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QUARTERLY STATEMENT

As of September 30, 2011

of the Condition and Affairs of the

JAMES RIVER INSURANCE COMPANY

NAIC Group Code.....3494, 3494 (Current Period) (Prior Period) | NAIC Company Code..... 12203 | Employer's ID Number..... 22-2824607

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

Incorporated/Organized..... June 30, 1987 | Commenced Business..... September 11, 1987

Statutory Home Office	52 EAST GAY STREET….. COLUMBUS ..... OH ..... 43215 *(Street and Number) (City or Town, State and Zip Code)*	
Main Administrative Office	6641 WEST BROAD STREET, SUITE 300….. RICHMOND ..... VA ..... 23230 *(Street and Number) (City or Town, State and Zip Code)*	(804) 289-2700 *(Area Code) (Telephone Number)*
Mail Address	P.O. BOX 27648….. RICHMOND ..... VA ..... 23261 *(Street and Number or P. O. Box) (City or Town, State and Zip Code)*	
Primary Location of Books and Records	6641 WEST BROAD STREET, SUITE 300….. RICHMOND ..... VA ..... 23230 *(Street and Number) (City or Town, State and Zip Code)*	(804) 289-2700 *(Area Code) (Telephone Number)*
Internet Web Site Address	N/A	
Statutory Statement Contact	BRUCE EDWARD SHORT *(Name)*	(804) 289-2150 *(Area Code) (Telephone Number) (Extension)*
	Bruce.Short@jamesriverins.com *(E-Mail Address)*	(804) 287-2804 *(Fax Number)*

OFFICERS

Name	Title	Name	Title
1. RICHARD JOHN SCHMITZER	President	2. AMANDA ELIZABETH VIOL	Treasurer & Controller
3. PAMELA LLULL KNOWLES	Secretary	4.	

OTHER

GREGG THOMAS DAVIS	Chairman of the Board	BRUCE EDWARD SHORT	Vice President, Chief Financial Officer

DIRECTORS OR TRUSTEES

BRUCE EDWARD SHORT | RICHARD JOHN SCHMITZER | JOHN GORDON CLARKE | GREGG THOMAS DAVIS
RICHARD HAMILTON SEWARD

State of........
County of.....

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

(Signature)	(Signature)	(Signature)
RICHARD JOHN SCHMITZER	AMANDA ELIZABETH VIOL	PAMELA LLULL KNOWLES
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President	Treasurer & Controller	Secretary
(Title)	(Title)	(Title)

Subscribed and sworn to before me
This ________ day of ____________________

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

ASSETS

	Current Statement Date 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 December 31 Prior Year Net Admitted Assets
1. Bonds	291,201,099	0	291,201,099	328,726,509
2. Stocks:				
2.1 Preferred stocks	21,258,160	0	21,258,160	6,815,440
2.2 Common stocks	44,613,236	0	44,613,236	14,932,650
3. Mortgage loans on real estate:				
3.1 First liens	0	0	0	0
3.2 Other than first liens	0	0	0	0
4. Real estate:				
4.1 Properties occupied by the company (less $.........0 encumbrances)	0	0	0	0
4.2 Properties held for the production of income (less $.........0 encumbrances)	0	0	0	0
4.3 Properties held for sale (less $.........0 encumbrances)	0	0	0	0
5. Cash ($.....(815,721)), cash equivalents ($.....13,027,000) and short-term investments ($.....15,550,142)	27,761,421	0	27,761,421	42,406,028
6. Contract loans (including $.........0 premium notes)	0	0	0	0
7. Derivatives	0	0	0	0
8. Other invested assets	0	0	0	0
9. Receivables for securities	0	0	0	0
10. Securities lending reinvested collateral assets	0	0	0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	384,833,916	0	384,833,916	392,880,627
13. Title plants less $.........0 charged off (for Title insurers only)	0	0	0	0
14. Investment income due and accrued	3,345,385	0	3,345,385	3,240,554
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	54,920,044	1,564,436	53,355,608	38,991,998
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $.........0 earned but unbilled premiums)	0	0	0	0
15.3 Accrued retrospective premiums	0	0	0	0
16. Reinsurance:				
161. Amounts recoverable from reinsurers	11,637,855	0	11,637,855	11,980,126
16.2 Funds held by or deposited with reinsured companies	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0	0
17. Amounts receivable relating to uninsured plans	0	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	213,395	0	213,395	0
18.2 Net deferred tax asset	12,215,736	5,396,727	6,819,009	6,904,439
19. Guaranty funds receivable or on deposit	0	0	0	0
20. Electronic data processing equipment and software	0	0	0	0
21. Furniture and equipment, including health care delivery assets ($.........0)	0	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates	0	0	0	0
24. Health care ($.........0) and other amounts receivable	0	0	0	0
25. Aggregate write-ins for other than invested assets	0	0	0	1,597,245
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25)	467,166,331	6,961,163	460,205,168	455,594,989
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0	0
28. Total (Lines 26 and 27)	467,166,331	6,961,163	460,205,168	455,594,989

DETAILS OF WRITE-INS

1101.	0	0	0	0
1102.	0	0	0	0
1103.	0	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Insurance receivable	0	0	0	1,597,245
2502.	0	0	0	0
2503.	0	0	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	0	0	0	1,597,245

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Statement Date	2 December 31 Prior Year
1.	Losses (current accident year $.....15,270,387)	103,814,511	113,832,759
2.	Reinsurance payable on paid losses and loss adjustment expenses	12,055,324	19,893,325
3.	Loss adjustment expenses	55,432,520	59,506,948
4.	Commissions payable, contingent commissions and other similar charges	525,716	532,095
5.	Other expenses (excluding taxes, licenses and fees)	0	0
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)	0	0
7.1	Current federal and foreign income taxes (including $.....2,217,196 on realized capital gains (losses))	0	1,499,701
7.2	Net deferred tax liability	0	0
8.	Borrowed money $..........0 and interest thereon $..........0	0	0
9.	Unearned premiums (after deducting unearned premiums for ceded reinsurance of $.....54,050,456 and including warranty reserves of $..........0)	17,188,265	13,990,777
10.	Advance premium	0	0
11.	Dividends declared and unpaid:		
	11.1 Stockholders	0	0
	11.2 Policyholders	0	0
12.	Ceded reinsurance premiums payable (net of ceding commissions)	24,505,955	21,400,348
13.	Funds held by company under reinsurance treaties	0	0
14.	Amounts withheld or retained by company for account of others	0	0
15.	Remittances and items not allocated	0	0
16.	Provision for reinsurance	433,428	433,428
17.	Net adjustments in assets and liabilities due to foreign exchange rates	0	0
18.	Drafts outstanding	0	0
19.	Payable to parent, subsidiaries and affiliates	2,125,803	2,663,356
20.	Derivatives	0	0
21.	Payable for securities	4,293,894	38,560
22.	Payable for securities lending	0	0
23.	Liability for amounts held under uninsured plans	0	0
24.	Capital notes $.........0 and interest thereon $..........0	0	0
25.	Aggregate write-ins for liabilities	2,590,787	2,043,449
26.	Total liabilities excluding protected cell liabilities (Lines 1 through 25)	222,966,203	235,834,746
27.	Protected cell liabilities	0	0
28.	Total liabilities (Lines 26 and 27)	222,966,203	235,834,746
29.	Aggregate write-ins for special surplus funds	2,540,271	2,788,698
30.	Common capital stock	3,547,500	3,547,500
31.	Preferred capital stock	0	0
32.	Aggregate write-ins for other than special surplus funds	0	0
33.	Surplus notes	0	0
34.	Gross paid in and contributed surplus	134,601,871	134,601,871
35.	Unassigned funds (surplus)	96,549,323	78,822,174
36.	Less treasury stock, at cost:		
	36.1 ....0.000 shares common (value included in Line 30 $..........0)	0	0
	36.2 ....0.000 shares preferred (value included in Line 31 $..........0)	0	0
37.	Surplus as regards policyholders (Lines 29 to 35, less 36)	237,238,965	219,760,243
38.	Totals	460,205,168	455,594,989

DETAILS OF WRITE-INS

2501.	Other liabilities	188,563	184,348
2502.	Deferred ceding commission	2,346,937	1,783,006
2503.	Excise tax payable	55,287	76,095
2598.	Summary of remaining write-ins for Line 25 from overflow page	0	0
2599.	Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	2,590,787	2,043,449
2901.	Additional admitted deferred tax assets	2,540,271	2,788,698
2902.		0	0
2903.		0	0
2998.	Summary of remaining write-ins for Line 29 from overflow page	0	0
2999.	Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above)	2,540,271	2,788,698
3201.		0	0
3202.		0	0
3203.		0	0
3298.	Summary of remaining write-ins for Line 32 from overflow page	0	0
3299.	Totals (Lines 3201 thru 3203 plus 3298) (Line 32 above)	0	0

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written $.....94,905,068)	90,117,027	93,360,354	122,912,690
1.2 Assumed (written $.....49,238,190)	38,228,154	21,974,830	29,842,951
1.3 Ceded (written $.....110,362,426)	97,761,840	88,816,934	117,252,626
1.4 Net (written $.....33,780,832)	30,583,341	26,518,250	35,503,015
DEDUCTIONS:			
2. Losses incurred (current accident year $.....17,084,972):			
2.1 Direct	21,839,030	30,263,746	33,559,717
2.2 Assumed	28,749,340	15,792,402	19,319,380
2.3 Ceded	43,985,058	42,198,052	51,343,095
2.4 Net	6,603,312	3,858,096	1,536,002
3. Loss adjustment expenses incurred	6,969,178	15,252,703	16,792,480
4. Other underwriting expenses incurred	8,286,118	9,993,338	14,273,399
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	21,858,608	29,104,137	32,601,881
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	8,724,733	(2,585,887)	2,901,134
INVESTMENT INCOME			
9. Net investment income earned	14,403,240	20,422,273	24,759,493
10. Net realized capital gains (losses) less capital gains tax of $.....2,217,196	4,117,650	8,061,497	9,638,654
11. Net investment gain (loss) (Lines 9 + 10)	18,520,890	28,483,770	34,398,147
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered $..........0 amount charged off $.....364,796)	(364,796)	0	0
13. Finance and service charges not included in premiums	0	0	0
14. Aggregate write-ins for miscellaneous income	7,477	20,415	(136,155)
15. Total other income (Lines 12 through 14)	(357,319)	20,415	(136,155)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	26,888,304	25,918,298	37,163,126
17. Dividends to policyholders	0	0	0
18. Net income after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	26,888,304	25,918,298	37,163,126
19. Federal and foreign income taxes incurred	4,298,980	2,865,445	5,815,238
20. Net income (Line 18 minus Line 19) (to Line 22)	22,589,324	23,052,853	31,347,888
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	219,760,243	189,763,952	189,763,952
22. Net income (from Line 20)	22,589,324	23,052,853	31,347,888
23. Net transfers (to) from Protected Cell accounts	0	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of $.....(2,074,907)	(3,874,564)	(35,601)	10,914
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	(2,307,827)	(4,588,895)	(5,060,774)
27. Change in nonadmitted assets	1,071,789	3,129,967	4,047,692
28. Change in provision for reinsurance	0	0	(349,428)
29. Change in surplus notes	0	0	0
30. Surplus (contributed to) withdrawn from protected cells	0	0	0
31. Cumulative effect of changes in accounting principles	0	0	0
32. Capital changes:			
32.1 Paid in	0	0	0
32.2 Transferred from surplus (Stock Dividend)	0	0	0
32.3 Transferred to surplus	0	0	0
33. Surplus adjustments:			
33.1 Paid in	0	0	0
33.2 Transferred to capital (Stock Dividend)	0	0	0
33.3 Transferred from capital	0	0	0
34. Net remittances from or (to) Home Office	0	0	0
35. Dividends to stockholders	0	0	0
36. Change in treasury stock	0	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)	17,478,722	21,558,324	29,996,292
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	237,238,965	211,322,276	219,760,243

