



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

QUARTERLY STATEMENT

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

American Modern Surplus Lines Insurance Company

NAIC Group Code 0361 (Current) 0361 (Prior) NAIC Company Code 12489 Employer's ID Number 20-3901790

Organized under the Laws of Ohio, State of Domicile or Port of Entry Ohio

Country of Domicile United States of America

Incorporated/Organized 11/28/2005 Commenced Business 09/01/2006

Statutory Home Office _____ 7000 Midland Blvd. _____, _____ Amelia , OH 45102-2607
(Street and Number) _____ (City or Town, State and Zip Code)

Main Administrative Office 7000 Midland Blvd.
(Street and Number)
Amelia OH 45102-2607 800-543-2644-5478

(City or Town, State and Zip Code) (Area Code) (Telephone Number)

(Street and Number or P.O. Box) (City or Town, State and Zip Code)

Statutory Statement Contact Kenneth L. Kuhn, 800-543-2644-5478
(Name) (A. C. T. I. T. L. N. L.)

OFFICERS

OFFICERS

CEO	Anthony Joseph Kuczinski #	Senior Vice President	William Todd Gray
Chairman of the Board / SVP	Juergen Erwin Kammerlohr #	Senior Vice President	James Paul Tierney

OTHER

OTHER

DIRECTORS OR TRUSTEES

Juergen Erwin Kammerlohr Chairman # Michael Lynn Flowers James Paul Tierney
Paul Frederick Gelter Charles Schuster Griffith III #

State of Ohio SS: _____
County of Clermont _____

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.

Anthony Joseph Kuczinski
CEO

Michael Lynn Flowers
Vice President / Secretary

Kenneth Leo Kuhn
Vice President / Controller

Subscribed and sworn to before me this
_____ day of _____

a. Is this an original filing?

b. If no,

1. State the amendment number.....
2. Date filed
3. Number of pages attached

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	29,765,983		29,765,983	29,561,520
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks			0	0
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens.....			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$(515,794)), cash equivalents (\$0) and short-term investments (\$4,889,829)	4,374,035		4,374,035	512,511
6. Contract loans (including \$ premium notes)			0	0
7. Derivatives			0	0
8. Other invested assets			0	0
9. Receivables for securities	3		3	0
10. Securities lending reinvested collateral assets			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	34,140,021	0	34,140,021	30,074,031
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	187,391		187,391	224,984
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	8,707,336	83,423	8,623,913	3,881,657
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)	214,326	0	214,326	293,165
15.3 Accrued retrospective premiums			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	2,729,778		2,729,778	375,743
16.2 Funds held by or deposited with reinsured companies	21,728,030		21,728,030	27,655,820
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	711,748		711,748	0
18.2 Net deferred tax asset	1,178,003	0	1,178,003	1,590,942
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software			0	0
21. Furniture and equipment, including health care delivery assets (\$)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates			0	1,015
24. Health care (\$) and other amounts receivable			0	0
25. Aggregate write-ins for other than invested assets	0	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	69,596,633	83,423	69,513,210	64,097,357
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	69,596,633	83,423	69,513,210	64,097,357
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0	0
2501.				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	0	0	0	0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 4,562,000)	6,675,775	7,376,363
2. Reinsurance payable on paid losses and loss adjustment expenses	1,311,299	949,535
3. Loss adjustment expenses	648,375	995,013
4. Commissions payable, contingent commissions and other similar charges	2,464,657	1,455,469
5. Other expenses (excluding taxes, licenses and fees)	26,348	25,616
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	2,315,911	1,606,896
7.1 Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))	0	65,626
7.2 Net deferred tax liability	0	0
8. Borrowed money \$ and interest thereon \$	0	0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 6,658,647 and including warranty reserves of \$)	14,044,510	19,215,346
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)	3,318,775	2,063,702
13. Funds held by company under reinsurance treaties	12,084,584	3,758,493
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	0	0
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	147,232	559,573
20. Derivatives	0	0
21. Payable for securities	0	0
22. Payable for securities lending	0	0
23. Liability for amounts held under uninsured plans	0	0
24. Capital notes \$ and interest thereon \$	0	0
25. Aggregate write-ins for liabilities	26,173	24,556
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	43,063,639	38,096,188
27. Protected cell liabilities	0	0
28. Total liabilities (Lines 26 and 27)	43,063,639	38,096,188
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	5,000,000	5,000,000
31. Preferred capital stock	0	0
32. Aggregate write-ins for other than special surplus funds	92,318	138,596
33. Surplus notes	0	0
34. Gross paid in and contributed surplus	15,000,000	15,000,000
35. Unassigned funds (surplus)	6,357,253	5,862,573
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)	0	0
36.2 shares preferred (value included in Line 31 \$)	0	0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	26,449,571	26,001,169
38. Totals (Page 2, Line 28, Col. 3)	69,513,210	64,097,357
DETAILS OF WRITE-INS		
2501. Unclaimed Funds	26,173	24,556
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	26,173	24,556
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998)(Line 29 above)	0	0
3201. Net Deferred Tax Assets Admitted under SSAP10R	92,318	138,596
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298)(Line 32 above)	92,318	138,596

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 \$ 24,746,207)	20,802,477	10,729,596	13,916,785
1.2 Assumed (written \$ 23,839,346)	29,010,107	30,302,807	40,595,459
1.3 Ceded (written \$ 24,746,208)	20,802,477	10,729,596	13,916,785
1.4 Net (written \$ 23,839,345)	29,010,107	30,302,807	40,595,459
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 18,449,000):			
2.1 Direct	7,172,461	1,447,418	1,937,447
2.2 Assumed	16,252,736	12,444,225	16,345,185
2.3 Ceded	7,172,461	1,447,418	1,937,447
2.4 Net	16,252,736	12,444,225	16,345,185
3. Loss adjustment expenses incurred	1,035,624	1,268,755	1,924,534
4. Other underwriting expenses incurred	12,286,706	15,427,811	20,290,310
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	29,575,066	29,140,791	38,560,029
7. Net income of protected cells		0	0
8. Net underwriting gain or (loss) (Line 1 minus Line 6 + Line 7)	(564,959)	1,162,016	2,035,430
INVESTMENT INCOME			
9. Net investment income earned	365,868	583,931	749,410
10. Net realized capital gains (losses) less capital gains tax of \$ 207,945	386,184	417,806	327,118
11. Net investment gain (loss) (Lines 9 + 10)	752,052	1,001,737	1,076,528
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)		0	0
13. Finance and service charges not included in premiums	6,977	8,927	12,179
14. Aggregate write-ins for miscellaneous income	0	0	0
15. Total other income (Lines 12 through 14)	6,977	8,927	12,179
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	194,070	2,172,680	3,124,137
17. Dividends to policyholders		0	0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	194,070	2,172,680	3,124,137
19. Federal and foreign income taxes incurred	(482,327)	795,069	1,122,126
20. Net income (Line 18 minus Line 19)(to Line 22)	676,397	1,377,611	2,002,011
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	26,001,169	23,660,499	23,660,499
22. Net income (from Line 20)	676,397	1,377,611	2,002,011
23. Net transfers (to) from Protected Cell accounts		0	0
24. Change in net unrealized capital gains (losses) less capital gains tax of \$ 64,730	120,214	0	0
25. Change in net unrealized foreign exchange capital gain (loss)		0	0
26. Change in net deferred income tax	(354,045)	303,448	27,161
27. Change in nonadmitted assets	50,649	0	172,902
28. Change in provision for reinsurance		0	0
29. Change in surplus notes		0	0
30. Surplus (contributed to) withdrawn from protected cells		0	0
31. Cumulative effect of changes in accounting principles		0	0
32. Capital changes:			
32.1 Paid in		0	0
32.2 Transferred from surplus (Stock Dividend)		0	0
32.3 Transferred to surplus		0	0
33. Surplus adjustments:			
33.1 Paid in	0	0	0
33.2 Transferred to capital (Stock Dividend)		0	0
33.3 Transferred from capital		0	0
34. Net remittances from or (to) Home Office		0	0
35. Dividends to stockholders		0	0
36. Change in treasury stock		0	0
37. Aggregate write-ins for gains and losses in surplus	(44,813)	131,992	138,596
38. Change in surplus as regards policyholders (Lines 22 through 37)	448,402	1,813,051	2,340,670
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	26,449,571	25,473,550	26,001,169
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. Totals (Lines 0501 through 0503 plus 0598)(Line 5 above)	0	0	0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498)(Line 14 above)	0	0	0
3701. Net Deferred Tax Assets Admitted under SSAP10R	(44,813)	131,992	138,596
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. Totals (Lines 3701 through 3703 plus 3798)(Line 37 above)	(44,813)	131,992	138,596

