



QUARTERLY STATEMENT

AS OF JUNE 30, 2011  
OF THE CONDITION AND AFFAIRS OF THE  
BCS Insurance Company

NAIC Group Code	00023	(Current Period)	00023	(Prior Period)	NAIC Company Code	38245	Employer's ID Number	36-6033921
Organized under the Laws of	Ohio				State of Domicile or Port of Entry	Ohio		
Country of Domicile	United States							
Incorporated/Organized	12/05/1950				Commenced Business	11/30/1952		
Statutory Home Office	6740 North High Street				Worthington, OH 43085			
	(Street and Number)				(City or Town, State and Zip Code)			
Main Administrative Office	2 Mid America Plaza, Suite 200				Oakbrook Terrace, IL 60181	630-472-7700		
	(Street and Number)				(City or Town, State and Zip Code)	(Area Code) (Telephone Number)		
Mail Address	2 Mid America Plaza, Suite 200				Oakbrook Terrace, IL 60181			
	(Street and Number or P.O. Box)				(City or Town, State and Zip Code)			
Primary Location of Books and Records	2 Mid America Plaza, Suite 200				Oakbrook Terrace, IL 60181	630-472-7700		
	(Street and Number)				(City or Town, State and Zip Code)	(Area Code) (Telephone Number)		
Internet Web Site Address	www.bcsigroup.com							
Statutory Statement Contact	Elias Georgopoulos				630-472-7749			
	(Name)				(Area Code) (Telephone Number) (Extension)			
	lgeorgo@bcsigroup.com				630-472-7837			
	(E-mail Address)				(Fax Number)			

OFFICERS

Name	Title	Name	Title
Howard Francis Beacham III	President & CEO	Henry Alan Carpenter	Secretary, General Counsel & SVP
Susan Ann Pickar	Treasurer & Senior Vice President	Steven Scott Martin	Chairman of the Board

OTHER OFFICERS

Matthew Thomas Brannigan	Senior Vice President	David John Jacobs	Senior Vice President
Dale Edward Palka	Senior Vice President		

DIRECTORS OR TRUSTEES

Howard Francis Beacham III	Matthew Thomas Brannigan	Henry Alan Carpenter	David John Jacobs
Susan Ann Pickar	Steven Scott Martin		

State of .....Illinois.....

County of .....Du Page.....ss

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

Howard Francis Beacham III President & CEO	Henry Alan Carpenter Secretary, General Counsel & SVP	Susan Ann Pickar Treasurer & Senior Vice President
Subscribed and sworn to before me this 01st day of August, 2011		a. Is this an original filing? Yes [X] No [ ]
Lisa Fath, Notary Public 05/05/2014		b. If no: 1. State the amendment number 2. Date filed 3. Number of pages attached

STATEMENT AS OF JUNE 30, 2011 OF THE BCS Insurance Company

ASSETS

	Current Statement Date			4  December 31 Prior Year Net Admitted Assets
	1  Assets	2  Nonadmitted Assets	3  Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	172,664,995		172,664,995	165,680,188
2. Stocks:				
2.1 Preferred stocks .....			0	0
2.2 Common stocks .....	3,925,944		3,925,944	3,855,421
3. Mortgage loans on real estate:				
3.1 First liens .....			0	0
3.2 Other than first liens .....			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....			0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ ..... encumbrances) .....			0	0
5. Cash (\$ .....2,779,583 ), cash equivalents (\$ .....0 ) and short-term investments (\$ .....2,287,601 ) .....	5,067,184		5,067,184	4,945,082
6. Contract loans (including \$ ..... premium notes) .....			0	0
7. Derivatives .....			0	0
8. Other invested assets .....	0		0	0
9. Receivables for securities .....	7,615		7,615	0
10. Securities lending reinvested collateral assets .....			0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	181,665,738	0	181,665,738	174,480,691
13. Title plants less \$ ..... charged off (for Title insurers only) .....			0	0
14. Investment income due and accrued .....	1,495,067		1,495,067	1,379,750
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	28,765,893	1,662,842	27,103,051	24,593,140
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ .....904,626 earned but unbilled premiums) .....	904,626		904,626	2,018,200
15.3 Accrued retrospective premiums .....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	7,392,455		7,392,455	6,905,284
16.2 Funds held by or deposited with reinsured companies .....	1,125,587		1,125,587	400,000
16.3 Other amounts receivable under reinsurance contracts .....			0	0
17. Amounts receivable relating to uninsured plans .....			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....			0	0
18.2 Net deferred tax asset .....	2,653,762	1,332,326	1,321,436	1,870,519
19. Guaranty funds receivable or on deposit .....			0	0
20. Electronic data processing equipment and software .....			0	0
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
23. Receivables from parent, subsidiaries and affiliates .....			0	0
24. Health care (\$ ..... ) and other amounts receivable .....			0	0
25. Aggregate write-ins for other than invested assets .....	5,504,058	225,785	5,278,273	6,256,888
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	229,507,186	3,220,953	226,286,233	217,904,472
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
28. Total (Lines 26 and 27) .....	229,507,186	3,220,953	226,286,233	217,904,472
DETAILS OF WRITE-INS				
1101. ....			0	0
1102. ....			0	0
1103. ....			0	0
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) .....	0	0	0	0
2501. Unapplied Claim Payments .....	5,142,613		5,142,613	6,031,297
2502. State Income Tax & Premium Tax Recoverable .....	67,711		67,711	27,547
2503. Miscellaneous Accounts Receivable .....	293,734	225,785	67,949	198,044
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	5,504,058	225,785	5,278,273	6,256,888

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ .....20,489,028 ) .....	28,422,213	27,261,827
2. Reinsurance payable on paid losses and loss adjustment expenses .....		0
3. Loss adjustment expenses .....	3,745,983	2,904,327
4. Commissions payable, contingent commissions and other similar charges .....		3,255
5. Other expenses (excluding taxes, licenses and fees) .....	320,118	284,494
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	1,571,206	1,615,407
7.1 Current federal and foreign income taxes (including \$ ..... on realized capital gains (losses)) .....	1,997,215	1,987,274
7.2 Net deferred tax liability .....		0
8. Borrowed money \$ ..... and interest thereon \$ .....		0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ .....11,200,305 and including warranty reserves of \$ ..... ) .....	8,969,158	12,077,294
10. Advance premium .....		0
11. Dividends declared and unpaid:		
11.1 Stockholders .....		0
11.2 Policyholders .....		0
12. Ceded reinsurance premiums payable (net of ceding commissions) .....	21,700,266	15,474,459
13. Funds held by company under reinsurance treaties .....	68,750	68,750
14. Amounts withheld or retained by company for account of others .....		0
15. Remittances and items not allocated .....	2,199,166	3,074,351
16. Provision for reinsurance .....	2,566,000	2,566,000
17. Net adjustments in assets and liabilities due to foreign exchange rates .....		0
18. Drafts outstanding .....		0
19. Payable to parent, subsidiaries and affiliates .....	5,024,783	5,665,455
20. Derivatives .....		0
21. Payable for securities .....		0
22. Payable for securities lending .....		0
23. Liability for amounts held under uninsured plans .....		0
24. Capital notes \$ ..... and interest thereon \$ .....		0
25. Aggregate write-ins for liabilities .....	3,411,460	2,876,276
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25) .....	79,996,318	75,859,169
27. Protected cell liabilities .....		0
28. Total liabilities (Lines 26 and 27) .....	79,996,318	75,859,169
29. Aggregate write-ins for special surplus funds .....	0	0
30. Common capital stock .....	3,000,000	3,000,000
31. Preferred capital stock .....		0
32. Aggregate write-ins for other than special surplus funds .....	0	0
33. Surplus notes .....		0
34. Gross paid in and contributed surplus .....	36,484,581	36,484,581
35. Unassigned funds (surplus) .....	106,805,334	102,560,722
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 30 \$ ..... ) .....		0
36.2 ..... shares preferred (value included in Line 31 \$ ..... ) .....		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36) .....	146,289,915	142,045,303
38. Totals (Page 2, Line 28, Col. 3)	226,286,233	217,904,472
DETAILS OF WRITE-INS		
2501. Retroactive Reinsurance Reserve Ceded .....	(117,046)	(176,920)
2502. Allowance for Doubtful Accounts .....	2,563,000	2,563,000
2503. Retroactive Reinsurance Reserve Assumed .....	426,222	469,441
2598. Summary of remaining write-ins for Line 25 from overflow page .....	539,284	20,755
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	3,411,460	2,876,276
2901. ....		0
2902. ....		0
2903. ....		0
2998. Summary of remaining write-ins for Line 29 from overflow page .....	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201. ....		0
3202. ....		0
3203. ....		0
3298. Summary of remaining write-ins for Line 32 from overflow page .....	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

STATEMENT OF INCOME

	1	2	3
	Current Year	Prior Year	Prior Year Ended
	to Date	to Date	December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 126,808,037 )	124,711,881	102,191,767	210,050,773
1.2 Assumed (written \$ 10,035,667 )	8,934,501	12,280,930	28,713,971
1.3 Ceded (written \$ 86,308,135 )	80,137,177	66,225,673	133,255,380
1.4 Net (written \$ 50,535,569 )	53,509,205	48,247,024	105,509,364
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 37,332,712 ):			
2.1 Direct	74,518,078	55,323,513	110,771,174
2.2 Assumed	6,400,766	11,701,631	18,876,718
2.3 Ceded	47,439,105	37,549,670	64,075,791
2.4 Net	33,479,739	29,475,474	65,572,101
3. Loss adjustment expenses incurred	2,139,302	1,309,709	3,862,433
4. Other underwriting expenses incurred	15,761,176	14,675,036	35,423,506
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	51,380,217	45,460,219	104,858,040
7. Net income of protected cells		0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	2,128,988	2,786,805	651,324
INVESTMENT INCOME			
9. Net investment income earned	3,694,080	3,749,309	7,566,688
10. Net realized capital gains (losses) less capital gains tax of \$ (183,162)	509,447	(234,887)	144,313
11. Net investment gain (loss) (Lines 9 + 10)	4,203,527	3,514,422	7,711,001
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ )		0	0
13. Finance and service charges not included in premiums		0	0
14. Aggregate write-ins for miscellaneous income	(60,724)	(29,769)	(389,884)
15. Total other income (Lines 12 through 14)	(60,724)	(29,769)	(389,884)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	6,271,791	6,271,458	7,972,441
17. Dividends to policyholders		0	0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	6,271,791	6,271,458	7,972,441
19. Federal and foreign income taxes incurred	1,731,960	1,908,272	2,822,572
20. Net income (Line 18 minus Line 19)(to Line 22)	4,539,831	4,363,186	5,149,869
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	142,045,303	140,422,994	140,422,994
22. Net income (from Line 20)	4,539,831	4,363,186	5,149,869
23. Net transfers (to) from Protected Cell accounts		0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 82,180	159,525	793,806	298,932
25. Change in net unrealized foreign exchange capital gain (loss)		0	0
26. Change in net deferred income tax	(486,420)	(325,983)	1,246,305
27. Change in nonadmitted assets	31,676	600,287	(1,031,597)
28. Change in provision for reinsurance		0	(541,200)
29. Change in surplus notes		0	0
30. Surplus (contributed to) withdrawn from protected cells		0	0
31. Cumulative effect of changes in accounting principles		0	0
32. Capital changes:			
32.1 Paid in		0	0
32.2 Transferred from surplus (Stock Dividend)		0	0
32.3 Transferred to surplus		0	0
33. Surplus adjustments:			
33.1 Paid in		0	0
33.2 Transferred to capital (Stock Dividend)		0	0
33.3 Transferred from capital		0	0
34. Net remittances from or (to) Home Office		0	0
35. Dividends to stockholders		0	(3,500,000)
36. Change in treasury stock		0	0
37. Aggregate write-ins for gains and losses in surplus	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37)	4,244,612	5,431,296	1,622,309
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	146,289,915	145,854,290	142,045,303
DETAILS OF WRITE-INS			
0501.		0	0
0502.		0	0
0503.		0	0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0
1401. Retroactive Reinsurance Ceded	(59,872)	(32,037)	(128,776)
1402. Allowance for Doubtful Accounts		0	(287,000)
1403. Retroactive Reinsurance Assumed		0	(29,338)
1498. Summary of remaining write-ins for Line 14 from overflow page	(852)	2,268	55,230
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	(60,724)	(29,769)	(389,884)
3701.		0	0
3702.		0	0
3703.		0	0
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	0	0	0

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance.....	55,397,905	46,876,767	104,982,599
2. Net investment income .....	3,856,671	3,865,188	8,040,165
3. Miscellaneous income .....	(786,311)	(29,769)	(389,884)
4. Total (Lines 1 to 3) .....	58,468,265	50,712,186	112,632,880
5. Benefit and loss related payments .....	32,806,524	31,893,584	66,847,882
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	17,046,989	16,678,571	38,505,363
8. Dividends paid to policyholders .....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses).....	1,538,856	0	1,970,000
10. Total (Lines 5 through 9) .....	51,392,369	48,572,155	107,323,245
11. Net cash from operations (Line 4 minus Line 10) .....	7,075,896	2,140,031	5,309,635
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	20,552,936	16,115,820	48,309,135
12.2 Stocks .....	0	0	0
12.3 Mortgage loans .....	0	0	0
12.4 Real estate .....	0	0	0
12.5 Other invested assets .....	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	0	0
12.7 Miscellaneous proceeds .....	7,280	788,833	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	20,560,216	16,904,653	48,309,135
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	27,349,130	21,338,863	57,872,560
13.2 Stocks .....	0	344,400	344,400
13.3 Mortgage loans .....	0	0	0
13.4 Real estate .....	0	0	0
13.5 Other invested assets .....	0	0	0
13.6 Miscellaneous applications .....	7,615	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	27,356,745	21,683,263	58,216,960
14. Net increase (or decrease) in contract loans and premium notes .....	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	(6,796,529)	(4,778,610)	(9,907,825)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds .....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0	0
16.5 Dividends to stockholders .....	0	0	3,500,000
16.6 Other cash provided (applied).....	(157,265)	139,511	116,541
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	(157,265)	139,511	(3,383,459)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	122,102	(2,499,068)	(7,981,649)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	4,945,082	12,926,731	12,926,731
19.2 End of period (Line 18 plus Line 19.1) .....	5,067,184	10,427,663	4,945,082

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

a. Accounting Practices

The accompanying financial statements of the Company have been prepared on the basis of accounting procedures prescribed or permitted by the Ohio Insurance Department. The state of Ohio requires insurance companies domiciled in the state of Ohio to prepare their statutory financial statements in accordance with the National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures Manual subject to any deviations prescribed or permitted by the Ohio Insurance Department.

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

No Change

c. Accounting Policies

No Change

2. Accounting Changes and Corrections of Errors

Not Applicable

3. Business Combinations and Goodwill

a. Statutory Purchase Method

None

b. Statutory Merger

None

c. Impairment Loss

None

4. Discontinued Operations

Not Applicable

5. Investments

a. Mortgage Loans

No Change

b. Troubled Debt Restructuring for Creditors

No Change

c. Reverse Mortgages

No Change

d. Loan Backed Securities

1. Anticipated prepayments for loan-backed and structured securities are used to determine the effective yield of an issue at purchase. Changes in the estimated cash flows of the issue are incorporated when determining the statement value at the end of each quarter and year-end. Prepayments for loan-backed and structured securities were obtained from the broker dealer survey or Bloomberg Systems. These assumptions are consistent with the current interest rate and economic environment. The retrospective scientific method is used to value most loan-backed and structured securities. For structured securities deemed to be high-risk, meaning the Company might not recover substantially all of its recorded investment due to unanticipated prepayment events, changes in investment yields due to changes in estimated future cash flows are accounted for on a prospective basis
2. The Company has the following recognized other-than-temporary impairments on loan-backed securities:

		Amortized Cost		Other-than-Temporary Impairment			
		Basis Before		Recognized in Loss		Fair Value	
		Other-than-		2a	2b	C1-(C2a + C2b)	
		Temporary		Interest	Non-interest		
		Impairment					
Aggregate intent to sell	\$	-	\$	-	-	\$	-
Aggregate intent & ability		-		-	-		-

## NOTES TO FINANCIAL STATEMENTS

3. The Company has the following information about recognized other-than-temporary impairments currently held:

CUSIP	Book/Adj Carrying Value Amortized cost before current period OTTI	Projected Cash flows	Recognized other-than- temporary impairment	Amortized cost after other-than temporary impairment	Fair Value	Date of Financial Statement Reported
<b>Impaired assets at Adoption of SAP 43R</b>						
02149v-ag-4	357,087	332,054	25,033	332,054	181,405	Adoption SAP 43R
02151n-bp-6	210,959	8,952	202,007	8,952	23,345	Adoption SAP 43R
07387a-aw-5	222,340	217,469	4,871	217,469	139,284	Adoption SAP 43R
1248mg-ap-9	514,600	420,837	93,763	420,837	164,645	Adoption SAP 43R
12544l-aa-9	832,125	801,081	31,044	801,081	560,251	Adoption SAP 43R
126670-cm-8	512,487	502,736	9,751	502,736	125,173	Adoption SAP 43R
126683-ab-7	510,256	352,195	158,061	352,195	300,707	Adoption SAP 43R
17307g-6k-9	318,395	307,806	10,589	307,806	202,617	Adoption SAP 43R
74958t-ab-9	411,212	390,495	20,717	390,495	244,744	Adoption SAP 43R
74958w-ab-2	358,941	326,537	32,404	326,537	166,582	Adoption SAP 43R
94983r-ad-6	246,682	242,840	3,842	242,840	159,505	Adoption SAP 43R
Total	\$ 4,495,084	\$ 3,903,002	\$ 592,082	\$ 3,903,002	\$ 2,268,258	