DETAILS OF WRITE-INS

0501.	0	0	0
0502.	0	0	0
0503.	0	0	0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0
1401. Miscellaneous	7,477	20,415	(136,155)
1402.	0	0	0
1403.	0	0	0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	7,477	20,415	(136,155)
3701. Additional admitted deferred tax assets	2,540,271	3,148,988	2,788,698
3702. Reclassification of additional admitted deferred tax assets to special surplus funds	(2,540,271)	(3,148,988)	(2,788,698)
3703.	0	0	0
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above)	0	0	0

CASH FLOW

		1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
	CASH FROM OPERATIONS			
1.	Premiums collected net of reinsurance	22,408,687	38,295,933	48,447,924
2.	Net investment income	13,651,591	20,154,730	24,691,714
3.	Miscellaneous income	7,477	20,463	24,795
4.	Total (Lines 1 through 3)	36,067,755	58,471,126	73,164,434
5.	Benefit and loss related payments	24,090,149	18,538,738	21,206,275
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	19,333,242	25,037,865	33,552,929
8.	Dividends paid to policyholders	0	0	0
9.	Federal and foreign income taxes paid (recovered) net of $.....2,217,196 tax on capital gains (losses)	8,229,272	2,427,362	4,014,835
10.	Total (Lines 5 through 9)	51,652,663	46,003,965	58,774,039
11.	Net cash from operations (Line 4 minus Line 10)	(15,584,908)	12,467,161	14,390,395
	CASH FROM INVESTMENTS			
12.	Proceeds from investments sold, matured or repaid:			
	12.1 Bonds	173,613,218	147,871,356	189,724,112
	12.2 Stocks	0	0	674,873
	12.3 Mortgage loans	0	0	0
	12.4 Real estate	0	0	0
	12.5 Other invested assets	0	16,143,348	20,000,000
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	3,843	1,505	1,600
	12.7 Miscellaneous proceeds	4,237,713	2,797,463	555,738
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	177,854,774	166,813,671	210,956,323
13.	Cost of investments acquired (long-term only):			
	13.1 Bonds	133,634,606	158,474,680	176,139,768
	13.2 Stocks	45,533,397	2,772,365	15,554,467
	13.3 Mortgage loans	0	0	0
	13.4 Real estate	0	0	0
	13.5 Other invested assets	0	4,000,000	4,000,000
	13.6 Miscellaneous applications	0	0	673,759
	13.7 Total investments acquired (Lines 13.1 to 13.6)	179,168,003	165,247,045	196,367,994
14.	Net increase (decrease) in contract loans and premium notes	0	0	0
15.	Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(1,313,229)	1,566,626	14,588,329
	CASH FROM FINANCING AND MISCELLANEOUS SOURCES			
16.	Cash provided (applied):			
	16.1 Surplus notes, capital notes	0	0	0
	16.2 Capital and paid in surplus, less treasury stock	0	0	0
	16.3 Borrowed funds	0	0	0
	16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0	0
	16.5 Dividends to stockholders	0	0	0
	16.6 Other cash provided (applied)	2,253,530	(2,510,342)	1,151,717
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	2,253,530	(2,510,342)	1,151,717
	RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	(14,644,607)	11,523,445	30,130,440
19.	Cash, cash equivalents and short-term investments:			
	19.1 Beginning of year	42,406,028	12,275,587	12,275,587
	19.2 End of period (Line 18 plus Line 19.1)	27,761,421	23,799,033	42,406,028

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

20.0001	0	0	0

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of James River Insurance Company ("the Company") are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance.

The Ohio Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the state of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for purposes of determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners' ("NAIC") *Accounting Practices and Procedures Manual* has been adopted as a component of prescribed or permitted practices by the state of Ohio.

The accompanying financial statements contain no differences as a result of practices prescribed or permitted by Ohio that differ from the NAIC's *Accounting Practices and Procedures Manual.*

C. Accounting Policies

Perpetual preferred stock is stated at fair market value. Mandatorily redeemable preferred stock is stated at amortized cost.

Note 2 - Accounting Changes and Corrections of Errors

No significant change.

Note 3 - Business Combinations and Goodwill

No significant change.

Note 4 - Discontinued Operations

No significant change.

Note 5 - Investments

D. Loan-Backed Securities

(1) Prepayment assumptions for Mortgage-Backed Securities, Collateralized Mortgage Obligations and Other Structured Securities were generated using a purchased prepayment model. The prepayment model uses a number of factors to estimate prepayment activity including the time of year (seasonality), current levels of interest rates (refinancing incentive), economic activity (including housing turnover) and term and age of the underlying collateral (burnout, seasoning).

(2) At September 30, 2011, the Company held no securities with a recognized other-than-temporary impairment.

(3) 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:

a. The aggregate amount of unrealized losses:

1. Less than 12 months	$ 51,301
2. 12 months or longer	$ 12,698

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

1. Less than 12 months	$ 1,245,129
2. 12 months or longer	$ 762,290

(4) Impairments are based on periodic analytical reviews. Analysis relies on actual collateral performance measurements including, but not limited to prepayment rates, default rates, delinquencies, and loss severity sourced through third party data providers.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

No significant change.

Note 7 - Investment Income

No significant change.

Note 8 - Derivative Instruments

No significant change.

NOTES TO FINANCIAL STATEMENTS

Note 9 - Income Taxes

No significant change.

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

No significant change.

Note 11 - Debt

No significant change.

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

No significant change.

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

No significant change.

Note 14 - Contingencies

No significant change.

Note 15 - Leases

No significant change.

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

No significant change.

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

C. The Company was not involved in any wash sale transactions during the first, second or third quarters of 2011.

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

No significant change.

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

No significant change.

Note 20 - Fair Value Measurements

For statutory accounting, certain investments are carried at fair value, while others may periodically be carried at fair value based on certain factors such as the NAIC’s lower of cost or market rule or an impairment. Assets recorded at fair value are categorized based on an evaluation of the various inputs used to measure the fair value.

Three levels of inputs are used to measure fair value:

(1) Level 1: quoted prices in active markets for identical assets,
(2) Level 2: indirect observable inputs, including prices for similar assets and market corroborated inputs, and
(3) Level 3: unobservable inputs reflecting assumptions that market participants would use, including assumptions about risk.

Supporting documentation received from pricing vendors detailing the inputs, models and processes used in the vendor’s evaluation process is used to determine the appropriate fair value hierarchy. Documentation from each pricing vendor is reviewed and monitored periodically to ensure they are consistent with pricing policy procedures. Market information obtained from brokers with respect to security valuations is also considered in the pricing hierarchy.

NOTES TO FINANCIAL STATEMENTS

Note 20 - Fair Value Measurements (continued)

(1) Assets measured at fair value as of September 30, 2011 are summarized as follows:

	Quoted Prices in Active Markets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Total
Bonds - Industrial and Misc.	$ 0	$ 18,879,895	$ 45,260,939	$ 64,140,834
Perpetual Preferred Stock - Industrial and Misc.	0	20,161,400	0	20,161,400
Common Stock - Industrial and Misc.	25,884,900	734,100	124,878	26,743,878
Common Stock - Mutual Funds	11,699,110	0	0	11,699,110
Total assets at fair value	$ 37,584,010	$ 39,775,395	$ 45,385,817	$ 122,745,222

The Company held no liabilities measured at fair value as of September 30, 2011. There were no transfers between Level 1 and Level 2 for assets held at September 30, 2011.

(2) Rollforward of Level 3 Fair Value Measurements above:

	Balance at 1/1/2011	Transfers in and out of Level 3 (a)(b)	Amortization of discount	Total gains and (losses) included in Net Income	Total gains and (losses) included in Surplus	Purchases, issuances, sales and agreements	Balance at 9/30/2011
Bonds - Industrial	$ 9,397,452	$ 13,338,803	$ 701,132	$ 48,926	$ (3,649,827)	$ 25,424,453	$ 45,260,939
Common Stock - Industrial	124,878	0	0	0	0	0	124,878
Total	$ 9,522,330	$ 13,338,803	$ 701,132	$ 48,926	$ (3,649,827)	$ 25,424,453	$ 45,385,817

(a) Measurement basis changed from amortized cost to fair value based on NAIC designation
(b) Approximately $(2.5 million) is related to a change in observability of inputs used to determine fair value.

(3) Policy on Transfers Into and Out of Level 3

Transfers in and out of Level 3 are recognized based on the beginning of the reporting period.

(4) Input and Techniques Used for Level 2 and Level 3 Fair Values

Fair value measurements for fixed income and equity securities are based on values either published by the NAIC's Securities Valuation Office (SVO) or from an external pricing source. Under certain circumstances, if neither an SVO price or vendor price is available, a price may be obtained from a broker. Short-term securities and cash equivalents are valued at amortized cost.

When published prices from the SVO are not available, the Company relies predominately on external pricing sources that have been evaluated and approved by the investment manager's pricing policy committee. Generally, external pricing service vendors use a pricing methodology involving the market approach, including pricing models, which use prices and relevant market information regarding a particular security or securities with similar characteristics to establish a valuation.

Investments for which external sources are not available or are determined by the investment manager not to be representative of fair value are recorded at fair value as determined by the investment manager. In determining the fair value of such investments, the investment manager considers one or more of the following factors: type of security held, convertibility or exchangeability of the security, redeemability of the security (including timing of such redemptions), application of industry accepted valuation models, recent trading activity, liquidity, estimates of liquidation value, purchase cost, and prices received for securities with similar terms of the same issuer or similar issuers. At September 30, 2011, there were no investments for which external sources were unavailable to determine fair value.

Note 21 - Other Items

No significant change.

Note 22 - Events Subsequent

No significant change.

Note 23 - Reinsurance

No significant change.

NOTES TO FINANCIAL STATEMENTS

Note 24 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

No significant change.

Note 25 - Change in Incurred Losses and Loss Adjustment Expenses

The following table provides an analysis of the change in loss and loss adjustment expense reserves net of reinsurance recoverables for the indicated periods (in thousands):

	September 30, 2011	December 31, 2010
Balance at beginning of period	$ 173,340	$ 199,293
Loss and loss adjustment expense incurred:		
Current accident year	24,878	27,185
Prior accident years	(11,306)	(8,857)
	13,572	18,328
Loss and loss adjustment expense payments made for:		
Current accident year	2,234	4,457
Prior accident years	25,431	39,824
	27,665	44,281
Balance at end of period	$ 159,247	$ 173,340

Estimated reserves for unpaid losses and loss adjusting expenses as of December 31, 2010 were $173.3 million. During 2011, based on information obtained from investigation and litigation, the estimated cost of those prior year claims was decreased by approximately $11.3 million, primarily the result of a decrease in liability lines claims. In addition, payments of $25.4 million were made on the prior year claims, thus resulting in an estimated reserve for prior year unpaid claims as of September 30, 2011 of $136.6 million.

Note 26 - Intercompany Pooling Arrangements

No significant change.