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	20,430,927	30,261,436	39,295,855
2. Net investment income	555,899	817,574	924,586
3. Miscellaneous income	5,934,767	(1,906,611)	(1,121,129)
4. Total (Lines 1 to 3)	26,921,593	29,172,399	39,099,312
5. Benefit and loss related payments	18,945,595	13,377,959	17,144,468
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	11,950,033	21,412,396	28,661,549
8. Dividends paid to policyholders	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	502,992	655,320	1,389,650
10. Total (Lines 5 through 9)	31,398,620	35,445,675	47,195,667
11. Net cash from operations (Line 4 minus Line 10)	(4,477,027)	(6,273,276)	(8,096,355)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	27,442,113	40,289,835	43,636,327
12.2 Stocks	0	0	0
12.3 Mortgage loans	0	0	0
12.4 Real estate	0	0	0
12.5 Other invested assets	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0	0
12.7 Miscellaneous proceeds	0	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	27,442,113	40,289,835	43,636,327
13. Cost of investments acquired (long-term only):			
13.1 Bonds	27,019,941	21,127,312	28,567,589
13.2 Stocks	0	0	0
13.3 Mortgage loans	0	0	0
13.4 Real estate	0	0	0
13.5 Other invested assets	0	0	0
13.6 Miscellaneous applications	3	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	27,019,944	21,127,312	28,567,589
14. Net increase (or decrease) in contract loans and premium notes	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	422,169	19,162,523	15,068,738
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)	7,916,382	(6,970,177)	(6,902,777)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	7,916,382	(6,970,177)	(6,902,777)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	3,861,524	5,919,070	69,606
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	512,511	442,905	442,905
19.2 End of period (Line 18 plus Line 19.1)	4,374,035	6,361,975	512,511

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

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NOTES TO FINANCIAL STATEMENTS

1) Summary of Significant Accounting Policies

A) The accompanying financial statement of American Modern Surplus Lines Insurance Company has been prepared in conformity with accounting practices prescribed or permitted by the National Association of Insurance Commissioners and the State of Ohio.

2) Accounting Changes and Corrections of Errors

No Change.

3) Business Combinations and Goodwill

No Change.

4) Discontinued Operations

No Change.

5) Investments

A) through C) No Change.

D) Loan - Backed Securities

1) The Company uses dealer modeled prepayment assumptions for single class and multi-class mortgage-backed/asset backed securities.

2 & 3) The Company has not recognized any OTTI during the reporting period.

4) a. The aggregate amount of unrealized losses:

1. Less than 12 Months:	\$	0
2. 12 Months or Longer	\$	0

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

1. Less than 12 Months:	\$	0
2. 12 Months or Longer	\$	0

E) through G) No Change

6) Joint Ventures, Partnerships and Limited Liability Companies

No Change.

7) Investment Income

No Change.

8) Derivative Instruments

No Change.

9) Income Taxes

The Company adopted SSAP 10R effective 12/31/09. The 9/30/11 and 12/31/10 balances and related disclosures are calculated and presented pursuant to SSAP 10R.

A. The net deferred tax asset/(liability) at September 30 and the change from the prior year are comprised of the following components:

	9/30/2011			12/31/2010			Change Ordinary	Change Capital	Change Total
	Ordinary	Capital	Total	Ordinary	Capital	Total			
(1) Total gross deferred tax assets	1,243,466	-	1,243,466	1,643,438	-	1,643,438	(399,973)	-	(399,973)
(2) Total gross deferred tax liabilities	(732)	(64,730)	(65,463)	(1,847)	-	(1,847)	1,115	(64,730)	(63,615)
(3) Net deferred tax assets /liabilities)	1,242,733	(64,730)	1,178,003	1,641,591	-	1,641,591	(398,858)	(64,730)	(463,588)
(4) Total Deferred tax assets nonadmitted	0	-	0	(50,649)	-	(50,649)	50,649	-	50,649
(5) Net admitted deferred tax assets / (liabilities)	1,242,734	(64,730)	1,178,003	1,590,942	-	1,590,942	(348,208)	(64,730)	(412,939)
(7) The Company has elected to admit deferred tax assets pursuant to paragraph 10.e. for the years ended 9/30/11 and 12/31/10.									
(8) The amount of admitted adjusted gross deferred tax assets admitted under each component of SSAP 10R:									