CUSIP	Book/Adj Carrying Value Amortized cost before current period OTTI	Projected Cash flows	Recognized other-than- temporary impairment	Amortized cost after other-than temporary impairment	Fair Value	Date of Financial Statement Reported
<b>Impaired assets booked at December 31, 2009</b>						
02151n-bp-6	38,286	10,190	28,096	10,190	10,190	December 2009
05949c-kq-8	66,778	60,225	6,553	60,225	52,444	December 2009
07387a-aw-5	198,654	181,650	17,004	181,650	152,464	December 2009
1248mg-ap-9	420,695	371,235	49,460	371,235	226,882	December 2009
12544l-aa-9	751,981	740,007	11,974	740,007	655,774	December 2009
126670-cm-8	502,507	361,137	141,370	361,137	162,417	December 2009
126683-ab-7	325,918	305,239	20,679	305,239	244,815	December 2009
12669g-k7-5	581,305	576,992	4,313	576,992	406,638	December 2009
17307g-6k-9	282,569	256,900	25,669	256,900	214,043	December 2009
225458-ez-7	499,983	495,459	4,524	495,459	306,516	December 2009
74958t-ab-9	352,634	332,443	20,191	332,443	237,407	December 2009
74958w-ab-2	291,994	285,580	6,414	285,580	201,191	December 2009
78473w-ac-7	163,349	148,496	14,853	148,496	112,800	December 2009
94983r-ad-6	218,786	201,407	17,379	201,407	172,869	December 2009
94984g-ad-9	309,125	276,997	32,128	276,997	254,515	December 2009
Total	\$ 5,004,564	\$ 4,603,957	\$ 400,607	\$ 4,603,957	\$ 3,410,965	

CUSIP	Book/Adj Carrying Value Amortized cost before current period OTTI	Projected Cash flows	Recognized other-than- temporary impairment	Amortized cost after other-than temporary impairment	Fair Value	Date of Financial Statement Reported
<b>Impaired assets booked at June 30, 2010</b>						
02151n-bp-6	8,985	3,086	5,899	3,086	3,086	June 2010
05949c-hq-2	94,361	86,742	7,619	86,742	82,868	June 2010
05949c-kq-8	56,643	54,666	1,977	54,666	53,299	June 2010
07387a-aw-5	173,208	170,021	3,187	170,021	154,396	June 2010
1248mg-ap-9	365,550	341,221	24,329	341,221	232,284	June 2010
12544l-aa-9	710,606	693,188	17,418	693,188	609,405	June 2010
126670-cm-8	359,686	228,671	131,015	228,671	176,566	June 2010
12669g-k7-5	554,275	496,416	57,859	496,416	255,546	June 2010
362341-4f-3	201,000	198,994	2,006	198,994	182,503	June 2010
590219-ae-1	232,338	223,683	8,655	223,683	219,172	June 2010
74958t-ab-9	309,246	290,418	18,828	290,418	241,328	June 2010
74958w-ab-2	262,652	242,236	20,416	242,236	197,438	June 2010
17307g-6k-9	244,330	227,920	16,410	227,920	219,649	June 2010
94983r-ad-6	187,226	185,231	1,995	185,231	169,665	June 2010
Total	\$ 3,760,106	\$ 3,442,493	\$ 317,613	\$ 3,442,493	\$ 2,797,205	

## NOTES TO FINANCIAL STATEMENTS

CUSIP	Book/Adj Carrying Value Amortized cost before current period OTTI	Projected Cash flows	Recognized other-than- temporary impairment	Amortized cost after other-than temporary impairment	Fair Value	Date of Financial Statement Reported
<b>Impaired assets booked at September 30, 2010</b>						
02149v-ag-4	247,449	246,472	977	246,471	188,211	September 2010
02151n-bp-6	2,318	1,717	602	1,717	1,719	September 2010
05949c-hq-2	83,300	80,681	2,619	80,681	75,430	September 2010
07387a-aw-5	163,922	158,478	5,444	158,478	148,810	September 2010
12544l-aa-9	670,104	654,215	15,889	654,215	626,125	September 2010
126670-cm-8	228,466	178,226	50,239	178,226	185,929	September 2010
12668x-ac-9	653,073	481,764	171,309	481,764	327,661	September 2010
17307g-6k-9	220,422	216,777	3,645	216,777	209,478	September 2010
32051g-rd-9	710,127	707,617	2,510	707,617	466,547	September 2010
362341-4f-3	191,743	179,560	12,184	179,560	170,314	September 2010
78473w-ac-7	133,540	128,811	4,729	128,811	111,084	September 2010
94983r-ad-6	173,702	163,905	9,797	163,905	157,933	September 2010
Total	\$ 3,478,166	\$ 3,198,223	\$ 279,944	\$ 3,198,222	\$ 2,669,241	

CUSIP	Book/Adj Carrying Value Amortized cost before current period OTTI	Projected Cash flows	Recognized other-than- temporary impairment	Amortized cost after other-than temporary impairment	Fair Value	Date of Financial Statement Reported
<b>Impaired assets booked at December 31, 2010</b>						
02149v-ag-4	227,110	214,609	12,501	214,609	177,932	December 2010
1248mg-ap-9	334,941	328,306	6,635	328,306	227,509	December 2010
126670-cm-8	176,119	111,448	64,671	111,448	183,181	December 2010
12669g-k7-5	470,069	448,090	21,979	448,090	390,003	December 2010
12668x-ac-9	473,126	472,383	743	472,383	349,280	December 2010
32051g-rd-9	688,923	688,543	380	688,543	451,067	December 2010
45254n-ml-8	36,296	35,090	1,206	35,090	27,963	December 2010
61913p-ap-7	28,121	27,525	596	27,525	20,422	December 2010
94984g-ad-9	220,030	217,647	2,383	217,647	223,257	December 2010
Total	\$ 2,654,735	\$ 2,543,641	\$ 111,094	\$ 2,543,641	\$ 2,050,614	

4. All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):
  - a. The aggregate amount of unrealized losses:
    - a. Less than 12 months \$189,191
    - b. 12 Months or Longer \$2,223,351
  - b. The aggregate related fair value of securities with unrealized losses was
    - a. Less than 12 months \$14,697,865
    - b. 12 Months or Longer \$8,994,550
5. The Company periodically reviews its fixed maturity securities on a case-by-case basis to determine if any decline in fair value below amortized cost is other-than-temporary. Factors considered when determining whether a decline is other-than-temporary include the length of time a security has been in an unrealized loss position, reasons for the decline in value, expectations for the amount and timing of a recovery in fair value, and the Company's intent to sell and whether the Company is more likely than not will be required to sell the security. When the Company intends to sell an impaired security or more likely than not will be required to sell an impaired security before recovery of its amortized cost basis, an other than temporary impairment is recognized in earnings. If the Company does not expect to recover the entire amortized cost basis of an impaired debt security, even if it does not intend to sell the security and it is not more likely than not that it will not be required to sell the security before recovery of its amortized cost basis, the entity must consider, based upon an estimate of the present value of cash flows expected to be collected on the debt security as compared to its amortized cost basis, whether a credit loss exists. The portion of the total other than temporary impairment related to a credit loss is recognized in the statement of income. For structured securities the difference between amortized cost and net present value of future cash flows is considered to be a credit loss. For all other securities, the difference between fair market value and amortized cost is considered to be a credit loss. If it is determined that a decline in fair value of an investment is temporary, an other-than-temporary impairment loss is not recorded.



## NOTES TO FINANCIAL STATEMENTS

Generally, securities with fair values that are less than 80% of cost and other securities the Company determines are underperforming or potential problem securities are subject to regular review. To facilitate the review, securities with significant declines in value, or where objective criteria evidencing credit deterioration have been met, are included on a watch list. Among the criteria for securities to be included on a watch list are: credit deterioration which has led to a significant decline in value of the security; a significant covenant related to the security has been breached; and an issuer has filed or indicated a possibility of filing for bankruptcy, has missed or announced it intends to miss a scheduled interest or principal payment, or has experienced a specific material adverse change that may impair its creditworthiness.

When performing these reviews, the Company considers the relevant facts and circumstances relating to each investment and exercises considerable judgment in determining whether a security is other-than-temporarily impaired. Assessment factors include judgments about an obligor's current and projected financial position, an issuer's current and projected ability to service and repay its debt obligations, the existence of, and realizable value of, any collateral backing the obligations, the macro-economic and the micro-economic outlooks for specific industries and issuers. Assessing the duration of asset-backed securities can also involve assumptions regarding underlying collateral such as prepayment rates, default and recovery rates, and third-party servicing capabilities.

Among the factors considered is whether the decline in fair value results from a change in the quality of the security itself, or from a downward movement in the market as a whole, the likelihood of recovering the carrying value based on the current and short-term prospects of the issuer, and the Company's ability and intent to hold the security until such a recovery may occur. Unrealized losses that are considered to be primarily the result of market conditions, such as increasing interest rates, unusual market volatility, or industry-related events, and where the Company also believes there exists a reasonable expectation for recovery and, furthermore, has the intent and ability to hold the investment until maturity or the market recovery, are usually determined to be temporary. To the extent factors contributing to recognize other-than-temporary impairment losses affected other investments, such investments were reviewed for other-than-temporary impairment and losses were recorded when appropriate.

In addition to the review procedures described above, investment in structured securities where market prices are depressed are subject to a review of their future estimated cash flows, including expected and stress case scenarios, to identify potential shortfalls in contractual payments. Even in the case of severely depressed market values on structured securities, the Company places significant importance on the results of its cash flow testing and its ability and intent to hold these securities until their fair values recover when reaching other-than-temporary impairment conclusions. If there has been an adverse change in estimated cash flows which results in negative yield, an other-than-temporary impairment is recognized in the consolidated statements of income.

There are inherent uncertainties in assessing the fair values assigned to the Company's investments and in determining whether a decline in fair value is other-than-temporary. The Company's review of fair value involves several criteria including economic conditions, credit loss experience, other issuer-specific developments and future cash flows. These assessments are based on the best available information at the time. Factors such as market liquidity, the widening of bid/ask spreads and a change in the cash flow assumptions can contribute to future price volatility. If actual experience differs negatively from the assumptions and other consideration, realized losses may be recognized in the consolidated statements of income in future periods.

The Company currently does not have the intent to sell securities with unrealized losses not considered other-than-temporary until they mature or recover in value. However, if the specific facts and circumstances surrounding a security or the outlook for its industry sector change, the Company may sell the security and realize a loss.

e. Repurchase Agreements

None

f. Real Estate

None

g. Low Income Housing Tax Credits

Not Applicable

6. Joint Ventures, Partnerships and Limited Liability Companies

a. Detail for Those Greater than 10% of Admitted Assets

Not Applicable

b. Write-downs for Impairments

Not Applicable

7. Investment Income

a. Accrued Investment Income

No Change

b. Amounts Nonadmitted

None

NOTES TO FINANCIAL STATEMENTS

8. Derivative Instruments

None

9. Income Taxes

The June 30, 2011 and December 31, 2010 balances and related disclosures are calculated and presented pursuant to SSAP 10R.

a. The net deferred tax asset at June 30, 2011 and the change from the prior year are comprised of the following components:

	June 30, 2011			December 31, 2010			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Total gross deferred tax assets	2,321,936	1,002,969	3,324,905	2,542,967	1,342,336	3,885,303	(221,031)	(339,367)	(560,398)
Valuation allowance adjustment	-	-	-	-	-	-	-	-	-
Adjusted gross deferred tax assets	2,321,936	1,002,969	3,324,905	2,542,967	1,342,336	3,885,303	(221,031)	(339,367)	(560,398)
Total gross deferred tax liabilities	18,736	652,407	671,143	14,112	648,829	662,941	4,624	3,578	8,202
Net deferred tax assets	2,303,200	350,562	2,653,762	2,528,855	693,507	3,222,362	(225,655)	(342,945)	(568,600)
Nonadmitted deferred tax assets	981,764	350,562	1,332,326	934,861	416,982	1,351,843	46,903	(66,420)	(19,517)
Net admitted deferred tax assets	1,321,436	-	1,321,436	1,593,994	276,525	1,870,519	(272,558)	(276,525)	(549,083)

The Company has not elected to admit deferred tax assets pursuant to paragraph 10.e, which allows for expanded admittance testing, for the years ended June 30, 2011 and December 31, 2010.

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

	June 30, 2011			December 31, 2010			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Admitted under paragraph 10.a.	1,321,436	-	1,321,436	1,593,994	276,525	1,870,519	(272,558)	(276,525)	(549,083)
Paragraph 10.b., lesser of:									
Admitted under paragraph 10.b.i	-	-	-	-	-	-	-	-	-
Admitted under paragraph 10.b.ii	-	-	-	-	-	-	-	-	-
Admitted under paragraph 10.b. (lesser of b.i. or b.ii)	-	-	-	-	-	-	-	-	-
Admitted under paragraph 10.c.	18,736	652,407	671,143	14,112	648,829	662,941	4,624	3,578	8,202
Total admitted gross deferred tax assets	1,340,172	652,407	1,992,579	1,608,106	925,354	2,533,460	(267,934)	(272,947)	(540,881)

	June 30, 2011			December 31, 2010			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Admitted Deferred Tax Assets	\$ 1,321,436	-	1,321,436	\$ 1,593,994	276,525	1,870,519	\$ (272,558)	(276,525)	(549,083)
Admitted Assets	XXX	XXX	226,286,233	XXX	XXX	217,904,472	XXX	XXX	8,381,761
Adjusted Statutory Surplus	XXX	XXX	146,289,915	XXX	XXX	142,045,303	XXX	XXX	4,244,612
Total Adjusted Capital from DTA's	XXX	XXX	1,321,436	XXX	XXX	1,870,519	XXX	XXX	(549,083)

NOTES TO FINANCIAL STATEMENTS

	June 30, 2011		
	Ordinary	Capital	Total %
<b>Impact of Tax Planning Strategies</b>			
Adjusted Gross DTAs (% of Total Adjusted Gross DTAs)	0%	30%	30%
Net Admitted Adjusted Gross DTAs (% of Total Net Admitted Adjusted Gross DTAs)	0%	0%	0%
b. Unrecognized DTL's			
Not Applicable			
c. Current Tax and Change in Deferred Tax			
Income tax expense for the years ended June 30, 2011 and December 31, 2010 is comprised of the following components:			
	June 30, 2011	December 31, 2010	
Current tax (benefit) expense on realized capital (losses) gains	(183,162)	259,600	
Current tax expense	<u>1,731,960</u>	<u>2,822,572</u>	
Federal income taxes incurred	<u><u>1,548,798</u></u>	<u><u>3,082,172</u></u>	

## NOTES TO FINANCIAL STATEMENTS

The main components of deferred income tax assets and liabilities and the changes therein are as follows:

	June 30, 2011	December 31, 2010	Change
Deferred Tax Assets			
<u>Ordinary</u>			
Discounting of unpaid losses and LAE	322,699	256,688	66,011
Change in unearned premium reserve	485,683	768,592	(282,909)
Statutory nonadmitted assets	642,133	646,267	(4,134)
Allowance for doubtful accounts	871,420	871,420	-
Subtotal	2,321,935	2,542,967	(221,032)
Deferred tax assets nonadmitted	981,764	934,862	46,902
Admitted ordinary deferred tax assets	1,340,171	1,608,105	(267,934)
<u>Capital</u>			
Unrealized losses on bonds	467,529	546,131	(78,602)
Other than temporary impairment	535,441	796,206	(260,765)
Subtotal	1,002,970	1,342,337	(339,367)
Deferred tax assets nonadmitted	350,562	416,982	(66,420)
Admitted capital deferred tax assets	652,408	925,355	(272,947)
Admitted deferred tax assets	1,992,579	2,533,460	(540,881)
Deferred Tax Liabilities			
<u>Ordinary</u>			
Bond discount accrual	18,736	14,112	4,624
Total ordinary deferred tax liabilities	18,736	14,112	4,624
<u>Capital</u>			
Unrealized capital gains	643,975	640,397	3,578
Tax free exchanges on securities	8,432	8,432	-
Total capital deferred tax liabilities	652,407	648,829	3,578
Total deferred tax liabilities	671,143	662,941	8,202
Net admitted deferred tax assets	1,321,436	1,870,519	(549,083)

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

	June 30, 2011	December 31, 2010	Change
Total adjusted gross deferred tax assets	3,324,905	3,885,303	(560,398)
Total gross deferred tax liabilities	671,143	662,941	8,202
Net deferred tax assets	2,653,762	3,222,362	(568,600)
Deferred tax on change in net unrealized capital gains			82,180
Change in net deferred income tax			(486,420)

NOTES TO FINANCIAL STATEMENTS

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

The significant items that cause the difference between the statutory federal income tax rate of 34% and BCSI's effective income tax rate are as follows:

	June 30, 2011
Current income taxes incurred	1,548,798
Change in net deferred income tax	486,420
Total income tax reported	2,035,218
Income before taxes	6,088,631
Expected income tax expense at 34% statutory rate	2,070,135
Increase (decrease) in actual tax reported resulting from:	
Nondeductible expense for lobbying and penalties	6,834
Tax exempt interest	(45,885)
Change in nonadmitted assets	4,134
Total income tax	2,035,218

e. Operating Loss and Tax Credit Carryforwards

As of June 30, 2011 and December 31, 2010, the Company did not have any unused operating loss carryforwards available to offset against future taxable income.

