25405201120100102

QUARTERLY STATEMENT

As of June 30, 2011

of the Condition and Affairs of the

Safe Auto Insurance Company

NAIC Group Code..... , (Current Period) (Prior Period) NAIC Company Code..... 25405 Employer's ID Number..... 31-1379882

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

Incorporated/Organized..... May 28, 1993 Commenced Business..... August 25, 1993

Statutory Home Office	4 Easton Oval….. Columbus ..... OH ..... 43219 (Street and Number) (City or Town, State and Zip Code)	
Main Administrative Office	4 Easton Oval….. Columbus ..... OH ..... 43219 (Street and Number) (City or Town, State and Zip Code)	614-231-0200 (Area Code) (Telephone Number)
Mail Address	4 Easton Oval….. Columbus ..... OH ..... 43219 (Street and Number or P. O. Box) (City or Town, State and Zip Code)	
Primary Location of Books and Records	4 Easton Oval….. Columbus ..... OH ..... 43219 (Street and Number) (City or Town, State and Zip Code)	614-231-0200 (Area Code) (Telephone Number)
Internet Web Site Address	www.safeauto.com	
Statutory Statement Contact	Melinda S Fry (Name)	614-944-7701 (Area Code) (Telephone Number) (Extension)
	melinda.fry@safeauto.com (E-Mail Address)	614-559-5357 (Fax Number)

OFFICERS

Name	Title	Name	Title
1. Jon P Diamond	President	2. Mark LeMaster	Secretary & Sr. Vice President
3. Greg A Sutton	Chief Financial Officer	4. Ari Deshe	Chairman & CEO

OTHER

Thomas Boyd	Vice President	Pamela Pond	Vice President
Todd E Friedman	Vice President	April D Miller	Sr. Vice President
Vic Johnson	Sr. Vice President	Mary M Lorms	Vice President
Jack H Coolidge	Sr. Vice President	Kristin Watkins	Vice President
John Elias	Vice President	Shane Switzer	Vice President
Ralph L Phillips III	Vice President	Grace Strahl	Vice President
Tim Collins	Asst. Vice President	Terry Gusler	Vice President
Thomas Happensack	Vice President and Controller	Guy Fulcher	Sr. Vice President
Chris Parks	Vice President		

DIRECTORS OR TRUSTEES

Charles Bryan	Ari Deshe	Jon P Diamond	Oded Gur-Arie
Ralph A Kaparos	James Schultz		

State of........ Ohio
County of..... Franklin

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)
Jon P Diamond	Mark LeMaster	Greg A Sutton
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President	Secretary & Sr. Vice President	Chief Financial Officer
(Title)	(Title)	(Title)

Subscribed and sworn to before me
This ________ day of ______________________

____

a. Is this an original filing? Yes [X] No [ ]
b. If no: 1. State the amendment number ____________
2. Date filed ____________
3. Number of pages attached ____________

ASSETS

	Current Statement Date 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 December 31 Prior Year Net Admitted Assets
1. Bonds	277,594,337		277,594,337	293,322,720
2. Stocks:				
2.1 Preferred stocks			0	
2.2 Common stocks	23,311,150		23,311,150	18,285,385
3. Mortgage loans on real estate:				
3.1 First liens	2,984,511		2,984,511	
3.2 Other than first liens			0	
4. Real estate:				
4.1 Properties occupied by the company (less $..........0 encumbrances)	34,887,885		34,887,885	32,160,183
4.2 Properties held for the production of income (less $..........0 encumbrances)			0	
4.3 Properties held for sale (less $..........0 encumbrances)			0	
5. Cash ($.....5,997,481), cash equivalents ($.....4,749,588) and short-term investments ($.....3,685,224)	14,432,293		14,432,293	15,191,349
6. Contract loans (including $..........0 premium notes)			0	
7. Derivatives			0	
8. Other invested assets			0	
9. Receivables for securities			0	
10. Securities lending reinvested collateral assets			0	
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	353,210,176	0	353,210,176	358,959,638
13. Title plants less $..........0 charged off (for Title insurers only)			0	
14. Investment income due and accrued	2,154,274		2,154,274	2,495,185
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	15,172,304		15,172,304	16,375,403
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $..........0 earned but unbilled premiums)	45,720,340		45,720,340	46,335,287
15.3 Accrued retrospective premiums			0	
16. Reinsurance:				
161. Amounts recoverable from reinsurers			0	
16.2 Funds held by or deposited with reinsured companies			0	
16.3 Other amounts receivable under reinsurance contracts			0	
17. Amounts receivable relating to uninsured plans			0	
18.1 Current federal and foreign income tax recoverable and interest thereon	3,481,962		3,481,962	1,637,620
18.2 Net deferred tax asset	14,446,371		14,446,371	14,154,347
19. Guaranty funds receivable or on deposit			0	
20. Electronic data processing equipment and software	12,454,727	9,964,033	2,490,694	2,529,251
21. Furniture and equipment, including health care delivery assets ($..........0)	3,223,582	3,223,582	0	
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	
23. Receivables from parent, subsidiaries and affiliates			0	135,249
24. Health care ($..........0) and other amounts receivable			0	
25. Aggregate write-ins for other than invested assets	9,693,433	1,738,073	7,955,360	7,291,124
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25)	459,557,169	14,925,688	444,631,481	449,913,104
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	
28. Total (Lines 26 and 27)	459,557,169	14,925,688	444,631,481	449,913,104

DETAILS OF WRITE-INS

	1	2	3	4
1101.			0	
1102.			0	
1103.			0	
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Corporate owned life insurance	3,380,807		3,380,807	3,210,380
2502. Deferred compensationl life insurance	3,047,705		3,047,705	2,689,279
2503. License/maintenance agreements (prepaid)	2,216,140	1,260,439	955,701	827,286
2598. Summary of remaining write-ins for Line 25 from overflow page	1,048,781	477,634	571,147	564,179
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	9,693,433	1,738,073	7,955,360	7,291,124

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Statement Date	2 December 31 Prior Year
1.	Losses (current accident year $.....48,777,499)	109,223,809	119,153,011
2.	Reinsurance payable on paid losses and loss adjustment expenses		
3.	Loss adjustment expenses	36,069,993	36,711,003
4.	Commissions payable, contingent commissions and other similar charges		
5.	Other expenses (excluding taxes, licenses and fees)	6,708,394	7,186,266
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)	2,752,337	4,929,333
7.1	Current federal and foreign income taxes (including $..........0 on realized capital gains (losses))		
7.2	Net deferred tax liability		
8.	Borrowed money $.....150,000 and interest thereon $..........0	150,000	150,000
9.	Unearned premiums (after deducting unearned premiums for ceded reinsurance of $...........0 and including warranty reserves of $..........0)	78,433,604	79,783,051
10.	Advance premium		
11.	Dividends declared and unpaid:		
	11.1 Stockholders		
	11.2 Policyholders		
12.	Ceded reinsurance premiums payable (net of ceding commissions)		
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	11,230,651	5,466,340
20.	Derivatives		
21.	Payable for securities	3,130,219	
22.	Payable for securities lending		
23.	Liability for amounts held under uninsured plans		
24.	Capital notes $..........0 and interest thereon $..........0		
25.	Aggregate write-ins for liabilities	14,251,680	14,186,629
26.	Total liabilities excluding protected cell liabilities (Lines 1 through 25)	261,950,687	267,565,633
27.	Protected cell liabilities		
28.	Total liabilities (Lines 26 and 27)	261,950,687	267,565,633
29.	Aggregate write-ins for special surplus funds	3,595,534	2,981,655
30.	Common capital stock	2,500,000	2,500,000
31.	Preferred capital stock		
32.	Aggregate write-ins for other than special surplus funds	0	0
33.	Surplus notes		
34.	Gross paid in and contributed surplus	41,400,000	41,400,000
35.	Unassigned funds (surplus)	135,185,261	135,465,816
36.	Less treasury stock, at cost:		
	36.1 ....0.000 shares common (value included in Line 30 $..........0)		
	36.2 ....0.000 shares preferred (value included in Line 31 $..........0)		
37.	Surplus as regards policyholders (Lines 29 to 35, less 36)	182,680,795	182,347,471
38.	Totals	444,631,482	449,913,104

DETAILS OF WRITE-INS

2501.	Funds set aside for escheatment	2,674,747	2,523,486
2502.	Executive deferred compensation payable	3,085,385	2,750,025
2503.	Self-insured medical plan	425,321	563,205
2598.	Summary of remaining write-ins for Line 25 from overflow page	8,066,227	8,349,913
2599.	Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	14,251,680	14,186,629
2901.	Additional admitted deferred tax assets	3,595,534	2,981,655
2902.			
2903.			
2998.	Summary of remaining write-ins for Line 29 from overflow page	0	0
2999.	Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above)	3,595,534	2,981,655
3201.			
3202.			
3203.			
3298.	Summary of remaining write-ins for Line 32 from overflow page	0	0
3299.	Totals (Lines 3201 thru 3203 plus 3298) (Line 32 above)	0	0

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written $.....159,383,590)	160,733,034	177,318,408	336,384,853
1.2 Assumed (written $..........0)			
1.3 Ceded (written $..........0)	53,500	55,000	110,000
1.4 Net (written $.....159,383,590)	160,679,534	177,263,408	336,274,853
DEDUCTIONS:			
2. Losses incurred (current accident year $.....91,291,925):			
2.1 Direct	80,126,839	100,469,235	180,280,752
2.2 Assumed			
2.3 Ceded			
2.4 Net	80,126,839	100,469,235	180,280,752
3. Loss adjustment expenses incurred	18,882,263	20,132,181	39,995,235
4. Other underwriting expenses incurred	68,888,778	65,349,516	132,523,813
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	167,897,880	185,950,932	352,799,800
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(7,218,346)	(8,687,524)	(16,524,947)
INVESTMENT INCOME			
9. Net investment income earned	5,161,949	5,275,958	10,739,549
10. Net realized capital gains (losses) less capital gains tax of $.....247,065	302,090	1,030,897	3,244,647
11. Net investment gain (loss) (Lines 9 + 10)	5,464,039	6,306,855	13,984,196
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered $..........0 amount charged off $.....1,707,419)	(1,707,419)	(4,008,822)	(6,281,387)
13. Finance and service charges not included in premiums	15,579,934	16,880,453	32,742,695
14. Aggregate write-ins for miscellaneous income	1,155,742	315,136	2,082,623
15. Total other income (Lines 12 through 14)	15,028,257	13,186,767	28,543,931
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	13,273,950	10,806,098	26,003,180
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)	13,273,950	10,806,098	26,003,180
19. Federal and foreign income taxes incurred	3,345,399	2,365,077	6,207,966
20. Net income (Line 18 minus Line 19) (to Line 22)	9,928,551	8,441,021	19,795,214
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	182,347,475	171,167,878	171,167,877
22. Net income (from Line 20)	9,928,551	8,441,021	19,795,214
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of $.....216,499	402,064	(90,686)	471,774
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax	508,523	180,884	2,980,872
27. Change in nonadmitted assets	494,181	(1,390,170)	(3,568,262)
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)		1,000,000	1,000,000
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in			
33.2 Transferred to capital (Stock Dividend)		(1,000,000)	(1,000,000)
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders	(11,000,000)	(7,500,000)	(8,500,000)
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37)	333,319	(358,951)	11,179,598
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	182,680,795	170,808,927	182,347,475