Note 27 - Structured Settlements

No significant change.

Note 28 - Health Care Receivables

No significant change.

Note 29 - Participating Policies

No significant change.

Note 30 - Premium Deficiency Reserves

No significant change.

Note 31 - High Deductibles

No significant change.

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

No significant change.

Note 33 - Asbestos/Environmental Reserves

No significant change.

Note 34 - Subscriber Savings Accounts

No significant change.

Note 35 - Multiple Peril Crop Insurance

No significant change.

Note 36 – Financial Guaranty Insurance

No significant change.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [ ] No [X]

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

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

2.2 If yes, date of change: 4/1/2011...........................

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

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

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

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

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

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

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

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 8/6/2010...........................

6.4 By what department or departments?
Ohio Department of Insurance

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

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

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

7.2 If yes, give full information:

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

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

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

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

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

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

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

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

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

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

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

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: $....................................0

INVESTMENT

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

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

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

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

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

14.2 If yes, please complete the following:

		1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21	Bonds	$ 0	$ 0
14.22	Preferred Stock	$ 0	$ 0
14.23	Common Stock	$ 6,103,983	$ 6,170,248
14.24	Short-Term Investments	$ 0	$ 0
14.25	Mortgage Loans on Real Estate	$ 0	$ 0
14.26	All Other	$ 0	$ 0
14.27	Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	$ 6,103,983	$ 6,170,248
14.28	Total Investment in Parent included in Lines 14.21 to 14.26 above	$ 0	$ 0

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

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

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

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

1 Name of Custodian(s)	2 Custodian Address
US Bank, N.A.	1025 Connecticut Ave, NW, Suite 517, Washington, DC 20036
US Bank, N.A.	One Federal St, Third Floor, Boston, MA 02110
Comerica Bank	411 West Lafayette, Detroit, MI 48226

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
N/A	Gen Re - New England Asset Management, Inc.	76 Batterson Park Rd, Farmington, CT 06032
N/A	Angelo, Gordon & Co	245 Park Ave, New York, NY 10167

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

17.2 If no, list exceptions:

GENERAL INTERROGATORIES (continued)

PART 2

PROPERTY & CASUALTY INTERROGATORIES

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

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

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

3.2 If yes, give full and complete information thereto:

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

4.2 If yes, complete the following schedule:

1	2	3	Total Discount				Discount Taken During Period			
			4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Disc. Rate	Unpaid Losses	Unpaid LAE	IBNR	Total	Unpaid Losses	Unpaid LAE	IBNR	Total
	............0.0	..........0.000 %	0	0	0	0	0	0	0	0
Total....................................	........XXX...	........XXX........	0	0	0	0	0	0	0	0

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

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

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

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

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

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Name of Reinsurer	4 Domiciliary Jurisdiction	5 Is Insurer Authorized? (YES or NO)
All Other Insurers				
00000	AA-3194139	Axis Specialty Limited	BM	NO
00000	AA-1460006	Flagstone Reassurance Suisse SA	CH	NO
00000	AA-1120071	Lloyd's Syndicate Number 2007	GB	NO
00000	AA-1120102	Lloyd's Syndicate Number 1458	GB	NO

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

	States, Etc.	1 Active Status	Direct Premiums Written 2 Current Year to Date	 3 Prior Year to Date	Direct Losses Paid (Deducting Salvage) 4 Current Year to Date	 5 Prior Year to Date	Direct Losses Unpaid 6 Current Year to Date	 7 Prior Year to Date
1.	Alabama AL	E	1,081,695	1,289,559	146,950	647	2,772,859	3,041,961
2.	Alaska AK	E	158,420	327,663	1,500	0	585,182	957,098
3.	Arizona AZ	E	2,031,396	1,952,497	665,752	361,959	3,840,376	5,532,227
4.	Arkansas AR	E	818,827	487,795	60,350	0	1,485,613	1,418,809
5.	California CA	E	30,231,665	26,680,591	6,961,195	5,737,351	76,928,501	72,649,291
6.	Colorado CO	E	1,823,873	1,883,566	(5,304,214)	52,516	6,393,457	6,477,248
7.	Connecticut CT	E	814,274	677,283	276,745	206,728	2,252,937	1,719,819
8.	Delaware DE	E	203,260	264,937	562,622	396,875	754,065	1,233,456
9.	District of Columbia DC	E	248,771	247,251	0	58,899	626,222	689,604
10.	Florida FL	E	7,107,948	5,956,243	2,817,510	8,737,167	20,034,096	22,387,520
11.	Georgia GA	E	2,217,578	1,964,250	438,388	1,356,589	4,467,487	7,298,184
12.	Hawaii HI	E	295,896	387,213	101,354	(657)	1,151,882	1,490,108
13.	Idaho ID	E	336,525	404,010	0	20,617	1,240,138	1,171,898
14.	Illinois IL	E	2,986,072	1,966,185	179,580	1,115,677	6,842,467	5,881,906
15.	Indiana IN	E	535,720	509,015	49,871	416,671	2,553,863	2,704,551
16.	Iowa IA	E	248,936	289,867	0	30,000	748,110	633,539
17.	Kansas KS	E	390,623	369,409	115,000	0	1,055,186	1,272,316
18.	Kentucky KY	E	378,157	366,544	151,860	45,337	1,068,752	1,199,494
19.	Louisiana LA	E	2,959,615	3,170,208	1,556,966	1,065,976	12,124,330	12,904,525
20.	Maine ME	E	176,784	109,138	0	0	302,236	250,173
21.	Maryland MD	E	830,731	1,024,797	162,080	177,835	3,309,548	3,739,395
22.	Massachusetts MA	E	1,075,395	1,500,291	449,013	326,519	3,336,985	4,091,477
23.	Michigan MI	E	1,037,273	685,985	641,944	413,455	2,803,531	3,441,464
24.	Minnesota MN	E	942,715	877,140	40,000	71,800	2,075,747	2,206,141
25.	Mississippi MS	E	610,476	614,644	150,000	0	1,479,496	1,444,690
26.	Missouri MO	E	2,391,782	723,825	241,434	131,146	5,307,242	3,571,361
27.	Montana MT	E	174,147	205,397	0	39,000	330,828	646,532
28.	Nebraska NE	E	700,439	555,632	0	(755)	1,832,357	1,506,277
29.	Nevada NV	E	1,798,382	1,805,333	403,397	2,481,878	8,748,123	5,069,674
30.	New Hampshire NH	E	171,091	133,745	0	0	478,853	325,281
31.	New Jersey NJ	E	3,069,519	2,277,503	354,500	1,229,341	7,689,582	6,609,185
32.	New Mexico NM	E	437,851	308,439	11,900	0	1,235,850	761,989
33.	New York NY	E	4,062,830	2,928,772	2,578,222	1,279,331	13,193,943	14,102,822
34.	North Carolina NC	E	1,268,905	1,246,262	589,771	558,480	3,705,037	4,540,390
35.	North Dakota ND	E	155,583	10,232	0	(3,873)	657,922	666,340
36.	Ohio OH	L	0	0	0	0	6	8
37.	Oklahoma OK	E	1,462,207	1,320,405	28,448	121,694	3,319,329	2,160,933
38.	Oregon OR	E	896,700	1,141,046	308,903	11,363	2,750,326	3,236,607
39.	Pennsylvania PA	E	2,760,205	2,146,653	2,028,416	1,070,377	9,299,781	10,167,650
40.	Rhode Island RI	E	208,236	174,875	31,544	1,000	1,421,209	1,054,963
41.	South Carolina SC	E	755,884	749,559	271,425	159,599	2,162,077	2,433,016
42.	South Dakota SD	E	82,655	149,573	0	0	232,622	274,499
43.	Tennessee TN	E	1,036,214	970,608	100,647	10,100	2,172,762	2,133,228
44.	Texas TX	E	8,493,697	8,603,400	4,728,931	3,911,093	26,687,817	32,213,206
45.	Utah UT	E	644,551	441,908	0	7,725	1,273,955	1,143,231
46.	Vermont VT	E	28,151	122,154	0	0	371,914	356,651
47.	Virginia VA	E	1,526,959	1,898,803	4,216,771	41,740	4,592,137	10,075,921
48.	Washington WA	E	2,102,286	2,449,480	1,581,096	516,499	6,651,329	9,124,891
49.	West Virginia WV	E	180,026	106,575	0	(909)	450,044	491,306
50.	Wisconsin WI	E	752,253	893,210	623	(371)	2,931,252	2,113,425
51.	Wyoming WY	E	166,162	214,208	(2,750)	0	490,375	379,238
52.	American Samoa AS	N	0	0	0	0	0	0
53.	Guam GU	N	0	0	0	0	0	0
54.	Puerto Rico PR	E	0	0	0	0	0	0
55.	US Virgin Islands VI	E	35,728	30,487	0	0	214,681	86,265
56.	Northern Mariana Islands MP	N	0	0	0	0	0	0
57.	Canada CN	N	0	0	0	0	0	0
58.	Aggregate Other Alien OT	XXX	0	0	0	0	0	0
59.	Totals	(a) 1	94,905,068	85,614,165	27,697,744	32,156,419	268,434,419	281,081,783

DETAILS OF WRITE-INS

5801.		XXX	0	0	0	0	0	0
5802.		XXX	0	0	0	0	0	0
5803.		XXX	0	0	0	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 thru 5803 + Line 5898) (Line 58 above)	XXX	0	0	0	0	0	0

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

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

PART 1 – ORGANIZATIONAL CHART

NONE

PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date 1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	4 Prior Year to Date Direct Loss Percentage
1. Fire	432,820	(797,468)	(184.2)	206.8
2. Allied lines	3,865,851	(167,748)	(4.3)	85.4
3. Farmowners multiple peril	0	0	0.0	0.0
4. Homeowners multiple peril	0	0	0.0	0.0
5. Commercial multiple peril	0	0	0.0	0.0
6. Mortgage guaranty	0	0	0.0	0.0
8. Ocean marine	0	0	0.0	0.0
9. Inland marine	58,086	(35,832)	(61.7)	21.8
10. Financial guaranty	0	0	0.0	0.0
11.1. Medical professional liability - occurrence	193,928	170,337	87.8	23.2
11.2. Medical professional liability - claims-made	8,075,834	3,769,838	46.7	10.7
12. Earthquake	805,560	54,676	6.8	22.9
13. Group accident and health	0	0	0.0	0.0
14. Credit accident and health	0	0	0.0	0.0
15. Other accident and health	0	0	0.0	0.0
16. Workers' compensation	0	0	0.0	0.0
17.1 Other liability-occurrence	40,980,866	14,769,179	36.0	58.6
17.2 Other liability-claims made	15,897,135	(1,698,886)	(10.7)	24.4
17.3 Excess workers' compensation	0	0	0.0	0.0
18.1 Products liability-occurrence	15,056,090	4,639,554	30.8	(36.0)
18.2 Products liability-claims made	4,750,857	1,136,663	23.9	6.9
19.1, 19.2 Private passenger auto liability	0	0	0.0	0.0
19.3, 19.4 Commercial auto liability	0	(1,284)	0.0	0.0
21. Auto physical damage	0	0	0.0	0.0
22. Aircraft (all perils)	0	0	0.0	0.0
23. Fidelity	0	0	0.0	0.0
24. Surety	0	0	0.0	0.0
26. Burglary and theft	0	0	0.0	0.0
27. Boiler and machinery	0	0	0.0	0.0
28. Credit	0	0	0.0	0.0
29. International	0	0	0.0	0.0
30. Warranty	0	0	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	90,117,027	21,839,030	24.2	32.4
DETAILS OF WRITE-INS				
3401.	0	0	0.0	0.0
3402.	0	0	0.0	0.0
3403.	0	0	0.0	0.0
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	XXX
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34)	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