The income tax expense of \$1,548,798 from 2011 and \$3,135,614 from 2010 is available for recoupment in the event of future net losses. The reporting entity has a total of \$0 protective deposits which are on deposit with the Internal Revenue Service under Section 6603 of the Internal Revenue Service Code.

f. Consolidated Federal Income Tax Return

The Company's federal income tax return is consolidated with its parent, BCS Financial Corporation (BCSF). The method of allocation between companies is subject to written agreement, approved by the Board of Directors. Intercompany tax balances are settled annually. Allocation is based upon separate return calculations, with credit for net losses being obtained when utilized.

10. Information Concerning Parent, Subsidiaries, and Affiliates

a. Nature of Relationships

No Change

b. Detail of Transactions Greater than 1/2% of Admitted Assets

None

c. Change in Intercompany Arrangements

None

d. Amounts Due to or from Related Parties

At June 30, 2011, the Company reported \$5,024,783 due to affiliates. This is comprised of \$3,601,036 payable to BCS Financial Corporation, and \$1,423,747 payable to BCSI Agency Inc.

e. Guarantees or Contingencies for Related Parties

No Change

f. Management or Service Contracts and Cost Sharing Arrangements

No Change

g. Nature of Control Relationship Disclosure

No Change

h. Amount Deducted for Investment in Upstream Company

No Change

i. Investments in SCA Entity that Exceeds 10% of Admitted Assets

No Change

j. Investments in Impaired SCA Entities Disclosure

No Change

## NOTES TO FINANCIAL STATEMENTS

k. Foreign Insurance Subsidiary

No Change

l. Down Stream Holding Company Valued Using Look - Through Method

No Change

11. Debt

In the second quarter of 2010, the Company became a member of the Federal Home Loan Bank of Cincinnati (FHLBC) which provides the Company access to collateralized advances, collateralized funding agreement, and other FHLBC products. The Company's membership in FHLBC requires the ownership of member stock, and borrowing from FHLBC required the purchase of FHLBC activity based stock in an amount equal to .15 of 1 percent of total assets.

In 2010, the Company purchased \$344,400 of common stock in the FHLBC. In 2011, it purchased an additional \$60,000 of common stock and currently maintains an investment of \$404,400 in the FHLBC.

The Company, as a member of the FHLBC, has no outstanding borrowings due at June 30, 2011. The Company has placed \$2,000,000 on deposit with FHLB to secure borrowings.

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

a. Defined Benefit Plan

No Change

b. Defined Contribution Plans

No Change

c. Multiemployer Plans

No Change

d. Consolidated/Holding Company Plans

No Change

e. Postemployment Benefits and Compensated Absences

No Change

f. Impact of Medicare Modernization Act on Postretirement Benefits

No Change

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

a. Outstanding Shares

No Change

b. Dividend Rate of Preferred Stock

Not Applicable

c. d. and e. Dividend Restrictions

All dividends require notification to the Director of the Ohio Department of Insurance. The amount of dividends that can be paid by insurance companies domiciled in Ohio without prior approval of the Director of the Ohio Department of Insurance is subject to restriction and cannot exceed the greater of ten percent of prior year end surplus or the prior year's net income. The amount of dividends that could be paid in 2011 without prior approval was \$14,204,530. No dividends were paid for the six-month period ending June 30, 2011.

f. Restrictions on Unassigned funds

Not Applicable

g. Mutual Surplus Advances

Not Applicable

h. Company Stock Held for Special Purposes

Not Applicable

i. Changes in Special Surplus Funds

Not Applicable

NOTES TO FINANCIAL STATEMENTS

j. Changes in Unassigned Funds

The portion of unassigned funds represented or reduced by each item below is as follows:

Description	Cumulative Increase/(Decrease) in Surplus, (net of tax)	
1. Unrealized gains on Affiliated stock	\$	1,250,069
2. Unrealized loss on Bonds	\$	(907,556)
Total	\$	<u>342,513</u>

k. Surplus Notes

No Change

l. - m. Quasi Reorganizations

No Change

14. Contingencies

a. Contingent Commitments and Other Contingencies

No Change

b. Guarantee Fund and Other Assessments

No Change

c. Gain Contingencies

No Change

d. Extra Contractual Obligations and Bad Faith

No Change

e. All Other Contingencies

No Change

15. Leases

a. b. and c. Disclosures Related to Lessee and Lessor Leasing Arrangements

No Change

16. Information About Financial Instruments with Off-Balance Sheet Risk

a. Face or Contract Amounts

No Change

b. Nature and Terms

No Change

c. Exposure to Credit Related Losses

No Change

d. Collateral Policy

No Change

17. Sale, Transfer and Servicing of Financial Assets and Extinguishment of Liabilities

a. Transfer of Receivables Reported as Sales

No Change

b. Transfer and Servicing of Financial Assets

No Change

c. Wash Sales

The Company historically has not acquired securities with an NAIC designation of 3 or below. The Company has not sold and reacquired any security within a 30-day period of its original sale.

## NOTES TO FINANCIAL STATEMENTS

18. Gain or Loss to the Reporting Entity from Uninsured A & H Plans and the Uninsured Portion of Partially Insured Plans

a. Administrative Services Only (ASO) Plans

No Change

b. Administrative Services Contract (ASC) Plans

No Change

c. Medicare or Similarly Structured Cost Based Reimbursement Contracts

No Change

19. Direct Premium Written/Produced by Third Party Administrators. (equal to or greater than 5% of surplus)

Calculated Annually

20. Fair Value Measurements

A. Assets Measured at Fair Value on a Recurring Basis

(1) The Company does not have any assets measured at fair value on a recurring basis at June 30, 2011.

(2) The Company does not have any assets measured at fair value on a recurring basis with significant unobservable inputs (Level 3).

(3) Certain financial instruments are periodically measured at fair value on a recurring basis, such as common stock.

The fair value of an asset is the amount at which that asset could be bought or sold in a current transaction between willing parties that is other than in a forced or liquidation sale. The fair value of a liability is the amount at which that liability could be incurred or settled in a current transaction between willing parties.

Fair values are based on quoted market prices when available. When market prices are not available, fair value is generally estimated using discounted cash flow analyses, incorporation of current market inputs for similar financial instruments with comparable terms and credit quality (matrix pricing). In instances where there is little or no market activity for the same or similar instruments, the Company estimates fair value using methods, models, and assumptions that management believes market participants would use to determine a current transaction price. These valuation techniques involve some level of management estimation and judgment, which becomes significant with increasingly complex instruments or pricing models. Where appropriate, adjustments are included to reflect the risk inherent in a particular methodology model or input used.

The Company's financial assets and liabilities carried at fair value have been classified, for disclosure purposes, based on a hierarchy. 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 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 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.



NOTES TO FINANCIAL STATEMENTS

B. Assets Measured at Fair Value on a Non-recurring Basis

(1) The following assets were measured at fair value on a nonrecurring basis at June 30, 2011.

Description	Level 1	Level 2	Level 3	Total
Bonds	\$ -	\$ 3,258,712	-	\$ 3,258,712

(2) The Company does not have any assets measured at fair value on a nonrecurring basis with significant unobservable inputs (Level 3).

(3) Certain financial instruments are periodically measured at fair value on a nonrecurring basis, such as when impaired, or for certain bonds when carried at the lower of cost or market.

The Company uses the same fair value process and policy as described in Note 20 A (3).

21. Other Items

a. Extraordinary Items

None

b. Troubled Debt Restructuring Debtors

None

c. Other Disclosures

None

d. Uncollectible Premiums Receivable

None

e. Business Interruption Insurance Recoveries

None

f. State Transferable Tax Credits

None

g. Subprime Mortgage Related Risk Exposure

No Material Change

22. Events Subsequent

- a. Subsequent events have been considered through August 9, 2011 for these statutory financial statements which are to be issued August 11, 2011. There were no events occurring subsequent to the end of the quarter that merited recognition or disclosure in these statements.

23. Reinsurance

a. Unsecured Reinsurance Recoverables

No Change

b. Reinsurance Recoverable in Dispute

None

c. Reinsurance Assumed and Ceded

Calculated Annually

d. Uncollectible Reinsurance

None

e. Commutation of Assumed Reinsurance

None

NOTES TO FINANCIAL STATEMENTS

f. Retroactive Reinsurance

	<u>Ceded</u>	<u>Assumed</u>
Reserves Transferred:		
Initial Reserves	2,488,504	(316,695)
Adjustments - Prior Year(s)	(2,311,586)	(152,746)
Adjustments - Current Year	<u>(59,872)</u>	<u>43,219</u>
Current Total Asset (Liability)	<u>117,046</u>	<u>(426,222)</u>
Consideration (Paid) or Received:		
Initial Consideration	(2,488,504)	316,695
Adjustments - Prior Year(s)	-	10,219
Adjustments - Current Year	<u>-</u>	<u>-</u>
Current Total	<u>(2,488,504)</u>	<u>326,914</u>
Paid Losses (Reimbursed) or Recovered:		
Prior Year(s)	1,941,184	(521,500)
Current Year	<u>-</u>	<u>(33,000)</u>
Current Total	<u>1,941,184</u>	<u>(554,500)</u>
Cumulative Total Transferred to Unassigned Funds	<u>(430,274)</u>	<u>(653,808)</u>

g. Reinsurance Accounted for as a Deposit

No Change

h. Run-Off Agreements

Not Applicable

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

a. Methods Used to Estimate

None

b. Method used to Record

Not Applicable

c. Amount and Percent of Net Retrospective Premiums

None

d. Calculation of Nonadmitted Accrued Retrospective Premiums

None

25. Changes in Incurred Losses and Loss Adjustment Expenses

The estimated savings on the loss and loss adjustment expenses attributable to insured events of prior years decreased by \$2,901,000 or 2.0% of the prior year-end surplus, for the six months ending June 30, 2011.

26. Intercompany Pooling Arrangements

No Change

27. Structured Settlements

a. Reserves Released due to Purchase of Annuities.

No Change

b. Annuity Insurers with Balances Due Greater than 1% of Policyholders Surplus

No Change

28. Health Care Receivables

a. Pharmaceutical Rebate Receivables

No Change

b. Risk Sharing Receivables

No Change

NOTES TO FINANCIAL STATEMENTS

29. Participating Policies

None

30. Premium Deficiency Reserves

Not Applicable

31. High Deductibles

No Change

32. Discounting of Liabilities for Unpaid Losses and Loss Adjustment Expenses

a. Tabular Discounts

The Company discounts its unpaid losses for a segment of its long term disability business on a tabular basis using a rate of 3.5%. As of the end of the current quarter and the prior year end, the discount was \$87,039.

b. Non-Tabular Discounts

Not Applicable

c. Changes in Discounting Assumptions

Not Applicable

33. Asbestos/ Environmental Reserves

Not Applicable

34. Subscriber Savings Account

Not Applicable

35. Multiple Peril Crop Insurance

Not Applicable

36. Financial Guaranty Insurance

Not Applicable

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES  
GENERAL

- 1.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes ☐ No ☒
- 1.2

If yes, has the report been filed with the domiciliary state?

Yes ☐ No ☐
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes ☐ No ☒
- 2.2

If yes, date of change:
3.

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes ☐ No ☒
- If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒
- 4.2

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

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

5.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes ☐ No ☒ NA ☐
- 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.

12/31/2008
- 6.2

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

12/31/2008
- 6.3

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

05/07/2010
- 6.4

By what department or departments?

Ohio
- 6.5

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

Yes ☐ No ☐ NA ☒
- 6.6

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

Yes ☒ No ☐ NA ☐
- 7.1

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

Yes ☐ No ☒
- 7.2

If yes, give full information:
- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes ☐ No ☒
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes ☐ No ☒
- 8.4

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

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

GENERAL INTERROGATORIES

- 9.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? .....  
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;  
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;  
(c) Compliance with applicable governmental laws, rules and regulations;  
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and  
(e) Accountability for adherence to the code.

Yes [X] No [ ]
- 9.11

If the response to 9.1 is No, please explain:  
.....
- 9.2

Has the code of ethics for senior managers been amended? .....

Yes [ ] 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]
- 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 [X] No [ ]
- 11.2

If yes, give full and complete information relating thereto:  
The company has \$2,000,000 of bonds on deposit with FHLB to secure a line of credit .....
12.

Amount of real estate and mortgages held in other invested assets in Schedule BA: .....\$ .....
13.

Amount of real estate and mortgages held in short-term investments: .....\$ .....
- 14.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates? .....

Yes [X] No [ ]
- 14.2

If yes, please complete the following:

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....	\$ .....0	\$ .....0
14.22 Preferred Stock .....	\$ .....0	\$ .....0
14.23 Common Stock .....	\$ .....3,511,021	\$ .....3,521,544
14.24 Short-Term Investments .....	\$ .....127,932	\$ .....129,006
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).....	\$ .....3,638,953	\$ .....3,650,550
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....	\$ .....0	\$ .....0

- 15.1

Has the reporting entity entered into any hedging transactions reported on Schedule DB? .....

Yes [ ] No [X]
- 15.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? .....

Yes [ ] No [ ]
- If no, attach a description with this statement.

GENERAL INTERROGATORIES

16. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 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
State Street Bank and Trust Co. Boston.....	One Lincoln Street, Boston, MA 02111.....

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
109875.....	Asset Allocation Management Company, LLP.....	30 North LaSalle Street, 35th Floor, Chicago, IL 60602.....
106595.....	Wellington Management Company, LLP.....	75 State Street, Boston, MA 02109.....

17.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed? .....

Yes [X] No [ ]

17.2 If no, list exceptions:

.....

GENERAL INTERROGATORIES  
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? ..... Yes [ ] No [ ] NA [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 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 [X] No [ ]

4.2 If yes, complete the following schedule:

			TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
1	2	3	4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Discount Rate	Unpaid Losses	Unpaid LAE	IBNR	TOTAL	Unpaid Losses	Unpaid LAE	IBNR	TOTAL
Long Term Disability.....	0.000	3.500	87,039			87,039				0
TOTAL			87,039	0	0	87,039	0	0	0	0

5. Operating Percentages:

5.1 A&H loss percent.....

62.8%

5.2 A&H cost containment percent .....

0.9%

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

31.6%

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

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

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

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

**STATEMENT AS OF JUNE 30, 2011 OF THE BCS Insurance Company**

## SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

[illegible]