DETAILS OF WRITE-INS

0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0
1401. Miscellaneous income	1,155,742	315,136	2,082,623
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	1,155,742	315,136	2,082,623
3701. Additional admitted deferred tax assets			2,190,488
3702. Reclassification of additional admitted deferred tax assets to special surplus funds			(2,190,488)
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above)	0	0	0

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	161,148,133	177,922,296	334,474,116
2. Net investment income	6,873,947	6,763,620	14,000,883
3. Miscellaneous income	15,028,257	13,186,767	28,543,931
4. Total (Lines 1 through 3)	183,050,337	197,872,683	377,018,930
5. Benefit and loss related payments	90,056,041	96,773,368	182,617,473
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	91,066,919	84,189,198	169,010,612
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of $..........0 tax on capital gains (losses)	5,436,806	7,127,479	9,307,110
10. Total (Lines 5 through 9)	186,559,766	188,090,045	360,935,195
11. Net cash from operations (Line 4 minus Line 10)	(3,509,428)	9,782,638	16,083,735
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	70,633,229	99,853,573	166,490,799
12.2 Stocks	2,430,941		12,331,007
12.3 Mortgage loans			
12.4 Real estate			
12.5 Other invested assets			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments			(10,568)
12.7 Miscellaneous proceeds	3,130,219	14,188,423	
12.8 Total investment proceeds (Lines 12.1 to 12.7)	76,194,389	114,041,996	178,811,238
13. Cost of investments acquired (long-term only):			
13.1 Bonds	55,444,876	111,580,340	173,571,760
13.2 Stocks	6,752,681		21,746,252
13.3 Mortgage loans	2,984,511		
13.4 Real estate	3,095,225		1,877,218
13.5 Other invested assets			
13.6 Miscellaneous applications			649,961
13.7 Total investments acquired (Lines 13.1 to 13.6)	68,277,293	111,580,340	197,845,191
14. Net increase (decrease) in contract loans and premium notes			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	7,917,096	2,461,656	(19,033,953)
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	11,000,000		8,500,000
16.6 Other cash provided (applied)	5,833,277	(6,804,595)	1,594,465
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	(5,166,723)	(6,804,595)	(6,905,535)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	(759,056)	5,439,699	(9,855,752)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	15,191,349	25,047,102	25,047,102
19.2 End of period (Line 18 plus Line 19.1)	14,432,294	30,486,801	15,191,349

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

20.0001			

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

A. The accompanying financial statements of Safe Auto Insurance Company ("the Company") have been prepared on the basis of accounting practices prescribed or permitted by the Insurance Department of the State of Ohio. The Insurance Department of the State of Ohio recognizes only statutory accounting practices prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company, and for determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures manual (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Ohio.

There have been no significant changes in accounting policies.

Note 2 - Accounting Changes and Corrections of Errors

None

Note 3 - Business Combinations and Goodwill

None

Note 4 - Discontinued Operations

None

Note 5 - Investments

A. Mortgage Loans

1. The Company carries one commercial mortgage loan with a current interest rate of 6%. The interest rate will change over the life of the loan.
2. The Company did not reduce interest rates on any outstanding loans during the current year.
3. The maximum percentage of any one loan to the value of collateral at the time of the loan was 56%.
4. The Company did not hold mortgages with interest 180 days or more past due.
5. There were no taxes, assessments or any amounts advanced and not included in the mortgage loan.

6 – 12. There were no impaired mortgage loans.

D. Loan-Backed Securities

2. Prepayment assumptions for Mortgage-Backed Securities, Collateralized Mortgage Obligations and Other Structured Securities were generated using a purchased prepayment model. The prepayment model uses a number of factors to estimate prepayment activity including the time of year (seasonality), current levels or interest rates (refinancing incentive), economic activity (including housing turnover) and term and age of the underlying collateral (burnout, seasoning).
4. All loan backed securities with a 2011 recognized OTTI, disclosed in the aggregate, classified on the basis for the OTTI, are as follows:

	Amortized Cost Basis Before Other-than-Temporary Impairment	Other-than-Temporary Impairment Recognized in Loss	Fair Value
Intent to sell	-	-	-
Inability or lack of intent to hold	-	-	-
Intent and ability to hold	$ 380,330	$ 278,928	$ 101,402

5. The following table provides information for each security with a 2011 recognized OTTI, currently held by the Company, and the present value of cash flows expected to be collected is less than the amortized cost basis of the securities:

CUSIP	Book/Adj Carrying Value Amortized Cost before current period OTTI	PV of Projected Cash flows	Recognized other-than-temporary impairment	Amortized cost after other-than-temporary impairment	Fair Value	Reporting Period
456606HL9	327,663	53,188	274,475	53,188	53,188	3/31/2011
456606HL9	52,667	48,214	4,453	48,214	48,214	6/30/2011
Total			$ 278,928			

6. Unrealized Loss greater than and less than 12 months:

NOTES TO FINANCIAL STATEMENTS

	Unrealized Losses Less Than 12 Months		Unrealized Losses Greater Than 12 Months		Total	
Asset Class	**Fair Value**	**Unrealized Losses**	**Fair Value**	**Unrealized Losses**	**Fair Value**	**Unrealized Losses**
Commercial mortgage backed securities	6,367,429	(51,523)			6,367,429	(51,523)
Residential mortgage backed securities	14,935,672	(135,988)	580,577	(37,400)	15,516,249	(173,388)
Total	$ 21,303,101	$ (187,511)	$ 580,577	$ (37,400)	$ 21,883,678	$ (224,911)

7. Recommendations for potential impairments are based on periodic analytical reviews and / or client specific OTTI requirements. Analysis relies on actual collateral performance measurements including, but not limited to prepayment rates, default rates, delinquencies and loss severity sourced through third party data providers.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

None

Note 7 - Investment Income

No significant change.

Note 8 - Derivative Instruments

None

Note 9 - Income Taxes

No significant change.

Note 10 - Information Concerning Parent, Subsidiaries and Affiliates

D. At June 30, 2011, the Company had net payables to Safe Auto Group Agency, Inc. of $11,252,435 and net receivables from Safe Auto Insurance Group of $21,549.

The Company consolidated cash balances with its parent, Safe Auto Insurance Group, Inc., and its affiliates in prior years. At the end of December, 2010 this practice was cancelled. As of June 30, 2011, the Company had a payable of $0 to Safe Auto Insurance Group, Inc.

F. Safe Auto Group Agency, Inc. provides agency services for Safe Auto Insurance Company by employing certain agents, customer service and related management personnel while also exclusively providing certain advertising and marketing efforts. The services totalled $1,407,166 and $9,385,010 for the second quarter of 2011 and 2010, respectively, and $21,215,548 and $23,821,436 for the first six months of 2011 and 2010, respectively.

Note 11 - Debt

No significant change.

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

No significant change.

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

No significant change.

Note 14 - Contingencies

D. The Company is named, from time to time and in the ordinary course of business, as a defendant in legal actions arising principally from claims made under its insurance contracts including those that seek extra-contractual damages beyond policy limits, commonly referred to as extra-contractual or bad faith claims. Such legal actions are considered by the Company in estimating the loss and LAE reserves.

Refer to Note 4, "Loss and Loss Adjustment Expense Reserves."

NOTES TO FINANCIAL STATEMENTS

The Company is also, from time to time and in the ordinary course of business, faced with class action lawsuits, regulatory proceedings, and individual lawsuits that are not directly related to its insurance contracts. These matters currently include: i) lawsuits seeking recovery for the alleged underpayment of commissions, ii) the alleged improper charge for uninsured/underinsured motorist coverage, and iii) the alleged improper charge for certain liability premiums. The Company is vigorously defending its position in these matters. In accordance with the applicable accounting principles, reserves have been established for those matters as to which the Company has determined it is probable a loss has been incurred and a reasonable estimate of the Company's potential exposure can be established. Likewise, the Company has not established reserves for those matters where the loss is not probable and/or it currently is unable to estimate the Company's potential exposure. If any one or more of these matters results in a judgment against, or settlement by, the Company in an amount significantly in excess of the reserve established for such matter, if any, the resulting liability could have a material effect on the Company's financial condition, cash flows, and results of operations.

Included in these matters, is a class action lawsuit, where an $11.7 million damages judgment was issued by the court against the Company. The Company recently reached a settlement agreement with plaintiffs. The agreement is being finalized and will be pending approval before the court in the very near future. The reserves are appropriate for the facts as they stand today.

At this time, the Company does not believe that any other legal action necessitates recognition of losses or disclosure, or that the resolution of such action would have a material adverse effect on the Company's financial position or results of operations.

E. During 2011 and 2010, the Company recognized other-than-temporary impairments on certain underperforming investment securities. Market values for these securities were reduced to fair value on the measurement dates, resulting in a total pre-tax realized loss of $278,928 and $213,702 for the first six months of 2011 and 2010, respectively.

Note 15 - Leases

No significant change.

Note 16 - Information about Financial Instruments with Off-Balance Sheet Risk and with Financial Instruments with Concentrations of Credit Risk

No significant change.

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

None

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

None

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

None

Note 20 – Fair Value

A. Inputs Used for Assets and Liabilities Measured at Fair Value
   1. Fair Value measurements by Levels 1, 2 and 3

The Company's financial assets carried at fair value have been classified, for disclosure purposes, based on a hierarchy defined by ASC 820 *Fair Value Measurements and Disclosures.* The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). An asset's or a liability's classification is based on the lowest level input that is significant to its measurement. For example, a Level 3 fair value measurement may include inputs that are both observable (Levels 1 and 2) and unobservable (Level 3). The levels of the fair value hierarchy are defined as follows:

Level 1 – Values are unadjusted quoted prices for identical assets and liabilities in active markets accessible at the measurement date.

