



QUARTERLY STATEMENT  
AS OF SEPTEMBER 30, 2011  
OF THE CONDITION AND AFFAIRS OF THE  
OHIO INDEMNITY COMPANY

NAIC Group Code 0000, (Current Period), NAIC Company Code 26565 (Prior Period), Employer's ID Number 31-0620146

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

Country of Domicile US

Incorporated/Organized February 11, 1956, Commenced Business July 24, 1956

Statutory Home Office 250 East Broad Street, 7th Floor, Columbus, Ohio 43215 (Street and Number, City or Town, State and Zip Code)

Main Administrative Office 250 East Broad Street, 7th Floor, Columbus, Ohio 43215 (614) 228-2800 (Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 250 East Broad Street, 7th Floor, Columbus, Ohio 43215 (Street and Number or P. O. Box, City or Town, State and Zip Code)

Primary Location of Books and Records 250 East Broad Street, 7th Floor, Columbus, Ohio 43215 (614) 228-2800 (Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.Ohioindemnity.com

Statutory Statement Contact Matthew Christopher Nolan (614) 220-5207 (Name) (Area Code) (Telephone Number) (Extension)

mnolan@ohioindemnity.com (614) 228-5552 (E-Mail Address) (Fax Number)

OFFICERS

John Scott Sokol (CEO and President)  
Matthew Christopher Nolan (Treasurer)  
Matthew Christopher Nolan (Secretary)

OTHER OFFICERS

Daniel John Stephan  
Stephen John Toth  
Margaret Ann Noreen

DIRECTORS OR TRUSTEES

Kenton Robert Bowen  
Ann Marie LoConti  
John Scott Sokol  
Christopher Michael Valerian  
Matthew Douglas Walter

State of Ohio }  
County of Franklin } SS

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

John Scott Sokol  
CEO and President

Matthew Christopher Nolan  
Treasurer

Matthew Christopher Nolan  
Secretary

Subscribed and sworn to before me this  
21 day of October, 2011

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			4
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Col. 1 minus Col. 2)	December 31 Prior Year Net Admitted Assets
1. Bonds .....	65,208,383		65,208,383	69,516,824
2. Stocks:				
2.1 Preferred stocks .....	8,254,054		8,254,054	5,991,929
2.2 Common stocks .....	11,080,300		11,080,300	5,548,861
3. Mortgage loans on real estate:				
3.1 First liens .....				
3.2 Other than first liens .....				
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....				
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....				
4.3 Properties held for sale (less \$ ..... encumbrances) .....				
5. Cash (\$ ..... 2,983,223 ), cash equivalents (\$ ..... ) and short-term investments (\$ ..... 13,399,526 ) .....	16,382,749		16,382,749	7,498,733
6. Contract loans (including \$ ..... premium notes) .....				
7. Derivatives .....				
8. Other invested assets .....				
9. Receivables for securities .....	102,406		102,406	
10. Securities lending reinvested collateral assets .....				
11. Aggregate write-ins for invested assets .....				
12. Subtotals, cash and invested assets (Line 1 to Line 11) .....	101,027,892		101,027,892	88,556,347
13. Title plants less \$ ..... charged off (for Title insurers only) .....				
14. Investment income due and accrued .....	1,006,326		1,006,326	972,244
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	6,887,152	29,338	6,857,814	5,613,143
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....				
15.3 Accrued retrospective premiums .....				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	1,693,222		1,693,222	789,870
16.2 Funds held by or deposited with reinsured companies .....				
16.3 Other amounts receivable under reinsurance contracts .....				
17. Amounts receivable relating to uninsured plans .....				
18.1 Current federal and foreign income tax recoverable and interest thereon .....				
18.2 Net deferred tax asset .....	3,785,579	1,195,562	2,590,017	2,353,729
19. Guaranty funds receivable or on deposit .....				
20. Electronic data processing equipment and software .....	3,556		3,556	14,964
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....	187,876	187,876		
22. Net adjustment in assets and liabilities due to foreign exchange rates .....				
23. Receivables from parent, subsidiaries and affiliates .....				
24. Health care (\$ ..... ) and other amounts receivable .....				
25. Aggregate write-ins for other than invested assets .....	65,495	65,496	(1)	4,016
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Line 12 to Line 25) .....	114,657,098	1,478,272	113,178,826	98,304,313
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
28. Totals (Line 26 and Line 27) .....	114,657,098	1,478,272	113,178,826	98,304,313
DETAILS OF WRITE-INS				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....				
1199. Totals (Line 1001 through Line 1103 plus Line 1198) (Line 11 above) .....				
2501. Other Accounts Receivable .....	(1)		(1)	4,016
2502. Deferred Expenses .....	65,496	65,496		
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....				
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above) .....	65,495	65,496	(1)	4,016