STATEMENT AS OF JUNE 30, 2011 OF THE BCS Insurance Company

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories							
States, etc.	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2	3	4	5	6	7
	Active Status	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date
1. Alabama	AL L	10,195,261	3,395,597	3,169,735	635,174	7,955,933	1,992,868
2. Alaska	AK L	200,369	89,432	82,804	47,450	86,755	30,413
3. Arizona	AZ L	1,875,527	1,611,141	726,517	450,183	815,801	700,525
4. Arkansas	AR L	1,051,067	1,138,720	473,377	433,614	823,898	714,696
5. California	CA L	12,969,951	9,289,582	6,907,892	2,962,184	11,624,404	13,115,936
6. Colorado	CO L	2,709,595	1,346,554	754,769	1,013,955	1,767,579	1,821,207
7. Connecticut	CT L	2,168,887	1,702,381	951,093	704,463	938,175	817,466
8. Delaware	DE L	307,819	95,859	102,135	49,570	191,122	74,716
9. District of Columbia	DC L	798,071	587,736	574,902	456,715	1,740,775	1,474,558
10. Florida	FL L	5,741,226	3,980,654	3,641,948	3,256,194	2,612,833	2,015,363
11. Georgia	GA L	3,000,159	1,534,744	1,349,231	845,206	1,302,252	595,844
12. Hawaii	HI L	80,959	10,161	18,981	527	116,917	96,498
13. Idaho	ID L	529,660	1,601,336	207,044	628,054	840,207	958,002
14. Illinois	IL L	4,128,940	3,858,005	4,357,914	4,022,962	4,392,912	4,119,249
15. Indiana	IN L	3,754,546	2,999,363	1,975,334	1,390,161	1,748,867	2,119,937
16. Iowa	IA L	780,895	530,164	445,676	216,045	341,476	250,298
17. Kansas	KS L	534,168	457,827	489,007	607,700	339,876	248,798
18. Kentucky	KY L	945,867	766,865	799,389	533,024	327,482	244,776
19. Louisiana	LA L	1,341,764	1,015,070	249,314	453,624	4,078,969	4,316,098
20. Maine	ME L	229,711	117,223	114,715	47,681	83,100	50,919
21. Maryland	MD L	1,168,813	1,277,911	451,002	357,228	940,381	1,182,521
22. Massachusetts	MA L	1,833,977	520,725	489,025	174,007	1,106,582	250,609
23. Michigan	MI L	3,506,435	3,755,896	1,377,130	1,292,554	4,760,109	3,792,776
24. Minnesota	MN L	1,969,316	1,744,408	878,240	868,457	1,045,839	967,507
25. Mississippi	MS L	831,515	620,906	1,214,761	343,157	374,276	940,798
26. Missouri	MO L	2,636,492	2,552,796	756,197	848,509	1,845,383	2,029,786
27. Montana	MT L	379,185	304,249	230,170	165,466	1,613,868	1,568,413
28. Nebraska	NE L	733,345	678,712	187,165	211,710	512,888	555,377
29. Nevada	NV L	759,598	637,505	440,947	353,093	301,478	309,223
30. New Hampshire	NH L	743,499	644,402	325,888	280,586	310,888	302,571
31. New Jersey	NJ L	1,731,106	760,439	1,058,926	555,267	6,152,909	1,431,330
32. New Mexico	NM L	156,105	94,965	46,035	43,997	51,895	36,069
33. New York	NY L	13,698,680	13,467,951	7,456,744	6,530,643	9,126,097	9,726,671
34. North Carolina	NC L	2,898,159	2,002,363	1,448,595	1,352,118	1,305,797	1,194,819
35. North Dakota	ND L	149,979	110,056	113,280	124,204	230,727	81,091
36. Ohio	OH L	3,336,245	2,403,334	2,227,014	2,182,248	1,318,224	1,311,739
37. Oklahoma	OK L	1,007,191	785,919	485,478	575,375	439,517	362,336
38. Oregon	OR L	782,419	728,460	437,979	438,208	290,622	240,843
39. Pennsylvania	PA L	3,172,847	2,961,560	1,864,488	2,043,531	4,438,452	7,294,848
40. Rhode Island	RI L	7,357,332	14,034,877	2,911,391	7,712,940	3,960,408	10,773,622
41. South Carolina	SC L	1,951,281	1,318,691	1,833,235	1,002,763	1,556,809	1,133,767
42. South Dakota	SD L	154,156	104,021	88,155	67,780	52,412	34,510
43. Tennessee	TN L	2,154,275	1,581,660	1,008,374	683,385	1,713,560	1,989,793
44. Texas	TX L	7,937,909	6,955,017	3,470,846	3,160,941	3,287,489	2,945,935
45. Utah	UT L	799,373	771,935	873,168	765,190	163,390	260,752
46. Vermont	VT L	226,057	175,866	61,548	47,386	545,029	408,841
47. Virginia	VA L	3,450,242	2,838,201	1,305,230	1,320,418	1,098,337	680,321
48. Washington	WA L	4,903,374	4,299,036	2,157,460	1,709,436	2,633,420	2,042,169
49. West Virginia	WV L	308,167	306,467	205,732	158,634	199,225	202,189
50. Wisconsin	WI L	2,127,104	2,067,605	1,833,620	793,461	1,129,607	1,350,589
51. Wyoming	WY L	549,415	212,986	250,208	170,238	424,537	172,588
52. American Samoa	AS N		0		0		0
53. Guam	GU N		0		0		0
54. Puerto Rico	PR L	50,001	59,509	0	0	740,254	740,044
55. U.S. Virgin Islands	VI N		0		0		0
56. Northern Mariana Islands	MP N		0		0		0
57. Canada	CN N		0		0		0
58. Aggregate Other Alien	OT XXX	0	0	0	0	0	0
59. Totals	(a) 52	126,808,037	106,906,842	64,879,805	55,087,415	95,799,739	92,072,614
DETAILS OF WRITE-INS							
5801.	XXX		0		0		0
5802.	XXX		0		0		0
5803.	XXX		0		0		0
5898. Summary of remaining write-ins for Line 58 from overflow page.	XXX	0	0	0	0	0	0
5899. TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX	0	0	0	0	0	0

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

(a) Insert the number of L responses except for Canada and Other Alien.

For group accident and health business, BCS Insurance Company allocates premium by either the group situs state or by the insured member state, depending upon the specific type of accident and health business. The group is the entity, usually an employer, that the policy is issued to and the insured member is the participant, usually an employee, to whom a certificate is issued to. For travel accident business the premium is allocated by state based upon the insured state of residence. The insured is the individual that purchases the travel accident coverage through a particular entity. For professional liability business, the premium is allocated by the group situs state. The group is a corporate entity that purchases the policy.

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

PART 1 - LOSS EXPERIENCE

Line of Business		Current Year to Date			4 Prior Year to Date Direct Loss Percentage
		1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1.	Fire			0.0	0.0
2.	Allied lines			0.0	0.0
3.	Farmowners multiple peril			0.0	0.0
4.	Homeowners multiple peril			0.0	0.0
5.	Commercial multiple peril			0.0	0.0
6.	Mortgage guaranty			0.0	0.0
8.	Ocean marine			0.0	0.0
9.	Inland marine	12,633,724	5,655,311	44.8	56.8
10.	Financial guaranty			0.0	0.0
11.1	Medical professional liability -occurrence			0.0	0.0
11.2	Medical professional liability -claims made	164,551	(52,317)	(31.8)	25.6
12.	Earthquake			0.0	0.0
13.	Group accident and health	98,402,444	64,865,099	65.9	59.4
14.	Credit accident and health			0.0	0.0
15.	Other accident and health			0.0	0.0
16.	Workers' compensation			0.0	0.0
17.1	Other liability occurrence	0	0	0.0	0.0
17.2	Other liability-claims made	13,421,280	4,183,800	31.2	16.8
17.3	Excess Workers' Compensation			0.0	
18.1	Products liability-occurrence			0.0	0.0
18.2	Products liability-claims made			0.0	0.0
19.1,19.2	Private passenger auto liability			0.0	0.0
19.3,19.4	Commercial auto liability			0.0	0.0
21.	Auto physical damage			0.0	0.0
22.	Aircraft (all perils)			0.0	0.0
23.	Fidelity	89,882	(133,815)	(148.9)	(101.9)
24.	Surety			0.0	0.0
26.	Burglary and theft			0.0	0.0
27.	Boiler and machinery			0.0	0.0
28.	Credit			0.0	0.0
29.	International			0.0	0.0
30.	Warranty			0.0	0.0
31.	Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34.	Aggregate write-ins for other lines of business	0	0	0.0	0.0
35.	TOTALS	124,711,881	74,518,078	59.8	54.1
DETAILS OF WRITE-INS					
3401.				0.0	0.0
3402.				0.0	0.0
3403.				0.0	0.0
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business		1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1.	Fire	0		0
2.	Allied lines	0		0
3.	Farmowners multiple peril	0		0
4.	Homeowners multiple peril	0		0
5.	Commercial multiple peril	0		0
6.	Mortgage guaranty	0		0
8.	Ocean marine	0		0
9.	Inland marine	6,832,236	12,633,724	8,277,343
10.	Financial guaranty	0		0
11.1	Medical professional liability-occurrence	0		0
11.2	Medical professional liability-claims made	0	149,360	155,877
12.	Earthquake	0		0
13.	Group accident and health	46,936,381	92,964,717	76,633,502
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	7,653,157	20,878,925	21,652,568
17.3	Excess Workers' Compensation	0		
18.1	Products liability-occurrence	0		0
18.2	Products liability-claims made	0		0
19.1,19.2	Private passenger auto liability	0		0
19.3,19.4	Commercial auto liability	0		0
21.	Auto physical damage	0		0
22.	Aircraft (all perils)	0		0
23.	Fidelity	47,533	181,311	187,552
24.	Surety	0		0
26.	Burglary and theft	0		0
27.	Boiler and machinery	0		0
28.	Credit	0		0
29.	International	0		0
30.	Warranty	0		0
31.	Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX
34.	Aggregate write-ins for other lines of business	0	0	0
35.	TOTALS	61,469,307	126,808,037	106,906,842
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
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2011 Loss and LAE Payments on Claims Reported as of Prior Year-End	2011 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2011 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols.7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2008 + Prior .....	1,212	447	1,659	205		205	185		276	461	(822)	(171)	(993)
2. 2009 .....	1,429	1,575	3,004	418		418	1,471		761	2,232	460	(814)	(354)
3. Subtotals 2009 + prior .....	2,641	2,022	4,663	623	0	623	1,656	0	1,037	2,693	(362)	(985)	(1,347)
4. 2010 .....	912	24,591	25,503	15,786		15,786	1,536		6,627	8,163	16,410	(17,964)	(1,554)
5. Subtotals 2010 + prior .....	3,553	26,613	30,166	16,409	0	16,409	3,192	0	7,664	10,856	16,048	(18,949)	(2,901)
6. 2011 .....	XXX	XXX	XXX	XXX	17,207	17,207	XXX	250	21,063	21,313	XXX	XXX	XXX
7. Totals .....	3,553	26,613	30,166	16,409	17,207	33,616	3,192	250	28,727	32,169	16,048	(18,949)	(2,901)
8. Prior Year-End Surplus As Regards Policy-holders	142,045										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. 451.7	2. (71.2)	3. (9.6)
											Col. 13, Line 7 Line 8		
											4. (2.0)		

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

Explanation:

- 1.
- 3.

Bar Code:

1.



382452011490000002

3.



382452011365000002

OVERFLOW PAGE FOR WRITE-INS

PQ003 Additional Aggregate Lines for Page 03 Line 25.  
\*LIAB

	1 Current Statement Date	2 December 31, Prior Year
2504. Miscellaneous Liability.....	539,284	20,755
2597. Summary of remaining write-ins for Line 25 from Page 03	539,284	20,755

PQ004 Additional Aggregate Lines for Page 04 Line 14.  
\*STMTINCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1404. Miscellaneous Income.....	(852)	2,268	55,230
1497. Summary of remaining write-ins for Line 14 from Page 04	(852)	2,268	55,230

SCHEDULE A – VERIFICATION

Real Estate

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	.0	.0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....	.0	.0
2.2 Additional investment made after acquisition .....	.0	.0
3. Current year change in encumbrances .....	.0	.0
4. Total gain (loss) on disposals .....	.0	.0
5. Deduct amounts received on disposals .....	.0	.0
6. Total foreign exchange change in book/adjusted carrying value .....	.0	.0
7. Deduct current year's other than temporary impairment recognized .....	.0	.0
8. Deduct current year's depreciation .....	.0	.0
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8) .....	.0	.0
10. Deduct total nonadmitted amounts .....	.0	.0
11. Statement value at end of current period (Line 9 minus Line 10) .....	0	0

SCHEDULE B – VERIFICATION

Mortgage Loans

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

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

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

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	169,535,612	159,317,203
2. Cost of bonds and stocks acquired .....	27,349,130	58,216,960
3. Accrual of discount .....	175,244	443,161
4. Unrealized valuation increase (decrease) .....	241,705	452,928
5. Total gain (loss) on disposals .....	417,045	1,110,578
6. Deduct consideration for bonds and stocks disposed of .....	20,552,936	48,309,135
7. Deduct amortization of premium .....	476,817	989,417
8. Total foreign exchange change in book/adjusted carrying value .....	.0	.0
9. Deduct current year's other than temporary impairment recognized .....	98,040	706,666
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	176,590,943	169,535,612
11. Deduct total nonadmitted amounts .....	.0	.0
12. Statement value at end of current period (Line 10 minus Line 11) .....	176,590,943	169,535,612

STATEMENT AS OF JUNE 30, 2011 OF THE BCS Insurance Company

SCHEDULE D - PART 1B

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

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1 (a).....	149,562,613	17,498,264	15,942,936	957,332	149,562,613	152,075,273	0	151,764,155
2. Class 2 (a).....	20,492,223	2,340,369	1,565,210	(236,344)	20,492,223	21,031,038	0	16,863,519
3. Class 3 (a).....	1,175,725	0	404,314	(771,411)	1,175,725	0	0	542,085
4. Class 4 (a).....	478,195	0	11,423	1,264	478,195	468,036	0	0
5. Class 5 (a).....	475,640	0	65,425	311,842	475,640	722,057	0	538,112
6. Class 6 (a).....	1,034,389	0	14,171	(309,110)	1,034,389	711,108	0	868,399
7. Total Bonds	173,218,785	19,838,633	18,003,479	(46,427)	173,218,785	175,007,512	0	170,576,270
<b>PREFERRED STOCK</b>								
8. Class 1 .....	0	0	0	0	0	0	0	0
9. Class 2 .....	0	0	0	0	0	0	0	0
10. Class 3 .....	0	0	0	0	0	0	0	0
11. Class 4 .....	0	0	0	0	0	0	0	0
12. Class 5 .....	0	0	0	0	0	0	0	0
13. Class 6 .....	0	0	0	0	0	0	0	0
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	173,218,785	19,838,633	18,003,479	(46,427)	173,218,785	175,007,512	0	170,576,270

(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 \$ .....54,919 ; NAIC 2 \$ .....0 ;

NAIC 3 \$ .....0 ; NAIC 4 \$ .....0 ; NAIC 5 \$ .....0 ; NAIC 6 \$ .....0



SCHEDULE DA - PART 1  
Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	2,287,601	XXX	2,287,601	77	0

SCHEDULE DA - VERIFICATION  
Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	4,896,083	8,015,844
2. Cost of short-term investments acquired .....	15,773,443	58,844,061
3. Accrual of discount .....	0	0
4. Unrealized valuation increase (decrease).....	0	0
5. Total gain (loss) on disposals .....	0	0
6. Deduct consideration received on disposals .....	18,381,925	61,963,822
7. Deduct amortization of premium.....	0	0
8. Total foreign exchange change in book/adjusted carrying value.....	0	0
9. Deduct current year's other than temporary impairment recognized.....	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	2,287,601	4,896,083
11. Deduct total nonadmitted amounts.....	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	2,287,601	4,896,083

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

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

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

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

Schedule DB - Verification  
**NONE**

SCHEDULE E - VERIFICATION  
(Cash Equivalents)

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	0
2. Cost of cash equivalents acquired .....	0	0
3. Accrual of discount .....	0	0
4. Unrealized valuation increase (decrease) .....	0	0
5. Total gain (loss) on disposals.....	0	0
6. Deduct consideration received on disposals .....	0	0
7. Deduct amortization of premium .....	0	0
8. Total foreign exchange change in book/adjusted carrying value .....	0	0
9. Deduct current year's other than temporary impairment recognized .....	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	0	0
11. Deduct total nonadmitted amounts .....	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	0	0

Schedule A - Part 2  
**NONE**

Schedule A - Part 3  
**NONE**

Schedule B - Part 2  
**NONE**

Schedule B - Part 3  
**NONE**

Schedule BA - Part 2  
**NONE**

Schedule BA - Part 3  
**NONE**

STATEMENT AS OF JUNE 30, 2011 OF THE BCS Insurance Company

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator <sup>(a)</sup>
Bonds - U.S. Governments									
912828-QN-3	US Treasury N/B 3.125% 05/15/21		06/02/2011	Banc America Securities		176,395	175,000	282	1
0599999 - Bonds - U.S. Governments						176,395	175,000	282	XXX
Bonds - U.S. States, Territories and Possessions									
452152-HU-8	Illinois State 5.877% 03/01/19		05/04/2011	Goldman Sachs & Co		5,222	5,000	48	1FE
57582P-ZX-1	Massachusetts St 5.000% 08/01/24		05/25/2011	JP Morgan		706,677	630,000	0	1FE
68608K-8T-8	Oregon State 5.000% 05/01/26		05/19/2011	Citigroup Global Mkts Inc		356,835	320,000	0	1FE
1799999 - Bonds - U.S. States, Territories and Possessions						1,068,734	955,000	48	XXX
Bonds - U.S. Special Revenue									
312941-3E-5	FHLMC Pool # A93497 4.500% 08/01/40		05/03/2011	Citigroup Global Mkts Inc		385,327	373,452	233	1
3132GD-5T-5	FGLMC Pool # Q00858 4.000% 05/01/41		06/13/2011	Citigroup Global Mkts Inc		404,575	399,950	667	1
31381Q-2U-9	FNMA Pool # 467987 3.740% 04/01/18		06/01/2011	RBS Green		121,445	120,001	224	1
3138A2-BV-0	FNMA Pool # AH0951 4.500% 12/01/40		06/21/2011	CRT Capital Group		673,824	645,676	2,098	1
31416C-HP-4	FNMA Pool # 995838 5.500% 05/01/39		06/09/2011	CRT Capital Group		1,192,441	1,094,140	2,006	1
31419J-TQ-1	FNMA Pool # AE7758 3.500% 11/01/25		05/20/2011	Nomura Securities Int Inc		1,108,857	1,088,599	2,068	1
771902-GB-3	Rochester Minn Health Care Fac 4.000%		04/21/2011	Merrill Lynch Pierce		108,516	105,000	0	1FE
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Government and Their Political Subdivisions						3,994,985	3,826,818	7,296	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)									
00206R-AX-0	AT&T Inc 4.450% 05/15/21		04/26/2011	Banc America Securities		49,963	50,000	0	1FE
037389-AY-9	Aon Corp 3.125% 05/27/16		05/24/2011	Morgan Stanley & Co Inc		174,928	175,000	0	2FE
053332-AL-6	Autozone Inc 4.000% 11/15/20		06/01/2011	Deutsche Bank Securities		86,343	90,000	937	2FE
05947U-PS-1	Banc Of America Commercial Mor Series 20		05/24/2011	Nomura Securities Int Inc		638,344	600,000	2,063	1FE
149123-BV-2	Caterpillar Inc 3.900% 05/27/21		05/25/2011	Various		627,425	630,000	108	1FE
173067-AD-1	Citigroup Commerical Mortgage Series 200		05/11/2011	Nomura Securities Int Inc		685,125	630,000	1,455	1FE
25470D-AE-9	Discovery Communication 4.375% 06/15/2		06/14/2011	Various		625,302	630,000	0	2FE
26884T-AD-4	Erac USA Finance Company Series 144A 4		05/09/2011	Barclays Capital Fixed Inc		59,722	60,000	0	2FE
29273R-AN-9	Energy Transfer Partners 4.650% 06/01/		05/09/2011	RBS Green		174,438	175,000	0	2FE
391164-AE-0	Great Plains Energy 4.850% 06/01/21		05/18/2011	JP Morgan		634,854	630,000	264	2FE
59217G-AG-4	Met Life Glob Funding I Series 144A 3		06/07/2011	UBS Warburg LLC		654,201	655,000	0	1FE
61747Y-DD-4	Morgan Stanley 3.800% 04/29/16		04/26/2011	Morgan Stanley & Co Inc		104,896	105,000	0	1FE
655356-JK-0	Nomura Asset Securities Corp Series 1998		05/25/2011	Jeffries & Co Inc		350,528	324,000	1,265	1FE
99201H-11-3	Rancho Del Bprdp DIS 3.740% 05/01/18		05/01/2011	RBS Green		(126,504)	(125,000)	(532)	1FE
448055-AF-0	Husky Energy Inc 7.250% 12/15/19	A	04/08/2011	Deutsche Bank Securities		584,783	495,000	11,763	2FE
21685W-CJ-4	Rabobank Nerland Series MTN 5.250% 05/	F	05/17/2011	Banc America Securities		620,084	630,000	0	1FE
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						5,944,432	5,754,000	17,323	XXX
8399997 - Subtotals- Bonds - Part 3						11,184,546	10,710,818	24,949	XXX
8399999 - Subtotals - Bonds						11,184,546	10,710,818	24,949	XXX
9999999 Totals						11,184,546	XXX	24,949	XXX