Lines of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire	75,500	576,024	334,797
2. Allied lines	730,084	5,412,850	2,905,529
3. Farmowners multiple peril	0	0	0
4. Homeowners multiple peril	0	0	0
5. Commercial multiple peril	0	0	0
6. Mortgage guaranty	0	0	0
8. Ocean marine	0	0	0
9. Inland marine	3,975	85,875	52,530
10. Financial guaranty	0	0	0
11.1 Medical professional liability - occurrence	29,988	158,585	244,965
11.2 Medical professional liability - claims made	2,558,849	7,516,301	8,968,502
12. Earthquake	217,953	866,288	670,445
13. Group accident and health	0	0	0
14. Credit accident and health	0	0	0
15. Other accident and health	0	0	0
16. Workers' compensation	0	0	0
17.1 Other liability-occurrence	15,028,094	42,672,087	38,948,629
17.2 Other liability-claims made	5,420,984	15,870,515	17,377,994
17.3 Excess workers' compensation	0	0	0
18.1 Products liability-occurrence	5,476,058	16,451,590	11,613,919
18.2 Products liability-claims made	1,880,782	5,294,952	4,496,854
19.1 19.2 Private passenger auto liability	0	0	0
19.3 19.4 Commercial auto liability	0	0	0
21. Auto physical damage	0	0	0
22. Aircraft (all perils)	0	0	0
23. Fidelity	0	0	0
24. Surety	0	0	0
26. Burglary and theft	0	0	0
27. Boiler and machinery	0	0	0
28. Credit	0	0	0
29. International	0	0	0
30. Warranty	0	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	31,422,267	94,905,067	85,614,164
DETAILS OF WRITE-INS			
3401.	0	0	0
3402.	0	0	0
3403.	0	0	0
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34)	0	0	0

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

Years in Which Losses Occurred	1 Prior Year-End Known Case Loss and LAE Reserves	2 Prior Year-End IBNR Loss and LAE Reserves	3 Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	4 2011 Loss and LAE Payments on Claims Reported as of Prior Year-End	5 2011 Loss and LAE Payments on Claims Unreported as of Prior Year-End	6 Total 2011 Loss and LAE Payments (Cols. 4 + 5)	7 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	8 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	9 Q.S. Date IBNR Loss and LAE Reserves	10 Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	11 Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1)	12 Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	13 Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2008 + Prior	28,017	98,193	126,210	19,290	460	19,750	16,999	827	78,082	95,908	8,272	(18,824)	(10,552)
2. 2009	3,424	20,978	24,402	2,460	83	2,543	3,044	329	17,094	20,467	2,080	(3,472)	(1,392)
3. Subtotals 2009 + Prior	31,441	119,171	150,612	21,750	543	22,293	20,043	1,156	95,176	116,375	10,352	(22,296)	(11,944)
4. 2010	2,612	20,114	22,726	2,592	545	3,137	2,928	413	16,887	20,228	2,908	(2,269)	639
5. Subtotals 2010 + Prior	34,053	139,285	173,338	24,342	1,088	25,430	22,971	1,569	112,063	136,603	13,260	(24,565)	(11,305)
6. 2011	XXX	XXX	XXX	XXX	2,234	2,234	XXX	2,133	20,511	22,644	XXX	XXX	XXX
7. Totals	34,053	139,285	173,338	24,342	3,322	27,664	22,971	3,702	132,574	159,247	13,260	(24,565)	(11,305)
8. Prior Year-End's Surplus As Regards Policyholders	219,760												

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. 38.9 %	2. (17.6)%	3. (6.5)%
		Col. 13, Line 7 Line 8
		4. (5.1)%

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

Explanation:

1.
2.
3.
4.

Bar Code:

* 1 2 2 0 3 2 0 1 1 4 9 0 0 0 0 0 3 *

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

* 1 2 2 0 3 2 0 1 1 5 0 5 0 0 0 0 3 *

Overflow Page for Write-Ins

NONE

SCHEDULE A - VERIFICATION

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	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 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

NONE

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year	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

NONE

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	16,212,108
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	0	0
2.2 Additional investment made after acquisition	0	4,000,000
3. Capitalized deferred interest and other	0	0
4. Accrual of discount	0	8,797,899
5. Unrealized valuation increase (decrease)	0	(212,108)
6. Total gain (loss) on disposals	0	0
7. Deduct amounts received on disposals	0	28,797,899
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 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	350,474,586	339,028,374
2. Cost of bonds and stocks acquired	179,167,999	191,694,235
3. Accrual of discount	1,485,695	2,077,032
4. Unrealized valuation increase (decrease)	(5,934,693)	221,610
5. Total gain (loss) on disposals	6,331,003	9,652,015
6. Deduct consideration for bonds and stocks disposed of	173,613,218	190,398,985
7. Deduct amortization of premium	838,877	1,784,733
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other than temporary impairment recognized	0	14,962
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	357,072,495	350,474,586
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	357,072,495	350,474,586

SCHEDULE D - PART 1B

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

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a)	223,346,579	353,331,905	353,233,126	(3,661,742)	251,605,456	223,346,579	219,783,616	302,718,423
2. Class 2 (a)	15,143,278	7,262,500	619,101	3,558,294	14,152,254	15,143,278	25,344,971	9,677,214
3. Class 3 (a)	13,671,172	52,871	380,244	(384,901)	16,430,886	13,671,172	12,958,898	13,851,801
4. Class 4 (a)	46,227,459	6,531,141	2,993,766	(2,349,930)	41,994,709	46,227,459	47,414,904	32,406,061
5. Class 5 (a)	15,450,139	929,115	2,056,764	(1,074,825)	16,556,782	15,450,139	13,247,665	11,448,150
6. Class 6 (a)	1,072,268	0	25,000	(19,081)	1,074,785	1,072,268	1,028,187	1,103,264
7. Total Bonds	314,910,895	368,107,532	359,308,001	(3,932,185)	341,814,872	314,910,895	319,778,241	371,204,913
PREFERRED STOCK								
8. Class 1	0	0	0	0	0	0	0	2,001,100
9. Class 2	15,501,585	0	0	(363,425)	12,074,460	15,501,585	15,138,160	2,900,400
10. Class 3	7,936,200	0	0	(1,816,200)	4,938,160	7,936,200	6,120,000	1,913,940
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	23,437,785	0	0	(2,179,625)	17,012,620	23,437,785	21,258,160	6,815,440
15. Total Bonds and Preferred Stock	338,348,680	368,107,532	359,308,001	(6,111,810)	358,827,492	338,348,680	341,036,401	378,020,353

(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 $.....28,394,988; NAIC 2 $............0; NAIC 3 $............0; NAIC 4 $.....182,154; NAIC 5 $............0; NAIC 6 $............0.

SCHEDULE DA - PART 1

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals	15,550,142	XXX	15,564,912	198	0

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	34,601,408	3,053,349
2. Cost of short-term investments acquired	45,346,556	61,764,431
3. Accrual of discount	7,028	9,335
4. Unrealized valuation increase (decrease)	(14,770)	0
5. Total gain (loss) on disposals	3,737	1,598
6. Deduct consideration received on disposals	64,392,788	30,224,268
7. Deduct amortization of premium	1,029	3,037
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)	15,550,142	34,601,408
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	15,550,142	34,601,408

Sch. DB-Pt A-Verification
NONE

Sch. DB-Pt B-Verification
NONE

Sch. DB-Pt C-Sn 1
NONE

Sch. DB-Pt C-Sn 2
NONE

Sch. DB-Verification
NONE

SCHEDULE E- VERIFICATION

Cash Equivalents

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	7,877,000	10,641,000
2. Cost of cash equivalents acquired	943,943,547	2,340,378,535
3. Accrual of discount	43	3,049
4. Unrealized valuation increase (decrease)	0	0
5. Total gain (loss) on disposals	106	2
6. Deduct consideration received on disposals	938,793,696	2,343,145,586
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)	13,027,000	7,877,000
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	13,027,000	7,877,000

Sch. A-Pt 2
NONE

Sch. A-Pt 3
NONE

Sch. B-Pt 2
NONE

Sch. B-Pt 3
NONE

Sch. BA-Pt 2
NONE

Sch. BA-Pt 3
NONE

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
Bonds - Industrial and Miscellaneous									
00175K AA 2	AMO ESCROW CORP		08/11/2011	DIRECT		246,615	246,000	4,794	4FE
009158 AQ 9	AIR PRODUCTS & CHEMICALS		07/28/2011	DEUTSCHE BANK		497,355	500,000	0	1FE
031162 BF 6	AMGEN INC		08/03/2011	PARIBAS CORPORATION		765,870	750,000	1,821	1FE
05956K AA 6	BANC OF AMERICA LARGE LOAN 10-HLTN HLTN		07/06/2011	DIRECT		141,372	152,115	213	4FE
06051G EK 1	BANK OF AMERICA CORP		08/12/2011	BANK OF AMERICA		4,310,955	4,500,000	16,406	1FE
125581 FX 1	CIT GROUP INC		08/12/2011	JP MORGAN SECURITIES INC		477,500	500,000	6,514	4
369550 AQ 1	GENERAL DYNAMICS CORP		07/25/2011	BANK OF AMERICA		3,029,160	3,000,000	3,000	1FE
50179M AE 1	LB-UBS COMM MTG TR 06 C6 A4		09/16/2011	JEFFERIES & COMPANY INC		818,789	750,000	1,119	1Z*
52078P AC 6	LAWSON SOFTWARE		06/30/2011	DIRECT		460,715	500,000	0	5FE
577743 AA 5	MAXIM CRANE WORKS LP		08/05/2011	DIRECT		110,400	120,000	4,737	5FE
61760R AZ 5	MORGAN STANLEY CAPITAL I 11-C3 A2		09/14/2011	MORGAN STANLEY & CO		4,292,371	4,250,000	1,522	1FE
674599 BX 2	OCCIDENTAL PETROLEUM COR		08/01/2011	MORGAN STANLEY & CO		554,095	500,000	3,609	1FE
742718 DV 8	PROCTER & GAMBLE CO/THE		08/10/2011	DEUTSCHE BANK		768,769	775,000	0	1FE
883556 BA 9	THERMO FISHER SCIENTIFIC		08/09/2011	BANK OF AMERICA		998,260	1,000,000	0	1FE
	CLARKE AMERICAN		09/14/2011	VARIOUS		114,593	137,810	0	4FE
	CLARKE AMERICAN		09/14/2011	VARIOUS		69,247	83,276	0	4FE
	CLARKE AMERICAN		09/14/2011	VARIOUS		119,177	143,322	0	4FE
	CLARKE AMERICAN		09/14/2011	VARIOUS		83,489	100,404	0	4FE
	CLARKE AMERICAN		09/14/2011	VARIOUS		179,256	215,574	0	4FE
	HARRAHS OPERATING CO		08/09/2011	UBS WARBURG		914,359	1,082,081	0	4FE
	TEGRANT (SCA) 1ST LIEN		08/04/2011	JP MORGAN SECURITIES INC		358,000	400,000	0	5FE
	ENTERCOM RADIO LLC REVOLVER		07/29/2011	DIRECT		39,385	39,385	0	4FE
	FENWAL INC TERM LOAN		06/02/2011	MORGAN STANLEY & CO		9,776	10,250	0	4FE
	FENWAL INC FIRST LIEN LN B		06/02/2011	MORGAN STANLEY & CO		57,022	59,787	0	4FE
	NATIONAL MENTOR HOLDINGS		08/31/2011	VARIOUS		80,162	87,769	0	4FE
	PHYSICIAN ONCOLOGY SERVICES		08/25/2011	DIRECT		87,275	87,275	0	4FE
	VEYANCE GOODYEAR EPD TL DD		08/05/2011	BARCLAYS CAPITAL		150,152	157,962	0	4FE
	VEYANCE GOODYEAR EPD TL B		08/05/2011	BARCLAYS CAPITAL		1,048,350	1,102,874	0	4FE
	INFOR GLOBAL SOLUTIONS B2		06/16/2011	CREDIT SUISSE FIRST BOSTON		156,283	157,464	0	4FE
	LAWSON SOFTWARE INC TERM		07/05/2011	CREDIT SUISSE FIRST BOSTON		1,090,489	1,135,926	0	4FE
	AUTOPARTS HOLDINGS LTD	F	07/28/2011	CREDIT SUISSE FIRST BOSTON		303,054	304,577	0	4FE
	FIRST DATA CORP EXTEND TERM LOAN		08/09/2011	BARCLAYS CAPITAL		368,413	442,871	0	4FE
	HUNTSMAN INTERNATIONAL LLC TERM B		08/12/2011	MORGAN STANLEY & CO		52,871	56,546	0	3FE
	NORIT HOLDING TERM LOAN	F	07/06/2011	DEUTSCHE BANK		598,248	606,728	0	4FE
3899999.	Total - Bonds - Industrial & Miscellaneous					23,351,827	23,954,996	43,735	XXX
Bonds - Hybrid Securities									
46625H HA 1	JPMORGAN CHASE & CO		08/24/2011	VARIOUS		7,262,500	7,000,000	179,374	2FE
4899999.	Total - Bonds - Hybrid Securities					7,262,500	7,000,000	179,374	XXX
8399997.	Total - Bonds - Part 3					30,614,327	30,954,996	223,109	XXX
8399999.	Total - Bonds					30,614,327	30,954,996	223,109	XXX
9999999.	Total - Bonds, Preferred and Common Stocks					30,614,327	XXX	223,109	XXX