STATEMENT AS OF SEPTEMBER 30 , 2011 OF THE OHIO INDEMNITY COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 , Prior Year
1. Losses (current accident year \$ ..... 7,465,058 ) .....	12,515,905	10,270,648
2. Reinsurance payable on paid losses and loss adjustment expenses .....		
3. Loss adjustment expenses .....	244,740	291,631
4. Commissions payable, contingent commissions and other similar charges .....	3,336,108	2,165,529
5. Other expenses (excluding taxes, licenses and fees) .....	1,355,935	1,110,357
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	41,304	524,477
7.1 Current federal and foreign income taxes (including \$ ..... on realized capital gains (losses) ) .....	187,352	1,186,021
7.2 Net deferred tax liability .....		
8. Borrowed money \$ ..... and interest thereon \$ .....		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ ..... 62,708,574 and including warranty reserves of \$ ..... 80,977 ) .....	29,680,523	22,633,440
10. Advance premium .....		
11. Dividends declared and unpaid:		
11.1 Stockholders .....		2,600,000
11.2 Policyholders .....		
12. Ceded reinsurance premiums payable (net of ceding commissions) .....	3,512,317	2,569,362
13. Funds held by company under reinsurance treaties .....	710,152	750,982
14. Amounts withheld or retained by company for account of others .....	6,451,180	5,303,877
15. Remittances and items not allocated .....		
16. Provision for reinsurance .....		
17. Net adjustments in assets and liabilities due to foreign exchange rates .....		
18. Drafts outstanding .....		
19. Payable to parent, subsidiaries and affiliates .....	25,258	86,934
20. Derivatives .....		
21. Payable for securities .....	792,923	
22. Payable for securities lending .....		
23. Liability for amounts held under uninsured plans .....		
24. Capital notes \$ ..... and interest thereon \$ .....		
25. Aggregate write-ins for liabilities .....	5,445,919	3,608,914
26. Total liabilities excluding protected cell liabilities (Line 1 through Line 25) .....	64,299,616	53,102,172
27. Protected cell liabilities .....		
28. Total liabilities (Line 26 and Line 27) .....	64,299,616	53,102,172
29. Aggregate write-ins for special surplus funds .....		
30. Common capital stock .....	3,000,746	3,000,746
31. Preferred capital stock .....		
32. Aggregate write-ins for other than special surplus funds .....		
33. Surplus notes .....		
34. Gross paid in and contributed surplus .....	8,199,503	8,199,503
35. Unassigned funds (surplus) .....	37,678,961	34,001,892
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 30 \$ ..... ) .....		
36.2 ..... shares preferred (value included in Line 31 \$ ..... ) .....		
37. Surplus as regards policyholders (Line 29 through Line 35, less Line 36) .....	48,879,210	45,202,141
38. Totals .....	113,178,826	98,304,313
DETAILS OF WRITE-INS		
2501. Reserve for Rate Credits and Retrospective Adjustment Based on Experience .....	5,445,919	3,608,914
2502. ....		
2503. ....		
2598. Summary of remaining write-ins for Line 25 from overflow page .....		
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above) .....	5,445,919	3,608,914
2901. ....		
2902. ....		
2903. ....		
2998. Summary of remaining write-ins for Line 29 from overflow page .....		
2999. Totals (Line 2901 through Line 2903 plus Line 2998) (Line 29 above) .....		
3201. ....		
3202. ....		
3203. ....		
3298. Summary of remaining write-ins for Line 32 from overflow page .....		
3299. Totals (Line 3201 through Line 3203 plus Line 3298) (Line 32 above) .....		

