Warranty				
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				
35. TOTALS	18,237,469	9,732,906	53.4	53.2

DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Summary of remaining write-ins for Line 34 from overflow page				
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)				

PART 2 – DIRECT PREMIUMS WRITTEN

	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire	92,575	138,440	
2. Allied lines	75,739	110,286	
3. Farmowners multiple peril			
4. Homeowners multiple peril			
5. Commercial multiple peril	11,217,680	17,591,859	
6. Mortgage guaranty			
8. Ocean marine			
9. Inland marine			
10. Financial guaranty			
11.1 Medical professional liability-occurrence			
11.2 Medical professional liability-claims made			
12. Earthquake	1,285	1,285	
13. Group accident and health			
14. Credit accident and health			
15. Other accident and health			
16. Workers' compensation	1,009,616	2,049,254	2,416,787
17.1 Other liability-occurrence	508,426	783,418	(32,784)
17.2 Other liability-claims made			
17.3 Excess Workers' Compensation			
18.1 Products liability-occurrence	234,594	397,923	2,828
18.2 Products liability-claims made			
19.1, 19.2 Private passenger auto liability	36,439	81,323	118,357
19.3, 19.4 Commercial auto liability	5,790,434	8,875,471	4,312,936
21. Auto physical damage	1,865,247	4,929,473	3,582,327
22. Aircraft (all perils)			
23. Fidelity			
24. Surety			
26. Burglary and theft			
27. Boiler and machinery	2,270	2,914	
28. Credit			
29. International			
30. Warranty			
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			
35. TOTALS	20,834,305	34,961,646	10,400,451

DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Summary of remaining write-ins for Line 34 from overflow page				
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)				

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 & 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 - 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 - 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2008 + prior						NONE							
2. 2009													
3. Subtotals 2009 + prior													
4. 2010													
5. Subtotals 2010 + prior													
6. 2011	X X X	X X X	X X X	X X X			X X X				X X X	X X X	X X X
7. Totals													

13

8. Prior Year-End Surplus As Regards Policyholders	14,315	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. _____	2. _____	3. _____
				Col. 13, Line 7 Line 8
				4. _____

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

Explanation:

The Trusteed Surplus Statement is not required as the company is a U.S. insurer.

Supplement A to Schedule T is not required as the company does not provide medical professional liability coverage for physicians, hospitals, other health care professionals and other health care facilities.

Medicare Part D Coverage Supplement is not required as the company does not provide prescription drug coverage.

Bar Code:



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**OVERFLOW PAGE FOR WRITE-INS**

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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)		

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 points and commitment fees		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		
10. Deduct current year's other than temporary impairment recognized		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)		
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)		

SCHEDULE BA - VERIFICATION  
Other Long-Term Invested Assets

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 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)		

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	11,251,933	9,382,942
2. Cost of bonds and stocks acquired	3,841,106	2,039,382
3. Accrual of discount	1,426	4,681
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		(4,251)
6. Deduct consideration for bonds and stocks disposed of	800,000	125,000
7. Deduct amortization of premium	31,339	45,821
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	14,263,126	11,251,933
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	14,263,126	11,251,933

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1 (a)	11,528,089	9,015,164	6,516,554	(15,478)	11,528,089	14,011,221		11,268,469
2. Class 2 (a)	999,995			(927)	999,995	999,068		1,000,976
3. Class 3 (a)								
4. Class 4 (a)								
5. Class 5 (a)								
6. Class 6 (a)								
7. Total Bonds	12,528,084	9,015,164	6,516,554	(16,405)	12,528,084	15,010,289		12,269,445
<b>PREFERRED STOCK</b>								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	12,528,084	9,015,164	6,516,554	(16,405)	12,528,084	15,010,289		12,269,445

5012

(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 \$ 747,163; 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	747,163	X X X	747,163	175	

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	1,017,512	2,551,013
2. Cost of short-term investments acquired	13,834,351	18,718,911
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	14,104,700	20,252,412
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	747,163	1,017,512
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	747,163	1,017,512