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

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Government																					
3620A5 UG 2	GOVERNMENT NATL MTG ASSOC #719783		09/01/2011	PAYDOWN		99,542	99,542	103,609	99,358	0	184	0	184	0	99,542	0	0	0	3,663	04/01/2040	1
3620A5 US 6	GOVERNMENT NATL MTG ASSOC #719793		09/01/2011	PAYDOWN		16,708	16,708	17,391	16,765	0	(57)	0	(57)	0	16,708	0	0	0	559	03/01/2040	1
3620A7 G7 4	GOVERNMENT NATL MTG ASSOC #721222		09/01/2011	PAYDOWN		7,541	7,541	7,854	7,542	0	(1)	0	(1)	0	7,541	0	0	0	234	11/01/2039	1
3620AJ ZJ 1	GOVERNMENT NATL MTG ASSOC #731645		09/01/2011	PAYDOWN		103,099	103,099	107,191	103,094	0	5	0	5	0	103,099	0	0	0	3,437	04/01/2040	1
3620AL QU 1	GOVERNMENT NATL MTG ASSOC #733167		09/15/2011	VARIOUS		4,798,335	4,389,050	4,563,240	4,553,575	0	(14,012)	0	(14,012)	0	4,539,563	0	258,772	258,772	176,040	10/01/2039	1
3620C0 WN 4	GOVERNMENT NATL MTG ASSOC #745053		09/01/2011	PAYDOWN		190,513	190,513	198,297	192,001	0	(1,489)	0	(1,489)	0	190,513	0	0	0	6,687	04/01/2040	1
36296X Z6 4	GOVERNMENT NATL MTG ASSOC #704665		09/01/2011	PAYDOWN		69,571	69,571	72,452	69,803	0	(231)	0	(231)	0	69,571	0	0	0	2,329	05/01/2039	1
36297E CF 0	GOVERNMENT NATL MTG ASSOC #709370		09/01/2011	PAYDOWN		22,707	22,707	23,640	22,740	0	(33)	0	(33)	0	22,707	0	0	0	672	07/01/2039	1
0599999.	Total - Bonds - U.S. Government					5,308,016	4,898,731	5,093,674	5,064,878	0	(15,634)	0	(15,634)	0	5,049,244	0	258,772	258,772	193,621	XXX	XXX
Bonds - U.S. States, Territories and Possessions																					
20772F ZA 1	CONNECTICUT ST		07/05/2011	MORGAN KEEGAN		1,817,690	1,750,000	1,960,455	1,790,457	0	(15,934)	0	(15,934)	0	1,774,524	0	43,166	43,166	66,609	04/15/2012	1FE
677520 AX 6	OHIO ST		08/23/2011	STIFEL-HANIFEN DIVIS		4,046,490	3,500,000	3,710,245	3,623,857	0	(17,299)	0	(17,299)	0	3,606,558	0	439,932	439,932	143,403	05/01/2015	1FE
1799999.	Total - Bonds - U.S. States, Territories & Possessions					5,864,180	5,250,000	5,670,700	5,414,314	0	(33,233)	0	(33,233)	0	5,381,082	0	483,098	483,098	210,012	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment																					
3128MC JK 2	FEDERAL HOME LN MTG CORP #G13666		09/01/2011	PAYDOWN		71,610	71,610	74,620	72,167	0	(557)	0	(557)	0	71,610	0	0	0	2,124	05/01/2024	1
3128MM BN 2	FEDERAL HOME LOAN MTG CORP #G18044		09/01/2011	PAYDOWN		39,199	39,199	38,948	39,172	0	27	0	27	0	39,199	0	0	0	1,186	09/01/2019	1
3128MM K7 7	FEDERAL HOME LN MTG CORP #G18317		09/01/2011	PAYDOWN		107,964	107,964	109,837	108,130	0	(166)	0	(166)	0	107,964	0	0	0	3,247	03/01/2024	1
3128PP NW 9	FEDERAL HOME LN MTG CORP #J10405		09/01/2011	PAYDOWN		211,589	211,589	219,656	212,044	0	(456)	0	(456)	0	211,589	0	0	0	6,362	04/01/2024	1
3128PQ WW 7	FEDERAL HOME LN MTG CORP #J11561		09/01/2011	PAYDOWN		32,484	32,484	33,758	32,616	0	(133)	0	(133)	0	32,484	0	0	0	972	09/01/2024	1
312938 SQ 7	FEDERAL HOME LN MTG CORP #A90527		09/01/2011	PAYDOWN		3,833	3,833	3,947	3,824	0	9	0	9	0	3,833	0	0	0	128	12/01/2039	1
312940 L3 1	FEDERAL HOME LN MTG CORP #A92146		09/01/2011	PAYDOWN		11,686	11,686	12,062	11,694	0	(8)	0	(8)	0	11,686	0	0	0	382	10/01/2039	1
31294K UN 3	FEDERAL HOME LOAN MTG CORP #E01489		09/01/2011	PAYDOWN		22,249	22,249	22,178	22,243	0	7	0	7	0	22,249	0	0	0	674	04/01/2018	1
31294K ZF 5	FEDERAL HOME LOAN MTG CORP #E01642		09/01/2011	PAYDOWN		33,586	33,586	33,423	33,571	0	15	0	15	0	33,586	0	0	0	1,135	10/01/2018	1
31294K ZT 5	FEDERAL HOME LOAN MTG CORP #E01654		09/01/2011	PAYDOWN		15,707	15,707	15,634	15,699	0	8	0	8	0	15,707	0	0	0	530	11/01/2018	1
312962 VE 0	FEDERAL HOME LOAN MTG CORP #B10613		09/01/2011	PAYDOWN		8,049	8,049	7,975	8,044	0	5	0	5	0	8,049	0	0	0	236	02/01/2018	1
312962 VV 2	FEDERAL HOME LOAN MTG CORP #B10628		09/01/2011	PAYDOWN		11,356	11,356	11,329	11,352	0	4	0	4	0	11,356	0	0	0	360	08/01/2017	1
312962 VX 8	FEDERAL HOME LOAN MTG CORP #B10630		09/01/2011	PAYDOWN		16,951	16,951	16,911	16,946	0	5	0	5	0	16,951	0	0	0	549	07/01/2018	1
312962 Z3 0	FEDERAL HOME LOAN MTG CORP #B10762		09/01/2011	PAYDOWN		11,716	11,716	11,608	11,702	0	14	0	14	0	11,716	0	0	0	360	04/01/2018	1
312964 6W 4	FEDERAL HOME LOAN MTG CORP #B12685		09/01/2011	PAYDOWN		7,703	7,703	7,781	7,704	0	(1)	0	(1)	0	7,703	0	0	0	257	04/01/2018	1
312965 MW 3	FEDERAL HOME LOAN MTG CORP #B13073		09/01/2011	PAYDOWN		31,847	31,847	32,270	31,868	0	(21)	0	(21)	0	31,847	0	0	0	976	08/01/2018	1
312966 GR 9	FEDERAL HOME LOAN MTG CORP #B13808		09/01/2011	PAYDOWN		23,718	23,718	24,033	23,727	0	(9)	0	(9)	0	23,718	0	0	0	720	08/01/2018	1
312968 QZ 6	FEDERAL HOME LOAN MTG CORP #B15872		09/01/2011	PAYDOWN		4,826	4,826	4,856	4,824	0	1	0	1	0	4,826	0	0	0	162	10/01/2018	1
31371L HG 7	FEDERAL NATIONAL MTG ASSOC #255031		09/01/2011	PAYDOWN		12,814	12,814	12,772	12,807	0	7	0	7	0	12,814	0	0	0	383	05/01/2018	1
31371L M2 2	FEDERAL NATIONAL MTG ASSOC #255177		09/01/2011	PAYDOWN		15,002	15,002	15,234	15,013	0	(11)	0	(11)	0	15,002	0	0	0	502	08/01/2018	1
31385X GU 5	FEDERAL NATIONAL MTG ASSOC #555611		09/01/2011	PAYDOWN		8,691	8,691	8,627	8,683	0	8	0	8	0	8,691	0	0	0	260	11/01/2017	1
31393A PQ 4	FEDERAL NATIONAL MTG ASSOC 03 22 UC		09/01/2011	PAYDOWN		36,926	36,926	34,833	36,640	0	286	0	286	0	36,926	0	0	0	987	01/01/2016	1
31393Q WR 9	FEDERAL HOME LOAN MTG CORP 2610 DG		09/01/2011	PAYDOWN		49,357	49,357	46,272	48,755	0	602	0	602	0	49,357	0	0	0	1,238	07/01/2013	1
31393U QJ 5	FEDERAL NATIONAL MTG ASSOC 03 117 MN		09/01/2011	PAYDOWN		23,616	23,616	22,707	23,348	0	267	0	267	0	23,616	0	0	0	630	01/01/2012	1
31394B HM 9	FEDERAL NATIONAL MTG ASSOC 04 84 CD		09/01/2011	PAYDOWN		24,410	24,410	22,979	24,190	0	220	0	220	0	24,410	0	0	0	646	08/01/2013	1
31394C V2 5	FEDERAL NATIONAL MTG ASSOC 05 35 AC		09/01/2011	PAYDOWN		78,414	78,414	77,115	78,097	0	316	0	316	0	78,414	0	0	0	2,092	09/01/2012	1
31394C ZH 8	FEDERAL NATIONAL MTG ASSOC 05 14 BA		09/01/2011	PAYDOWN		101,781	101,781	100,986	101,598	0	183	0	183	0	101,781	0	0	0	3,032	02/01/2014	1
31394D XS 4	FEDERAL NATIONAL MTG ASSOC 05 49 A		09/01/2011	PAYDOWN		28,141	28,141	28,207	28,141	0	0	0	0	0	28,141	0	0	0	939	05/01/2013	1