	9/30/2011			12/31/2010			Change Ordinary	Change Capital	Change Total
	Ordinary	Capital	Total	Ordinary	Capital	Total			
Admitted under paragraph 10.a. from prior years income taxes paid that can be recovered through loss carrybacks	1,085,685	-	1,085,685	1,452,346	-	1,452,346	(366,661)	-	(366,661)
Deferred tax asset, Paragraph 10.b., lesser of:	-	-	-	-	-	-	-	-	-
Expected to be recognized within one year, admitted under paragraph 10.b.i	-	-	-	-	-	-	-	-	-
10% of adjusted capital and surplus, admitted under paragraph 10.b.ii	2,374,978	-	2,374,978	2,386,451	-	2,386,451	(11,474)	-	(11,474)
Admitted under paragraph 10.b. (lesser of b.i. or b.ii)	-	-	-	-	-	-	-	-	-
Adjusted gross DTAs offsetting existing DTLs, admitted under paragraph 10.c.	65,463	-	65,463	1,847	-	1,847	63,615	-	63,615
Total admitted from the application of paragraph 10.a - 10.c.	1,151,148	-	1,151,148	1,454,194	-	1,454,194	(303,046)	-	(303,046)
Admitted under paragraph 10.e.i. from prior years income taxes paid that can be recovered through loss carrybacks	92,318	-	92,318	138,596	-	138,596	(46,278)	-	(46,278)
Paragraph 10.e.ii., lesser of:	-	-	-	-	-	-	-	-	-
Expected to be recognized within three years, admitted under paragraph 10.e.ii.a	-	-	-	-	-	-	-	-	-
15% of adjusted capital and surplus, admitted under paragraph 10.e.ii.b	3,562,466	-	3,562,466	3,579,677	-	3,579,677	(17,211)	-	(17,211)
Admitted under paragraph 10.e.ii. (lesser of e.ii.a or e.ii.b)	-	-	-	-	-	-	-	-	-
Adjusted gross DTAs offsetting existing DTLs, admitted under paragraph 10.e.iii.	92,318	-	92,318	138,596	-	138,596	(46,278)	-	(46,278)
Total admitted from the application of paragraph 10.e.	92,318	-	92,318	138,596	-	138,596	(46,278)	-	(46,278)
Total admitted adjusted gross deferred tax assets	1,243,466	-	1,243,466	1,592,789	-	1,592,789	(349,323)	-	(349,323)

The Company's risk-based capital level used for purposes of paragraph 10.d. is based on authorized control level risk based capital of \$4,919,270 and total adjusted capital of \$26,001,169 as of December 31, 2010 and authorized control level risk based capital of \$4,558,288 and total adjusted capital of \$23,660,499 as of December 31, 2009.

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE American Modern Surplus Lines Insurance Co.

NOTES TO FINANCIAL STATEMENTS

(9) The increased amount by tax character, and the change in such, of admitting adjusted gross DTAs as the result of the application of paragraph 10e:

	9/30/2011	12/31/2010	Change	Change	Change		
	Ordinary	Capital	Ordinary	Capital	Ordinary	Capital	Total
Increased (decreased) amount of admitted DTA- ordinary	92,318		138,596		(46,278)		(46,278)
Increased (decreased) amount of admitted DTA- capital	-		-		-		
Increased (decreased) amount of admitted DTA- total	92,318		138,596		(46,278)		(46,278)

(10) The amount of admitted DTAs, admitted assets, statutory surplus and total adjusted capital in the risk-based capital calculation and the increased amount of DTAs, admitted assets and surplus as the result of the application of paragraph 10e:

	9/30/2011	12/31/2010	Change	Change	Change		
	Ordinary	Capital	Ordinary	Capital	Ordinary	Capital	Total
<u>SSAP 10R, Paragraphs 10a, 10b and 10c</u>							
Admitted Deferred Tax Assets	1,151,148	-	1,454,194	-	(303,046)	-	(303,046)
Admitted Assets		69,420,870		63,958,761		5,462,109	
Adjusted Statutory Surplus		26,357,230		25,862,573		494,657	
Total Adjusted Capital from DTAs		1,085,685		1,452,347		(366,662)	
<u>Increase due to SSAP 10R, Paragraphs 10e</u>							
Admitted Deferred Tax Assets	92,318	-	138,596	-	(46,278)	-	(46,278)
Admitted Assets		92,318		138,596		(46,278)	
Adjusted Statutory Surplus		92,318		138,596		(46,278)	

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

	9/30/2011	12/31/2010	Change	12/31/2010	12/31/2009	Change
Net adjusted deferred tax asset (liability)	1,178,003	1,641,591	(463,588)	1,641,591	1,475,834	165,757
Tax-effect of unrealized gains and losses	(64,730)	-	(64,730)	-	-	-
Net tax effect without unrealized gains and losses	1,242,733	1,641,591	(398,858)	1,641,591	1,475,834	165,757
Change in deferred income tax			398,858			(165,757)

B. Unrecognized deferred tax liabilities

- (1) There are no temporary differences for which deferred tax liabilities are not recognized.
- (2) None
- (3) There are no unrecognized DTL for temporary differences related to investments in foreign subsidiaries and foreign corporate joint ventures that are essentially permanent in duration.
- (4) There are no DTL for temporary differences other than those in item (3) above that is not recognized.

C. Current income taxes incurred consist of the following major components:

	9/30/2011	12/31/2010	Change
Current year tax expense (benefit)- ordinary income	(454,807)	1,085,535	(1,540,342)
Current year tax expense (benefit)- realized gains(losses)	207,945	176,140	31,805
Current year tax expense (benefit) incurred	(246,861)	1,261,675	(1,508,536)
Prior year adjustments	(27,520)	36,591.00	(64,111)
Current income taxes incurred	(274,382)	1,298,266	(1,572,648)

Deferred income tax assets and liabilities consist of the following major components:

	9/30/2011	12/31/2010	Change	Change	Change		
	Ordinary	Capital	Ordinary	Capital	Ordinary	Capital	Total
Deferred tax assets:							
Unearned Premium Reserve	983,136	-	983,136	1,345,074	-	1,345,074	(361,939)
Loss Reserve Discounting	190,703	-	190,703	228,737	-	228,737	(38,034)
Reserve for Assessments	40,429	-	40,429	40,429	-	40,429	-
Bond Impairments	-	-	-	-	-	-	-
Nonadmitted asset	29,198	-	29,198	29,198	-	29,198	-
Total gross deferred tax assets	1,243,466	-	1,243,466	1,643,438	-	1,643,438	(399,973)
Statutory Valuation Allowance Adjustment	-	-	-	-	-	-	-
Total adjusted gross deferred tax assets	1,243,466	-	1,243,466	1,643,438	-	1,643,438	(399,973)
Nonadmitted deferred tax assets	-	-	-	(50,649)	-	(50,649)	50,649
Admitted deferred tax assets	1,243,466	-	1,243,466	1,592,789	-	1,592,789	(349,323)
Deferred tax liabilities:							
Unrealized <i><Gains></i> Losses	(64,730)	(64,730)	-	-	-	-	(64,730)
Other	(732)	-	(732)	(1,847)	-	(1,847)	1,115
Total deferred tax liabilities	(732)	(64,730)	(65,463)	(1,847)	-	(1,847)	1,115
Net admitted deferred tax asset (liability)	1,242,734	(64,730)	1,178,003	1,590,942	-	1,590,942	(348,208)
							(412,939)

There was no valuation allowance adjustment to gross deferred tax assets as of September 30, 2011 or December 31, 2010, respectively.

The Company has no specific tax planning strategies that would effect the determination of DTA's or the determination of net-admitted DTA's.