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

STATEMENT AS OF JUNE 30, 2011 OF THE BCS 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					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	For e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments																					
36200K-W8-6...	GNMA Pool 603771 5.500%		06/01/2011..	Paydown.....		8,238	8,238	8,594	8,576	.0	(.339)	.0	(.339)	.0	8,238	.0	.0	.0	.178	05/15/2033..	1....
36201X-KK-3...	GNMA Pool 606098 5.500%		06/01/2011..	Paydown.....		142	142	148	147	.0	(.6)	.0	(.6)	.0	142	.0	.0	.0	.3	06/15/2033..	1....
36209R-2T-9...	GNMA Pool 479686 8.000%		06/01/2011..	Paydown.....		1,417	1,417	1,458	1,448	.0	(.31)	.0	(.31)	.0	1,417	.0	.0	.0	.47	09/15/2030..	1....
36211U-HD-7...	GNMA Pool 523228 8.000%		06/01/2011..	Paydown.....		11	11	12	12	.0	.0	.0	.0	.0	11	.0	.0	.0	.0	10/15/2030..	1....
36213F-MD-2...	GNMA Pool 553056 5.500%		06/01/2011..	Paydown.....		15,100	15,100	15,453	15,430	.0	(.331)	.0	(.331)	.0	15,100	.0	.0	.0	.331	02/15/2033..	1....
36241K-BZ-0...	GNMA Pool 781856 6.000%		06/01/2011..	Paydown.....		11,134	11,134	11,519	11,502	.0	(.368)	.0	(.368)	.0	11,134	.0	.0	.0	.270	08/15/2034..	1....
36241K-J6-6...	GNMA Pool 782085 7.000%		06/01/2011..	Paydown.....		1,660	1,660	1,718	1,715	.0	(.55)	.0	(.55)	.0	1,660	.0	.0	.0	.49	11/15/2033..	1....
36241K-J7-4...	GNMA Pool 782086 7.000%		06/01/2011..	Paydown.....		1,311	1,311	1,357	1,354	.0	(.43)	.0	(.43)	.0	1,311	.0	.0	.0	.38	11/15/2031..	1....
36241K-J6-4...	GNMA Pool 782063 7.000%		06/01/2011..	Paydown.....		423	423	442	441	.0	(.18)	.0	(.18)	.0	423	.0	.0	.0	.12	03/15/2032..	1....
36241K-JL-3...	GNMA Pool 782067 7.000%		06/01/2011..	Paydown.....		3,562	3,562	3,716	3,709	.0	(.148)	.0	(.148)	.0	3,562	.0	.0	.0	.104	11/15/2032..	1....
36241K-JP-4...	GNMA Pool 782070 7.000%		06/01/2011..	Paydown.....		2,127	2,127	2,219	2,214	.0	(.87)	.0	(.87)	.0	2,127	.0	.0	.0	.62	06/15/2032..	1....
36241K-JQ-2...	GNMA Pool 782071 7.000%		06/01/2011..	Paydown.....		669	669	698	697	.0	(.28)	.0	(.28)	.0	669	.0	.0	.0	.19	05/15/2033..	1....
36241K-JR-0...	GNMA Pool 782072 7.000%		06/01/2011..	Paydown.....		2,830	2,830	2,954	2,947	.0	(.117)	.0	(.117)	.0	2,830	.0	.0	.0	.81	07/15/2033..	1....
36241K-JS-8...	GNMA Pool 782073 7.000%		06/01/2011..	Paydown.....		525	525	548	547	.0	(.22)	.0	(.22)	.0	525	.0	.0	.0	.15	03/15/2032..	1....
36295Q-BH-2...	GNMA Pool 676940 5.000%		06/01/2011..	Paydown.....		32,962	32,962	33,663	33,649	.0	(.687)	.0	(.687)	.0	32,962	.0	.0	.0	.684	04/15/2038..	1....
36296T-UY-7...	GNMA Pool 700899 6.000%		06/01/2011..	Paydown.....		18,162	18,162	18,809	18,809	.0	(.647)	.0	(.647)	.0	18,162	.0	.0	.0	.439	11/15/2038..	1....
912828-CJ-7...	US Treasury N/B 4.750%		06/01/2011..	Paydown.....		278,301	278,301	285,889	285,889	.0	(.347)	.0	(.347)	.0	278,301	.0	.0	.0	.439	11/15/2038..	1....
0599999 - Bonds - U.S. Governments			05/06/2011..	Goldman Sachs & Co.....		278,301	278,301	285,889	285,889	.0	(.347)	.0	(.347)	.0	278,301	.0	.0	.0	.439	11/15/2038..	1....
Bonds - U.S. States, Territories and Possessions																					
452152-HS-3...	Illinois State 5.365%		05/04/2011..	Goldman Sachs & Co.....		5,204	5,204	5,000	.0	.0	.0	.0	.0	.0	5,000	.0	.204	.204	.44	03/01/2017..	1FE....
574192-R8-5...	Maryland State 5.000%		05/11/2011..	Southwest Securities Inc.....		572,707	572,707	576,348	574,945	.0	(5,946)	.0	(5,946)	.0	568,999	.0	3,708	3,708	17,354	03/01/2016..	1FE....
1799999 - Bonds - U.S. States, Territories and Possessions						577,911	577,911	581,348	574,945	.0	(5,946)	.0	(5,946)	.0	573,999	.0	3,912	3,912	17,398	XXX	XXX
Bonds - U.S. Political Subdivisions of States, Territories and Possessions																					
337653-AC-3...	Fiscal Yr 2005 Securitization 3.510% 1 Metropolitan Concll MINN		04/01/2011..	Call 100.0000.....		25,000	25,000	25,000	25,000	.0	.0	.0	.0	.0	25,000	.0	.0	.0	.439	10/01/2012..	1FE....
591852-KN-7...	5.000% 03/01/...		05/11/2011..	Piper.....		227,815	227,815	228,823	228,274	.0	(2,326)	.0	(2,326)	.0	225,948	.0	1,867	1,867	6,906	03/01/2016..	1FE....
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						252,815	252,815	253,823	253,274	.0	(2,326)	.0	(2,326)	.0	250,948	.0	1,867	1,867	7,345	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																					
047856-EX-3...	Atlanta GA Urban Resi Finl Auth Prog - Se FHLNC Pool A45154		06/01/2011..	Call 100.0000.....		5,000	5,000	5,245	5,240	.0	(.6)	.0	(.6)	.0	5,234	.0	(.234)	(.234)	.138	03/01/2041..	1FE....
3128K5-WP-3...	6.000% 05/01/35 FHLNC Pool A60126		06/01/2011..	Paydown.....		1,305	1,305	1,340	1,339	.0	(.34)	.0	(.34)	.0	1,305	.0	.0	.0	.33	05/01/2035..	1....
3128KQ-D7-8...	6.000% 05/01/37 FHLNC Pool A67458		06/01/2011..	Paydown.....		10,212	10,212	10,703	10,700	.0	(.488)	.0	(.488)	.0	10,212	.0	.0	.0	.253	05/01/2037..	1....
3128KY-JB-6...	6.000% 11/01/37 FHLNC Pool A68579		06/01/2011..	Paydown.....		7,278	7,278	7,393	7,391	.0	(.112)	.0	(.112)	.0	7,278	.0	.0	.0	.215	11/01/2037..	1....
3128LO-Q8-8...	6.000% 11/01/37 FHLNC Pool A68737		06/01/2011..	Paydown.....		73,518	73,518	75,235	75,200	.0	(1,682)	.0	(1,682)	.0	73,518	.0	.0	.0	1,583	11/01/2037..	1....
3128LO-V6-6...	6.500% 11/01/37 FHLNC Pool G02647		06/01/2011..	Paydown.....		8,945	8,945	9,129	9,126	.0	(.181)	.0	(.181)	.0	8,945	.0	.0	.0	.243	11/01/2037..	1....
3128M4-HY-2...	5.500% 02/01/37 FHLNC Pool G03508		06/01/2011..	Paydown.....		22,758	22,758	22,509	22,514	.0	.244	.0	.244	.0	22,758	.0	.0	.0	.509	02/01/2037..	1....
3128M5-GR-5...	6.000% 07/01/37 FHLNC Pool G03508		06/01/2011..	Paydown.....		28,824	28,824	29,075	29,071	.0	(.248)	.0	(.248)	.0	28,824	.0	.0	.0	.719	07/01/2037..	1....

STATEMENT AS OF JUNE 30, 2011 OF THE BCS 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					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identi- fication	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Desig- nation or Market Indicator (a)
3128M6-EP-9...	FHLMC Pool G04342 6.000% 04/01/38...		06/01/2011...	Paydown.....		27,828	27,828	27,845	27,844	.0	(16)	.0	(16)	.0	27,828	.0	.0	.0	.697	04/01/2038...	1...
3128M7-YV-2...	FHLMC Pool G05824 5.500% 01/01/40...		06/01/2011...	Paydown.....		17,908	17,908	18,974	18,956	.0	(1,048)	.0	(1,048)	.0	17,908	.0	.0	.0	.403	01/01/2040...	1...
3128MB-VC-8...	FHLMC Pool G13111 6.500% 03/01/23...		06/01/2011...	Paydown.....		13,823	13,823	14,325	14,289	.0	(465)	.0	(465)	.0	13,823	.0	.0	.0	.355	03/01/2023...	1...
3128MJ-DT-4...	FHLMC Pool G08113 6.500% 02/01/36...		06/01/2011...	Paydown.....		7,941	7,941	8,105	8,099	.0	(158)	.0	(158)	.0	7,941	.0	.0	.0	.216	02/01/2036...	1...
3128MJ-PS-3...	FHLMC Pool G08432 4.500% 01/01/41...		06/01/2011...	Paydown.....		2,447	2,447	2,495	.0	.0	(48)	.0	(48)	.0	2,447	.0	.0	.0	.27	01/01/2041...	1...
3128PR-TM-1...	FHLMC Pool 312356 4.000% 06/01/25...		06/01/2011...	Paydown.....		15,394	15,394	15,899	15,887	.0	(493)	.0	(493)	.0	15,394	.0	.0	.0	.264	06/01/2025...	1...
31292H-VU-5...	FHLMC Pool C01527 5.500% 04/01/33...		06/01/2011...	Paydown.....		21,276	21,276	21,837	21,803	.0	(527)	.0	(527)	.0	21,276	.0	.0	.0	.484	04/01/2033...	1...
312940-EU-9...	FHLMC Pool A91947 5.000% 04/01/40...		06/01/2011...	Paydown.....		19,251	19,251	19,927	19,919	.0	(668)	.0	(668)	.0	19,251	.0	.0	.0	.395	04/01/2040...	1...
312941-3E-5...	FHLMC Pool # A93497 4.500% 08/01/40...		06/01/2011...	Paydown.....		2,180	2,180	2,249	.0	.0	(69)	.0	(69)	.0	2,180	.0	.0	.0	.8	08/01/2040...	1...
312942-4G-7...	FHLMC Pool A94423 4.000% 10/01/40...		06/01/2011...	Paydown.....		19,826	19,826	20,549	20,545	.0	(720)	.0	(720)	.0	19,826	.0	.0	.0	.382	10/01/2040...	1...
312942-CQ-6...	FHLMC Pool A93679 4.000% 09/01/40...		06/01/2011...	Paydown.....		34,506	34,506	35,358	35,350	.0	(844)	.0	(844)	.0	34,506	.0	.0	.0	.575	09/01/2040...	1...
312942-Y2-5...	FHLMC Pool A94329 4.000% 10/01/40...		06/01/2011...	Paydown.....		1,240	1,240	1,224	.0	.0	.16	.0	.16	.0	1,240	.0	.0	.0	.12	10/01/2040...	1...
312942-Z9-9...	FHLMC Pool A94368 4.000% 10/01/40...		06/01/2011...	Paydown.....		1,212	1,212	1,195	.0	.0	.15	.0	.15	.0	1,212	.0	.0	.0	.12	10/01/2040...	1...
312943-GL-1...	FHLMC Pool A94703 3.500% 11/01/40...		06/01/2011...	Paydown.....		6,239	6,239	6,292	6,291	.0	(52)	.0	(52)	.0	6,239	.0	.0	.0	.89	11/01/2040...	1...
312943-QZ-9...	FHLMC Pool A94972 4.500% 11/01/40...		06/01/2011...	Paydown.....		2,536	2,536	2,599	.0	.0	(63)	.0	(63)	.0	2,536	.0	.0	.0	.43	11/01/2040...	1...
312943-UP-6...	FHLMC Pool A95090 4.500% 11/01/40...		06/01/2011...	Paydown.....		10,419	10,419	10,680	.0	.0	(261)	.0	(261)	.0	10,419	.0	.0	.0	.149	11/01/2040...	1...
312965-HQ-2...	FHLMC Pool B12939 5.000% 04/01/19...		06/01/2011...	Paydown.....		14,259	14,259	14,691	14,564	.0	(305)	.0	(305)	.0	14,259	.0	.0	.0	.294	04/01/2019...	1...
312965-T4-8...	FHLMC Pool B13271 4.500% 04/01/19...		06/01/2011...	Paydown.....		26,576	26,576	26,348	26,397	.0	.179	.0	.179	.0	26,576	.0	.0	.0	.465	04/01/2019...	1...
31297G-6W-6...	FHLMC Pool A28985 6.000% 12/01/34...		06/01/2011...	Paydown.....		5,909	5,909	6,108	6,100	.0	(191)	.0	(191)	.0	5,909	.0	.0	.0	.121	12/01/2034...	1...
31297V-Y6-9...	FHLMC Pool A39733 5.000% 11/01/35...		06/01/2011...	Paydown.....		33,129	33,129	31,809	31,848	.0	1,281	.0	1,281	.0	33,129	.0	.0	.0	.667	11/01/2035...	1...
31371K-ZZ-3...	FNMA Pool No 254692 5.500% 03/01/33...		06/01/2011...	Paydown.....		34,041	34,041	34,487	34,456	.0	(416)	.0	(416)	.0	34,041	.0	.0	.0	.775	03/01/2033...	1...
31371K-R2-9...	FNMA Pool No 254405 6.000% 08/01/32...		06/01/2011...	Paydown.....		5,601	5,601	5,605	5,604	.0	(3)	.0	(3)	.0	5,601	.0	.0	.0	.136	08/01/2032...	1...
31371K-WJ-6...	FNMA Pool No 254549 6.000% 12/01/32...		06/01/2011...	Paydown.....		6,340	6,340	6,491	6,481	.0	(141)	.0	(141)	.0	6,340	.0	.0	.0	.161	12/01/2032...	1...
31371L-CD-9...	FNMA Pool No 254868 5.000% 09/01/33...		06/01/2011...	Paydown.....		17,870	17,870	18,303	18,292	.0	(422)	.0	(422)	.0	17,870	.0	.0	.0	.365	09/01/2033...	1...
31371L-CE-7...	FNMA Pool No 254869 5.500% 09/01/33...		06/01/2011...	Paydown.....		13,143	13,143	13,176	13,171	.0	(28)	.0	(28)	.0	13,143	.0	.0	.0	.288	09/01/2033...	1...
31371M-UK-1...	FNMA Pool No 256286 6.000% 06/01/36...		06/01/2011...	Paydown.....		11,602	11,602	11,407	11,410	.0	.192	.0	.192	.0	11,602	.0	.0	.0	.288	06/01/2036...	1...
31371N-EW-1...	FNMA Pool 256749 6.000% 06/01/37		06/01/2011...	Paydown.....		30,156	30,156	32,719	.0	.0	(2,563)	.0	(2,563)	.0	30,156	.0	.0	.0	.435	06/01/2037...	1...
31377U-EC-3...	FNMA Pool No 387231 5.010% 01/01/15...		06/01/2011...	Paydown.....		.609	.609	.585	.596	.0	.13	.0	.13	.0	.609	.0	.0	.0	.13	01/01/2015...	1...
31378R-YU-7...	FNMA Pool No 406723 6.500% 03/01/13...		06/01/2011...	Paydown.....		2,137	2,137	2,152	2,134	.0	.3	.0	.3	.0	2,137	.0	.0	.0	.54	03/01/2013...	1...
31379F-ZD-9...	FNMA Pool No 418440 6.500% 05/01/13...		06/01/2011...	Paydown.....		.487	.487	.515	.500	.0	(13)	.0	(13)	.0	.487	.0	.0	.0	.13	05/01/2013...	1...
31381Q-2U-9...	FNMA Pool # 467987 3.740% 04/01/18...		06/01/2011...	Paydown.....		.119	.119	.121	.0	.0	(1)	.0	(1)	.0	.119	.0	.0	.0	.0	04/01/2018...	1...
31383V-JS-3...	FNMA Pool No 514273 7.000% 09/01/29...		06/01/2011...	Paydown.....		.202	.202	.206	.205	.0	(3)	.0	(3)	.0	.202	.0	.0	.0	.6	09/01/2029...	1...
31384P-S6-3...	FNMA Pool No 529841 7.500% 02/01/30...		06/01/2011...	Paydown.....		.106	.106	.108	.107	.0	(2)	.0	(2)	.0	.106	.0	.0	.0	.3	02/01/2030...	1...