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					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)
31394E GN 2	FEDERAL NATIONAL MTG ASSOC 05 63 HA		09/01/2011	PAYDOWN		17,429	17,429	16,981	17,321	0	108	0	108	0	17,429	0	0	0	586	05/01/2012	1
31394H X3 0	FEDERAL HOME LOAN MTG CORP 2672 HA		09/01/2011	PAYDOWN		23,472	23,472	23,037	23,377	0	95	0	95	0	23,472	0	0	0	626	04/01/2012	1
31394X YW 0	FEDERAL HM LN MTG CORP 2790 DY		09/01/2011	PAYDOWN		337,374	337,374	314,127	336,466	0	908	0	908	0	337,374	0	0	0	4,958	05/01/2019	1
31395R AR 9	FREDDIE MAC REFERENCE REMIC R001 AE		09/01/2011	PAYDOWN		19,767	19,767	19,183	19,612	0	155	0	155	0	19,767	0	0	0	575	03/01/2012	1
31395T LX 0	FHR 2963 BK		09/01/2011	PAYDOWN		69,653	69,653	65,822	69,329	0	323	0	323	0	69,653	0	0	0	1,891	07/01/2018	1
31396G G7 0	FREDDIE MAC REFERENCE REMIC R004 AL		09/01/2011	PAYDOWN		5,798	5,798	5,705	5,773	0	25	0	25	0	5,798	0	0	0	199	07/01/2012	1
31400V 2K 7	FEDERAL NATIONAL MTG ASSOC #699278		09/01/2011	PAYDOWN		14,904	14,904	14,934	14,904	0	0	0	0	0	14,904	0	0	0	446	09/01/2017	1
31402H X6 3	FEDERAL NATIONAL MTG ASSOC #729801		09/01/2011	PAYDOWN		13,687	13,687	13,642	13,680	0	7	0	7	0	13,687	0	0	0	414	02/01/2018	1
31402U QU 9	FEDERAL NATIONAL MTG. ASSOC. 738567		09/01/2011	PAYDOWN		71,252	71,252	68,068	71,062	0	190	0	190	0	71,252	0	0	0	2,381	07/01/2032	1
31402W 5A 2	FEDERAL NATIONAL MTG ASSOC #740741		09/01/2011	PAYDOWN		3,964	3,964	3,935	3,962	0	2	0	2	0	3,964	0	0	0	119	05/01/2018	1
31402Y CM 4	FEDERAL NATIONAL MTG ASSOC #741776		09/01/2011	PAYDOWN		6,218	6,218	6,197	6,214	0	3	0	3	0	6,218	0	0	0	187	11/01/2017	1
31403F 4B 7	FEDERAL NATIONAL MTG ASSOC #747918		09/01/2011	PAYDOWN		11,357	11,357	11,320	11,351	0	6	0	6	0	11,357	0	0	0	339	04/01/2018	1
31403Q CQ 1	FEDERAL NATIONAL MTG ASSOC #754379		09/25/2011	VARIOUS		79,629	74,995	74,444	74,575	0	(10)	0	(10)	0	74,564	0	5,064	5,064	2,674	08/01/2016	1
31405E 2Y 0	FEDERAL NATIONAL MTG ASSOC #787491		09/01/2011	PAYDOWN		12,515	12,515	12,480	12,509	0	6	0	6	0	12,515	0	0	0	446	12/01/2018	1
31405F JJ 2	FEDERAL NATIONAL MTG ASSOC #787865		09/01/2011	PAYDOWN		7,135	7,135	7,115	7,131	0	5	0	5	0	7,135	0	0	0	238	11/01/2018	1
31405K EG 2	FEDERAL NATIONAL MTG ASSOC #791335		09/01/2011	PAYDOWN		14,941	14,941	15,177	14,945	0	(4)	0	(4)	0	14,941	0	0	0	506	01/01/2019	1
31406T B4 2	FEDERAL NATIONAL MTG ASSOC #819159		09/01/2011	PAYDOWN		29,765	29,765	29,516	29,749	0	16	0	16	0	29,765	0	0	0	819	09/01/2019	1
31410F Y6 6	FEDERAL NATIONAL MTG ASSOC #888233		09/01/2011	PAYDOWN		36,198	36,198	33,953	36,043	0	155	0	155	0	36,198	0	0	0	1,201	11/01/2034	1
31412V BT 4	FEDERAL NATIONAL MTG ASSOC #935750		09/01/2011	PAYDOWN		130,879	130,879	134,928	131,091	0	(212)	0	(212)	0	130,879	0	0	0	4,045	07/01/2024	1
31417V GU 1	FEDERAL NATIONAL MTG ASSOC #AC8310		09/01/2011	PAYDOWN		33,150	33,150	33,217	33,151	0	(1)	0	(1)	0	33,150	0	0	0	903	08/01/2039	1
31418Q WQ 2	FEDERAL NATIONAL MTG ASSOC #AD3354		09/01/2011	PAYDOWN		130,738	130,738	131,085	130,744	0	(6)	0	(6)	0	130,738	0	0	0	3,902	03/01/2040	1
38374B UM 3	GOVERNMENT NATL MTG ASSOC 03 66 NE		09/01/2011	PAYDOWN		59,805	59,805	57,208	59,377	0	428	0	428	0	59,805	0	0	0	1,588	12/01/2011	1
38374C ZR 5	GOVERNMENT NATL MTG ASSOC 03 84 GT		09/01/2011	PAYDOWN		9,107	9,107	9,163	9,092	0	15	0	15	0	9,107	0	0	0	302	05/01/2016	1
38374E H8 3	GOVERNMENT NATL MTG ASSOC 03 113 AE		09/01/2011	PAYDOWN		19,059	19,059	18,738	18,968	0	91	0	91	0	19,059	0	0	0	544	12/01/2011	1
38374K 6X 6	GNR 2005-28 TE		09/01/2011	PAYDOWN		41,950	41,950	40,481	41,620	0	330	0	330	0	41,950	0	0	0	1,304	02/01/2013	1
38374K UT 8	GOVERNMENT NATL MTG ASSOC 2005-13 PA		09/01/2011	PAYDOWN		19,131	19,131	18,512	19,009	0	122	0	122	0	19,131	0	0	0	548	10/01/2013	1
3199999.	Total - Bonds - U.S. Special Revenue & Assessment					2,264,102	2,259,468	2,229,526	2,255,654	0	3,379	0	3,379	0	2,259,037	0	5,064	5,064	62,810	XXX	XXX
Bonds - Industrial and Miscellaneous																					
05522N AA 5	BA COVERED BOND		08/12/2011	BANK OF AMERICA		4,658,175	4,500,000	4,495,545	4,498,579	0	602	0	602	0	4,499,180	0	158,995	158,995	167,063	06/14/2012	1FE
05956K AA 6	BANC OF AMERICA LARGE LOAN 10-HLTN HLTN.		09/15/2011	PAYDOWN		4,615	4,615	4,303	0	0	138	0	138	0	4,615	0	0	0	15	11/15/2011	4FE
12667F AH 8	COUNTRYWIDE ALT LN TR 04 2CB 1A2		09/01/2011	PAYDOWN		194,694	194,694	196,215	194,694	0	0	0	0	0	194,694	0	0	0	6,563	04/01/2015	1Z*
12669E HY 5	COUNTRYWIDE ALT LN TR 03 9T1 A1		09/01/2011	PAYDOWN		5,719	5,719	5,612	5,681	0	38	0	38	0	5,719	0	0	0	150	07/01/2017	1Z*
12669F J8 7	COUNTRYWIDE HOME LOANS 04 13 2A1		09/01/2011	PAYDOWN		28,977	28,977	28,953	28,938	0	39	0	39	0	28,977	0	0	0	972	04/01/2012	1Z*
12669G 4U 2	COUNTRYWIDE HOME LOANS 05 J3 2A3		09/01/2011	PAYDOWN		67,072	67,072	66,213	66,914	0	159	0	159	0	67,072	0	0	0	2,021	03/01/2034	1Z*
12669G V3 2	COUNTRYWIDE HOME LOANS 05 J2 3A4		09/01/2011	PAYDOWN		41,072	41,072	40,886	41,018	0	54	0	54	0	41,072	0	0	0	1,318	07/01/2035	1Z*
161571 CP 7	CHASE ISSUANCE TR 2008-A4 A4		08/23/2011	JP MORGAN SECURITIES INC.		1,062,227	1,000,000	1,027,969	1,017,029	0	(4,891)	0	(4,891)	0	1,012,138	0	50,088	50,088	32,421	03/15/2013	1FE
17305E CJ 2	CITIBANK CREDIT CARD ISS TR 05 A2 A2		08/23/2011	UBS WARBURG		1,131,719	1,000,000	965,000	973,851	0	3,683	0	3,683	0	977,534	0	154,185	154,185	46,614	03/10/2015	1FE
265516 AA 2	DUNKIN FINANCE CORP.		08/31/2011	CALLED BY ISSUER at 100.500		150,750	150,000	147,750	147,772	0	135	0	135	0	147,907	0	2,843	2,843	12,285	12/01/2018	5FE
349631 AD 3	FORTUNE BRANDS INC.		08/25/2011	TENDER OFFER		717,833	525,000	625,847	623,323	0	(4,222)	0	(4,222)	0	619,101	0	98,731	98,731	35,219	11/15/2021	2FE