D. The Company's income tax incurred and change in deferred income tax differs from the amount obtained by applying the federal statutory rate of 35% to income before income taxes as follows:

	9/30/2011	12/31/2010	
	Total	Total	
Current income taxes incurred			
	(274,382)	1,298,266	
Change in deferred income tax (without tax on unrealized gains and losses)		398,878	(165,757)
Total income tax reported		124,496	1,132,509
Income before taxes		402,015	3,300,276
35%		35%	35%
Expected Income tax expense (benefit) at 35% statutory rate		140,705	1,155,097
Increase (decrease) in actual tax reported resulting from:			
a. Dividends received deduction		-	-
b. Tax-exempt income		-	-
c. Change in deferred taxes on nonadmitted assets		-	(27,540)
d. Prior period adjustments		(16,209)	4,952
Total income tax reported		124,496	1,132,509

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE American Modern Surplus Lines Insurance Co.

NOTES TO FINANCIAL STATEMENTS

E. Operating loss carryforward

- (1) As of September 30, 2011, there are no operating loss, net capital loss or tax credit carryforwards available for tax purposes.
- (2) The amount of Federal income taxes incurred that are available for recoupment in the event of future net losses are:

	Ordinary	Capital	Total
2011	32,710	207,945	240,655
2010	1,058,014	176,140	1,234,154
2009	494,859	78,539	573,398

- (3) There are no deposits admitted under Section 6603 of the Internal Revenue Code.

F. Consolidated federal income tax return

- (1) The Company's federal income tax return is consolidated with:

Munich American Holding Corporation (MAHC)	American Modern Insurance Group, Inc.
Munich Re America Corporation (MRAC)	American Modern Insurance Co. of Florida
Munich Reinsurance America, Inc. (MRAm)	American Modern Lloyds Insurance Company
American Alternative Insurance Corporation (AAIC)	American Modern Select Insurance Co.
MEAG New York Corp.	American Modern Surplus Lines Insurance Co.
Munich Re Capital Markets New York, Inc.	American Southern Home Insurance Co.
Munich American Securities Corporation	American Western Home Insurance Co.
Munich Re America Brokers, Inc.	Atlas Insurance Agency, Inc.
AM-RE Consultants, Inc.	Copper Leaf Research
Munich Re America Services, Inc.	First Marine Insurance Co.
Munich-American Global Services, Inc.	Lloyds Modern Corp.
Munich-American RiskPartners, Inc.	Marbury Agency, Inc.
Princeton Eagle West (Holding), Inc.	The Midland Co.
Princeton Eagle West Insurance Company, Ltd.	Midland-Guardian Co.
Munich-American HealthCare Services, Inc.	Midwest Enterprises, Inc.
Munich American Reassurance Company	Modern Life Insurance Company of Arizona, Inc.
Munich American Reinsurance Casualty Company	Specialty Insurance Services Corp.
Munich Atlanta Financial Corporation	Sunbelt General Agency
Agora Insurance Network Solutions, Inc.	The Hartford Steam Boiler Inspection and Insurance Company
Lifeplans, Inc.	The Hartford Steam Boiler Inspection and Insurance Company of Connecticut
Family Caring Network, Inc.	HSB Group, Inc.
Cairnstone, Inc.	HSB Engineering Finance Corporation
Sterling Life Insurance Company	HSB Ventures, Inc.
Olympic Health Management Systems, Inc.	HSB Associates, Inc.
Olympic Health Management Services, Inc.	One State Street Intermediaires, Inc
OHM Services of Texas, Inc.	HSB Investment Corporation
National Senior Membership Group	The Polytechnic Company
American Family Home Insurance Co.	RaHart Investment Company
American Modern Home Insurance Co.	HSB Professional Loss Control, Inc
American Modern Home Service Co.	EIG, Co
Windsor Health	

- (2) The Company has a written tax sharing agreement with Munich American Holding Corporation approved by the Company's Board of Directors, setting forth the allocation and payment of federal income tax. The consolidated tax provision or credit is allocated to the separate companies on the basis of separate return computations. If the current year results in a reported profit for the insurance company, the tax provision recorded is currently payable to the parent company. If the current year results in a reported loss for the insurance company, the tax credit recorded is currently payable from the parent company to the insurance company. Thus, in loss years, Federal income taxes are recouped immediately and not carried forward. Estimated settlements are performed quarterly with the final amount settled once the tax return is filed.

10) Information Concerning Parent, Subsidiaries, Affiliates and Related Parties

- A) through C) No Change.
- D) As of September 30, 2011, the Company had a balance due to related parties in the amount of \$ 147,232.
- E) through L) No Change.

11) Debt

No Change.

12) Retirement Plans, Deferred Compensation, and Other Postretirement Benefit Plans

No Change.

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

- A) through I) No Change.
- J) The following increases (reduces) a portion of unassigned funds (Surplus):

Unrealized gains and losses	120,214
-----------------------------	---------

K) through L) No change.

14) Contingencies

No Change.

15) Leases

No Change.

16) Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

No Change.

17) Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

NOTES TO FINANCIAL STATEMENTS

A) The Company did not participate in the transfers of receivables reported as Sales.

B) The Company did not participate in the transfers and servicing of financial assets.

C) 1) The Company did not have any transactions involving Wash Sales.
 2) The Company does not own any NAIC designation 3 or below securities.

18) Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans
 No Change.

19) Direct Premium Written/Produced by Managing General Agents/Third Party Administrators
 No Change.

20) Fair Value Measurements
 Fair Value Measurements at Reporting Date

Description	Level 1	Level 2	Level 3	Total
Assets at Fair Value				
Bonds				
U.S. Governments	0	0	0	0
Industrial and Misc	0	0	0	0
Parent, Subsidiaries and Affiliates	0	0	0	0
Total Bonds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets at Fair Value	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

21) Other Items
 The Company has no extraordinary items or troubled debt restructuring items to report.
 The Company does not own any hybrid securities, has no State Transferable Tax Credits or Sub Prime Mortgage Related Risk Exposure to report.

22) Events Subsequent
 There are no subsequent events that may have a material effect on the financial condition of the Company.

23) Reinsurance
 A) & B) No Change.
 C) The maximum amount of return commission due to or from reinsurers if all reinsurance contracts were cancelled at September 30, 2011 was:

(1)	ASSUMED	CEDED	NET			
	Premium	Commission	Premium	Commission	Premium	Commission
a. Affiliates	\$14,044,510	\$2,624,939	\$6,658,647	\$1,949,327	\$ 7,385,863	\$ 675,613
b. Direct Unearned Premium Reserve	\$ 6,658,647					
(2) & (3) No Change						
D) through G) No Change						

24) Retrospectively Rated Contracts & Contracts Subject to Redetermination
 No Change.

25) Change in Incurred Losses and Loss Adjustment Expenses
 Reserves as of December 31, 2010 were \$6,070 million. As of September 30, 2011 \$3,222 million has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$2,026 million as a result of re-estimation of unpaid claims and claim adjustment expenses principally on homeowners and private passenger auto liability and Physical Damage lines of insurance. Therefore, there has been a \$ (822) million unfavorable (favorable) prior year development since December 31, 2010 to September 30, 2011. The increase (decrease) is generally the result of ongoing analysis of

NOTES TO FINANCIAL STATEMENTS

recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

26) Intercompany Pooling Arrangements

No Change.