STATEMENT OF INCOME

	1	2	3
	Current Year	Prior Year	Prior Year Ended
	to Date	to Date	December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 75,292,525 )	56,453,570	53,279,857	71,553,303
1.2 Assumed (written \$ 4,221,222 )	4,394,579	4,399,427	5,992,418
1.3 Ceded (written \$ 37,082,749 )	27,301,239	23,104,851	31,613,217
1.4 Net (written \$ 42,430,998 )	33,546,910	34,574,433	45,932,504
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 12,548,057 ):			
2.1 Direct	21,638,532	22,257,817	27,260,086
2.2 Assumed	312,785	352,680	288,194
2.3 Ceded	10,683,307	9,243,696	11,549,501
2.4 Net	11,268,010	13,366,801	15,998,779
3. Loss adjustment expenses incurred	697,817	789,322	1,669,756
4. Other underwriting expenses incurred	17,857,535	16,542,515	20,490,602
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Line 2 through Line 5)	29,823,362	30,698,638	38,159,137
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	3,723,548	3,875,795	7,773,367
INVESTMENT INCOME			
9. Net investment income earned	3,129,634	2,974,071	3,989,889
10. Net realized capital gains (losses) less capital gains tax of \$ (261,101)	1,098,454	40,677	(28,991)
11. Net investment gain (loss) (Line 9 plus Line 10)	4,228,088	3,014,748	3,960,898
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ )			
13. Finance and service charges not included in premiums			
14. Aggregate write-ins for miscellaneous income	503,612	(417)	1,487
15. Total other income (Line 12 through Line 14)	503,612	(417)	1,487
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 8 plus Line 11 plus Line 15)	8,455,248	6,890,126	11,735,752
17. Dividends to policyholders			
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	8,455,248	6,890,126	11,735,752
19. Federal and foreign income taxes incurred	2,448,525	1,786,199	3,019,433
20. Net income (Line 18 minus Line 19) (to Line 22)	6,006,723	5,103,927	8,716,319
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	45,202,141	45,188,206	45,188,206
22. Net income (from Line 20)	6,006,723	5,103,927	8,716,319
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ (881,495)	(1,711,138)	217,884	(24,601)
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax	(48,482)	100,479	(319,749)
27. Change in nonadmitted assets	(570,034)	946,724	741,966
28. Change in provision for reinsurance			
29. Change in surplus notes			
30. Surplus (contributed to) withdrawn from protected cells			
31. Cumulative effect of changes in accounting principles			
32. Capital changes:			
32.1 Paid in			
32.2 Transferred from surplus (Stock Dividend)			
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in		249	
33.2 Transferred to capital (Stock Dividend)			
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders			(9,100,000)
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus			
38. Change in surplus as regards policyholders (Line 22 through Line 37)	3,677,069	6,369,263	13,935
39. Surplus as regards policyholders, as of statement date (Line 21 plus Line 38)	48,879,210	51,557,469	45,202,141
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page			
0599. TOTALS (Line 0501 through Line 0503 plus Line 0598) (Line 5 above)			
1401. Statement of prior year reserves	499,794		
1402. Miscellaneous Income	3,839	(417)	1,487
1403. Interest Expense	(21)		
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. TOTALS (Line 1401 through Line 1403 plus Line 1498) (Line 14 above)	503,612	(417)	1,487
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page			
3799. TOTALS (Line 3701 through Line 3703 plus Line 3798) (Line 37 above)			

CASH FLOW

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance	40,282,102	35,247,082	44,964,105
2. Net investment income	3,064,481	3,051,174	4,035,916
3. Miscellaneous income	503,612	(417)	1,487
4. Total (Line 1 through Line 3)	43,850,195	38,297,839	49,001,508
5. Benefit and loss related payments	9,926,105	17,714,477	19,789,752
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	17,669,259	16,163,732	21,615,636
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	3,186,093	1,695,443	2,098,930
10. Total (Line 5 through Line9)	30,781,457	35,573,652	43,504,318
11. Net cash from operations (Line 4 minus Line 10)	13,068,738	2,724,187	5,497,190
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	9,957,721	18,021,004	22,076,474
12.2 Stocks	3,649,005	1,341,210	1,341,879
12.3 Mortgage loans			
12.4 Real estate			
12.5 Other invested assets			
12.6 Net gains or (losses) on cash, cash equivalants and short-term investments			
12.7 Miscellaneous proceeds	690,517	206,635	
12.8 Total investment proceeds (Line 12.1 through Line 12.7)	14,297,243	19,568,849	23,418,353
13. Cost of investments acquired (long-term only):			
13.1 Bonds	4,921,190	10,897,715	15,747,110
13.2 Stocks	13,890,703	3,306,407	6,127,111
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets			
13.6 Miscellaneous applications		118,088	
13.7 Total investments acquired (Line 13.1 through Line 13.6)	18,811,893	14,322,210	21,874,221
14. Net increase or (decrease) in contract loans and premium notes			
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(4,514,650)	5,246,639	1,544,132
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes			
16.2 Capital and paid in surplus, less treasury stock		249	
16.3 Borrowed funds			
16.4 Net deposits on deposit-type contracts and other insurance liabilities			
16.5 Dividends to stockholders	2,600,000	4,916,755	11,416,755
16.6 Other cash provided (applied)	2,929,928	1,393,098	1,638,726
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	329,928	(3,523,408)	(9,778,029)
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)	8,884,016	4,447,418	(2,736,707)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	7,498,733	10,235,440	10,235,440
19.2 End of period (Line 18 plus Line 19.1)	16,382,749	14,682,858	7,498,733