**NONE      Schedule DB - Part A and B Verification**

**NONE      Schedule DB - Part C - Section 1**

**NONE      Schedule DB - Part C - Section 2**

**NONE      Schedule DB - Verification**

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		197,850
2. Cost of cash equivalents acquired		
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals		197,850
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)		
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)		

**NONE      Schedule A - Part 2 and 3**

**NONE      Schedule B - Part 2 and 3**



**NONE      Schedule BA - Part 2 and 3**

## SCHEDULE D - PART 3

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

[illegible]

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

**NONE      Schedule D - Part 4**

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

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

**NONE      Schedule DB - Part D**

## SCHEDULE DL - PART 1

## SECURITIES LENDING COLLATERAL ASSETS

## Reinvested Collateral Assets Owned Current Statement Date

1	2	3	4	5	6
CUSIP Identification	Description	NAIC Designation/ Market Indicator	Fair Value	Book / Adjusted Carrying Value	Maturity Dates
000000-00-0	BANK OF NOVA SCOTIA SINGAPORE - Time Deposit	1	3,939	3,939	07/01/2011
000000-00-0	BANK OF TOKYO UFJ LTD GC - Time Deposit	1	5,199	5,199	07/01/2011
000000-00-0	BARCLAYS CAPITAL - REPO - A1P1 Money Markets	1	25,995	25,998	07/29/2011
000000-00-0	COMMERZBANK AG FRANKFURT - Time Deposit	1	5,199	5,199	07/20/2011
000000-00-0	COMMERZBANK AG FRANKFURT - Time Deposit	1	2,048	2,048	07/27/2011
000000-00-0	CREDIT AGRICOLE CIB, CAYMAN - Time Deposit	1	7,090	7,090	07/01/2011
000000-00-0	KBC, BRUSSELS - Time Deposit	1	6,302	6,302	07/14/2011
000000-00-0	KBC, BRUSSELS - Time Deposit	1	2,679	2,678	07/27/2011
000000-00-0	NATIXIS FINANCIAL PRODUCTS LLC - Master Note - Floating	1	2,284	2,284	07/01/2011
000000-00-0	RABOBANK NETHERLANDS - Time Deposit	1	2,156	2,156	07/01/2011
000000-00-0	RBC CAPITAL MKS - REPO - AA Corporate Bonds	1	3,939	3,939	08/04/2011
000000-00-0	SUMITOMO MITSUI BANK CORP BRUS - Time Deposit	1	5,514	5,514	07/06/2011
05576V-UB-8	BTM CAPITAL CORP - Commercial Paper	1	6,302	6,301	07/11/2011
2363F7-UB-2	DANSKE CORP - Commercial Paper	1	11,028	11,026	07/11/2011
29603F-DN-3	ERSTE BANK NEW YORK - Yankee C/D - Fixed	1	1,575	1,576	08/02/2011
2960E3-UJ-8	ERSTE FINANCE DELAWARE LLC - Commercial Paper	1	7,877	7,876	07/18/2011
4611K1-UE-3	INTESA FUNDING LLC - Commercial Paper	1	5,514	5,508	07/14/2011
51488H-2S-4	LANDESBANK HESSEN THUR NY - Yankee C/D - Fixed	1	4,727	4,727	07/27/2011
65602Q-DT-1	NORINCHUKIN BANK NY - Yankee C/D - Fixed	1	7,090	7,090	07/11/2011
6931M3-U1-5	PB FINANCE DELAWARE - Commercial Paper	1	3,624	3,619	07/01/2011
80280P-JB-4	SANTANDER CP SA UNIPERSONAL - Commercial Paper	1	5,514	5,512	07/08/2011
80280P-JC-2	SANTANDER CP SA UNIPERSONAL - Commercial Paper	1	3,938	3,937	07/08/2011
85324U-UB-7	STANDARD CHARTERED CP - Commercial Paper	1	8,586	8,585	07/11/2011
86562W-MH-8	SUMITOMO MITSUI BANKING CORP NY - Yankee C/D - Fixed	1	7,877	7,877	07/11/2011
8672E3-UE-4	SUNCORP METWAY LTD - Commercial Paper	1	5,829	5,828	07/14/2011
3299999	Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations		151,825	151,808	X X X
000000-00-0	BARCLAYS CAPITAL - REPO-PRI LAB CMO'S	1	7,877	7,877	07/29/2011
000000-00-0	CITIGROUP GLOBAL MARKETS INC - REPO - AAA Asset Backed Securities	1	7,877	7,877	08/04/2011
000000-00-0	NOMURA SECURITIES - REPO - U.S. Agency Mortgages	2	14,893	14,893	07/01/2011
000000-00-0	PERSHING LLC - REPO - U.S. Agency Mortgages	1	3,939	3,939	07/01/2011
03663U-V9-3	ANTALIS US FUNDING CORP - Commercial Paper - Asset Backed	1	7,876	7,874	08/09/2011
03846W-U1-7	ARABELLA FINANCE LLC - Commercial Paper - Asset Backed	1	7,877	7,877	07/01/2011
08037M-U5-8	BELMONT FUNDING LLC - Commercial Paper - Asset Backed	1	7,877	7,875	07/05/2011
1373X3-US-4	CANCARA ASSET SECURITISATION LLC - Commercial Paper - Asset Backed	1	7,089	7,085	07/26/2011
76203M-UB-0	RHEIN-MAIN SECURITISATION LIMITED - Commercial Paper - Asset Backed	1	3,172	3,169	07/11/2011
76203M-W6-9	RHEIN-MAIN SECURITISATION LIMITED - Commercial Paper - Asset Backed	1	3,937	3,935	09/06/2011
76205M-U8-5	RHEINGOLD SECURITIZATION - Commercial Paper - Asset Backed	1	4,096	4,096	07/08/2011
76205M-W6-7	RHEINGOLD SECURITIZATION - Commercial Paper - Asset Backed	1	7,874	7,869	09/06/2011
80584U-U7-2	SCALDIS CAPITAL LLC - Commercial Paper - Asset Backed	1	3,939	3,938	07/07/2011
3599999	Industrial and Miscellaneous (Unaffiliated) - Other Loan-Backed and Structured Securities		88,323	88,304	X X X
3899999	Subtotals – Industrial and Miscellaneous (Unaffiliated)		240,148	240,112	X X X
7799999	Totals – Issuer Obligations		151,825	151,808	X X X
8099999	Totals – Other Loan-Backed and Structured Securities		88,323	88,304	X X X
8399999	Total Bonds		240,148	240,112	X X X
9999999	Totals		240,148	240,112	X X X