27) Structured Settlements

No Change.

28) Health Care Receivables

No Change.

29) Participating Policies

No Change.

30) Premium Deficiency Reserves

1. Liability carried for premium deficiency reserves	\$ 0
2. Date of the most recent evaluation of this liability	9/30/11
3. Was anticipated investment income utilized in the calculation	No

31) High Deductibles

No Change.

32) Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expense

No Change.

33) Asbestos/Environmental Reserves

No Change.

34) Subscriber Savings Accounts

No Change.

35) Multiple Peril Crop Insurance

No Change.

36) Financial Guaranty Insurance

No Change.

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE American Modern Surplus Lines Insurance Co.
GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

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

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

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

2.2 If yes, date of change: _____

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

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

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

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

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

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

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

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 12/17/2010

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 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

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE American Modern Surplus Lines Insurance Co.
GENERAL INTERROGATORIES

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

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 []

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

FINANCIAL

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

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

INVESTMENT

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

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

On deposit with various state and regulartory bodies as described in annual schedule E Part 2.

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

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

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [] 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	\$	\$
14.22 Preferred Stock	\$	\$
14.23 Common Stock	\$	\$
14.24 Short-Term Investments	\$	\$
14.25 Mortgage Loans on Real Estate	\$	\$
14.26 All Other	\$	\$
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	\$	\$
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$	\$

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

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.

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE American Modern Surplus Lines Insurance Co.
GENERAL INTERROGATORIES

16. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F.
 Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No []

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

1 Name of Custodian(s)	2 Custodian Address
STATE STREET BANK & TRUST COMPANY	801 PENNSYLVANIA AVE, KANSAS CITY, MO 64105

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 information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

16.5 Identify all investment advisors, brokers/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
112020	MEAG NEW YORK CORPORATION	540 MADISON AVE, 6TH FL, NEW YORK, NY 10022

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:

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE American Modern Surplus Lines Insurance Co.
GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

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

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

- 3.2 If yes, give full and complete information thereto.

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

4.2 If yes, complete the following schedule:

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

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

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

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

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

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

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

NONE

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
1. Alabama	AL	E 476,277	318,738	27,509	19,147		0
2. Alaska	AK	E 79,959	78,831	5,807	13,995		3,482
3. Arizona	AZ	E 479,711	134,629	578,677	.85,158	382,843	0
4. Arkansas	AR	E 53,400	5,446		0	.600	0
5. California	CA	N 0					85,790
6. Colorado	CO	E 131,774	11,687		0		0
7. Connecticut	CT	N 0	0		0		0
8. Delaware	DE	E 15,841	0		0		0
9. District of Columbia	DC	E .26,395	(1,006)		0	17,719	0
10. Florida	FL	E 7,568,696	903,611	477,813	1,976,081	27,938	199,212
11. Georgia	GA	E 474,658	23,331	.67,337	10,722	21,491	0
12. Hawaii	HI	E 216,964	162,612	34,315	106,634	269,451	200,139
13. Idaho	ID	E .28,705	.703		0		0
14. Illinois	IL	E 2,036,882	59,679	174,902	14,412	107,671	93,452
15. Indiana	IN	E 227,313	(16,735)	62,383	0	21,491	0
16. Iowa	IA	N 0			0		0
17. Kansas	KS	E .46,806	.2,617		0		0
18. Kentucky	KY	E 120,774	24,095	17,208	8,536		0
19. Louisiana	LA	E 229,714	20,213		0		0
20. Maine	ME	E .43,535	11,086	.6,998	0		0
21. Maryland	MD	E 132,654	.2,865	28,897	0		0
22. Massachusetts	MA	N 0			0		0
23. Michigan	MI	N 0			0		0
24. Minnesota	MN	E 179,570	.4,097		0		0
25. Mississippi	MS	N 0			0		0
26. Missouri	MO	E 121,950	14,720	33,323	0	139,689	0
27. Montana	MT	E .4,388	0		0		0
28. Nebraska	NE	E .14,407	.258		0		0
29. Nevada	NV	E 184,630	.384		0		0
30. New Hampshire	NH	N 0			0		0
31. New Jersey	NJ	E 775,072	687,188	102,968	533,408	838,562	265,262
32. New Mexico	NM	N 0			0		0
33. New York	NY	E 566,718	75,022	109,625	0	522,223	0
34. North Carolina	NC	E 237,454	58,964	68,493	1,648		0
35. North Dakota	ND	E .2,688	0		0		0
36. Ohio	OH	L 118,850	.337	27,054	0	32,011	0
37. Oklahoma	OK	N 0			0		0
38. Oregon	OR	E .86,701	.2,555		0		0
39. Pennsylvania	PA	E 2,591,363	23,811	673,791	0	166,031	0
40. Rhode Island	RI	N 0			0		0
41. South Carolina	SC	E 627,547	446,679	71,416	19,423	274,189	35,716
42. South Dakota	SD	E .2,724	0		0		0
43. Tennessee	TN	E 237,357	.2,069	.18,124	0		0
44. Texas	TX	E 6,042,519	42,451	495,800	9,977	2,029,391	.215,508
45. Utah	UT	E .49,725	.5,546		0		0
46. Vermont	VT	E .18,170	.2,096		0		0
47. Virginia	VA	E .78,724	.1,665		0		0
48. Washington	WA	E 113,461	.3,016		0		0
49. West Virginia	WV	E 16,657	.300		0		0
50. Wisconsin	WI	E 283,352	93,705		.14,356	5,372	10,920
51. Wyoming	WY	E 2,123	0		0		0
52. American Samoa	AS	N 0			0		0
53. Guam	GU	N 0			0		0
54. Puerto Rico	PR	N 0			0		0
55. U.S. Virgin Islands	VI	E 0			0		0
56. Northern Mariana Islands	MP	N 0			0		0
57. Canada	CN	N 0			0		0
58. Aggregate Other Alien OT	OT	XXX 0	0	0	0	0	0
59. Totals		(a) 1 24,746,208	3,207,265	3,082,440	2,813,497	4,856,672	1,109,481
DETAILS OF WRITE-INS							
5801.		XXX					
5802.		XXX					
5803.		XXX					
5898.	Summary of remaining write-ins for Line 58 from overflow page	XXX 0	0	0	0	0	0
5899.	Totals (Lines 5801 through 5803 plus 5898)(Line 58 above)	XXX 0	0	0	0	0	0

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

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

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE American Modern Surplus Lines Insurance Co.