STATEMENT AS OF JUNE 30, 2011 OF THE BCS 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					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identi- fication	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Desig- nation or Market Indicator (a)
31385H-5J-7...	FNMA Pool No 545449 6.500% 02/01/17		06/01/2011	Paydown		3,551	3,551	3,723	3,653	.0	(102)	.0	(102)	.0	3,551	.0	.0	.0	.96	02/01/2017	1
31385H-6G-2...	FNMA Pool No 545471 5.884% 02/01/12		06/01/2011	Paydown		43,425	43,425	43,472	43,285	.0	140	.0	140	.0	43,425	.0	.0	.0	1,392	02/01/2012	1
31385H-WW-8...	FNMA Pool No 545261 5.809% 11/01/11		06/01/2011	Paydown		16,275	16,275	16,228	16,214	.0	.61	.0	.61	.0	16,275	.0	.0	.0	.450	11/01/2011	1
31385W-3Z-0...	FNMA Pool No 555316 4.938% 02/01/13		06/01/2011	Paydown		20,879	20,879	21,255	20,924	.0	(46)	.0	(46)	.0	20,879	.0	.0	.0	.542	02/01/2013	1
31385W-WZ-8...	FNMA Pool No 555164 6.500% 11/01/17		06/01/2011	Paydown		1,917	1,917	2,011	1,976	.0	(59)	.0	(59)	.0	1,917	.0	.0	.0	.51	11/01/2017	1
31385X-BC-0...	FNMA Pool No 555435 4.518% 05/01/13		06/01/2011	Paydown		36,550	36,550	36,206	36,375	.0	175	.0	175	.0	36,550	.0	.0	.0	.988	05/01/2013	1
31386Q-F4-8...	FNMA Pool No 569987 7.500% 02/01/31		06/01/2011	Paydown		6,622	6,622	6,766	6,758	.0	(135)	.0	(135)	.0	6,622	.0	.0	.0	.207	02/01/2031	1
31389N-XM-2...	FNMA Pool No 630784 6.000% 03/01/32		06/01/2011	Paydown		6,557	6,557	6,562	6,561	.0	(4)	.0	(4)	.0	6,557	.0	.0	.0	.196	03/01/2032	1
31389R-UG-9...	FNMA Pool No 633383 5.500% 05/01/17		06/01/2011	Paydown		6,373	6,373	6,331	6,336	.0	37	.0	37	.0	6,373	.0	.0	.0	.148	05/01/2017	1
31390D-SV-7...	FNMA Pool No 643232 6.000% 06/01/32		06/01/2011	Paydown		23	23	23	23	.0	.0	.0	.0	.0	23	.0	.0	.0	.1	06/01/2032	1
31390E-JA-1...	FNMA Pool No 643857 6.000% 05/01/32		06/01/2011	Paydown		339	339	339	339	.0	.0	.0	.0	.0	339	.0	.0	.0	.8	05/01/2032	1
31390F-MJ-5...	FNMA Pool No 644861 6.000% 06/01/32		06/01/2011	Paydown		199	199	199	199	.0	.0	.0	.0	.0	199	.0	.0	.0	.5	06/01/2032	1
31390G-B5-5...	FNMA Pool No 645460 6.500% 05/01/32		06/01/2011	Paydown		1,649	1,649	1,738	1,734	.0	(84)	.0	(84)	.0	1,649	.0	.0	.0	.42	05/01/2032	1
31390J-RR-4...	FNMA Pool No 647696 6.500% 05/01/17		06/01/2011	Paydown		5,815	5,815	6,146	5,978	.0	(163)	.0	(163)	.0	5,815	.0	.0	.0	.158	05/01/2017	1
31390K-H9-2...	FNMA Pool No 648356 6.500% 06/01/17		06/01/2011	Paydown		464	464	490	481	.0	(17)	.0	(17)	.0	464	.0	.0	.0	.13	06/01/2017	1
31390M-KB-9...	FNMA Pool No 650190 6.500% 09/01/17		06/01/2011	Paydown		1,127	1,127	1,182	1,171	.0	(44)	.0	(44)	.0	1,127	.0	.0	.0	.31	09/01/2017	1
31392C-T6-1...	Fanniemae Whole Loan 2002-W3 A4 6.500%		06/01/2011	Paydown		9,676	9,676	9,561	9,582	.0	93	.0	93	.0	9,676	.0	.0	.0	.256	11/25/2041	1
31393B-BN-4...	Fannie Mae 2003-36 OG 5.500% 12/25/31		06/01/2011	Paydown		293,603	293,603	299,292	293,680	.0	(77)	.0	(77)	.0	293,603	.0	.0	.0	6,644	06/25/2014	1
31393B-HP-3...	Fannie Mae 2003-33 PT 4.500% 05/25/33		06/01/2011	Paydown		3,404	3,404	3,433	3,427	.0	(23)	.0	(23)	.0	3,404	.0	.0	.0	.60	11/25/2032	1
31393R-PW-4...	Freddie Mac 2630 HA 3.000% 01/15/17		06/01/2011	Paydown		26,568	26,568	25,067	26,153	.0	416	.0	416	.0	26,568	.0	.0	.0	.327	01/15/2017	1
31393R-ZN-3...	Freddie Mac 2627 BG 3.250% 06/15/17		06/01/2011	Paydown		6,218	6,218	5,965	6,118	.0	100	.0	100	.0	6,218	.0	.0	.0	.83	06/15/2017	1
31393X-FS-1...	Fanniemae Grantor Trust 2004-T1 1A1 6		06/01/2011	Paydown		5,379	5,379	5,640	5,594	.0	(215)	.0	(215)	.0	5,379	.0	.0	.0	.133	01/25/2034	1
31394K-MW-1...	Freddie Mac 2686 JH 5.500% 07/15/32		06/01/2011	Paydown		62,658	62,658	62,619	62,543	.0	115	.0	115	.0	62,658	.0	.0	.0	1,409	07/15/2032	1
31394Y-NU-4...	Freddie Mac 2802 NC 5.000% 05/15/28		06/01/2011	Paydown		86,185	86,185	86,373	86,044	.0	141	.0	141	.0	86,185	.0	.0	.0	1,794	10/15/2011	1
31400R-KR-1...	FNMA Pool No 695204 5.500% 03/01/33		06/22/2011	Broadpnt		330,209	304,823	310,848	310,547	.0	149	.0	149	.0	310,696	.0	19,513	19,513	9,593	03/01/2033	1
31400R-KR-1...	FNMA Pool No 695204 5.500% 03/01/33		06/01/2011	Paydown		49,643	49,643	50,624	50,575	.0	(932)	.0	(932)	.0	49,643	.0	.0	.0	1,095	03/01/2033	1
31401J-B4-9...	FNMA Pool No 709359 5.000% 07/01/18		06/01/2011	Paydown		4,189	4,189	4,296	4,259	.0	(69)	.0	(69)	.0	4,189	.0	.0	.0	.87	07/01/2018	1
31402C-4F-6...	FNMA Pool No 725422 5.000% 04/01/34		06/01/2011	Paydown		38,756	38,756	39,677	39,653	.0	(897)	.0	(897)	.0	38,756	.0	.0	.0	.807	04/01/2034	1
31402D-J9-2...	FNMA Pool No 725788 4.562% 01/01/15		06/01/2011	Paydown		2,414	2,414	2,382	2,396	.0	18	.0	18	.0	2,414	.0	.0	.0	.46	01/01/2015	1
31402H-H3-8...	FNMA Pool No 729350 5.000% 07/01/18		06/01/2011	Paydown		4,787	4,787	4,909	4,871	.0	(85)	.0	(85)	.0	4,787	.0	.0	.0	.96	07/01/2018	1
31402K-BX-1...	FNMA Pool No 730954 5.000% 08/01/33		06/01/2011	Paydown		20,978	20,978	19,985	20,017	.0	961	.0	961	.0	20,978	.0	.0	.0	.453	08/01/2033	1
31402R-W2-1...	FNMA Pool No 736065 5.000% 09/01/18		06/01/2011	Paydown		2,582	2,582	2,648	2,625	.0	(44)	.0	(44)	.0	2,582	.0	.0	.0	.55	09/01/2018	1
31403C-6L-0...	FNMA Pool No 745275 5.000% 02/01/36		06/01/2011	Paydown		50,324	50,324	51,835	51,828	.0	(1,504)	.0	(1,504)	.0	50,324	.0	.0	.0	1,037	02/01/2036	1



STATEMENT AS OF JUNE 30, 2011 OF THE BCS 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					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identi- fication	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Desig- nation or Market Indicator (a)
31403J-TN-6...	FNMA Pool No 750357 6.000% 11/01/33		06/01/2011	Paydown		36,888	36,888	38,115	38,005	.0	(1,118)	.0	(1,118)	.0	36,888	.0	.0	.0	.825	11/01/2033	1
31404Q-QW-2...	FNMA Pool No 775469 6.500% 05/01/34		06/01/2011	Paydown		6,736	6,736	7,050	7,038	.0	(302)	.0	(302)	.0	6,736	.0	.0	.0	.147	05/01/2034	1
31404V-2P-2...	FNMA Pool No 780282 6.500% 07/01/34		06/01/2011	Paydown		331	331	347	346	.0	(15)	.0	(15)	.0	331	.0	.0	.0	.9	07/01/2034	1
31404W-MB-9...	FNMA Pool No 780754 5.500% 06/01/34		06/01/2011	Paydown		1,560	1,560	1,541	1,542	.0	.18	.0	.18	.0	1,560	.0	.0	.0	.36	06/01/2034	1
31405S-ET-7...	FNMA Pool No 797646 6.000% 09/01/35		06/01/2011	Paydown		9,396	9,396	9,631	9,622	.0	(226)	.0	(226)	.0	9,396	.0	.0	.0	.194	09/01/2035	1
31405S-KJ-2...	FNMA Pool No 797797 6.000% 04/01/35		06/01/2011	Paydown		12,920	12,920	13,324	13,311	.0	(391)	.0	(391)	.0	12,920	.0	.0	.0	.268	04/01/2035	1
31406Y-Y7-9...	FNMA Pool No 824334 5.500% 07/01/35		06/01/2011	Paydown		50,508	50,508	50,879	50,860	.0	(352)	.0	(352)	.0	50,508	.0	.0	.0	1,149	07/01/2035	1
31407H-KS-4...	FNMA Pool No 831105 5.500% 11/01/35		06/01/2011	Paydown		41,575	41,575	41,833	41,821	.0	(246)	.0	(246)	.0	41,575	.0	.0	.0	.938	11/01/2035	1
31407J-KY-7...	FNMA Pool No 832011 5.000% 08/01/35		06/01/2011	Paydown		7,142	7,142	7,038	7,042	.0	.101	.0	.101	.0	7,142	.0	.0	.0	.149	08/01/2035	1
31407N-BB-8...	FNMA Pool No 835334 5.000% 08/01/35		06/01/2011	Paydown		1,206	1,206	1,189	1,189	.0	.17	.0	.17	.0	1,206	.0	.0	.0	.27	08/01/2035	1
31407N-XP-3...	FNMA Pool No 835986 5.000% 08/01/35		06/01/2011	Paydown		6,206	6,206	6,115	6,117	.0	.88	.0	.88	.0	6,206	.0	.0	.0	.150	08/01/2035	1
31407R-Q4-9...	FNMA Pool No 838475 5.000% 09/01/35		06/01/2011	Paydown		13,326	13,326	12,698	12,714	.0	.612	.0	.612	.0	13,326	.0	.0	.0	.270	09/01/2035	1
31407S-EE-8...	FNMA Pool No 839033 5.000% 11/01/35		06/01/2011	Paydown		31,644	31,644	30,276	30,330	.0	1,314	.0	1,314	.0	31,644	.0	.0	.0	.735	11/01/2035	1
31407W-VP-5...	FNMA Pool No 843122 5.000% 11/01/35		06/01/2011	Paydown		15,081	15,081	14,429	14,450	.0	.631	.0	.631	.0	15,081	.0	.0	.0	.307	11/01/2035	1
31408B-U5-5...	FNMA Pool No 846704 6.000% 01/01/36		06/01/2011	Paydown		13,973	13,973	14,185	14,177	.0	(204)	.0	(204)	.0	13,973	.0	.0	.0	.331	01/01/2036	1
31409K-QP-5...	FNMA Pool No 873562 5.495% 04/01/16		06/01/2011	Paydown		779	779	767	770	.0	.9	.0	.9	.0	779	.0	.0	.0	.18	04/01/2016	1
31410G-AF-0...	FNMA Pool No 888406 5.000% 08/01/36		06/01/2011	Paydown		12,411	12,411	11,798	11,815	.0	.596	.0	.596	.0	12,411	.0	.0	.0	.253	08/01/2036	1
31410G-E4-1...	FNMA Pool No 888555 5.500% 09/01/21		06/01/2011	Paydown		28,312	28,312	28,489	28,462	.0	(150)	.0	(150)	.0	28,312	.0	.0	.0	.642	09/01/2021	1
31410W-M8-8...	FNMA Pool No 899583 6.000% 07/01/37		06/01/2011	Paydown		13,230	13,230	14,081	14,058	.0	(827)	.0	(827)	.0	13,230	.0	.0	.0	.329	07/01/2037	1
31412D-SQ-2...	FNMA Pool No 922227 6.500% 12/01/36		06/01/2011	Paydown		30,245	30,245	31,719	31,696	.0	(1,452)	.0	(1,452)	.0	30,245	.0	.0	.0	.810	12/01/2036	1
31412P-U8-2...	FNMA Pool No 931307 4.500% 06/01/39		06/01/2011	Paydown		29,222	29,222	30,341	30,328	.0	(1,105)	.0	(1,105)	.0	29,222	.0	.0	.0	.576	06/01/2039	1
31412Q-7B-9...	FNMA Pool No 932490 02/01/40 4.500%		06/01/2011	Paydown		11,858	11,858	12,417	12,411	.0	(554)	.0	(554)	.0	11,858	.0	.0	.0	.230	02/01/2040	1
31413J-UL-6...	FNMA Pool No 947087 6.000% 10/01/37		06/01/2011	Paydown		17,011	17,011	17,173	17,167	.0	(156)	.0	(156)	.0	17,011	.0	.0	.0	.417	10/01/2037	1
31413T-JT-0...	FNMA Pool No 954874 6.000% 11/01/37		06/01/2011	Paydown		30,762	30,762	31,647	31,631	.0	(869)	.0	(869)	.0	30,762	.0	.0	.0	.769	11/01/2037	1
31413V-QU-4...	FNMA Pool No 956867 5.000% 03/01/38		06/01/2011	Paydown		5,190	5,190	5,073	5,076	.0	.115	.0	.115	.0	5,190	.0	.0	.0	.105	03/01/2038	1
31414L-4Z-8...	FNMA Pool No 969840 5.000% 03/01/38		06/01/2011	Paydown		8,174	8,174	8,039	8,042	.0	.132	.0	.132	.0	8,174	.0	.0	.0	.149	03/01/2038	1
31414S-Y6-4...	FNMA Pool No 975133 6.000% 05/01/38		06/01/2011	Paydown		2,624	2,624	2,653	2,652	.0	(27)	.0	(27)	.0	2,624	.0	.0	.0	.66	05/01/2038	1
31415B-WJ-4...	FNMA Pool No 982249 5.000% 05/01/38		06/01/2011	Paydown		4,224	4,224	4,047	4,051	.0	.173	.0	.173	.0	4,224	.0	.0	.0	.88	05/01/2038	1
31415R-ZU-1...	FNMA Pool No 987355 6.500% 10/01/38		06/01/2011	Paydown		62,132	62,132	63,425	63,393	.0	(1,261)	.0	(1,261)	.0	62,132	.0	.0	.0	1,673	10/01/2038	1
31415T-HT-0...	FNMA Pool No 988642 5.000% 08/01/38		06/01/2011	Paydown		46,678	46,678	45,548	45,573	.0	1,105	.0	1,105	.0	46,678	.0	.0	.0	1,050	08/01/2038	1
31416L-HY-5...	FNMA Pool No AA2946 4.500% 04/01/24		06/01/2011	Paydown		28,364	28,364	29,326	29,266	.0	(901)	.0	(901)	.0	28,364	.0	.0	.0	.493	04/01/2024	1
31416N-CR-1...	FNMA Pool No AA4579 4.000% 04/01/24		06/01/2011	Paydown		21,314	21,314	21,607	21,583	.0	(269)	.0	(269)	.0	21,314	.0	.0	.0	.335	04/01/2024	1
31416R-RG-0...	FNMA Pool No AA7686 4.500% 06/01/39		06/01/2011	Paydown		17,860	17,860	18,560	18,552	.0	(692)	.0	(692)	.0	17,860	.0	.0	.0	.323	06/01/2039	1