Level 2 – Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads and yield curves.

Level 3 – Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the Company's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

Description	Level 1	Level 2	Level 3	Total
States and political subdivisions	$ -	$ 245,455	$ -	$ 245,455
Residential mortgage backed securities	-	691,174	-	691,174
Commercial mortgage backed securities	-	-	-	-
Total fixed maturities	-	936,629	-	936,629
Common stock	22,621,650	689,500	-	23,311,150
Total investments	$ 22,621,650	$ 1,626,129	$ -	$ 24,247,780

The Company has no liabilities recorded at fair value.

2. Roll forward of Level 3 items

The following table summarized the changes in assets classified in Level 3 as of June 30, 2011. All of the Level 3 securities owned by the Company were commercial mortgage backed securities. Gains and losses reported in this table may include changes in fair value that are attributable to both observable and unobservable inputs.

	Balance at 1/1/11	Transfers in Level 3	Transfers out of Level 3	Total gains and (losses) included in Net Income	Total gains and (losses) included in Surplus	Purchases, issuances, sales and settlements	Balance at 6/30/11
Commercial mortgage backed securities	$ 127,275		(127,032)		(243)		$ -
Total	$ 127,275	$ -	$ (127,032)	$ -	$ (243)	$ -	$ -

There were no transfers between Level 1 and Level 2 assets during the current period.

3. Policy for Determining Transfers between Levels.

Reclassifications impacting Level 3 financial instruments are reported as transfers in (out) of the Level 3 category as of the beginning of the quarter in which the transfer occurs; gains and losses in income only reflect activity for the period the instrument was classified in Level 3. The same policy is followed when a transfer between Level 1 and Level 2 occurs.

4. Fair value measurements for fixed income and equity securities are based on values either published by the NAIC's Security Valuation Office (SVO) or from an independent pricing service vendor. Under certain circumstances, if neither an SVO price nor Vendor price is available, a price may be obtained from a broker. Short term securities and cash equivalents are valued at amortized cost.

5. When published prices from the SVO are not available, the Company relies predominately on independent pricing service vendors that have been evaluated and approved by our internal pricing policy committee. Generally, pricing service vendors use a pricing methodology involving the market approach, including pricing models, which use prices and relevant market information regarding a particular security or securities with similar characteristics to establish a valuation. Certain investments are carried at fair value, while others may periodically be carried at fair value based on certain factors such as the NAIC's lower of cost or market rule or an impairment. Assets recorded at fair value are categorized based on an evaluation of the various inputs used to measure the fair value. Supporting documentation received from pricing vendors detailing the inputs, models and processes used in the vendor's evaluation process is used by the Company to determine the appropriate fair value hierarchy. Documentation from each pricing vendor is reviewed and monitored periodically to ensure they are consistent with the Company's pricing policy. Market Information obtained from brokers with respect to security valuations is also considered in the pricing hierarchy.

5. Derivative Fair Values

Not Applicable

B. This disclosure removed by NAIC December, 2010

C. Other Fair Value Disclosures

Not applicable

D. Reasons Not Practical to Estimate Fair Value

NOTES TO FINANCIAL STATEMENTS

Not applicable

Note 21 - Other Items

No significant change.

Note 22 - Events Subsequent

None

Note 23 - Reinsurance

The Company is a party in a prospective personal automobile physical damage catastrophe agreement of reinsurance with General Reinsurance Corporation. This reinsurance agreement covers a portion of aggregated losses arising from catastrophic events that exceed a specified retention stated in the agreement. Ceded premiums are calculated primarily based on a percentage of comprehensive premiums earned and amount of coverage. The agreement expires at each year-end, and has been renewed for 2011.

Note 24 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

None

Note 25 - Change in Incurred Losses and Loss Adjustment Expenses

A. Reserves as of December 31, 2010 were $155.9 million. As of June 30, 2011, $59.5 million has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now $85.6 million as a result of re-estimation of unpaid claims and claim adjustment expenses principally on the other private passenger auto liability lines of insurance. Therefore, there has been a $10.7 million favorable prior year development from December 31, 2010 to June 30, 2011. The decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims. The Company experienced no prior year claim development on retrospectively rated policies because the company did not issue retrospectively rated policies during any prior year.

Note 26 - Intercompany Pooling Arrangements

None

Note 27 - Structured Settlements

None

Note 28 - Health Care Receivables

None

Note 29 - Participating Policies

None

Note 30 - Premium Deficiency Reserves

None

Note 31 - High Deductibles

None

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

A. The Company does not discount liabilities for unpaid losses or unpaid loss adjustment expenses.

Note 33 - Asbestos/Environmental Reserves

None

Note 34 - Subscriber Savings Accounts

NOTES TO FINANCIAL STATEMENTS

None

Note 35 - Multiple Peril Crop Insurance

None

Note 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 [X]

1.2 If yes, has the report been filed with the domiciliary state? Yes [ ] No [ ]

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [ ] No [X]

2.2 If yes, date of change: ....

3. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [ ] No [X]
If yes, complete the Schedule Y-Part 1 - Organizational chart.

4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [X]

4.2 If yes, provide name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [ ] No [ ] N/A [X]
If yes, attach an explanation.

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2009......................

6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2009......................

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 5/12/2011........................

6.4 By what department or departments?
Ohio Department of Insurance

6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [ ] No [ ] N/A [X]

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

7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [ ] No [X]

7.2 If yes, give full information:

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

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

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

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

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

9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No [ ]
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

9.11 If the response to 9.1 is No, please explain:

9.2 Has the code of ethics for senior managers been amended? Yes [ ] No [X]

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

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

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

FINANCIAL

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

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

INVESTMENT

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

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

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

14.2 If yes, please complete the following:

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

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

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

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

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

1 Name of Custodian(s)	2 Custodian Address
U.S. Bank	425 Walnut Street, 6th Floor, Cincinnati, OH 45202
Merrill Lynch	65 East State Street, Suite 2600, Columbus, OH 43215
JP Morgan Chase NA	Columbus Trust Office, 100 East Broad Street, Columbus, OH 43271-0192
JP Morgan Chase	100 N. Broadway, Oklahoma City, OK 73102
Bank of America Corporation	200 W. Capitol Avenue, FL 6, Little Rock, AR 72201
SunTrust	Atlanta, GA
FHLB of Cincinnati	221 E. 4th Street, Suite 1000, Cincinnati, OH 45202

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
105900	General Re/New England Asset Management	76 Batterson Park Road, Farmington, CT 06032
7691	Merrill Lynch	65 East State Street, Columbus, OH 43215
1608684	JP Morgan Chase	345 Park Avenue, New York, NY 10154-1002

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes [X] No [ ]

17.2 If no, list exceptions:

GENERAL INTERROGATORIES (continued)

PART 2

PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? Yes [ ] No [ ] N/A [X]
   If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? Yes [ ] No [X]
   If yes, attach an explanation.

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes [ ] No [X]

3.2 If yes, give full and complete information thereto:

4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation liabilities tabular reserves (see Annual Statement Instructions pertaining to disclosure of discounting for definition of "tabular reserves,") discounted at a rate of interest greater than zero? Yes [ ] No [X]

4.2 If yes, complete the following schedule:

1	2	3	Total Discount				Discount Taken During Period			
			4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Disc. Rate	Unpaid Losses	Unpaid LAE	IBNR	Total	Unpaid Losses	Unpaid LAE	IBNR	Total
	....	....	....	....	....	0	....	....	....	0
Total..................................	........XXX...	........XXX.......	0	0	0	0	0	0	0	0

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

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

6.2 If yes, please provide the amount of custodial funds held as of the reporting date. 0

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

6.4 If yes, please provide the amount of funds administered as of the reporting date. 0

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

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

NONE

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2	3	4	5	6	7
States, Etc.	Active Status	Current Year to Date	Prior Year to Date	Current Year to Date	Prior Year to Date	Current Year to Date	Prior Year to Date
1. Alabama AL	N						
2. Alaska AK	N						
3. Arizona AZ	L	5,840,106	7,311,043	3,163,994	3,265,053	3,822,346	4,797,905
4. Arkansas AR	L						
5. California CA	N						
6. Colorado CO	L						
7. Connecticut CT	N						
8. Delaware DE	N						
9. District of Columbia DC	N						
10. Florida FL	N						
11. Georgia GA	L	12,737,761	15,008,836	7,270,638	10,919,941	8,827,933	11,613,654
12. Hawaii HI	N						
13. Idaho ID	N						
14. Illinois IL	L	8,580,882	9,829,346	5,022,121	4,982,078	7,019,653	7,383,742
15. Indiana IN	L	14,706,234	16,809,789	8,336,617	8,822,078	9,482,824	11,996,161
16. Iowa IA	N						
17. Kansas KS	L	217,178		6,553		65,486	
18. Kentucky KY	L	15,663,832	14,846,241	8,163,778	8,991,623	11,512,903	14,066,975
19. Louisiana LA	L	2,230,218	3,099,074	1,382,811	1,331,209	1,389,892	1,900,944
20. Maine ME	N						
21. Maryland MD	N						
22. Massachusetts MA	N						
23. Michigan MI	N						
24. Minnesota MN	N						
25. Mississippi MS	L	952,509	1,079,343	419,375	440,982	857,820	914,363
26. Missouri MO	L	11,312,409	12,569,729	8,276,816	7,058,060	8,593,195	7,699,391
27. Montana MT	N						
28. Nebraska NE	N						
29. Nevada NV	N						
30. New Hampshire NH	N						
31. New Jersey NJ	N						
32. New Mexico NM	N						
33. New York NY	N						
34. North Carolina NC	N						
35. North Dakota ND	N						
36. Ohio OH	L	29,145,969	32,419,714	15,856,270	17,224,378	15,724,160	18,440,058
37. Oklahoma OK	L	4,117,812	4,546,955	2,558,430	2,101,574	3,515,761	3,448,233
38. Oregon OR	N						
39. Pennsylvania PA	L	28,715,982	31,016,036	15,086,949	15,564,620	21,423,664	22,662,159
40. Rhode Island RI	N						
41. South Carolina SC	L	6,376,951	8,006,712	3,995,570	4,989,992	5,387,882	7,161,584
42. South Dakota SD	N						
43. Tennessee TN	L	5,067,044	5,603,619	2,645,009	3,124,240	3,200,820	3,639,938
44. Texas TX	L	13,497,701	16,216,602	7,862,997	7,957,539	8,357,690	9,460,490
45. Utah UT	N						
46. Vermont VT	N						
47. Virginia VA	L	221,002		8,111		41,780	
48. Washington WA	N						
49. West Virginia WV	N						
50. Wisconsin WI	N						
51. Wyoming WY	N						
52. American Samoa AS	N						
53. Guam GU	N						
54. Puerto Rico PR	N						
55. US Virgin Islands VI	N						
56. Northern Mariana Islands MP	N						
57. Canada CN	N						
58. Aggregate Other Alien OT	XXX	0	0	0	0	0	0
59. Totals	(a) 18	159,383,590	178,363,039	90,056,039	96,773,367	109,223,809	125,185,597