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

PART 1 - LOSS EXPERIENCE

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire	10,248,795	2,977,964	29.1	14.4
2. Allied Lines	8,595,588	2,724,881	31.7	9.2
3. Farmowners multiple peril			0.0	0.0
4. Homeowners multiple peril	488,055	672,049	137.7	(9.8)
5. Commercial multiple peril	255,767	115,828	45.3	0.0
6. Mortgage guaranty			0.0	0.0
8. Ocean marine			0.0	0.0
9. Inland marine	15,010	86,779	578.1	40.7
10. Financial guaranty			0.0	0.0
11.1 Medical professional liability - occurrence			0.0	0.0
11.2 Medical professional liability - claims-made			0.0	0.0
12. Earthquake			0.0	0.0
13. Group accident and health			0.0	0.0
14. Credit accident and health			0.0	0.0
15. Other accident and health			0.0	0.0
16. Workers' compensation			0.0	0.0
17.1 Other liability - occurrence	862,250	228,633	26.5	97.1
17.2 Other liability - claims-made			0.0	0.0
17.3 Excess workers' compensation			0.0	0.0
18.1 Products liability - occurrence			0.0	0.0
18.2 Products liability - claims-made			0.0	0.0
19.1,19.2 Private passenger auto liability			0.0	0.0
19.3,19.4 Commercial auto liability	162,489	308,636	189.9	97.5
21. Auto physical damage	174,523	57,691	33.1	36.2
22. Aircraft (all perils)			0.0	0.0
23. Fidelity			0.0	0.0
24. Surety			0.0	0.0
26. Burglary and theft			0.0	0.0
27. Boiler and machinery			0.0	0.0
28. Credit			0.0	0.0
29. International			0.0	0.0
30. Warranty			0.0	0.0
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0.0	0.0
35. Totals	20,802,477	7,172,461	34.5	13.5
DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499. Totals (Lines 3401 through 3403 plus 3498)(Line 34 above)	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date	
1. Fire	5,778,991	12,000,879	1,092,891	
2. Allied Lines	4,913,402	10,239,548	1,255,889	
3. Farmowners multiple peril	0		0	
4. Homeowners multiple peril	221,129	570,416	474,583	
5. Commercial multiple peril	143,862	325,367	14,039	
6. Mortgage guaranty	0		0	
8. Ocean marine	0		0	
9. Inland marine	4,710	6,638	15,484	
10. Financial guaranty	0		0	
11.1 Medical professional liability - occurrence	0		0	
11.2 Medical professional liability - claims-made	0		0	
12. Earthquake	0		0	
13. Group accident and health	0		0	
14. Credit accident and health	0		0	
15. Other accident and health	0		0	
16. Workers' compensation	0		0	
17.1 Other liability - occurrence	385,788	1,266,333	78,677	
17.2 Other liability - claims-made	0		0	
17.3 Excess workers' compensation	0		0	
18.1 Products liability - occurrence	0		0	
18.2 Products liability - claims-made	0		0	
19.1,19.2 Private passenger auto liability	0		0	
19.3,19.4 Commercial auto liability	84,601	162,487	128,006	
21. Auto physical damage	92,554	174,539	147,695	
22. Aircraft (all perils)	0		0	
23. Fidelity	0		0	
24. Surety	0		0	
26. Burglary and theft	0		0	
27. Boiler and machinery	0		0	
28. Credit	0		0	
29. International	0		0	
30. Warranty	0		0	
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	
34. Aggregate write-ins for other lines of business	0	0	0	
35. Totals	11,625,037	24,746,207	3,207,264	
DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498)(Line 34 above)	0	0	0	0

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE American Modern Surplus Lines Insurance Co.

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	1,356	329	1,685	794	72	866	352	19	39	410	(210)	(199)	(409)
2. 2009	1,624	280	1,904	312	40	352	405	47	98	550	(907)	(95)	(1,002)
3. Subtotals 2009 + Prior	2,980	609	3,589	1,106	112	1,218	757	66	137	960	(1,117)	(294)	(1,411)
4. 2010	3,090	1,692	4,782	2,116	1,111	3,227	1,269	383	(153)	1,499	295	(351)	(56)
5. Subtotals 2010 + Prior	6,070	2,301	8,371	3,222	1,223	4,445	2,026	449	(16)	2,459	(822)	(645)	(1,467)
6. 2011	XXX	XXX	XXX	XXX	13,890	13,890	XXX	2,900	1,965	4,865	XXX	XXX	XXX
7. Totals	6,070	2,301	8,371	3,222	15,113	18,335	2,026	3,349	1,949	7,324	(822)	(645)	(1,467)
8. Prior Year-End Surplus As Regards Policyholders											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
			26,001								1. (13.5)	2. (28.0)	3. (17.5)
													Col. 13, Line 7 As a % of Col. 1 Line 8
													4. (5.6)

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

Explanations:

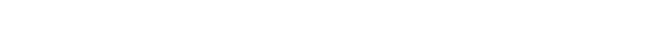
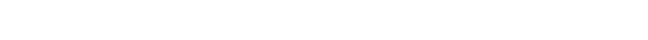
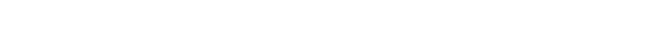
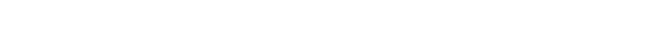
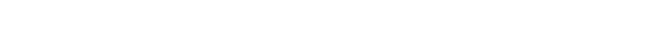
- 1.
- 2.
- 3.
- 4.

Bar Codes:

1. Trusteed Surplus Statement [Document Identifier 490]



2. Supplement A to Schedule T [Document Identifier 455]
3. Medicare Part D Coverage Supplement [Document Identifier 365]
4. Director and Officer Supplement [Document Identifier 505]



STATEMENT AS OF SEPTEMBER 30, 2011 OF THE American Modern Surplus Lines Insurance Co.
OVERFLOW PAGE FOR WRITE-INS

SCHEDULE A - VERIFICATION

Real Estate

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

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

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

NONE**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	29,561,519	44,191,420
2. Cost of bonds and stocks acquired	27,019,941	28,567,589
3. Accrual of discount	21,330	46,309
4. Unrealized valuation increase (decrease)	184,944	0
5. Total gain (loss) on disposals	594,130	503,256
6. Deduct consideration for bonds and stocks disposed of	27,442,113	43,636,327
7. Deduct amortization of premium	173,768	110,728
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)	29,765,983	29,561,519
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	29,765,983	29,561,519

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE American Modern Surplus Lines Insurance Co.