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

20.0001			
20.0002			
20.0003			
20.0004			
20.0005			
20.0006			
20.0007			
20.0008			
20.0009			
20.0010			

## NOTES TO FINANCIAL STATEMENTS

---

### SECTION A

#### 1. Summary of Significant Accounting Policies:

##### A. Accounting Practices:

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

The Department 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 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.

##### B. Use of Estimates in the Preparation of the Financial Statements:

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the financial statements and revenue and expenses for the period then ended. It also requires estimates in the disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ materially from these estimates.

##### C. Accounting Policy:

Ohio Indemnity's insurance premiums are earned over the terms of the related insurance policies and reinsurance contracts. For certain of our lender service products, premiums are earned over the contract period in proportion to the amount of insurance protection provided as the amount of insurance protection declines according to a predetermined schedule. For all other products, premiums are earned pro rata over the contract period. The portion of premiums written applicable to the unexpired portion of insurance policies is recorded in the balance sheet as unearned premiums.

Certain lender service policies are eligible for premium adjustments based on loss experience. For certain policies, return premiums are calculated and settled on an annual basis. Certain other policies are eligible for an experience rating adjustment that is calculated and adjusted from period to period and settled upon cancellation of the policy. These balances are presented in the accompanying balance sheet as "Aggregate write-ins for liabilities". These adjustments are included in the calculation of net premiums earned.

SSAP No. 65, "Property and Casualty Contracts," requires a separate test for unearned premiums for policies with coverage periods equal to or in excess of thirteen months. Depending on the results of this test, a reporting entity may be required to record additional unearned premiums on a statutory basis that are not recorded on a GAAP basis. As of September 30, 2011 and 2010, we recorded \$916,038 and \$1,158,272, respectively, of additional unearned premiums under SSAP No. 65 for our GAP product line.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding commissions received or receivable.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost. Money market investments are reflected at cost.
- (2) Bonds not backed by other loans are stated at amortized value using the scientific interest method.
- (3) Redeemable preferred stocks are stated at amortized cost.
- (4) Common stocks, non-redeemable preferred stocks and mutual funds are stated at market values based upon prices prescribed by the NAIC.
- (5) Realized gains and losses on disposal of investments are determined by the specific identification method and are included in investment income. The carrying value of investments is revised and the amount of revision is charged to net realized losses on investments when management determines that a decline in the value of an investment is other-than-temporary.

We continually monitor the difference between the book value and the estimated fair value of our investments, which involves judgment as to whether declines in value are temporary in nature. If we believe a decline in the value of a particular available for sale investment is temporary, we record the decline as an unrealized loss in our shareholders' equity. If we believe the decline in any investment is "other-than-temporarily impaired," we record the decline as a realized loss through the income statement. If our judgment changes in the future, we may ultimately record a realized loss for a security after having originally concluded that the decline in value was temporary. We begin to monitor a security for other-than-temporary impairment when its fair value to book value ratio falls below 80%. Our assessment as to whether a security is other-than-temporarily impaired depends on, among other things: (1) the length of time and extent to which the estimated fair value has been less than book value; (2) whether the decline appears to be related to general market or industry conditions or is issuer specific; (3) our current judgment as to the financial condition and future prospects of the entity that issued the investment security; and (4) our intent to sell the security or the likelihood that we will be required to sell the security before its anticipated recovery.