STATEMENT AS OF JUNE 30, 2011 OF THE BCS 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					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)
31417Y-HM-2...	FNMA Pool No MA0235 4.000% 11/01/19...		06/01/2011	Paydown		21,382	21,382	22,040	21,989	.0	(607)	.0	(607)	.0	21,382	.0	.0	.0	360	11/01/2019	1
31418W-KS-0...	FNMA Pool No AD0304 6.000% 05/01/22...		06/01/2011	Paydown		54,119	54,119	58,444	58,254	.0	(4,135)	.0	(4,135)	.0	54,119	.0	.0	.0	1,339	05/01/2022	1
31418N-YK-0...	FNMA Pool No AD1613 4.500% 02/01/25...		06/01/2011	Paydown		19,260	19,260	19,988	19,966	.0	(706)	.0	(706)	.0	19,260	.0	.0	.0	366	02/01/2025	1
31418V-T5-1...	FNMA Pool AD7771 4.000% 07/01/25...		06/01/2011	Paydown		17,997	17,997	18,855	18,839	.0	(842)	.0	(842)	.0	17,997	.0	.0	.0	294	07/01/2025	1
31418W-CM-0...	FNMA Pool AD1875 3.500% 08/01/25...		06/01/2011	Paydown		40,382	40,382	41,814	41,777	.0	(1,395)	.0	(1,395)	.0	40,382	.0	.0	.0	584	08/01/2025	1
31418W-PG-9...	FNMA Pool AD8522 4.000% 08/01/40...		06/01/2011	Paydown		7,288	7,288	7,514	7,511	.0	(223)	.0	(223)	.0	7,288	.0	.0	.0	122	08/01/2040	1
31418W-PP-9...	FNMA Pool AD8529 4.500% 08/01/40...		06/01/2011	Paydown		8,603	8,603	8,990	8,987	.0	(384)	.0	(384)	.0	8,603	.0	.0	.0	160	08/01/2040	1
31419J-TQ-1...	FNMA Pool # AE7758 3.500% 11/01/25...		06/01/2011	Paydown		8,827	8,827	8,991	.0	.0	(164)	.0	(164)	.0	8,827	.0	.0	.0	26	11/01/2025	1
31419L-XR-9...	FNCL Pool AE9687 4.000% 11/01/40...		06/01/2011	Paydown		6,160	6,160	6,249	6,248	.0	(88)	.0	(88)	.0	6,160	.0	.0	.0	112	11/01/2040	1
38374L-SY-3...	Government National Mtge Assoc 2005-74 H...		06/01/2011	Paydown		154	154	165	162	.0	(8)	.0	(8)	.0	154	.0	.0	.0	5	08/16/2028	1
38374L-SZ-0...	Government National Mtge Assoc 2005-74 H...		06/01/2011	Paydown		2,529	2,529	2,695	2,663	.0	(133)	.0	(133)	.0	2,529	.0	.0	.0	79	09/16/2031	1
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						2,519,073	2,493,687	2,533,943	2,464,834	0	(27,313)	0	(27,313)	0	2,499,794	0	19,279	19,279	57,499	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
00077B-7F-4...	ABN Amro Mortgage Corp 2003-1 A3 5.000%		05/01/2011	Paydown		124,386	124,386	121,980	123,434	.0	952	.0	952	.0	124,386	.0	.0	.0	2,565	02/25/2018	1Z*
02149V-AG-4...	Countrywide Alternative Loan T 2007-3T1		05/02/2011	Stone & Youngberg LLC		160,964	226,709	198,208	198,201	.0	(1,724)	.0	(1,724)	.0	196,477	.0	(35,513)	(35,513)	5,796	04/25/2037	2Z*
02149V-AG-4...	Countrywide Alternative Loan T 2007-3T1		05/01/2011	Paydown		4,333	4,333	3,789	3,789	.0	545	.0	545	.0	4,333	.0	.0	.0	95	04/25/2037	2Z*
02151N-BP-6...	Countrywide Alternative Loan T 2007-18CB		06/01/2011	Paydown		.0	59,141	568	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	10	08/25/2037	1Z*
05947U-ES-3...	Banc Of America Commercial Mor 2002-PB2		06/01/2011	Paydown		22,933	22,933	24,993	23,053	.0	(121)	.0	(121)	.0	22,933	.0	.0	.0	562	01/11/2012	1Z*
05947U-HL-5...	Banc Of America Commercial Mor Series 20		04/01/2011	Paydown		51,419	51,419	51,467	.0	.0	(48)	.0	(48)	.0	51,419	.0	.0	.0	613	05/11/2011	1FE
05947U-HM-3...	Banc Of America Commercial Mor 2002-2 A3		06/01/2011	Paydown		60,220	60,220	63,042	61,538	.0	(1,318)	.0	(1,318)	.0	60,220	.0	.0	.0	1,217	05/11/2012	1Z*
05949A-5A-4...	Banc Of America Mortgage Secur 2005-4 1A		06/01/2011	Paydown		30,252	30,252	30,801	30,552	.0	(300)	.0	(300)	.0	30,252	.0	.0	.0	751	04/01/2035	2Z*
05949C-HQ-2...	Banc Of America Mortgage Secur 2005-1 2A		06/01/2011	Paydown		3,681	3,681	3,234	3,234	.0	447	.0	447	.0	3,681	.0	.0	.0	53	10/25/2035	1Z*
05949C-KQ-8...	Banc Of America Mortgage Secur 2005-J 2A		06/01/2011	Paydown		2,032	2,032	1,754	1,754	.0	278	.0	278	.0	2,032	.0	.0	.0	24	11/25/2035	1Z*
07383F-GG-7...	Bear Stearns Commercial Mortga 2001-TOP4		06/01/2011	Paydown		43,434	43,434	43,648	43,358	.0	76	.0	76	.0	43,434	.0	.0	.0	970	08/15/2011	1Z*
07387A-AW-5...	Bear Stearns Adjustable Rate M 2005-3 2A		06/01/2011	Paydown		7,636	7,636	6,549	6,549	.0	1,087	.0	1,087	.0	7,636	.0	.0	.0	94	06/25/2035	1Z*
079860-AJ-1...	Bellsouth Corp 4.750% 11/15/12		04/26/2011	BNY Capital Markets		116,421	110,000	109,732	109,928	.0	12	.0	12	.0	109,940	.0	6,481	6,481	2,380	11/15/2012	1FE
1248MG-AP-9...	Credit-Based Asset Servicing A 2007-CB1		06/01/2011	Paydown		4,809	4,809	3,246	2,270	.976	1,563	.0	2,539	.0	4,809	.0	.0	.0	101	01/25/2037	1Z*
12544L-AA-9...	Countrywide Home Loans 2007-11 A1 6.00		06/01/2011	Paydown		24,611	24,611	21,887	20,891	.996	2,724	.0	3,720	.0	24,611	.0	.0	.0	589	08/25/2037	2Z*
12620T-AC-5...	Cnh Equipment Trust 2009-B A3 2.970% 0		04/15/2011	Paydown		4,127	4,127	4,126	4,127	.0	.0	.0	.0	.0	4,127	.0	.0	.0	41	03/15/2013	1FE
126659-AA-9...	CVS Pass-Through Trust 144A 8.353% 07/		06/10/2011	Redemption	100.0000	2,444	2,444	2,444	2,444	.0	.0	.0	.0	.0	2,444	.0	.0	.0	85	07/10/2031	2FE
12667F-YV-1...	Countrywide Alternative Loan 2004-28CB 6		04/15/2011	CRT GOVT		359,259	366,124	377,222	353,219	22,842	(14)	.0	22,828	.0	376,047	.0	(16,787)	(16,787)	8,482	11/25/2034	3Z*
12667F-YV-1...	Countrywide Alternative Loan 2004-28CB 6		04/01/2011	Paydown		630	630	649	607	39	(17)	.0	22	.0	630	.0	.0	.0	13	11/25/2034	3Z*
126683-AB-7...	Countrywide Asset-Backed Certi 2006-S5 A		06/01/2011	Paydown		38,928	46,128	32,233	35,883	.0	3,045	.0	3,045	.0	38,928	.0	.0	.0	1,054	06/25/2035	1Z*

STATEMENT AS OF JUNE 30, 2011 OF THE BCS 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					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identi- fication	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Design- ation or Market Indicator (a)
12668X-AC-9...	Countrywide Asset-Backed Certi 2006-S8 A		..06/01/2011..	Paydown.....		..20,358	..20,358	..14,876	..14,877	.....0	.....5,481	.....0	.....5,481	.....0	.....20,358	.....0	.....0	.....0	.....464	...04/25/2036..	...1Z*...
12669G-HY-0...	Countrywide Home Loans 2004-29 1A1 0.7		..06/27/2011..	Paydown.....		.....258	.....258	.....258	.....258	.....0	.....0	.....0	.....0	.....0	.....258	.....0	.....0	.....0	.....1	...02/25/2035..	...1Z*...
12669G-K7-5...	Countrywide Home Loans 2005-14 A3 5.50		..04/01/2011..	CRT Capital Group.....		..324,073	..500,499	..324,029	..353,105	..67,909	.....28	..96,906	..(28,969)	.....0	..324,136	.....0	..(63)	..(63)	..9,423	...07/25/2035..	...1Z*...
12669G-K7-5...	Countrywide Home Loans 2005-14 A3 5.50		..04/01/2011..	Paydown.....		.....5,857	.....5,857	..3,792	..4,132	.....795	..2,064	.....1,134	..1,725	.....0	.....5,857	.....0	.....0	.....0	..108	...07/25/2035..	...1Z*...
12669G-NL-1...	Countrywide Home Loans 2005-7 1A1 0.45		..06/27/2011..	Paydown.....		.....377	.....377	.....382	.....382	.....0	.....(4)	.....0	.....(4)	.....0	.....377	.....0	.....0	.....0	.....1	...02/25/2035..	...1Z*...
14912L-4F-5...	Caterpillar Financial Se 6.125% 02/17/...		..05/25/2011..	RBS Green.....		..733,265	..650,000	..649,214	..649,487	.....0	.....61	.....0	.....61	.....0	..649,549	.....0	..83,716	..83,716	..30,965	...02/17/2014..	...1FE...
161582-AG-6...	Chase Manhattan Bk-First Union 1999-1 E		..06/01/2011..	Paydown.....		..311,832	..311,832	..344,184	..312,374	.....0	.....(543)	.....0	.....(543)	.....0	..311,832	.....0	.....0	.....0	..11,038	...06/15/2011..	...1Z*...
17275R-AF-9...	Cisco Systems Inc 5.500% 01/15/40		..05/04/2011..	Citigroup Global Mkts Inc.....		..234,671	..230,000	..224,110	..224,177	.....0	.....29	.....0	.....29	.....0	..224,206	.....0	.....10,465	..10,465	..10,331	...01/15/2040..	...1FE...
172973-TL-3...	Citicorp Mortgage Securities 2003-10 A1		..06/01/2011..	Paydown.....		..16,114	..16,114	..15,976	..16,008	.....0	.....106	.....0	.....106	.....0	..16,114	.....0	.....0	.....0	..303	...11/25/2018..	...1Z*...
17307G-6K-9...	Citigroup Mortgage Loan Trust 2006-AR2 1		..06/01/2011..	Paydown.....		.....5,102	.....5,102	..4,130	..4,130	.....0	.....972	.....0	.....972	.....0	.....5,102	.....0	.....0	.....0	..69	...03/25/2036..	...1Z*...
17310B-AY-0...	Citicorp Mortgage Securities 2006-3 3A1		..06/01/2011..	Paydown.....		.....1,834	.....1,834	..1,753	..1,779	.....0	.....55	.....0	.....55	.....0	.....1,834	.....0	.....0	.....0	..41	...06/25/2036..	...1Z*...
22540V-GE-6...	CS First Boston Mortgage Secur 2001-CKN5		..06/01/2011..	Paydown.....		..105,489	..105,489	..98,204	..103,637	.....0	..1,852	.....0	..1,852	.....0	..105,489	.....0	.....0	.....0	..2,335	...09/15/2034..	...1Z*...
225458-EZ-7...	CS First Boston Mortgage Secur 2005-2 1A		..06/01/2011..	Paydown.....		.....8,996	.....8,996	..8,782	..8,784	.....0	.....212	.....0	.....212	.....0	.....8,996	.....0	.....0	.....0	..182	...03/25/2035..	...2Z*...
32051G-DA-0...	First Horizon Alternative Mort 2004-FA2		..06/01/2011..	Paydown.....		.....8,523	.....8,523	..7,053	..7,075	.....0	..1,447	.....0	..1,447	.....0	.....8,523	.....0	.....0	.....0	..202	...01/25/2035..	...1Z*...
32051G-RD-9...	First Horizon Alternative Mort 2005-4 1A		..06/01/2011..	Paydown.....		..19,289	..19,289	..19,048	..19,051	.....0	.....238	.....0	.....238	.....0	..19,289	.....0	.....0	.....0	..452	...08/25/2035..	...1Z*...
337367-AE-6...	First Union-Lehman Brothers 1998-C2 D		..06/01/2011..	Paydown.....		.....8,534	.....8,534	..9,428	..8,715	.....0	.....(180)	.....0	.....(180)	.....0	.....8,534	.....0	.....0	.....0	..290	...03/18/2013..	...1Z*...
33736X-FT-1...	First Union National Bank Comm Series 20		..06/01/2011..	Paydown.....		..23,116	..23,116	..24,467	..23,801	.....0	.....(685)	.....0	.....(685)	.....0	..23,116	.....0	.....0	.....0	..684	...01/12/2012..	...1Z*...
36161R-AD-1...	General Electric Capital Assur 2003-1 A4		..06/01/2011..	Paydown.....		.....45,847	.....45,847	..46,795	..46,367	.....0	.....(520)	.....0	.....(520)	.....0	.....45,847	.....0	.....0	.....0	..939	...06/12/2016..	...1Z*...
36170U-AB-7...	G-Force LLC 2005-RRA A2 4.830% 08/22/3		..06/01/2011..	Paydown.....		..11,423	..11,423	..10,624	..11,110	.....0	.....313	.....0	.....313	.....0	..11,423	.....0	.....0	.....0	..225	...08/22/2036..	...4FE...
361856-DD-6...	GMAC Mortgage Corporation Loan 2004-HE2		..06/01/2011..	Paydown.....		..65,425	..65,425	..62,951	..61,946	..1,377	.....2,102	.....0	..3,479	.....0	..65,425	.....0	.....0	.....0	..1,310	...10/25/2033..	...5Z*...
362341-4F-3...	GSR Mortgage Loan Trust 2006-AR1 3A1 5		..06/01/2011..	Paydown.....		.....6,199	.....6,199	..5,720	..5,720	.....0	.....479	.....0	.....479	.....0	.....6,199	.....0	.....0	.....0	..128	...01/25/2036..	...1Z*...
36242D-H5-5...	GSR Mortgage Loan Trust 2005-AR2 1A2 2		..06/01/2011..	Paydown.....		.....793	.....793	.....796	.....795	.....0	.....(2)	.....0	.....(2)	.....0	.....793	.....0	.....0	.....0	..10	...02/25/2035..	...1Z*...
406216-AX-9...	Halliburton Company 6.150% 09/15/19		..05/20/2011..	Citigroup Global Mkts Inc.....		..625,372	..535,000	..603,571	..599,678	.....0	.....(2,460)	.....0	.....(2,460)	.....0	..597,218	.....0	.....28,154	..28,154	..22,849	...09/15/2019..	...1FE...
45254N-ML-8...	Impac CMB Trust 2005-1 1A1 0.706% 04/2		..06/27/2011..	Paydown.....		.....294	.....294	.....294	.....294	.....0	.....0	.....0	.....0	.....0	.....294	.....0	.....0	.....0	.....1	...04/25/2035..	...1Z*...
52108H-JJ-4...	LB-UBS Commercial Mortgage Tru 2002-C1 A		..06/11/2011..	Paydown.....		..128,924	..128,924	..131,382	..129,041	.....0	.....(117)	.....0	.....(117)	.....0	..128,924	.....0	.....0	.....0	..3,312	...02/15/2012..	...1Z*...
55265K-XT-1...	Mastr Asset Securitization Tru 2003-5 4A		..06/01/2011..	Paydown.....		.....14,757	.....14,757	..14,167	..14,175	.....0	.....582	.....0	.....582	.....0	.....14,757	.....0	.....0	.....0	..352	...06/25/2033..	...1Z*...
59020U-NZ-4...	MLCC Mortgage Investors Inc. 2004-G A1		..06/27/2011..	Paydown.....		.....519	.....519	.....519	.....519	.....0	.....0	.....0	.....0	.....0	.....519	.....0	.....0	.....0	.....1	...01/25/2030..	...1Z*...
59020U-QD-0...	MLCC Mortgage Investors Inc. 2005-A1 2A1		..06/01/2011..	Paydown.....		.....5,040	.....5,040	..4,961	..4,971	.....0	.....69	.....0	.....69	.....0	.....5,040	.....0	.....0	.....0	..58	...12/25/2034..	...1Z*...
590219-AE-1...	MLCC Mortgage Investors Inc. 2006-2 2A		..06/01/2011..	Paydown.....		.....9,274	.....9,274	..8,871	..8,879	.....0	.....395	.....0	.....395	.....0	.....9,274	.....0	.....0	.....0	..131	...05/25/2036..	...1Z*...
59217E-BW-3...	Met Life Glob Funding I 144A 5.125% 06		..06/07/2011..	HSBC Securities.....		..169,424	..155,000	..154,219	..154,441	.....0	.....66	.....0	.....66	.....0	..154,507	.....0	..14,917	..14,917	..3,972	...06/10/2014..	...1FE...
59217G-AD-1...	Met Life Glob Funding I Series 144A 3		..06/07/2011..	UBS Warburg LLC.....		..469,172	..460,000	..459,954	.....0	.....0	.....7	.....0	.....7	.....0	..459,961	.....0	..9,211	..9,211	..5,950	...01/11/2016..	...1FE...
61746W-LT-5...	Morgan Stanley Dean Witter Cap 2001-TOP5		..06/01/2011..	Paydown.....		.....45,558	.....45,558	..50,057	..45,881	.....0	.....(323)	.....0	.....(323)	.....0	.....45,558	.....0	.....0	.....0	..1,436	...11/15/2011..	...1Z*...
61746W-MV-9...	Morgan Stanley Dean Witter Cap 2002-HQ A		..06/01/2011..	Paydown.....		.....11,464	.....11,464	..12,748	..11,554	.....0	.....(91)	.....0	.....(91)	.....0	.....11,464	.....0	.....0	.....0	..351	...02/15/2012..	...1Z*...