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)	30,548,450	13,715,328	9,743,834	(27,584)	30,228,096	30,548,450	34,492,360	30,174,565
2. Class 2 (a)	163,340	0	0	112	228,196	163,340	163,452	228,080
3. Class 3 (a)	0	0	0	0	0	0	0	0
4. Class 4 (a)	0	0	0	0	0	0	0	0
5. Class 5 (a)	0	0	0	0	0	0	0	0
6. Class 6 (a)	0	0	0	0	0	0	0	0
7. Total Bonds	30,711,790	13,715,328	9,743,834	(27,472)	30,456,292	30,711,790	34,655,812	30,402,645
PREFERRED STOCK								
8. Class 1	0	0	0	0	0	0	0	0
9. Class 2	0	0	0	0	0	0	0	0
10. Class 3	0	0	0	0	0	0	0	0
11. Class 4	0	0	0	0	0	0	0	0
12. Class 5	0	0	0	0	0	0	0	0
13. Class 6	0	0	0	0	0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	30,711,790	13,715,328	9,743,834	(27,472)	30,456,292	30,711,790	34,655,812	30,402,645

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$ 0 ; NAIC 2 \$ 0 ; NAIC 3 \$ 0 ;

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

SI02

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	4,889,829	XXX	4,889,829	3	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	841,127	313,994
2. Cost of short-term investments acquired	15,441,175	24,984,502
3. Accrual of discount	0	0
4. Unrealized valuation increase (decrease)	0	0
5. Total gain (loss) on disposals	0	0
6. Deduct consideration received on disposals	11,392,473	24,457,369
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)	4,889,829	841,127
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	4,889,829	841,127

Schedule DB - Part A - Verification - Options, Caps, Floors, Collars, Swaps and Forwards
N O N E

Schedule DB - Part B - Verification - Futures Contracts
N O N E

Schedule DB - Part C - Section 1 - Replication (Synthetic Asset) Transactions (RSATs) Open
N O N E

Schedule DB-Part C-Section 2-Reconciliation of Replication (Synthetic Asset) Transactions Open
N O N E

Schedule DB - Verification - Book/Adjusted Carrying Value, Fair Value and Potential Exposure of
Derivatives
N O N E

SCHEDULE E - VERIFICATION

(Cash Equivalents)

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	0
2. Cost of cash equivalents acquired		25,896,568
3. Accrual of discount		0
4. Unrealized valuation increase (decrease)		0
5. Total gain (loss) on disposals		0
6. Deduct consideration received on disposals		25,896,568
7. Deduct amortization of premium		0
8. Total foreign exchange change in book/adjusted carrying value		0
9. Deduct current year's other than temporary impairment recognized		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	0	0
11. Deduct total nonadmitted amounts		0
12. Statement value at end of current period (Line 10 minus Line 11)	0	0

Schedule A - Part 2 - Real Estate Acquired and Additions Made
N O N E

Schedule A - Part 3 - Real Estate Disposed
N O N E

Schedule B - Part 2 - Mortgage Loans Acquired
N O N E

Schedule B - Part 3 - Mortgage Loans Disposed, Transferred or Repaid
N O N E

Schedule BA - Part 2 - Other Long-Term Invested Assets Acquired
N O N E

Schedule BA - Part 3 - Other Long-Term Invested Assets Disposed, Transferred or Repaid
N O N E

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE American Modern Surplus Lines Insurance Co.

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 Desig- nation or Market Indicator (a)
912828-LS-7	UNITED STATES TREASURY GOVT BND 2.375% 10/31/14		.09/26/2011	DEUTSCHE BANK AG	847,815	.800,000		7,745	1...
912828-QR-4	UNITED STATES TREASURY GOVT BND 1.500% 06/30/16		.07/14/2011	CITICORP SECURITIES MARKETS	2,001,647	.2,000,000		1,549	1...
912828-QX-1	UNITED STATES TREASURY GOVT BND 1.500% 07/31/16		.08/09/2011	GOLDMAN SACHS & CO	1,350,403	.1,333,000		248	1...
0599999. Bonds - U.S. Governments						4,199,865	4,133,000		9,542
683234-DP-0	ONTARIO PROVINCE CORP BND 1.600% 09/21/16	A...	.09/14/2011	NATIONAL BANK OF CANADA INTL	978,824	.980,000		.0	1FE...
683234-AQ-7	ONTARIO PROVINCE SENIOR CORP BND 2.300% 05/10/16	A...	.07/28/2011	UBS WARBURG LLC	997,336	.980,000		5,134	1FE...
1099999. Bonds - All Other Governments						1,976,160	1,960,000		5,134
452152-HR-5	ILLINOIS ST MUNI BND GO 4.961% 03/01/16		.07/21/2011	GOLDMAN SACHS & CO	1,052,480	.1,000,000		18,742	1FE...
1799999. Bonds - U.S. States, Territories and Possessions						1,052,480	1,000,000		18,742
172967-FH-9	CITIGROUP INC CORP BND 4.58% 12/15/15		.08/31/2011	CITICORP SECURITIES MARKETS	864,088	.830,000		8,566	1FE...
172967-FS-5	CITIGROUP INC CORP BND 3.953% 06/15/16		.07/21/2011	CITICORP SECURITIES MARKETS	773,798	.750,000		3,377	1FE...
3899999. Bonds - Industrial and Miscellaneous (Unaffiliated)						1,637,886	1,580,000		11,943
8399997. Total - Bonds - Part 3						8,866,391	8,673,000		45,361
8399998. Total - Bonds - Part 5						XXX	XXX		XXX
8399999. Total - Bonds						8,866,391	8,673,000		45,361
8999997. Total - Preferred Stocks - Part 3						0	XXX		XXX
8999998. Total - Preferred Stocks - Part 5						XXX	XXX		XXX
8999999. Total - Preferred Stocks						0	XXX		XXX
9799997. Total - Common Stocks - Part 3						0	XXX		XXX
9799998. Total - Common Stocks - Part 5						XXX	XXX		XXX
9799999. Total - Common Stocks						0	XXX		XXX
9899999. Total - Preferred and Common Stocks						0	XXX		XXX
9999999 - Totals						8,866,391	XXX		45,361

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

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE American Modern Surplus Lines Insurance Co.