We also continually monitor the credit quality of our fixed maturity investments to gauge our ability to be repaid principal and interest. We consider price declines of securities in our other-than-temporary impairment analysis where such price declines provide evidence of declining credit quality, and we distinguish between price changes caused by credit deterioration, as opposed to rising interest rates. In our evaluation of credit quality, we consider, among other things, credit ratings from major rating agencies, including Moody's Industry Services ("Moody's") and Standard & Poor's ("S&P").

**NOTES TO FINANCIAL STATEMENTS**

(6) Unpaid losses and loss adjustment expenses ("LAE") include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability is continually reviewed and any adjustments are reflected in the period determined.

Assumed reinsurance is a line of business with inherent volatility. Since the length of time required for the losses to be reported through the reinsurance system can be quite long, unexpected events are more difficult to predict. Ultimate loss experience for assumed reinsurance is based primarily on reports received by the Company from the underlying ceding insurers.

(7) Pursuant to the terms of certain surety bonds issued by the Company that guarantee the payment of reimbursable unemployment compensation benefits, certain monies are held by the Company in contract funds on deposit and are used for the payment of benefit charges. The Company has agreements with cost containment service firms designed to control the unemployment compensation costs of the employers enrolled in the program. Benefit charges incurred in excess of the contract funds on deposit are recorded by us as losses and loss adjustment expenses. If there are any remaining contract funds on deposit after all benefit charges, those funds are shared between the Company and the cost containment firms and our share is recorded as management fees. Management fees are recognized when earned based on the development of benefit charges. Management fees of \$499,764 and \$0 were recognized for the period ended September 30, 2011 and 2010, respectively.

(8) Certain software costs are capitalized in accordance with SSAP No. 82, "Accounting for the Costs of Computer Software Developed or Obtained for Internal Use and Web Site Development Costs." Depreciation is computed using the straight-line method in amounts adequate to amortize costs over the estimated useful life of the applicable asset, which is approximately three years. The amounts of capitalized costs were \$3,556 and \$14,964 at September 30, 2011 and December 31, 2010, respectively. Depreciation expense was \$11,408 and \$79,544 for the period ended September 30, 2011 and September 30, 2010, respectively.

2. Accounting Changes and Corrections of Errors: Not applicable.

3. Business Combinations and Goodwill: Not applicable.

4. Discontinued Operations: Not applicable.

5. Investments:

A. Mortgage Loans: Not applicable.

B. Debt Restructuring: Not applicable.

C. Reverse Mortgages: Not applicable.

D. Loan-Backed Securities: Not applicable.

E. Repurchase Agreements: Not applicable.

6. Joint Ventures, Partnerships and Limited Liability Companies: Not applicable.

7. Investment Income:

A. Accrued Investment Income: The Company nonadmits investment income due and accrued if amounts are over 90 days past due.

B. Amounts Nonadmitted: Not applicable.

8. Derivative Instruments: Not applicable.

9. Income Taxes:

A. The components of the net deferred tax asset at September 30 are as follows:

	<u>September 30,</u> <u>2011</u>	<u>December 31,</u> <u>2010</u>
(1)Gross deferred tax assets	\$4,041,239	\$3,519,790
(2)Gross deferred tax liabilities	(255,660)	(567,224)
(3)Net deferred tax assets	3,785,579	2,952,566
(4)Nonadmitted deferred tax assets	(1,195,562)	(598,837)
(5)Admitted deferred tax assets	2,590,017	2,353,729
(6)Increase (decrease) in deferred tax assets nonadmitted	596,725	(710,070)

B. Unrecognized deferred tax liabilities: Not applicable.

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

NOTES TO FINANCIAL STATEMENTS

	<u>September 30,</u> <u>2011</u>	<u>September 30,</u> <u>2010</u>
(1)Current income tax expense		
Federal income tax expense	\$2,448,525	\$1,786,199
Realized capital gains tax expense (benefit)	<u>(261,101)</u>	<u>(127,698)</u>
Total statutory income tax expense	<u>\$2,187,424</u>	<u>\$1,658,501</u>

(2)Net change in deferred taxes:	<u>September 30,</u> <u>2011</u>	<u>September 30,</u> <u>2010</u>
Change in DTA's	\$521,449	\$96,688
Change in DTL's	<u>311,564</u>	<u>(108,452)</u>
Net change in deferred taxes	833,013	(11,764)
Change in DTL's on net unrealized capital gains (losses)	<u>(881,495)</u>	<u>112,243</u>
Gross change in deferred taxes	<u>\$(48,482)</u>	<u>\$100,479</u>

(3) Deferred income taxes include an expense of \$ 0 from net operating losses.