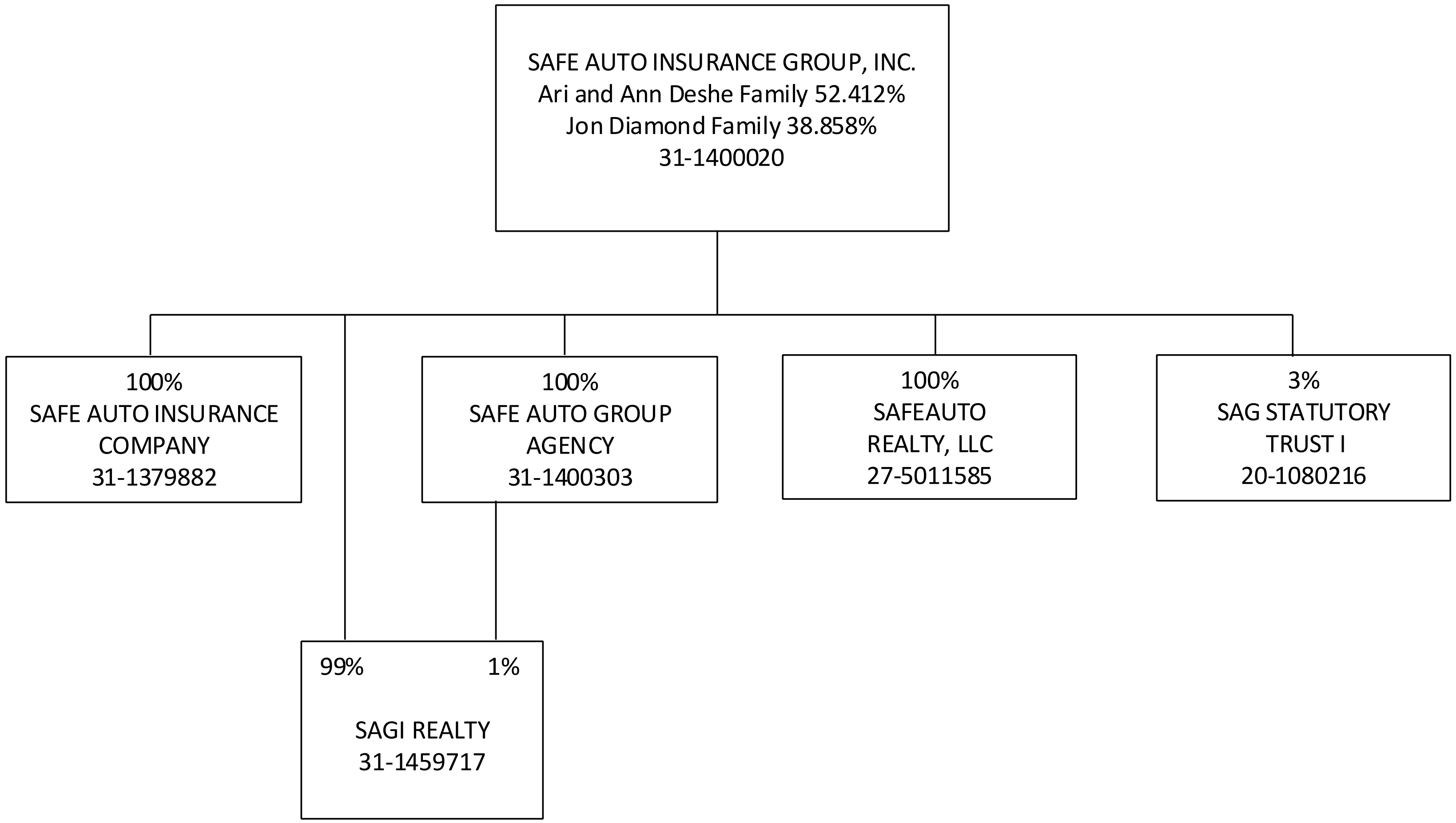
DETAILS OF WRITE-INS

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 thru 5803 + Line 5898) (Line 58 above)	XXX	0	0	0	0	0	0

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

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

PART 1 – ORGANIZATIONAL CHART



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

PART 1 – ORGANIZATIONAL CHART

NONE

PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date 1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	4 Prior Year to Date Direct Loss Percentage
1. Fire			0.0	
2. Allied lines			0.0	
3. Farmowners multiple peril			0.0	
4. Homeowners multiple peril			0.0	
5. Commercial multiple peril			0.0	
6. Mortgage guaranty			0.0	
8. Ocean marine			0.0	
9. Inland marine			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			0.0	
18.1 Products liability-occurrence			0.0	
18.2 Products liability-claims made			0.0	
19.1, 19.2 Private passenger auto liability	116,829,617	59,052,223	50.5	58.0
19.3, 19.4 Commercial auto liability			0.0	
21. Auto physical damage	43,903,417	21,074,616	48.0	53.1
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	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	
35. Totals	160,733,034	80,126,839	49.9	56.7
DETAILS OF WRITE-INS				
3401.			0.0	
3402.			0.0	
3403.			0.0	
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	XXX
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34)	0	0	0.0	

PART 2 - DIRECT PREMIUMS WRITTEN

Lines of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire			
2. Allied lines			
3. Farmowners multiple peril			
4. Homeowners multiple peril			
5. Commercial multiple peril			
6. Mortgage guaranty			
8. Ocean marine			
9. Inland marine			
10. Financial guaranty			
11.1 Medical professional liability - occurrence			
11.2 Medical professional liability - claims made			
12. Earthquake			
13. Group accident and health			
14. Credit accident and health			
15. Other accident and health			
16. Workers' compensation			
17.1 Other liability-occurrence			
17.2 Other liability-claims made			
17.3 Excess workers' compensation			
18.1 Products liability-occurrence			
18.2 Products liability-claims made			
19.1 19.2 Private passenger auto liability	44,665,012	116,343,477	128,797,526
19.3 19.4 Commercial auto liability			
21. Auto physical damage	17,201,465	43,040,114	49,565,514
22. Aircraft (all perils)			
23. Fidelity			
24. Surety			
26. Burglary and theft			
27. Boiler and machinery			
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	0	0	0
35. Totals	61,866,477	159,383,591	178,363,040
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 thru 3403 plus 3498) (Line 34)	0	0	0

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

Years in Which Losses Occurred	1 Prior Year-End Known Case Loss and LAE Reserves	2 Prior Year-End IBNR Loss and LAE Reserves	3 Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	4 2011 Loss and LAE Payments on Claims Reported as of Prior Year-End	5 2011 Loss and LAE Payments on Claims Unreported as of Prior Year-End	6 Total 2011 Loss and LAE Payments (Cols. 4 + 5)	7 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	8 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	9 Q.S. Date IBNR Loss and LAE Reserves	10 Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	11 Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1)	12 Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	13 Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2008 + Prior	18,568	2,665	21,233	5,485	21	5,506	11,434	110	2,378	13,922	(1,649)	(156)	(1,805)
2. 2009	30,639	3,872	34,511	11,545	85	11,630	19,146	231	2,116	21,493	52	(1,440)	(1,388)
3. Subtotals 2009 + Prior	49,207	6,537	55,744	17,030	106	17,136	30,580	341	4,494	35,415	(1,597)	(1,596)	(3,193)
4. 2010	83,495	16,625	100,120	40,159	2,181	42,340	40,433	2,355	7,500	50,288	(2,903)	(4,589)	(7,492)
5. Subtotals 2010 + Prior	132,702	23,162	155,864	57,189	2,287	59,476	71,013	2,696	11,994	85,703	(4,500)	(6,185)	(10,685)
6. 2011	XXX	XXX	XXX	XXX	50,104	50,104	XXX	47,408	12,182	59,590	XXX	XXX	XXX
7. Totals	132,702	23,162	155,864	57,189	52,391	109,580	71,013	50,104	24,176	145,293	(4,500)	(6,185)	(10,685)
8. Prior Year-End's Surplus As Regards Policyholders	182,347												

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. (3.4)%	2. (26.7)%	3. (6.9)%

Col. 13, Line 7 Line 8
4. (5.9)%

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

Explanation:

1.
2.
3.
4.

Bar Code:

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

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

* 2 5 4 0 5 2 0 1 1 3 6 5 0 0 0 0 2 *

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

Overflow Page for Write-Ins

Additional Write-ins for Assets:

	Current Statement Date 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 December 31, Prior Year Net Admitted Assets
2504. Prepaid expenses	368,363	368,363	0	
2505. Job incentives receivables	335,751		335,751	374,164
2506. Contributions and withdrawals	(1,547)		(1,547)	
2507. Postage receivable	109,271	109,271	0	
2508. Miscellaneous receivables	236,943		236,943	190,015
2597. Summary of remaining write-ins for Line 25	1,048,781	477,634	571,147	564,179

Additional Write-ins for Liabilities:

	1 Current Statement Date	2 December 31, Prior Year
2504. Declined payments suspense	15,648	17,816
2505 Construction retainage		171,299
2506. A/R	2,431	2,431
2507. Policy refunds		
2508. Other payroll funding suspense	(274)	9,945
2509. Payable for software monitoring system	48,422	48,422
2510. 401K remediation costs		100,000
2511. Corporate reserve	8,000,000	8,000,000
2597. Summary of remaining write-ins for Line 25	8,066,227	8,349,913

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	32,160,183	31,018,013
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition	3,095,225	1,877,218
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	367,524	735,047
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8)	34,887,885	32,160,183
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)	34,887,885	32,160,183

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	2,784,511	
2.2 Additional investment made after acquisition	200,000	
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)	2,984,511	0
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)	2,984,511	0
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)	2,984,511	0

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

NONE

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. 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)	0	0
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)	0	0

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	311,608,109	292,193,620
2. Cost of bonds and stocks acquired	62,197,555	195,318,012
3. Accrual of discount	49,474	118,805
4. Unrealized valuation increase (decrease)	618,568	725,807
5. Total gain (loss) on disposals	827,734	4,957,963
6. Deduct consideration for bonds and stocks disposed of	73,064,160	178,821,806
7. Deduct amortization of premium	1,052,863	2,552,422
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized	278,928	331,870
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	300,905,489	311,608,109
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	300,905,489	311,608,109

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)	298,851,001	45,503,146	63,366,204	(456,369)	298,851,001	280,531,575		292,834,073
2. Class 2 (a)	6,412,947		1,433,856	(13,937)	6,412,947	4,965,154		6,955,198
3. Class 3 (a)	244,055			1,400	244,055	245,455		243,305
4. Class 4 (a)	239,489		938	200	239,489	238,751		240,776
5. Class 5 (a)								
6. Class 6 (a)	53,188		521	(4,453)	53,188	48,214		116,747
7. Total Bonds	305,800,680	45,503,146	64,801,519	(473,159)	305,800,680	286,029,149	0	300,390,099
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	305,800,680	45,503,146	64,801,519	(473,159)	305,800,680	286,029,149	0	300,390,099

(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 $.....656,761; NAIC 5 $..........0; NAIC 6 $.....101,402.