SCHEDULE D - PART 4

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

1 CUSIP Ident- ification	2 Description	3 For- eign	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consid- eration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change In Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain Value at Disposal Date	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC Design- ation or Market In- dicator (a)	
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's Amor- tization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recogn- ized	14 Total Change in Book/ Adjusted Carrying Value (11 + 12 - 13)	15 Total Foreign Exchange Change in Book/ Adjusted Carrying Value								
..6289K-AB-7	NATIONAL CREDIT UNION ADMINIST AGENCY BND 1.400% 06/12/15 ..		07/14/2011	BARCLAYS CAPITAL ..			1,999,400	2,000,000	1,997,220	0	0	.61	0	.61	0	1,997,281	0	2,119	2,119	2,567	06/12/2015	1.....
..912828-PE-4	UNITED STATES TREASURY GOVT BND 1.250% 10/31/15 ..		09/26/2011	BNP PARIBAS ..			613,521	600,000	592,338	592,519	0	1,090	0	1,090	0	593,609	0	19,912	19,912	.6,807	10/31/2015	1.....
..912828-QR-4	UNITED STATES TREASURY GOVT BND 1.500% 06/30/16 ..		07/28/2011	Various ..			1,997,845	2,000,000	2,001,647	0	0	(9)	0	(9)	0	2,001,638	0	(3,794)	(3,794)	.2,405	06/30/2016	1.....
0599999. Bonds - U.S. Governments					4,610,766	4,600,000	4,591,205	592,519		0	1,142	0	1,142	0	4,592,528	0	18,237	18,237	11,779	XXX	XXX	
..68323A-AQ-7	ONTARIO PROVINCE SENIOR CORP BND 2.300% 05/10/16 ..	A	09/14/2011	Various ..			1,015,351	980,000	997,336	0	0	(467)	0	(467)	0	996,869	0	18,482	18,482	8,202	05/10/2016	1FE.....
1099999. Bonds - All Other Governments					1,015,351	980,000	997,336	0	0	(467)	0	(467)	0	996,869	0	18,482	18,482	8,202	XXX	XXX		
..452152-HR-5	ILLINOIS ST MUNI BND GO 4.961% 03/01/16 ..		08/09/2011	GOLDMAN SACHS & CO ..			527,450	500,000	526,240	0	0	(227)	0	(227)	0	526,013	0	1,437	1,437	10,473	03/01/2016	1FE.....
1799999. Bonds - U.S. States, Territories and Possessions					527,450	500,000	526,240	0	0	(227)	0	(227)	0	526,013	0	1,437	1,437	10,473	XXX	XXX		
..31396L-AA-8	FNMA AGENCY CMO 06-99 PA 5.500% 05/25/30 ..		09/01/2011	Paydown ..			21,823	21,823	21,813	0	.11	0	.11	0	21,823	0	0	0	.802	05/25/2030	1.....	
..31396V-CQ-9	FNMA CMO 07-27 MA 5.500% 11/25/29 ..		09/01/2011	Paydown ..			20,106	20,106	19,979	20,068	0	.38	0	.38	0	20,106	0	0	0	.748	11/25/2029	1.....
..31397E-MK-8	FHLMC CMO 3262 PA 5.500% 05/15/29 ..		08/01/2011	Paydown ..			14,076	14,076	14,015	14,063	0	.14	0	.14	0	14,076	0	0	0	.482	05/15/2029	1.....
..31403D-SE-0	FNMA POOL # 745817 5.000% 09/01/36 ..		09/01/2011	Paydown ..			13,824	13,824	13,256	13,332	0	.492	0	.492	0	13,824	0	0	0	.461	09/01/2036	1.....
..31407M-MR-3	FNMA POOL # 834768 5.500% 07/01/35 ..		09/01/2011	Paydown ..			5,521	5,521	5,424	5,438	0	.82	0	.82	0	5,521	0	0	0	.197	07/01/2035	1.....
3199999. Bonds - U.S. Special Revenues					75,350	75,350	74,463	74,714		0	637	0	637	0	75,350	0	0	0	0	2,690	XXX	XXX
..172967-FS-5	CITIGROUP INC CORP BND 3.953% 06/15/16 ..		08/31/2011	CITICORP SECURITIES MARKETS ..			766,710	750,000	773,798	0	0	(511)	0	(511)	0	773,286	0	(6,576)	(6,576)	.6,671	06/15/2016	1FE.....
..24422E-QB-8	JOHN DEERE CAPITAL CO CORP BND MTN 5.650% 07/25/11 ..		07/25/2011	Maturity ..			100,000	100,000	99,798	99,974	0	.26	0	.26	0	100,000	0	0	0	.5,650	07/25/2011	1FE.....
..52108H-ZX-5	LBUBS CMBS 04-C2 3.973% 03/15/29 ..		09/11/2011	Paydown ..			2,162	2,162	2,055	2,127	0	.35	0	.35	0	2,162	0	0	0	.57	03/15/2029	12*.....
3899999. Bonds - Industrial and Miscellaneous (Unaffiliated)					868,872	852,162	875,651	102,101		0	(450)	0	(450)	0	875,448	0	(6,576)	(6,576)	12,378	XXX	XXX	
8399997. Total - Bonds - Part 4					7,097,789	7,007,512	7,064,895	769,334	0	635	0	635	0	7,066,208	0	31,580	31,580	45,522	XXX	XXX		
8399998. Total - Bonds - Part 5					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
8399999. Total - Bonds					7,097,789	7,007,512	7,064,895	769,334	0	635	0	635	0	7,066,208	0	31,580	31,580	45,522	XXX	XXX		
8999997. Total - Preferred Stocks - Part 4					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	
8999998. Total - Preferred Stocks - Part 5					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
8999999. Total - Preferred Stocks					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	
9799997. Total - Common Stocks - Part 4					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	
9799998. Total - Common Stocks - Part 5					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
9799999. Total - Common Stocks					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	
9899999. Total - Preferred and Common Stocks					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	
9999999 - Totals					7,097,789	XXX	7,064,895	769,334	0	635	0	635	0	7,066,208	0	31,580	31,580	45,522	XXX	XXX		

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

Schedule DB - Part A - Section 1 - Options, Caps, Floors, Collars, Swaps and Forwards Open
N O N E

Schedule DB - Part B - Section 1 - Futures Contracts Open
N O N E

Schedule DB - Part B - Section 1B - Brokers with whom cash deposits have been made
N O N E

Schedule DB - Part D - Counterparty Exposure for Derivative Instruments Open
N O N E

Schedule DL - Part 1 - Reinvested Collateral Assets Owned
N O N E

Schedule DL - Part 2 - Reinvested Collateral Assets Owned
N O N E

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
US BANK	CINCINNATI, OH COMMERCIAL ACCOUNT				115,332	3,552	13,661	XXX
US BANK	CINCINNATI, OH OUTSTANDING A/P CHECKS				(14,574)	(19,807)	(15,466)	XXX
US BANK	CINCINNATI, OH CLAIM CHECK PAYABLE ACCOUNT				0	13,733	(13,733)	XXX
US BANK	CINCINNATI, OH CLAIM CHECK PAYABLE ACCOUNT				(356,626)	(467,398)	(642,416)	XXX
JP MORGAN CHASE	NEW YORK, NY COMMERCIAL ACCOUNT				25,634	24,929	24,222	XXX
STATE STREET BANK	KANSAS CITY, MO TRUST ACCOUNT				0	17,938	17,938	XXX
0199998. Deposits in ...	1 depositories that do not exceed the allowable limit in any one depository (See instructions) - Open Depositories	XXX	XXX	226	260	100,000	100,000	100,000
0199999. Totals - Open Depositories		XXX	XXX	226	260	(130,234)	(327,053)	(515,794)
0299998. Deposits in ...	depositories that do not exceed the allowable limit in any one depository (See instructions) - Suspended Depositories	XXX	XXX					XXX
0299999. Totals - Suspended Depositories		XXX	XXX	0	0	0	0	0
0399999. Total Cash on Deposit		XXX	XXX	226	260	(130,234)	(327,053)	(515,794)
0499999. Cash in Company's Office		XXX	XXX	XXX	XXX			XXX
0599999. Total - Cash		XXX	XXX	226	260	(130,234)	(327,053)	(515,794)

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE American Modern Surplus Lines Insurance Co.

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

NON E

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