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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)
41321T AA 0	HARMONY FOODS CORP.		07/15/2011	DIRECT.		1,008,480	990,000	1,001,000	0	0	(355)	0	(355)	0	1,000,645	0	7,835	7,835	18,911	05/01/2016	4FE
52078P AC 6	LAWSON SOFTWARE		07/06/2011	DIRECT.		491,875	500,000	460,715	0	0	61	0	61	0	460,776	0	31,099	31,099	958	07/15/2018	5FE
589331 AP 2	MERCK & CO INC.		09/09/2011	BARCLAYS CAPITAL		3,326,190	3,000,000	3,248,010	0	0	(11,050)	0	(11,050)	0	3,236,960	0	89,230	89,230	24,000	06/30/2015	1FE
717081 DA 8	PFIZER INC.		09/09/2011	BARCLAYS CAPITAL		3,435,150	3,000,000	3,408,415	0	0	(21,925)	0	(21,925)	0	3,386,490	0	48,660	48,660	78,913	03/15/2015	1FE
76110H DB 2	RESIDENTIAL ACCR LOANS INC 03 QS10 A13		09/01/2011	PAYDOWN.		3,216	3,216	3,148	3,206	0	10	0	10	0	3,216	0	0	0	90	07/01/2021	1Z*
80007P AG 4	SANDRIDGE ENERGY INC.		07/07/2011	DIRECT.		271,260	274,000	270,233	0	0	460	0	460	0	270,692	0	568	568	5,775	04/01/2014	4FE
82651L AA 1	SIERRA RECEIVABLES FUNDING COM 10-1A A1		09/20/2011	PAYDOWN.		28,180	28,180	28,175	28,131	0	49	0	49	0	28,180	0	0	0	836	04/20/2019	1FE
931142 DC 4	WAL-MART STORES INC.		09/09/2011	CITIGROUP GLOBAL MARKETS		3,200,610	3,000,000	3,119,820	0	0	(4,887)	0	(4,887)	0	3,114,933	0	85,677	85,677	33,600	04/15/2016	1FE
	CLARKE AMERICAN.		09/30/2011	SINKING FUND REDEMPTION.		6,752	6,752	5,736	4,118	15	126	0	141	0	6,752	0	0	0	104	04/04/2014	4FE
	NUVEEN INVESTMENTS INC.		09/30/2011	PRIOR PERIOD INCOME.		0	0	0	0	0	0	0	0	0	0	0	0	0	2,158	11/13/2014	3FE
	NUVEEN INVESTMENTS INC.		08/24/2011	VARIOUS.		411,613	418,412	361,066	373,169	1,993	5,082	0	7,075	0	380,244	0	31,369	31,369	12,200	11/13/2014	3FE
	CENGAGE LEARNING.		09/30/2011	SINKING FUND REDEMPTION.		1,081	1,081	989	1,068	2	10	0	12	0	1,081	0	0	0	19	07/05/2014	4FE
	SURGICAL CARE AFFILIATES INC.		07/01/2011	SINKING FUND REDEMPTION.		2,519	2,519	2,261	2,497	9	13	0	22	0	2,519	0	0	0	35	12/31/2014	4FE
	UNITED SURGICAL PARTNERS.		09/30/2011	SINKING FUND REDEMPTION.		229	229	215	226	1	2	0	3	0	229	0	0	0	4	04/19/2014	4FE
	UNITED SURGICAL PARTNERS.		09/30/2011	SINKING FUND REDEMPTION.		1,022	1,022	941	1,007	11	4	0	15	0	1,022	0	0	0	17	04/19/2014	4FE
	TEGRANT (SCA) 1ST LIEN.		09/30/2011	SINKING FUND REDEMPTION.		3,519	3,519	2,680	2,393	0	86	0	86	0	3,519	0	0	0	73	03/08/2015	5FE
	COINMACH SERVICE CORP.		09/30/2011	SINKING FUND REDEMPTION.		20,990	20,990	18,455	10,681	201	572	0	773	0	20,990	0	0	0	371	12/19/2012	5FE
	CCS CORP.		09/30/2011	SINKING FUND REDEMPTION.		6,085	6,085	5,359	3,416	0	94	0	94	0	6,085	0	0	0	139	11/11/2014	4FE
	CERIDIAN TERM B.		09/30/2011	SINKING FUND REDEMPTION.		1,242	1,242	1,181	544	0	10	0	10	0	1,242	0	0	0	27	11/09/2014	4FE
	CONSOLIDATED CONTAINER CO SECOND LEIN.		08/31/2011	VARIOUS.		273,348	300,895	246,734	248,239	7,555	6,298	0	13,853	0	262,091	0	11,257	11,257	8,486	03/28/2014	5FE
	CMP SUSQUEHANNA CORP.		09/16/2011	VARIOUS.		1,193,874	1,198,373	1,118,363	419,636	0	33,483	0	33,483	0	1,158,518	0	35,355	35,355	15,485	05/05/2013	5FE
	FREEDOM COMMUNICATIONS TERM A.		09/30/2011	SINKING FUND REDEMPTION.		25,000	25,000	24,500	24,924	0	76	0	76	0	25,000	0	0	0	1,778	05/04/2014	6Z
	SPANISH BROADCASTING SYSTEM FIRST LIEN.		09/30/2011	SINKING FUND REDEMPTION.		2,963	2,963	2,677	2,848	0	115	0	115	0	2,963	0	0	0	48	06/08/2012	5FE
	JASON INC TERM LOAN A.		09/30/2011	SINKING FUND REDEMPTION.		13,254	13,254	13,114	13,208	25	21	0	46	0	13,254	0	0	0	689	09/21/2014	4FE
	OBSIDIAN NATURAL GAS TRUST.		09/02/2011	SINKING FUND REDEMPTION.		96,793	96,793	95,825	96,543	0	250	0	250	0	96,793	0	0	0	4,565	11/30/2015	4FE
	ENTEGRA TC LLC 2ND LIEN.		08/11/2011	VARIOUS.		272,793	273,778	266,934	0	0	5,721	0	5,721	0	272,595	0	198	198	2,498	04/19/2014	4FE
	FENWAL INC TERM LOAN.		09/30/2011	SINKING FUND REDEMPTION.		427	427	376	359	0	16	0	16	0	427	0	0	0	7	02/23/2013	4FE

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)
	FENWAL INC FIRST LIEN LN B		09/30/2011	SINKING FUND REDEMPTION.		2,564	2,564	2,258	2,183	0	67	0	67	0	2,564	0	0	0	41	02/23/2014	4FE
	CONVATEC HEALTHCARE		09/22/2011	PRIOR PERIOD INCOME		0	0	0	0	0	0	0	0	0	0	0	0	0	253	12/30/2016	4FE
	TRANSTAR HOLDING		07/01/2011	PRIOR PERIOD INCOME		0	0	0	0	0	0	0	0	0	0	0	0	0	3,189	12/16/2016	4FE
	NATIONAL MENTOR HOLDINGS		09/30/2011	SINKING FUND REDEMPTION.		3,292	3,292	3,237	0	0	12	0	12	0	3,292	0	0	0	126	01/18/2017	4FE
	MEDIA GENERAL INC		08/31/2011	PRIOR PERIOD INCOME		0	0	0	0	0	0	0	0	0	0	0	0	0	50	03/29/2013	4FE
	ORIENTAL TRADING		08/18/2011	SINKING FUND REDEMPTION.		4,991	4,991	4,972	0	0	1	0	1	0	4,991	0	0	0	173	02/10/2017	4FE
	SPROUTS FARMERS MARKET LLC		09/30/2011	SINKING FUND REDEMPTION.		3,013	3,013	2,908	0	0	5	0	5	0	3,013	0	0	0	42	04/13/2018	4FE
	MILACRON LLC TL		09/30/2011	SINKING FUND REDEMPTION.		16,763	16,763	16,595	0	0	4	0	4	0	16,763	0	0	0	478	05/06/2017	4FE
	NORTEK INC TL		08/29/2011	VARIOUS		701,700	704,100	700,580	0	0	9	0	9	0	700,588	0	1,112	1,112	6,016	04/26/2017	4FE
	VEYANCE GOODYEAR EPD TL DD		09/30/2011	SINKING FUND REDEMPTION.		691	691	657	0	0	1	0	1	0	691	0	0	0	3	07/31/2014	4FE
	VEYANCE GOODYEAR EPD TL B		09/30/2011	SINKING FUND REDEMPTION.		4,836	4,836	4,596	0	0	9	0	9	0	4,836	0	0	0	19	07/31/2014	4FE
	INFOR GLOBAL SOLUTIONS B2		09/23/2011	SINKING FUND REDEMPTION.		4,484	4,484	4,335	0	0	7	0	7	0	4,484	0	0	0	69	07/28/2015	4FE
	LABELCORP HOLDINGS INC TL B		09/30/2011	SINKING FUND REDEMPTION.		1,578	1,578	1,563	0	0	0	0	0	0	1,578	0	0	0	25	05/27/2017	4FE
	SELECT MEDICAL CORP		09/30/2011	SINKING FUND REDEMPTION.		2,410	2,410	2,386	0	0	1	0	1	0	2,410	0	0	0	42	06/18/2018	4FE
	VALITAS HEALTH SERVICES INC		08/05/2011	VARIOUS		413,000	413,000	410,935	0	0	83	0	83	0	411,018	0	1,982	1,982	1,355	06/06/2017	4FE
	LAWSON SOFTWARE INC TERM		07/05/2011	BARCLAYS CAPITAL		159,792	166,233	159,584	0	0	3	0	3	0	159,587	0	205	205	0	07/05/2017	4FE
3899999.	Total - Bonds - Industrial & Miscellaneous					23,480,432	22,013,834	22,625,821	8,836,195	9,812	10,279	0	20,091	0	22,671,040	0	809,389	809,389	528,308	XXX	XXX
8399997.	Total - Bonds - Part 4					36,916,730	34,422,033	35,619,721	21,571,041	9,812	(35,209)	0	(25,397)	0	35,360,403	0	1,556,323	1,556,323	994,751	XXX	XXX
8399999.	Total - Bonds					36,916,730	34,422,033	35,619,721	21,571,041	9,812	(35,209)	0	(25,397)	0	35,360,403	0	1,556,323	1,556,323	994,751	XXX	XXX
9999999.	Total - Bonds, Preferred and Common Stocks					36,916,730	XXX	35,619,721	21,571,041	9,812	(35,209)	0	(25,397)	0	35,360,403	0	1,556,323	1,556,323	994,751	XXX	XXX

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

Sch. DB-Pt A-Sn 1
NONE

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

Sch. DB-Pt B-Sn 1
NONE

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

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

Sch. DB-Pt D
NONE

Sch. DL-Pt. 1
NONE

Sch. DL-Pt. 2
NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1		2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
			Rate	Amount of Interest	Amount of Interest Accrued	6	7	8	
Depository		Code	of Interest	Received During Current Quarter	at Current Statement Date	First Month	Second Month	Third Month	*
Open Depositories									
Wachovia Bank, N.A.	Richmond, VA		0.000	0	0	(1,715,671)	(1,100,219)	(1,048,214)	XXX
Federal Home Loan Bank	Cincinnati, OH		0.000	0	0	87,781	87,781	95,103	XXX
US Bank	Washington DC		0.000	0	0	0	0	137,390	XXX
0199999. Total Open Depositories		XXX	XXX	0	0	(1,627,890)	(1,012,438)	(815,721)	XXX
0399999. Total Cash on Deposit		XXX	XXX	0	0	(1,627,890)	(1,012,438)	(815,721)	XXX
0599999. Total Cash		XXX	XXX	0	0	(1,627,890)	(1,012,438)	(815,721)	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
Industrial and Miscellaneous (Unaffiliated) Issuer Obligations							
WACHOVIA SWEEP REPO		09/30/2011	0.050	10/03/2011	13,027,000	18	1,891
3299999. Industrial and Miscellaneous (Unaffiliated) Issuer Obligations					13,027,000	18	1,891
3899999. Total - Industrial and Miscellaneous (Unaffiliated)					13,027,000	18	1,891
Total							
7799999. Subtotals - Issuer Obligations					13,027,000	18	1,891
8399999. Subtotals - Bonds					13,027,000	18	1,891
8699999. Total - Cash Equivalents					13,027,000	18	1,891

12203201145500103

Designate the type of health care providers reported on this page.