### General Interrogatory:

1. Total activity for the year to date	Fair Value	\$	(675,116)	Book/Adjusted Carrying Value	\$	(675,016)											
2. Average balance for the year to date	Fair Value	\$	2,103,594	Book/Adjusted Carrying Value	\$	2,113,784											
3. Reinvested securities lending collateral assets book/adjusted carrying value included in this schedule by NAIC designation:																	
NAIC 1	\$	225,219	NAIC 2	\$	14,893	NAIC 3	\$	0	NAIC 4	\$	0	NAIC 5	\$	0	NAIC 6	\$	0

**NONE      Schedule DL - Part 2**



**NONE      Schedule E - Part 1**

**NONE      Schedule E - Part 2**



DIRECTOR AND OFFICER SUPPLEMENT  
Year To Date For The Period Ended 2011

NAIC Group Code 0111

NAIC Company Code 24082

Company Name Ohio Security Insurance Company

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

1. Monoline Policies

1 Direct Written Premium	2 Direct Earned Premium	3 Direct Losses Incurred

2. Commercial Multiple Peril (CMP) Packaged Policies

2.1 Does the reporting entity provide D&O liability coverage as part of a CMP packaged policy? Yes [ X ] No [ ]

2.2 Can the direct premium earned for D&O liability coverage provided as part of a CMP packaged policy be quantified or estimated? Yes [ X ] No [ ]

2.3 If the answer to question 2.2 is yes, provide the quantified or estimated direct premium earned amount for D&O liability coverage in CMP packaged policies

2.31 Amount quantified: \$ 3,333  
2.32 Amount estimated using reasonable assumptions: \$

2.4 If the answer to question 2.1 is yes, provide direct losses incurred (losses paid plus change in case reserves) for the D&O liability coverage provided in CMP packaged policies. \$