D. Reconciliation of federal income tax rate to actual effective rate:

The significant book to tax adjustments were as follows:

	<u>September 30,</u> <u>2011</u>	<u>September 30,</u> <u>2010</u>
Expected federal income tax expense	\$2,786,010	\$2,299,226
Change in unearned premium reserves	479,202	233,385
Book over capital gains	(390,649)	(98,111)
Book over tax reserves	63,775	(55,654)
Tax exempt interest and dividends received deduction	(676,945)	(750,304)
Capital Loss carryforward	262,658	120,940
Valuation allowance	82,117	-
Alternative Minimum tax	(255,220)	-
Other	(163,524)	(90,981)
Federal income tax expense	<u>2,187,424</u>	<u>\$1,658,501</u>

E. Operating Loss and Tax Credit Carryforwards

(1) At September 30, 2011, the Company had \$0 of net operating loss carryforward. The Company also has an alternative minimum tax credit of \$25,637 at September 30, 2011 with no expiration date.

(2) The following is income tax expense for 2011, 2010 and 2009 that is available for recoupment in the event of future net losses:

2011 (current year)	\$ 2,187,424
2010 (current - 1)	2,844,522
2009 (current - 2)	1,542,567

F. Consolidated Federal Income Tax Return:

(1) The Company's federal income tax return is consolidated with the following entities:

Bancinsurance Corporation and Ultimate Services Agency, LLC ("USA")

(2) The Company files a consolidated federal income tax return with its parent, Bancinsurance Corporation. The Company has a tax sharing agreement, as approved by the Board of Directors, with its parent whereby federal income tax expense is determined as if the Company filed a separate federal income tax return and payments for this liability are made to the parent.

14. Contingencies:

A. Contingent Commitments: Not applicable.

B. Assessments: Not applicable.

C. Gain Contingencies: Not applicable.

D. All Other Contingencies:

We are involved in legal proceedings arising in the ordinary course of business which are routine in nature and incidental to our



NOTES TO FINANCIAL STATEMENTS

business. We currently believe that none of these matters, either individually or in the aggregate, is reasonably likely to have a material adverse effect on our financial condition, results of operations or liquidity. However, because litigation is subject to inherent uncertainties and the outcome of such matters cannot be predicted with certainty, future developments could cause any one or more of these matters to have a material adverse effect on our financial condition, results of operations and liquidity.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities:

- A. Transfers of Receivables Reported as Sales: Not applicable.
- B. Transfers and Servicing of Financial Assets: Not applicable.
- C. Wash Sales: Not applicable.

20. Fair Value Measurement:

The following table summarizes the Company’s financial assets measured at fair value on a recurring basis as of September 30, 2011:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Bonds	1,179,610	-	1,179,610	-
Preferred stocks	3,994,880	3,994,880	-	-
Common stocks	11,080,300	11,080,300	-	-
Total	16,254,790	15,075,180	1,179,610	-

The Company has categorized its assets into the three-level hierarchy based upon the priority of the inputs to the respective valuation technique. The following summarizes the type of assets included within the three-level hierarchy presented in the table above:

- *Level 1* – This category includes exchange-traded preferred stocks, common stocks and mutual funds. Redeemable preferred stocks with an NAIC rating of 3 through 6 are carried at the lower of cost or fair value. The preferred stock and common stock listed in the above table are carried at fair value.
- *Level 2* – This category includes bonds. Bonds with an NAIC rating of 3 through 6 are carried at the lower of amortized cost or fair value. The bonds listed in the above table are carried at fair value.
- *Level 3* – The Company has no Level 3 assets or liabilities.

As of September 30, 2011, the Company had no financial liabilities that were measured at fair value and no financial assets that were measured at fair value on a non-recurring basis. The Company also did not have any non-financial assets or non-financial liabilities that were measured at fair value on a recurring or non-recurring basis.

21. Other Items:

- A. Extraordinary Items: Not applicable.
- B. Troubled Debt Restructuring: Not applicable.

C. Other Disclosures:

The Company elected to use rounding in reporting amounts in this Annual Statement. The Company also set a tolerance for rounding errors at 1 for validation purposes.