SCHEDULE DA - PART 1

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals	3,685,224	XXX	3,685,224	32	

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	2,067,504	5,675,741
2. Cost of short-term investments acquired	8,456,830	31,453,022
3. Accrual of discount	534	698
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		(10,924)
6. Deduct consideration received on disposals	6,839,016	35,044,093
7. Deduct amortization of premium	628	6,940
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)	3,685,224	2,067,504
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	3,685,224	2,067,504

Sch. DB-Pt A-Verification
NONE

Sch. DB-Pt B-Verification
NONE

Sch. DB-Pt C-Sn 1
NONE

Sch. DB-Pt C-Sn 2
NONE

Sch. DB-Verification
NONE

SCHEDULE E- VERIFICATION

Cash Equivalents

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	4,999,872	5,699,698
2. Cost of cash equivalents acquired	95,993,307	217,705,478
3. Accrual of discount	5,776	12,793
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals	349	356
6. Deduct consideration received on disposals	96,249,716	218,418,435
7. Deduct amortization of premium		18
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)	4,749,588	4,999,872
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	4,749,588	4,999,872

Statement for June 30, 2011 of the **Safe Auto Insurance Company**

SCHEDULE A - PART 2

Showing all Real Estate ACQUIRED AND ADDITIONS MADE During the Current Quarter

1	Location		4	5	6	7	8	9
	2	3						
Description of Property	City	State	Date Acquired	Name of Vendor	Actual Cost at Time of Acquisition	Amount of Encumbrances	Book/Adjusted Carrying Value Less Encumbrances	Additional Investment Made After Acquisition
Acquired by Purchase								
Somerset, KY Office	Somerset	KY	09/29/2010	Various			4,972,443	1,323,486
0199999. Totals					0	0	4,972,443	1,323,486
0399999. Totals					0	0	4,972,443	1,323,486

QE01

SCHEDULE A - PART 3

Showing all Real Estate DISPOSED During the Quarter, Including Payments During the Final Year on "Sales Under Contract "

1	Location		4	5	6	7	8	Change in Book/Adjusted Carrying Value Less Encumbrances					14	15	16	17	18	19	20
	2	3						9	10	11	12	13							
Description of Property	City	State	Disposal Date	Name of Purchaser	Actual Cost	Expended for Additions, Permanent Improvements and Changes in Encumbrances	Book/Adjusted Carrying Value Less Encumbrances Prior Year	Current Year's Depreciation	Current Year's Other Than Temporary Impairment Recognized	Current Year's Change in Encumbrances	Total Change in B./A.C.V. (11 - 9 - 10)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value Less Encumbrances on Disposal	Amounts Received During Year	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Gross Income Earned Less Interest Incurred on Encumbrances	Taxes, Repairs, and Expenses Incurred

NONE

SCHEDULE B - PART 2

Showing all Mortgage Loans ACQUIRED AND ADDITIONS MADE During the Current Quarter

1	Location 2	Location 3	4	5	6	7	8	9
Loan Number	City	State	Loan Type	Date Acquired	Rate of Interest	Actual Cost at Time of Acquisition	Additional Investment Made After Acquisition	Value of Land and Buildings
Mortgages in Good Standing								
Commercial Mortgages - All Other								
1	Columbus	Ohio		02/25/2011	6.000	2,784,511	200,000	6,300,000
0599999. Total - Mortgages in Good Standing - Commercial Mortgages - All Other				XXX	XXX	2,784,511	200,000	6,300,000
0899999. Total - Mortgages in Good Standing				XXX	XXX	2,784,511	200,000	6,300,000
3399999. Total Mortgages				XXX	XXX	2,784,511	200,000	6,300,000

SCHEDULE B - PART 3

Showing all Mortgage Loans DISPOSED, Transferred or Repaid During the Current Quarter

1	Location 2	Location 3	4	5	6	7	Change in Book Value/Recorded Investment 8	9	10	11	12	13	14	15	16	17	18
Loan Number	City	State	Loan Type	Date Acquired	Disposal Date	Book Value/ Recorded Investment Excluding Accrued Interest Prior Year	Unrealized Valuation Increase (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Capitalized Deferred Interest and Other	Total Change in Book Value (8+9-10+11)	Total Foreign Exchange Change in Book Value	Book Value/ Recorded Investment Excluding Accrued Interest on Disposal	Consideration	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal

NONE

SCHEDULE BA - PART 2

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

1	2	Location		5	6	7	8	9	10	11	12	13
		3	4									
CUSIP Identification	Name or Description	City	State	Name of Vendor or General Partner	NAIC Desig-nation	Date Originally Acquired	Type and Strategy	Actual Cost at Time of Acquisition	Additional Investment Made After Acquisition	Amount of Encumbrances	Commitment for Additional Investment	Percentage of Ownership

NONE

SCHEDULE BA - PART 3

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

1	2	Location		5	6	7	8	Changes in Book/Adjusted Carrying Value						15	16	17	18	19	20
		3	4					9	10	11	12	13	14						
CUSIP Identification	Name or Description	City	State	Name of Purchaser or Nature of Disposal	Date Originally Acquired	Disposal Date	Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Unrealized Valuation Increase (Decrease)	Current Year's (Depreciation) or (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Capitalized Deferred Interest and Other	Total Change in B./A.C.V (9+10-11+12)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value Less Encumbrances on Disposal	Consideration	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Investment Income

NONE

Statement for June 30, 2011 of the **Safe Auto Insurance Company**

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
Bonds - U.S. Government									
3135G0 BR 3	FANNIE MAE		06/29/2011	RBS SECURITIES INC.		3,491,075	3,500,000	632	1
912828 QZ 6	UNITED STATES TREASURY NOTE		05/24/2011	PNC CAPITAL MARKETS		1,997,617	2,000,000		1
0599999.	Total - Bonds - U.S. Government					5,488,692	5,500,000	632	XXX
Bonds - All Other Government									
46513G H7 5	ISRAEL STATE OF	F	04/15/2011	ISSUER		200,000	200,000		1FE
1099999.	Total - Bonds - All Other Government					200,000	200,000	0	XXX
Bonds - U.S. Special Revenue and Special Assessment									
01F040 47 9	FNCI 4 7/11		06/20/2011	CREDIT SUISSE FIRST BOSTON		3,124,219	3,000,000	6,000	1
65819G DQ 8	NORTH CAROLINA CAP FACS FIN AG		05/11/2011	MERRILL LYNCH		255,130	250,000	1,563	1FE
3199999.	Total - Bonds - U.S. Special Revenue & Special Assessments					3,379,349	3,250,000	7,563	XXX
Bonds - Industrial and Miscellaneous									
07388L AE 0	BEAR STEARNS COM MTG 2006-PW13 A4		06/08/2011	RBS SECURITIES INC.		1,098,906	1,000,000	1,847	1Z*
12527E AB 4	CFCRE COMMERCIAL MORTGAGE TRUS 11-C1 A2		04/19/2011	CANTOR FITZGERALD LLC		1,522,499	1,500,000	4,229	1FE
126802 BS 5	CABELAS MASTER CREDIT CARD TR 11-2A A2		06/22/2011	WELLS FARGO FINANCIAL		1,750,000	1,750,000		1FE
23305X AS 0	DBUBS MORTGAGE TRUST 11-LC2A A1FL		06/17/2011	DEUTSCHE BANK		1,250,000	1,250,000		1FE
29365K AA 1	ENTERGY TEXAS RESTORATION FUND 09-A A1		06/27/2011	BARCLAYS CAPITAL		2,490,467	2,444,068	21,445	1FE
61750C AF 4	MORGAN STANLEY CAPITAL I 06-HQ9 A4		06/09/2011	MORGAN STANLEY & CO.		1,110,313	1,000,000	2,070	1Z*
65476H AD 2	NISSAN AUTO RECEIVABLES OWNER 11-A A4		04/13/2011	DEUTSCHE BANK		1,499,665	1,500,000		1FE
92935V AC 2	WF-RBS COMMERCIAL MORTGAGE TRU 11-C3 A2		05/26/2011	WELLS FARGO FINANCIAL		3,029,937	3,000,000	2,160	1FE
3899999.	Total - Bonds - Industrial & Miscellaneous					13,751,787	13,444,068	31,751	XXX
8399997.	Total - Bonds - Part 3					22,819,828	22,394,068	39,946	XXX
8399999.	Total - Bonds					22,819,828	22,394,068	39,946	XXX
Common Stocks - Industrial and Miscellaneous									
166764 10 0	CHEVRON TEXACO CORPORATION		06/23/2011	JP MORGAN SECURITIES INC.	9,800.000	1,009,970	XXX		L
20825C 10 4	CONOCOPHILLIPS		06/23/2011	JP MORGAN SECURITIES INC.	13,700.000	999,273	XXX		L
30231G 10 2	EXXON MOBIL CORPORATION		06/23/2011	JP MORGAN SECURITIES INC.	11,650.000	948,568	XXX		L
055622 10 4	BP PLC-SPONS ADR	R	06/23/2011	JP MORGAN SECURITIES INC.	23,200.000	1,013,366	XXX		L
9099999.	Total - Common Stocks - Industrial & Miscellaneous					3,971,177	XXX	0	XXX
Common Stocks - Mutual Funds									
464287 40 8	ISHARES S&P 500/BARRA VALUE INDEX FUND		04/25/2011	JP MORGAN SECURITIES INC.	4,700.000	298,872	XXX		L
464287 66 3	ISHARES RUSSELL 3000 VALUE		04/25/2011	JP MORGAN SECURITIES INC.	3,300.000	298,990	XXX		L
464288 28 1	ISHARES JP MORGAN EM BOND FD		06/21/2011	MERRILL LYNCH	750.000	81,536	XXX		L
72201M 81 8	PIMCO EMRG MARKETS BOND-P		06/21/2011	MERRILL LYNCH	6,666.692	75,000	XXX		L
78462F 10 3	SPDR S&P 500 ETF TRUST		04/25/2011	JP MORGAN SECURITIES INC.	2,300.000	307,417	XXX		L
91232N 10 8	UNITED STATES OIL FUND LP		05/19/2011	JP MORGAN SECURITIES INC.	13,000.000	516,475	XXX		L
91288V 10 3	UNITED STATES 12 MONTH OIL FUND		05/19/2011	JP MORGAN SECURITIES INC.	11,300.000	513,714	XXX		L
9299999.	Total - Common Stocks - Mutual Funds					2,092,004	XXX	0	XXX
9799997.	Total - Common Stocks - Part 3					6,063,181	XXX	0	XXX
9799999.	Total - Common Stocks					6,063,181	XXX	0	XXX