SUPPLEMENT "A" TO SCHEDULE T

EXHIBIT OF MEDICAL PROFESSIONAL LIABILITY PREMIUMS WRITTEN ALLOCATED BY STATES AND TERRITORIES

Physicians - Including Surgeons and Osteopaths

	States, Etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid 3 Amount	Direct Losses Paid 4 Number of Claims	5 Direct Losses Incurred	Direct Losses Unpaid 6 Amount Reported	Direct Losses Unpaid 7 Number of Claims	8 Direct Losses Incurred But Not Reported
1.	Alabama AL	213,695	230,890	0	0	(21,998)	125,000	3	195,307
2.	Alaska AK	0	0	0	0	0	0	0	0
3.	Arizona AZ	569,426	617,209	0	0	(278,174)	10,001	2	522,089
4.	Arkansas AR	135,090	126,939	0	0	3,753	0	0	107,376
5.	California CA	1,382,715	1,393,893	480,592	7	1,114,240	865,000	14	1,179,076
6.	Colorado CO	91,039	80,954	0	0	10,439	10,000	1	68,478
7.	Connecticut CT	247,363	160,404	0	0	116,338	0	0	135,684
8.	Delaware DE	29,547	33,670	0	0	12,662	0	0	28,481
9.	District of Columbia DC	0	805	0	0	(3,420)	0	0	681
10.	Florida FL	32,092	36,630	0	0	1,693	0	0	30,985
11.	Georgia GA	316,546	366,802	0	0	17,662	15,001	2	310,273
12.	Hawaii HI	0	0	0	0	0	0	0	0
13.	Idaho ID	17,281	20,887	0	0	(1,305)	0	0	17,668
14.	Illinois IL	45,458	34,122	0	0	(4,669)	0	0	28,863
15.	Indiana IN	0	0	0	0	24	0	0	0
16.	Iowa IA	0	0	0	0	(4,952)	0	0	0
17.	Kansas KS	0	0	0	0	(2,759)	0	0	0
18.	Kentucky KY	1,218	50,047	0	0	(9,541)	15,000	2	42,334
19.	Louisiana LA	7,390	6,155	0	0	(4,126)	0	0	5,207
20.	Maine ME	0	1,746	0	0	(2,446)	0	0	1,477
21.	Maryland MD	194,277	160,074	0	0	7,852	0	0	135,404
22.	Massachusetts MA	5,311	1,596	0	0	(33)	0	0	1,350
23.	Michigan MI	52,960	145,669	125,000	1	(18,674)	0	0	123,219
24.	Minnesota MN	9,967	9,613	0	0	845	0	0	8,132
25.	Mississippi MS	173,159	194,121	150,000	1	35,773	75,000	1	164,204
26.	Missouri MO	8,525	11,543	0	0	4,170	0	0	9,764
27.	Montana MT	12,626	8,487	0	0	3,705	0	0	7,179
28.	Nebraska NE	0	0	0	0	0	0	0	0
29.	Nevada NV	68,371	29,119	18,894	1	6,740	0	0	24,631
30.	New Hampshire NH	0	0	0	0	0	0	0	0
31.	New Jersey NJ	184,416	126,204	0	0	50,598	10,000	1	106,754
32.	New Mexico NM	11,932	6,123	0	0	(934)	0	0	5,179
33.	New York NY	0	0	0	0	(21,632)	0	0	0
34.	North Carolina NC	148,057	120,739	0	0	(25,879)	90,000	2	102,131
35.	North Dakota ND	0	0	0	0	0	0	0	0
36.	Ohio OH	0	0	0	0	0	0	0	0
37.	Oklahoma OK	46,360	31,875	0	0	(13,356)	500,000	1	26,963
38.	Oregon OR	27,545	130,931	82,450	1	1,951	10,001	2	110,753
39.	Pennsylvania PA	0	17,800	0	0	(4,328)	0	0	15,057
40.	Rhode Island RI	0	0	0	0	0	0	0	0
41.	South Carolina SC	14,883	23,804	0	0	8,389	0	0	20,135
42.	South Dakota SD	0	0	0	0	0	0	0	0
43.	Tennessee TN	406,744	332,577	0	0	87,042	75,001	2	281,322
44.	Texas TX	92,562	99,962	0	0	19,628	31,000	2	84,556
45.	Utah UT	11,215	8,377	0	0	2,318	0	0	7,086
46.	Vermont VT	0	0	0	0	0	0	0	0
47.	Virginia VA	316,277	395,129	150,000	2	77,939	85,000	6	334,234
48.	Washington WA	49,913	53,823	854,730	1	(5,347)	15,000	1	45,528
49.	West Virginia WV	0	0	0	0	0	0	0	0
50.	Wisconsin WI	0	0	0	0	0	0	0	0
51.	Wyoming WY	48,289	36,429	0	0	11,285	0	0	30,815
52.	American Samoa AS	0	0	0	0	0	0	0	0
53.	Guam GU	0	0	0	0	0	0	0	0
54.	Puerto Rico PR	0	0	0	0	0	0	0	0
55.	US Virgin Islands VI	0	0	0	0	0	0	0	0
56.	Northern Mariana Islands MP	0	0	0	0	0	0	0	0
57.	Canada CN	0	0	0	0	0	0	0	0
58.	Aggregate Other Alien OT	0	0	0	0	0	0	0	0
59.	Totals	4,972,249	5,105,148	1,861,666	14	1,171,473	1,931,004	42	4,318,375

DETAILS OF WRITE-INS

5801.		0	0	0	0	0	0	0	0
5802.		0	0	0	0	0	0	0	0
5803.		0	0	0	0	0	0	0	0
5898.	Summary of remaining write-ins for Line 58 from overflow page	0	0	0	0	0	0	0	0
5899.	Totals (Lines 5801 thru 5803 + 5898) (Line 58 above)	0	0	0	0	0	0	0	0

Supplement A to Sch. T
NONE

Supplement A to Sch. T
NONE

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

SUPPLEMENT "A" TO SCHEDULE T

Designate the type of health care providers reported on this page.

EXHIBIT OF MEDICAL PROFESSIONAL LIABILITY PREMIUMS WRITTEN ALLOCATED BY STATES AND TERRITORIES

Other Health Care Facilities

	1	2	Direct Losses Paid		5	Direct Losses Unpaid		8
			3	4		6	7	
States, Etc.	Direct Premiums Written	Direct Premiums Earned	Amount	Number of Claims	Direct Losses Incurred	Amount Reported	Number of Claims	Direct Losses Incurred But Not Reported
1. Alabama AL	41,071	53,979	0	0	(20,996)	2,000	1	95,646
2. Alaska AK	1,200	4,999	0	0	36	0	0	8,465
3. Arizona AZ	84,401	102,289	0	0	42,069	0	0	174,208
4. Arkansas AR	3,782	6,874	60,350	1	(137,675)	0	0	11,641
5. California CA	479,125	545,984	497,667	3	411,144	155,500	7	934,110
6. Colorado CO	38,079	61,032	0	0	23,936	0	0	104,382
7. Connecticut CT	44,377	33,153	0	0	9,121	10,000	1	56,423
8. Delaware DE	8,547	5,134	0	0	(894)	0	0	8,693
9. District of Columbia DC	8,830	7,061	0	0	4,011	0	0	12,721
10. Florida FL	152,386	176,032	53,500	2	(43,071)	15,000	2	301,999
11. Georgia GA	77,919	115,529	87,392	1	128,667	100,001	6	202,752
12. Hawaii HI	3,870	2,981	0	0	842	0	0	5,049
13. Idaho ID	13,984	22,192	0	0	5,762	0	0	39,470
14. Illinois IL	77,591	105,076	8,000	1	11,311	153,001	6	191,720
15. Indiana IN	18,452	38,364	0	0	25,141	0	0	64,966
16. Iowa IA	(3,758)	1,442	0	0	(26,715)	0	0	2,441
17. Kansas KS	17,908	18,314	0	0	(9,560)	0	0	31,038
18. Kentucky KY	12,916	10,601	0	0	(11,038)	0	0	17,952
19. Louisiana LA	29,220	43,690	0	0	206,800	210,000	2	75,965
20. Maine ME	15,060	20,749	0	0	32,522	15,000	1	35,529
21. Maryland MD	33,435	87,943	137,500	1	35,426	100,250	2	151,812
22. Massachusetts MA	44,268	97,956	(1,000)	1	(40,658)	1,500	1	166,657
23. Michigan MI	24,109	34,418	0	0	10,904	0	0	58,283
24. Minnesota MN	156,888	126,088	0	0	91,274	5,000	1	214,518
25. Mississippi MS	40,382	30,430	0	0	19,506	0	0	51,579
26. Missouri MO	18,527	28,734	0	0	(11,446)	0	0	50,277
27. Montana MT	6,892	5,989	0	0	(5,478)	0	0	10,263
28. Nebraska NE	6,288	9,162	0	0	8,726	0	0	15,514
29. Nevada NV	36,412	28,725	0	0	14,745	5,000	1	49,577
30. New Hampshire NH	4,389	2,615	0	0	(3,802)	0	0	4,432
31. New Jersey NJ	114,408	96,455	0	0	616,335	580,003	6	169,338
32. New Mexico NM	32,139	86,887	0	0	172,157	100,000	1	147,134
33. New York NY	77,773	70,579	(2,829)	1	372,872	555,501	7	126,164
34. North Carolina NC	67,180	81,165	445,000	2	(25,675)	0	0	139,278
35. North Dakota ND	2,684	2,059	0	0	1,112	0	0	3,486
36. Ohio OH	0	0	0	0	0	0	0	0
37. Oklahoma OK	196,800	198,974	0	0	157,500	5,001	2	336,944
38. Oregon OR	161,811	169,955	0	0	208,929	25,000	1	287,821
39. Pennsylvania PA	110,283	157,977	275,000	1	212,957	200,001	4	270,114
40. Rhode Island RI	3,158	3,853	0	0	4,372	0	0	6,524
41. South Carolina SC	21,492	19,024	0	0	3,833	7,500	1	32,749
42. South Dakota SD	14,728	15,076	0	0	6,973	0	0	25,530
43. Tennessee TN	25,657	23,538	0	0	9,391	0	0	43,446
44. Texas TX	99,838	110,822	0	0	(71,445)	25,001	2	190,117
45. Utah UT	9,150	16,775	0	0	18,467	0	0	29,868
46. Vermont VT	4,135	26,767	0	0	19,847	0	0	45,327
47. Virginia VA	85,840	96,545	0	0	254,402	325,000	1	163,490
48. Washington WA	35,711	35,197	0	0	(10,279)	0	0	60,819
49. West Virginia WV	0	0	0	0	0	0	0	0
50. Wisconsin WI	127,417	114,998	0	0	30,847	25,000	1	196,024
51. Wyoming WY	15,883	10,441	0	0	15,498	0	0	17,681
52. American Samoa AS	0	0	0	0	0	0	0	0
53. Guam GU	0	0	0	0	0	0	0	0
54. Puerto Rico PR	0	0	0	0	0	0	0	0
55. US Virgin Islands VI	0	0	0	0	0	0	0	0
56. Northern Mariana Islands MP	0	0	0	0	0	0	0	0
57. Canada CN	0	0	0	0	0	0	0	0
58. Aggregate Other Alien OT	0	0	0	0	0	0	0	0
59. Totals	2,702,637	3,164,622	1,560,580	14	2,768,703	2,620,259	57	5,439,936

DETAILS OF WRITE-INS

	1	2	3	4	5	6	7	8
5801.	0	0	0	0	0	0	0	0
5802.	0	0	0	0	0	0	0	0
5803.	0	0	0	0	0	0	0	0
5898. Summary of remaining write-ins for Line 58 from overflow page	0	0	0	0	0	0	0	0
5899. Totals (Lines 5801 thru 5803 + 5898) (Line 58 above)	0	0	0	0	0	0	0	0

Overflow Page for Write-Ins

NONE