STATEMENT AS OF JUNE 30, 2011 OF THE BCS 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					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
61746W-PF-1	Morgan Stanley Dean Witter Cap 2002-TOP7 Mortgageit Trust 2005-1		06/01/2011	Paydown		3,865	3,865	3,888	3,859	.0	.6	.0	.6	.0	3,865	.0	.0	.0	.94	05/15/2012	12*
61913P-AP-7	1A1 0.506% 02/ Mortgageit Trust 2005-1		06/27/2011	Paydown		.578	.578	.578	.578	.0	.0	.0	.0	.0	.578	.0	.0	.0	.1	02/25/2035	12*
61913P-AR-3	2A 1.441% 02/2 Mortgageit Trust 2005-1		06/01/2011	Paydown		4,438	4,438	4,365	4,374	.0	.64	.0	.64	.0	4,438	.0	.0	.0	.29	02/25/2035	12*
62888V-AB-4	NCUA Guaranteed Notes Series 2010-R1 Cla		06/04/2011	Paydown		71,802	71,802	72,075	72,070	.0	(.268)	.0	(.268)	.0	71,802	.0	.0	.0	.544	10/04/2020	1FE
62888V-AC-0	NCUA Guaranteed Notes Series 2010-R3 Cla		06/06/2011	Paydown		5,579	5,579	5,565	5,565	.0	.14	.0	.14	.0	5,579	.0	.0	.0	.54	12/08/2020	1FE
638612-AE-1	Nationwide Financial Ser 6.250% 11/15/		05/25/2011	Company		204,906	200,000	199,061	199,893	.0	.49	.0	.49	.0	199,942	.0	4,964	4,964	.6,667	11/15/2011	2FE
655356-JG-9	Nomura Asset Securities Corp 1998-D6 A1C		06/11/2011	Paydown		5,021	5,021	5,303	5,211	.0	(.190)	.0	(.190)	.0	5,021	.0	.0	.0	.140	11/15/2012	12*
674135-BD-9	Oakwood Mortgage Investors Inc 1996-B A6		06/01/2011	Paydown		17,945	17,945	18,977	18,805	.0	(.861)	.0	(.861)	.0	17,945	.0	.0	.0	.583	10/01/2026	1FE
74958T-AB-9	Residential Funding Mtg Sec I 2007-SA3 2		06/01/2011	Paydown		5,954	7,596	6,403	6,400	.0	(.446)	.0	(.446)	.0	5,954	.0	.0	.0	.196	07/27/2037	22*
74958W-AB-2	Residential Funding Mtg Sec I 2007-SA1 2		06/01/2011	Paydown		12,650	15,878	13,039	13,034	.0	(.385)	.0	(.385)	.0	12,650	.0	.0	.0	.355	02/25/2037	12*
760985-ZH-7	Residential Asset Mortgage Pro 2003-RS8		06/01/2011	Paydown		9,737	9,737	9,738	9,708	.0	.29	.0	.29	.0	9,737	.0	.0	.0	.277	10/25/2020	12*
76110V-MH-8	Residential Asset Mortgage S 2003-H11		06/01/2011	Paydown		6,535	6,535	6,598	6,552	.0	(.17)	.0	(.17)	.0	6,535	.0	.0	.0	.153	05/25/2017	12*
76110W-QR-0	Securities C 2003-KS2		06/01/2011	Paydown		13,638	13,638	13,085	13,210	.0	.427	.0	.427	.0	13,638	.0	.0	.0	.232	04/25/2033	12*
78473W-AC-7	Suntrust Adjustable Rate Mortg 2007-4 2A		06/01/2011	Paydown		6,388	6,388	5,681	5,681	.0	.708	.0	.708	.0	6,388	.0	.0	.0	.152	10/25/2037	12*
81744F-FJ-1	Sequoia Mortgage Trust 2004-11 A1 0.48		06/20/2011	Paydown		.581	.581	.581	.581	.0	.0	.0	.0	.0	.581	.0	.0	.0	.1	12/20/2034	12*
81744F-FY-8	Sequoia Mortgage Trust 2004-12 A1 0.45		06/20/2011	Paydown		.287	.287	.287	.287	.0	.0	.0	.0	.0	.287	.0	.0	.0	.1	01/20/2035	22*
81744F-GM-3	Sequoia Mortgage Trust 2005-1 A1 0.416		06/20/2011	Paydown		.443	.443	.443	.443	.0	.0	.0	.0	.0	.443	.0	.0	.0	.1	02/20/2035	12*
86359A-MH-3	Structured Asset Securities Co 2003-AL1		06/01/2011	Paydown		10,021	10,021	8,743	8,950	.0	1,071	.0	1,071	.0	10,021	.0	.0	.0	.140	04/25/2031	12*
86359A-WU-3	Structured Asset Securities Co 2003-AL2		06/01/2011	Paydown		11,417	11,417	9,811	10,057	.0	1,360	.0	1,360	.0	11,417	.0	.0	.0	.154	01/25/2031	1FE
86359B-A4-3	Structured Asset Securities Co 2004-15 4		06/01/2011	Paydown		23,914	23,914	24,580	24,301	.0	(.386)	.0	(.386)	.0	23,914	.0	.0	.0	.468	08/25/2019	12*
89655V-AA-0	Trinity Rail Leasing LP 2003-1A A 5.64		06/12/2011	Paydown		3,059	3,059	3,059	3,019	.0	.40	.0	.40	.0	3,059	.0	.0	.0	.101	10/12/2026	1FE
921796-LJ-5	Vanderbilt Mortgage Finance 2001-B B2		06/01/2011	Paydown		14,171	14,171	15,225	11,391	3,684	(.905)	.0	2,779	.0	14,171	.0	.0	.0	.478	09/01/2031	6*
921796-MP-0	Vanderbilt Mortgage Finance 2002-C A4		06/01/2011	Paydown		21,924	21,924	22,274	22,176	.0	(.252)	.0	(.252)	.0	21,924	.0	.0	.0	.590	08/01/2024	1FE
949767-AA-5	Wells Fargo Mortgage Backed Se 2003-13 A		06/01/2011	Paydown		22,704	22,704	21,842	21,948	.0	.755	.0	.755	.0	22,704	.0	.0	.0	.419	11/25/2018	12*
94981Y-AB-7	Wells Fargo Mortgage Backed Se 2004-BB A		06/01/2011	Paydown		3,640	3,640	3,652	3,465	.185	(.10)	.0	.175	.0	3,640	.0	.0	.0	.44	12/25/2034	12*
949834-AA-3	Wells Fargo Mortgage Backed Se 2007-14 1		06/01/2011	Paydown		27,638	27,638	27,509	25,152	2,361	.125	.0	2,486	.0	27,638	.0	.0	.0	.686	10/25/2037	32*
94983B-AH-2	Wells Fargo Mortgage Backed Se 2006-4 1A		06/01/2011	Paydown		25,000	25,000	25,094	24,991	.0	.9	.0	.9	.0	25,000	.0	.0	.0	.599	03/25/2014	12*
94983R-AD-6	Wells Fargo Mortgage Backed Se 2006-AR5		06/01/2011	Paydown		5,532	5,532	4,670	4,670	.0	.862	.0	.862	.0	5,532	.0	.0	.0	.89	04/25/2036	12*
94984G-AD-9	Wells Fargo Mortgage Backed Se 2006-AR12		06/01/2011	Paydown		12,852	12,852	11,548	11,549	.0	1,303	.0	1,303	.0	12,852	.0	.0	.0	.307	09/25/2036	12*
15135U-AF-6	Cenovus Energy Inc 6.750% 11/15/39	A	06/14/2011	JP Morgan		555,383	485,000	527,831	527,605	.0	(.256)	.0	(.256)	.0	527,349	.0	28,035	28,035	.19,279	11/15/2039	2FE
292505-AF-1	Encana Corp 5.900% 12/01/17	A	04/19/2011	Mesirow		565,465	500,000	519,850	515,145	.0	(.579)	.0	(.579)	.0	514,565	.0	50,900	50,900	.11,800	12/01/2017	2FE
046353-AC-2	Astrazeneca Plc 5.400% 09/15/12	F	06/14/2011	Citigroup Global Mkts Inc		158,993	150,000	149,714	149,894	.0	.28	.0	.28	.0	149,922	.0	9,071	9,071	.6,098	09/15/2012	1FE
91020Q-AA-5	United Energy Distribut 144A 4.700% 04	F	04/15/2011	Maturity		50,000	50,000	49,950	49,998	.0	.2	.0	.2	.0	50,000	.0	.0	.0	.1,175	04/15/2011	2FE
3899999	Bonds - Industrial and Miscellaneous (Unaffiliated)					6,381,752	6,343,927	6,209,906	5,652,536	101,164	21,117	98,040	24,241	0	6,188,203	0	193,551	193,551	185,316	XXX	XXX

## SCHEDULE D - PART 4

[illegible]

## E05.7

Schedule DB - Part A - Section 1  
NONE

Schedule DB - Part B - Section 1  
NONE

Schedule DB - Part D  
NONE

Schedule DL - Part 1  
NONE

Schedule DL - Part 2  
NONE

## STATEMENT AS OF JUNE 30, 2011 OF THE BCS Insurance Company

## SCHEDULE E - PART 1 - CASH

[illegible]

Schedule E - Part 2

NONE

Supp "A" to T - Physicians

NONE

Supp "A" to T - Hospitals

NONE





SUPPLEMENT FOR THE QUARTER ENDING JUNE 30, 2011 OF THE BCS Insurance Company

Designate the type of health care providers reported on this page.  
Other Health Care Professionals

SUPPLEMENT “A” TO SCHEDULE T  
EXHIBIT OF MEDICAL PROFESSIONAL LIABILITY PREMIUMS WRITTEN  
ALLOCATED BY STATES AND TERRITORIES

States, Etc.		1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported
				3 Amount	4 Number of Claims		6 Amount Reported	7 Number of Claims	
1. Alabama	AL								
2. Alaska	AK								
3. Arizona	AZ								
4. Arkansas	AR								
5. California	CA								
6. Colorado	CO								
7. Connecticut	CT								
8. Delaware	DE								
9. District of Columbia	DC								
10. Florida	FL								
11. Georgia	GA								
12. Hawaii	HI								
13. Idaho	ID								
14. Illinois	IL								
15. Indiana	IN								
16. Iowa	IA								
17. Kansas	KS								
18. Kentucky	KY								
19. Louisiana	LA								
20. Maine	ME								
21. Maryland	MD	0	0	0	0	(89,134)	0	0	87,786
22. Massachusetts	MA								
23. Michigan	MI								
24. Minnesota	MN								
25. Mississippi	MS								
26. Missouri	MO								
27. Montana	MT								
28. Nebraska	NE								
29. Nevada	NV								
30. New Hampshire	NH								
31. New Jersey	NJ								
32. New Mexico	NM								
33. New York	NY								
34. North Carolina	NC								
35. North Dakota	ND								
36. Ohio	OH								
37. Oklahoma	OK								
38. Oregon	OR								
39. Pennsylvania	PA	149,360	164,551	0	0	36,817	0	0	467,554
40. Rhode Island	RI								
41. South Carolina	SC								
42. South Dakota	SD								
43. Tennessee	TN								
44. Texas	TX								
45. Utah	UT								
46. Vermont	VT								
47. Virginia	VA								
48. Washington	WA								
49. West Virginia	WV								
50. Wisconsin	WI								
51. Wyoming	WY								
52. American Samoa	AS								
53. Guam	GU								
54. Puerto Rico	PR								
55. U.S. Virgin Islands	VI								
56. Northern Mariana Islands	MP								
57. Canada	CN								
58. Aggregate other alien	OT	0	0	0	0	0	0	0	0
59. Totals		149,360	164,551	0	0	(52,317)	0	0	555,340
DETAILS OF WRITE-INS									
5801.									
5802.									
5803.									
5898.	Sum. of remaining write-ins for Line 58 from overflow page	0	0	0	0	0	0	0	0
5899.	Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	0	0	0	0	0	0	0	0



SUPPLEMENT FOR THE QUARTER ENDING JUNE 30, 2011 OF THE BCS Insurance Company

Designate the type of health care providers reported on this page.  
Other Health Care Facilities

SUPPLEMENT “A” TO SCHEDULE T  
EXHIBIT OF MEDICAL PROFESSIONAL LIABILITY PREMIUMS WRITTEN  
ALLOCATED BY STATES AND TERRITORIES

States, Etc.		1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported
				3 Amount	4 Number of Claims		6 Amount Reported	7 Number of Claims	
1. Alabama	AL								
2. Alaska	AK								
3. Arizona	AZ								
4. Arkansas	AR								
5. California	CA								
6. Colorado	CO								
7. Connecticut	CT								
8. Delaware	DE								
9. District of Columbia	DC								
10. Florida	FL								
11. Georgia	GA								
12. Hawaii	HI								
13. Idaho	ID								
14. Illinois	IL								
15. Indiana	IN								
16. Iowa	IA								
17. Kansas	KS								
18. Kentucky	KY								
19. Louisiana	LA								
20. Maine	ME								
21. Maryland	MD								
22. Massachusetts	MA								
23. Michigan	MI								
24. Minnesota	MN								
25. Mississippi	MS								
26. Missouri	MO								
27. Montana	MT								
28. Nebraska	NE								
29. Nevada	NV								
30. New Hampshire	NH								
31. New Jersey	NJ								
32. New Mexico	NM								
33. New York	NY								
34. North Carolina	NC								
35. North Dakota	ND								
36. Ohio	OH								
37. Oklahoma	OK								
38. Oregon	OR								
39. Pennsylvania	PA								
40. Rhode Island	RI								
41. South Carolina	SC								
42. South Dakota	SD								
43. Tennessee	TN								
44. Texas	TX								
45. Utah	UT								
46. Vermont	VT								
47. Virginia	VA								
48. Washington	WA								
49. West Virginia	WV								
50. Wisconsin	WI								
51. Wyoming	WY								
52. American Samoa	AS								
53. Guam	GU								
54. Puerto Rico	PR								
55. U.S. Virgin Islands	VI								
56. Northern Mariana Islands	MP								
57. Canada	CN								
58. Aggregate other alien	OT	0	0	0	0	0	0	0	0
59. Totals		0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS									
5801.									
5802.									
5803.									
5898.	Sum. of remaining write-ins for Line 58 from overflow page	0	0	0	0	0	0	0	0
5899.	Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	0	0	0	0	0	0	0	0



SUPPLEMENT FOR THE QUARTER ENDING JUNE 30, 2011 OF THE BCS Insurance Company

DIRECTOR AND OFFICER SUPPLEMENT

NAIC Group Code00023

Year To Date For The Period Ended 2011

NAIC Company Code38245

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

1. Monoline Policies

1 Direct Written Premium	2 Direct Earned Premium	3 Direct Losses Incurred
\$12,006,914	\$6,573,275	\$2,005,173

2. Commercial Multiple Peril (CMP) Packaged Policies

- 2.1 Does the reporting entity provide D&O liability coverage as part of a CMP packaged policy?Yes [ ] No [X]
- 2.2 Can the direct premium earned for D&O liability coverage provided as part of a CMP packaged policy be quantified or estimated?Yes [ ] No [ ]
- 2.3 If the answer to question 2.2 is yes, provide the quantified or estimated direct premium earned amount for D&O liability coverage in CMP packaged policies

2.31 Amount quantified:\$ .....0

2.32 Amount estimated using reasonable assumptions:\$ .....0

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