Statement for June 30, 2011 of the **Safe Auto Insurance Company**

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
9899999.	Total - Preferred and Common Stocks					6,063,181	XXX	0	XXX
9999999.	Total - Bonds, Preferred and Common Stocks					28,883,009	XXX	39,946	XXX

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

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Government																					
31331J TQ 6	FEDERAL FARM CREDIT BANK		06/30/2011	SECURITY CALLED BY ISSUER at 100.000		250,000	250,000	250,625	250,313		(313)		(313)		250,000			0	4,063	06/30/2017	1
3137EA CS 6	FREDDIE MAC		05/05/2011	PARIBAS CORPORATION		4,011,880	4,000,000	3,989,400			526		526		3,989,926		21,954	21,954	3,167	03/28/2013	1
3620C6 UC 7	GOVERNMENT NATL MTG ASSOC #750379		06/01/2011	PAYDOWN		11,363	11,363	11,709	11,470		(107)		(107)		11,363			0	125	08/01/2040	1
36295W JM 0	GOVERNMENT NATL MTG ASSOC #682568		06/01/2011	PAYDOWN		37,382	37,382	38,521	37,441		(59)		(59)		37,382			0	624	08/01/2040	1
36296P KQ 3	GOVERNMENT NATL MTG ASSOC #697003		06/01/2011	PAYDOWN		13,855	13,855	14,278	13,992		(137)		(137)		13,855			0	151	07/01/2040	1
36296U SY 7	GOVERNMENT NATL MTG ASSOC #701735		06/01/2011	PAYDOWN		105,504	105,504	107,680	106,069		(565)		(565)		105,504			0	1,178	01/01/2039	1
36296X SY 1	GOVERNMENT NATL MTG ASSOC #704435		06/01/2011	PAYDOWN		89,156	89,156	90,995	89,714		(558)		(558)		89,156			0	1,169	01/01/2039	1
36297J TV 6	GOVERNMENT NATL MTG ASSOC #713464		06/01/2011	PAYDOWN		108,611	108,611	111,937	108,850		(239)		(239)		108,611			0	2,066	04/01/2039	1
912828 KL 3	UNITED STATES TREASURY NOTE		05/02/2011	VARIOUS		2,000,000	2,000,000	1,998,522	1,999,755		245		245		2,000,000			0	8,750	04/30/2011	1
0599999.	Total - Bonds - U.S. Government					6,627,751	6,615,871	6,613,667	2,617,604	0	(1,207)	0	(1,207)	0	6,605,797	0	21,954	21,954	21,293	XXX	XXX
Bonds - All Other Government																					
46513E TY 8	ISRAEL STATE OF	F	04/01/2011	MATURITY		200,000	200,000	200,000	200,000				0		200,000			0	4,250	04/01/2011	1FE
1099999.	Total - Bonds - All Other Government					200,000	200,000	200,000	200,000	0	0	0	0	0	200,000	0	0	0	4,250	XXX	XXX
Bonds - U.S. States, Territories and Possessions																					
649787 TA 6	NEW YORK ST		04/29/2011	SECURITY CALLED BY ISSUER at 101.000		101,000	100,000	104,302	101,712		240		240		101,952		(952)	(952)	2,722	03/15/2012	1FE
677520 BE 7	OHIO ST		06/15/2011	MATURITY		300,000	300,000	299,754	299,978		22		22		300,000			0	5,063	06/15/2011	1FE
939745 DT 9	WASHINGTON ST		06/01/2011	SECURITY CALLED BY ISSUER at 100.000		100,000	100,000	100,000	100,000				0		100,000			0	121	06/01/2020	1FE
1799999.	Total - Bonds - U.S. States, Territories & Possessions					501,000	500,000	504,056	501,690	0	262	0	262	0	501,952	0	(952)	(952)	7,906	XXX	XXX
Bonds - U.S. Political Subdivisions of States, Territories and Possessions																					
035339 YJ 3	ANKENY IA		06/01/2011	SECURITY CALLED BY ISSUER at 100.000		270,000	270,000	269,908	269,981		5		5		269,987		13	13	4,725	06/01/2012	1FE
349460 2Y 0	FORT WORTH TEX INDPT SCH DIST		06/14/2011	SIEBERT BRANFORD		1,958,268	1,750,000	2,001,948	1,997,358		(10,901)		(10,901)		1,986,458		(28,190)	(28,190)	57,361	02/15/2025	1FE
562281 EX 9	MANCHESTER MI CMNTY SCH DIST		05/01/2011	PREREFUNDED		600,000	600,000	661,188	602,914		(2,914)		(2,914)		600,000			0	16,500	05/01/2011	1FE
592112 CL 8	METROPOLITAN GOVT NASHVILLE &		05/31/2011	MESIROW FINANCIAL INC		2,079,607	1,900,000	2,095,358	2,076,234		(10,543)		(10,543)		2,065,691		13,916	13,916	52,250	05/15/2024	1FE
613664 3Q 2	MONTGOMERY CNTY TENN		05/31/2011	RAYMOND JAMES		2,064,038	1,750,000	2,012,098	1,997,095		(8,598)		(8,598)		1,988,497		75,541	75,541	58,819	04/01/2021	1FE
64966H PT 1	NEW YORK N Y		05/31/2011	RH INVESTMENT CORP		1,626,856	1,400,000	1,610,378	1,587,699		(8,093)		(8,093)		1,579,606		47,250	47,250	58,722	08/01/2019	1FE
2499999.	Total - Bonds - U.S. Political Subdivisions of States, Territories & Possessions					8,598,769	7,670,000	8,650,878	8,531,281	0	(41,044)	0	(41,044)	0	8,490,239	0	108,530	108,530	248,377	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment																					
160429 SH 0	CHARLESTON S C WTRWKS & SWR RE		06/14/2011	GUGGENHEIM CAPITAL MARKETS		1,099,950	1,000,000	1,075,190	1,074,902		(2,808)		(2,808)		1,072,094		27,856	27,856	25,417	01/01/2028	1FE
24583Q EE 3	DELAWARE CNTY IN EDIT CORP		06/01/2011	MATURITY		125,000	125,000	134,150	125,000				0		125,000			0	3,125	06/01/2011	2FE
3128H7 X8 0	FEDERAL HOME LOAN MTG CORP #E99703		06/01/2011	PAYDOWN		33,093	33,093	33,604	33,095		(2)		(2)		33,093			0	672	03/01/2018	1
3128MC JK 2	FEDERAL HOME LN MTG CORP #G13666		06/01/2011	PAYDOWN		69,656	69,656	72,126	69,895		(240)		(240)		69,656			0	1,263	05/01/2024	1
3128PN AW 8	FEDERAL HOME LN MTG CORP #J09921		06/01/2011	PAYDOWN		169,736	169,736	172,282	169,826		(91)		(91)		169,736			0	2,723	03/01/2024	1

Statement for June 30, 2011 of the **Safe Auto Insurance Company**

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value 11	12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
3128PN BR 8	FEDERAL HOME LN MTG CORP #J09948		06/01/2011	PAYDOWN		152,343	152,343	154,628	152,422		(79)		(79)		152,343			0	1,712	03/01/2024	1
3128PP 5E 9	FEDERAL HOME LN MTG CORP #J10845		06/01/2011	PAYDOWN		91,581	91,581	94,142	92,252		(671)		(671)		91,581			0	1,765	06/01/2024	1
3128PQ UU 3	FEDERAL HOME LN MTG CORP #J11495		06/01/2011	PAYDOWN		220,714	220,714	229,750	221,448		(734)		(734)		220,714			0	4,448	11/01/2024	1
3128PR U9 8	FEDERAL HOME LN MTG CORP #J12408		06/01/2011	PAYDOWN		109,572	109,572	112,756	109,705		(134)		(134)		109,572			0	1,715	12/01/2024	1
3128PR UW 7	FEDERAL HOME LN MTG CORP #J12397		06/01/2011	PAYDOWN		120,223	120,223	123,717	120,576		(353)		(353)		120,223			0	1,944	05/01/2025	1
3128PS JD 0	FEDERAL HOME LN MTG CORP #J12960		06/01/2011	PAYDOWN		28,707	28,707	29,596	28,768		(61)		(61)		28,707			0	416	06/01/2025	1
3128PS KA 4	FEDERAL HOME LN MTG CORP #J12989		06/01/2011	PAYDOWN		89,687	89,687	90,864			(25)		(25)		89,687			0	552	09/01/2025	1
3128PU ND 0	FEDERAL HOME LN MTG CORP #J14888		06/01/2011	PAYDOWN		40,511	40,511	41,042			(10)		(10)		40,511			0	245	02/01/2026	1
312944 FE 6	FEDERAL HOME LN MTG CORP #A95565		06/01/2011	PAYDOWN		48,623	48,623	47,309	48,584		39		39		48,623			0	448	11/01/2040	1
31294L 6V 0	FEDERAL HOME LN MTG CORP #E02684		05/05/2011	VARIOUS		3,703,394	3,509,500	3,653,170	3,665,746		(18,202)		(18,202)		3,647,544		55,850	55,850	67,731	12/01/2021	1
312962 5L 3	FEDERAL HOME LOAN MTG CORP #B10851		06/01/2011	PAYDOWN		16,877	16,877	17,249	16,884		(7)		(7)		16,877			0	368	04/01/2018	1
312964 E9 6	FEDERAL HOME LOAN MTG CORP #B11960		06/01/2011	PAYDOWN		9,929	9,929	10,003	9,928				0		9,929			0	185	07/01/2018	1
3137A1 K3 6	FREDDIE MAC -3708 PF		06/15/2011	PAYDOWN		164,270	164,270	163,680			71		71		164,270			0	239	12/15/2023	1
3137A1 X9 9	FREDDIE MAC -3719 LE		06/01/2011	PAYDOWN		38,916	38,916	39,980	38,975		(59)		(59)		38,916			0	655	03/01/2019	1
3137A6 BR 2	FREDDIE MAC -3813 FA		06/15/2011	PAYDOWN		33,840	33,840	33,904			(3)		(3)		33,840			0	41	01/15/2019	1
3138A6 AV 2	FEDERAL NATIONAL MTG ASSOC #AH4519		05/05/2011	VARIOUS		3,831,051	3,764,909	3,812,559			(1,374)		(1,374)		3,811,185		19,866	19,866	23,710	11/01/2025	1
31393Q LE 0	FEDERAL HOME LOAN MTG CORP 2619 YT		06/01/2011	PAYDOWN		26,049	26,049	25,715	26,011		37		37		26,049			0	496	04/01/2013	1
31393Q MH 2	FEDERAL HOME LOAN MTG CORP 2614 EQ		06/01/2011	PAYDOWN		13,649	13,649	13,167	13,594		55		55		13,649			0	252	05/01/2014	1
31393Q WR 9	FEDERAL HOME LOAN MTG CORP 2610 DG		06/01/2011	PAYDOWN		57,347	57,347	53,960	56,885		461		461		57,347			0	882	07/01/2013	1
31394D XS 4	FEDERAL NATIONAL MTG ASSOC 05 49 A		06/01/2011	PAYDOWN		68,356	68,356	68,516	68,356				0		68,356			0	1,399	05/01/2013	1
31395A S8 9	FEDERAL HOME LOAN MTG CORP 2812 BG		06/01/2011	PAYDOWN		103,447	103,447	103,192	103,326		120		120		103,447			0	2,104	11/01/2011	1
31395E M4 6	FREDDIE MAC -2846 A		06/01/2011	PAYDOWN		114,073	114,073	117,352	114,215		(142)		(142)		114,073			0	2,214	07/01/2013	1
31395J 3T 1	FEDERAL HOME LOAN MTG CORP 2885 MC		06/01/2011	PAYDOWN		80,410	80,410	80,648	80,410				0		80,410			0	1,624	05/01/2012	1
31395L KX 8	FEDERAL HOME LOAN MTG CORP 2920 LA		06/01/2011	PAYDOWN		25,199	25,199	25,270	25,199				0		25,199			0	500	03/01/2012	1
31398C D4 7	FREDDIE MAC -3527 DA		06/01/2011	PAYDOWN		79,120	79,120	82,050	79,450		(330)		(330)		79,120			0	1,334	02/01/2023	1
31398M FS 0	FNR 2010-17 CA		06/01/2011	PAYDOWN		16,957	16,957	17,602	17,032		(75)		(75)		16,957			0	287	08/01/2018	1
31398P QS 1	FANNIE MAE 10-40 DN		06/01/2011	PAYDOWN		43,694	43,694	44,513	43,704		(10)		(10)		43,694			0	633	11/01/2018	1
31412Q ER 6	FEDERAL NATIONAL MTG ASSOC #931744		06/01/2011	PAYDOWN		155,248	155,248	159,808	157,680		(2,432)		(2,432)		155,248			0	2,116	05/01/2024	1
31415T RF 9	FEDERAL NATIONAL MTG ASSOC #988886		06/01/2011	PAYDOWN		40,952	40,952	42,219	41,045		(93)		(93)		40,952			0	601	09/01/2025	1
31416W H6 2	FEDERAL NATIONAL MTG ASSOC #AB1152		06/01/2011	PAYDOWN		103,023	103,023	106,935	103,328		(305)		(305)		103,023			0	1,739	04/01/2025	1
31417M KJ 1	FEDERAL NATIONAL MTG ASSOC #AC2996		06/01/2011	PAYDOWN		81,164	81,164	84,944	81,677		(512)		(512)		81,164			0	1,484	06/01/2024	1
31417M TM 5	FEDERAL NATIONAL MTG ASSOC #AC3255		06/01/2011	PAYDOWN		66,686	66,686	69,791	66,962		(276)		(276)		66,686			0	1,271	06/01/2024	1
31417M XL 2	FEDERAL NATIONAL MTG ASSOC #AC3382		06/01/2011	PAYDOWN		8,277	8,277	8,646	8,322		(45)		(45)		8,277			0	155	09/01/2024	1
31417V R6 2	FEDERAL NATIONAL MTG ASSOC #AC8608		06/01/2011	PAYDOWN		403,819	403,819	421,991	404,344		(525)		(525)		403,819			0	8,237	12/01/2023	1
31417W PV 7	FEDERAL NATIONAL MTG ASSOC #AC9435		06/01/2011	PAYDOWN		155,262	155,262	162,249	156,130		(867)		(867)		155,262			0	2,910	07/01/2024	1
38373A D9 4	GINNIE MAE 2009-69 PV		06/01/2011	PAYDOWN		190,094	190,094	192,381	190,150		(56)		(56)		190,094			0	3,095	05/01/2032	1

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value 11	12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
38374B 5M 1	GOVERNMENT NATL MTG ASSOC 03 79 PH		06/01/2011	PAYDOWN		15,580	15,580	16,167	15,619		(39)		(39)		15,580			0	321	06/01/2013	1
56052E ML 9	MAINE ST HSG AUTH MTG PUR		05/15/2011	SINKING FUND REDEMPTION.		10,000	10,000	10,000	10,000				0		10,000			0	188	11/15/2019	1FE
62888V AB 4	NCUA GUARANTEED NOTES 10-R1 2A		06/04/2011	PAYDOWN		253,419	253,419	253,396	253,396		23		23		253,419			0	1,919	10/04/2020	1
67755C QC 6	OHIO ST BLDG AUTH REV		04/01/2011	MATURITY		660,000	660,000	717,941	662,708		(2,708)		(2,708)		660,000			0	16,500	04/01/2011	1FE
977123 XV 5	WISCONSIN ST TRANSN REV		06/14/2011	PNC CAPITAL MARKETS		2,827,125	2,625,000	2,808,671	2,785,450		(8,542)		(8,542)		2,776,908		50,217	50,217	126,146	07/01/2027	1FE
3199999.	Total - Bonds - U.S. Special Revenue & Assessment					15,796,623	15,234,512	15,828,825	11,542,999	0	(41,004)	0	(41,004)	0	15,642,834	0	153,789	153,789	317,781	XXX	XXX
Bonds - Industrial and Miscellaneous																					
00253C HW 0	AAMES MTG TR 02 2 A2		06/01/2011	PAYDOWN		55	55	55	55				0		55			0	1	05/01/2022	1Z*
03061L AB 9	AMERICREDIT AUTO RECV TR 10 A A2		06/06/2011	PAYDOWN		415,797	415,797	415,791	415,766		31		31		415,797			0	2,507	07/06/2012	1FE
03063N AA 5	AMERICOLD LLC TRUST 10-ARTA A1		06/11/2011	PAYDOWN		19,603	19,603	19,603	19,603				0		19,603			0	308	01/11/2021	1FE
05522R AZ 1	BANK OF AMERICA CREDIT CARD TR 07-A6 A6		05/05/2011	FTN FINANCIAL SECURITIES CORP		1,990,625	2,000,000	1,988,984			525		525		1,989,509		1,116	1,116	868	04/15/2014	1FE
05949A BV 1	BANC OF AMERICA MTG SECS 04 3 2A14		06/01/2011	PAYDOWN		30,127	30,127	29,249	29,954		173		173		30,127			0	553	07/01/2011	1Z*
126380 AB 0	CREDIT SUISSE MTG CAP 06 9 2A1		06/01/2011	PAYDOWN		18,406	18,406	17,787	16,791	997			997		17,787		619	619	380	05/01/2036	1Z*
126694 PF 9	COUNTRYWIDE HOME LOANS 05 28 A1		06/01/2011	PAYDOWN		37,411	37,411	37,370	37,404		7		7		37,411			0	836	04/01/2013	2Z*
12669F J8 7	COUNTRYWIDE HOME LOANS 04 13 2A1		06/01/2011	PAYDOWN		29,257	29,257	29,233	29,248		9		9		29,257			0	600	07/01/2011	1Z*
12669G V3 2	COUNTRYWIDE HOME LOANS 05 J2 3A4		06/01/2011	PAYDOWN		46,659	46,659	46,429	46,624		35		35		46,659			0	916	07/01/2035	1Z*
14041N CS 8	CAPITAL ONE MULTI-ASSET EXECUT 06-A5 A5		05/05/2011	FTN FINANCIAL SECURITIES CORP		997,500	1,000,000	995,859			311		311		996,170		1,330	1,330	434	03/15/2013	1FE
22541Q 4C 3	CSFB MTG SECS CORP 03 29 6A1		06/01/2011	PAYDOWN		33,578	33,578	33,451	20,107		15		15		33,578			0	537	11/01/2018	1Z*
30224X AA 2	EXTENDED STAY AMERICA TRUST 10-ESHA A		06/01/2011	PAYDOWN		4,577	4,577	4,577	4,577				0		4,577			0	56	11/01/2015	1Z*
36185H DH 3	GMAC MTG CORP LN TR 01 HLT2 AII		06/01/2011	PAYDOWN		371	371	371	371				0		371			0	10	10/01/2013	1Z*
36249K AA 8	GS MORTGAGE SECURITIES CORPORA 10-C1 A1		06/01/2011	PAYDOWN		23,498	23,498	24,203	23,551		(53)		(53)		23,498			0	360	06/01/2016	1Z*
456606 HL 9	INDYMAC LOAN TR 05 L2 A2		06/25/2011	PAYDOWN		4,640	4,640	521	(1,577)	2,098			2,098		521		4,119	4,119	5	09/25/2038	6Z
46625M TW 9	JP MORGAN CHASE COMM MTG SECS 03 C1 A1		06/01/2011	PAYDOWN		9,121	9,121	9,166	9,121				0		9,121			0	148	04/01/2012	1Z*
52108H GY 4	LB-UBS COMM MTG TR 01 C7 A4		04/11/2011	PAYDOWN		4,531	4,531	4,554	4,531				0		4,531			0	90	04/11/2011	1Z*
55265K 2F 5	MASTR ASSET SECS TR 03 11 7A1		04/01/2011	PAYDOWN		29,147	29,147	29,002	28,637		510		510		29,147			0	510	04/01/2011	1Z*
57165L AA 2	MARRIOTT VACATION CLUB OWNER T 10-1A A		06/20/2011	PAYDOWN		64,757	64,757	64,750	64,648		109		109		64,757			0	944	12/20/2021	1FE
59549P AA 6	MID-STATE TR 4 A		04/01/2011	PAYDOWN		938	938	991	940		(2)		(2)		938			0	39	07/01/2014	4Z*
61746W WT 3	MORGAN STANLEY DWC I 02 IQ3 A2		06/01/2011	PAYDOWN		3,795	3,795	3,807	3,807				0		3,807		(12)	(12)	74	07/01/2011	1Z*
69362B AF 9	PSEG POWER LLC		04/15/2011	MATURITY		220,000	220,000	236,067	223,798		(3,798)		(3,798)		220,000			0	8,525	04/15/2011	2FE
76110V LB 2	RESIDENTIAL FDG MTG SECS II 02 HI4 M1		06/01/2011	PAYDOWN		1,278	1,278	1,275	1,278				0		1,278			0	30	01/01/2016	1Z*
79548K 6E 3	SALOMON BROS MTG SECS VII 01 2 M1		05/01/2011	PAYDOWN		5,773	5,773	5,342	5,615		158		158		5,773			0	129	04/01/2017	1Z*
79548K XP 8	SALOMON BROS MTG SECS VII 97 HUD2 AWAC.		04/01/2011	PAYDOWN		18	18	15	18				0		18			0		04/01/2017	1Z*
82651A AA 5	SIERRA RECEIVABLES FUNDING CO 2007 2A		06/20/2011	PAYDOWN		48,265	48,265	48,189	48,189				0		48,189		76	76	1,071	05/20/2017	2Z*
86358R XZ 5	STRUCTURED ASSET SECS CORP 02 AL1 A3		06/01/2011	PAYDOWN		959	959	843	843				0		843		116	116	14	02/01/2032	1Z*

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value 11	12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
86358R YC 5	STRUCTURED ASSET SECS CORP 02 AL1 B1		06/01/2011	PAYDOWN		3,699	3,699	3,256	3,256				0		3,256		443	443	53	02/01/2032	2Z*
86359A ME 0	STRUCTURED ASSET SECS CORP 03 AL1 A		06/01/2011	PAYDOWN		4,623	4,623	4,447	4,447				0		4,447		175	175	64	11/01/2025	1Z*
86787G AB 8	SUNTRUST BANKS INC		04/01/2011	MATURITY		1,000,000	1,000,000	1,059,520	1,003,177		(3,177)		(3,177)		1,000,000			0	31,875	04/01/2011	2FE
92903P AA 7	VNO 2010-VNO A1		06/01/2011	PAYDOWN		31,286	31,286	31,286	31,286				0		31,286			0	387	09/01/2020	1Z*
929766 BJ 1	WACHOVIA BK COMM MTG TR 02 C2 A2		06/01/2011	PAYDOWN		4,903	4,903	4,903	4,903				0		4,903			0	91	02/01/2012	1Z*
94982W AA 2	WELLS FARGO MTG BKD SECS TR 05 9 1A1		06/01/2011	PAYDOWN		57,562	57,562	57,382	57,490		72		72		57,562			0	1,138	02/01/2012	1Z*
78008H 3X 6	ROYAL BANK OF CANADA	I	05/19/2011	SECURITY CALLED BY ISSUER at 100.000		250,000	250,000	250,000	250,000				0		250,000			0	3,438	05/19/2020	1FE
3899999.	Total - Bonds - Industrial & Miscellaneous					5,392,759	5,404,634	5,458,278	2,388,458	3,095	(5,075)	0	(1,980)	0	5,384,776	0	7,982	7,982	56,991	XXX	XXX
8399997.	Total - Bonds - Part 4					37,116,902	35,625,017	37,255,704	25,782,032	3,095	(88,068)	0	(84,973)	0	36,825,598	0	291,303	291,303	656,598	XXX	XXX
8399999.	Total - Bonds					37,116,902	35,625,017	37,255,704	25,782,032	3,095	(88,068)	0	(84,973)	0	36,825,598	0	291,303	291,303	656,598	XXX	XXX
Common Stocks - Mutual Funds																					
464287 37 4	ISHARES S&P NA NAT RES S I F		04/25/2011	JP MORGAN SECURITIES INC.	600.000	27,721	XXX	24,381	25,014	(633)			(633)		24,381		3,341	3,341	38	XXX	L
464287 40 8	ISHARES S&P 500/BARRA VALUE INDEX FUND		05/19/2011	JP MORGAN SECURITIES INC.	4,400.000	280,407	XXX	261,140	262,196	(1,056)			(1,056)		261,140		19,267	19,267	1,245	XXX	L
464287 66 3	ISHARES RUSSELL 3000 VALUE		05/19/2011	JP MORGAN SECURITIES INC.	3,000.000	273,885	XXX	255,058	255,750	(692)			(692)		255,058		18,827	18,827	1,185	XXX	L
73935X 38 5	POWERSHARES DYN ENERGY		04/25/2011	JP MORGAN SECURITIES INC.	600.000	26,208	XXX	22,210	22,446	(236)			(236)		22,210		3,997	3,997		XXX	L
78355W 86 6	RYDEX S&P EQ WGT ENERGY ETF		04/25/2011	JP MORGAN SECURITIES INC.	400.000	29,457	XXX	24,768	25,136	(368)			(368)		24,768		4,690	4,690	17	XXX	L
78462F 10 3	SPDR S&P 500 ETF TRUST		05/19/2011	JP MORGAN SECURITIES INC.	2,100.000	282,991	XXX	262,668	264,075	(1,407)			(1,407)		262,668		20,323	20,323	1,162	XXX	L
870297 30 6	ELEMENTS ROGERS COMMODITY INDEX		04/25/2011	JP MORGAN SECURITIES INC.	80,900.000	625,037	XXX	456,001	525,041	(69,040)			(69,040)		456,001		169,036	169,036		XXX	L
91232N 10 8	UNITED STATES OIL FUND LP		04/25/2011	JP MORGAN SECURITIES INC.	1,600.000	70,908	XXX	53,760	62,400	(8,640)			(8,640)		53,760		17,148	17,148		XXX	L
91288V 10 3	UNITED STATES 12 MONTH OIL FUND		04/25/2011	JP MORGAN SECURITIES INC.	1,500.000	75,349	XXX	55,158	64,650	(9,492)			(9,492)		55,158		20,191	20,191		XXX	L
9299999.	Total - Common Stocks - Mutual Funds					1,691,963	XXX	1,415,144	1,506,708	(91,564)	0	0	(91,564)	0	1,415,144	0	276,820	276,820	3,647	XXX	XXX
9799997	Total - Common Stocks - Part 4					1,691,963	XXX	1,415,144	1,506,708	(91,564)	0	0	(91,564)	0	1,415,144	0	276,820	276,820	3,647	XXX	XXX
9799999.	Total - Common Stocks					1,691,963	XXX	1,415,144	1,506,708	(91,564)	0	0	(91,564)	0	1,415,144	0	276,820	276,820	3,647	XXX	XXX
9899999.	Total - Preferred and Common Stocks					1,691,963	XXX	1,415,144	1,506,708	(91,564)	0	0	(91,564)	0	1,415,144	0	276,820	276,820	3,647	XXX	XXX
9999999.	Total - Bonds, Preferred and Common Stocks					38,808,865	XXX	38,670,848	27,288,740	(88,469)	(88,068)	0	(176,537)	0	38,240,742	0	568,123	568,123	660,245	XXX	XXX

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

Sch. DB-Pt A-Sn 1
NONE

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

Sch. DB-Pt B-Sn 1
NONE

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

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

Sch. DB-Pt D
NONE

Sch. DL-Pt. 1
NONE

Sch. DL-Pt. 2
NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1	2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
		Rate	Amount of Interest	Amount of Interest Accrued	6	7	8	
Depository	Code	of Interest	Received During Current Quarter	at Current Statement Date	First Month	Second Month	Third Month	*
Open Depositories								
PNC PRIME MONEY MARKET FUND			101		362,748	13,695	13,775	XXX
BBIF MONEY FUND CLASS 4			6		4,742	363		XXX
FFI INST FUND			231		1,245,863	1,681,611	462,462	XXX
PREFERRED DEPOSIT (BUS)			302		250,572	250,681	250,774	XXX
JP MORGAN CHASE			4,266		7,067,642	17,693,523	5,288,125	XXX
PNC BANK					(592,355)	(590,687)	(585,555)	XXX
US BANK					173,058	249,782	169,677	XXX
FEDERAL HOME LOAN BANK					10,500	10,500	10,500	XXX
PITNEY BOWES					185,692	291,798	178,264	XXX
MERRILL LYNCH					101,536	2	208,020	XXX
GRNEAM							1,439	XXX
INTEREST RECEIVED DURING QTR ON DISPOSED HOLDINGS								XXX
0199999. Total Open Depositories	XXX	XXX	4,906	0	8,809,998	19,601,268	5,997,481	XXX
0399999. Total Cash on Deposit	XXX	XXX	4,906	0	8,809,998	19,601,268	5,997,481	XXX
0599999. Total Cash	XXX	XXX	4,906	0	8,809,998	19,601,268	5,997,481	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
Industrial and Miscellaneous (Unaffiliated) Issuer Obligations							
GENERAL ELECTRIC CAPITAL CORPORATION		06/27/2011	0.030	07/11/2011	1,749,985		6
TOYOTA MOTOR CREDIT CORP		06/28/2011	0.140	08/04/2011	2,999,603		35
3299999. Industrial and Miscellaneous (Unaffiliated) Issuer Obligations					4,749,588	0	41
3899999. Total - Industrial and Miscellaneous (Unaffiliated)					4,749,588	0	41
Total							
7799999. Subtotals - Issuer Obligations					4,749,588	0	41
8399999. Subtotals - Bonds					4,749,588	0	41
8699999. Total - Cash Equivalents					4,749,588	0	41