- D. Nature of any portion of the balance that is reasonably possible to uncollectible for assets covered by SSAP No. 6: Not applicable.
- E. Business Interruption Insurance recoveries: Not applicable.
- F. State Transferable Tax Credits: Not applicable.
- G. Subprime-Mortgage-Related Risk Exposure: Not applicable.

22. Events Subsequent: Not applicable.

23. Reinsurance:

- A. Unsecured Reinsurance Recoverables: Not applicable.
- B. Reinsurance Recoverable in Dispute: Not applicable.

C. Reinsurance Assumed and Ceded:

(1)The following table summarizes assumed and ceded unearned premiums and the related commission equity at September 30, 2011, stated in dollars.

	<u>Assumed</u>		<u>Ceded</u>		<u>Assumed Less Ceded</u>	
	1	2	3	4	5	6
	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity
a. Affiliates	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b.All Other	<u>2,451,562</u>	<u>1,225,781</u>	<u>62,708,574</u>	<u>5,432,260</u>	<u>(60,257,012)</u>	<u>(4,206,479)</u>
c.Total	2,451,562	1,225,781	62,708,574	5,432,260	(60,257,012)	(4,206,479)

D. Direct Unearned Premium Reserve: \$ 89,021,497

## NOTES TO FINANCIAL STATEMENTS

---

(2)The additional or return commission, predicated on loss experience or on any other form of profit sharing arrangements in this annual statement as a result of existing contractual arrangements: Not applicable.

25. Change in incurred Losses and Loss Adjustment Expenses:

Reserves as of December 31, 2010 were \$10.56 million. As of September 30, 2011, \$4.35 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 \$5.05 million as a result of re-estimation of unpaid claims and claim adjustment expenses principally from our lender service, unemployment, waste industry and other specialty product lines. Therefore, there has been a \$1.16 million favorable prior-year development since December 31, 2010 to September 30, 2011. The decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

36. Financial guaranty Insurance: Not applicable

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

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

Yes ( ) No (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:

08/30/2011
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.

12/31/2006
- 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.

12/31/2006
- 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).

07/08/2007
- 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 (X) No ( ) N/A ( )
- 6.6

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

Yes (X) No ( ) N/A ( )
- 7.1

Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.)

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
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....

GENERAL INTERROGATORIES (continued)

- 9.1

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

Yes (X) No ( )
- 9.11

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

Has the code of ethics for senior managers been amended?

Yes ( ) No (X)
- 9.21

If the response to 9.2 is Yes, provide information related to amendment(s) .  
  
.....  
.....
- 9.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes ( ) No (X)
- 9.31

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

FINANCIAL

- 10.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes ( ) No (X)
- 10.2

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

\$ .....

INVESTMENT

- 11.1

Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes ( ) No (X)
- 11.2

If yes, give full and complete information relating thereto:  
  
.....  
.....
12.

Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$ .....
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 (X)
- 14.2

If yes, please complete the following:
- |   | 1<br>Prior Year-End Book/<br>Adjusted Carrying Value | 2<br>Current Quarter Book/<br>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 Line 14.21 to Line 14.26) ..... | \$ .....   | \$ .....  |
| 14.28 Total Investment in Parent included in Line 14.21 to Line 14.26 above .....                       | \$ .....   | \$ .....  |
- 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?  
  
If no, attach a description with this statement.

Yes ( ) No ( )

GENERAL INTERROGATORIES (continued)

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
Fifth Third Bank .....	38 Fountain Square, Cincinnati, OH 45263 .....
Meeder Asset Management .....	6125 Memorial Drive, Dublin, OH 43017 .....
Huntington National Bank .....	30050 Chagrin Boulevard, Suite 150, Pepper Pike, OH 44124 .....

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, brokers/dealers or individuals acting on behalf of brokers/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
108271 .....	Sit Investment Association .....	80 South Eighth Street, 3300 IDS Center Minneapolis, MN 55402 .....
105794 .....	Meeder Asset Management .....	6125 Memorial Drive, Dublin, OH 43017 .....
7745 .....	Huntington National Bank .....	30050 Chagrin Boulevard, Suite 150, Pepper Pike, OH 44124 .....

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 - Line 4.2 (Continued)

<sup>1</sup> Name of Entity	<sup>2</sup> NAIC Company Code	<sup>3</sup> State of Domicile
--------------------------------	-----------------------------------	-----------------------------------

4.2 - Entities that have ceased to exist as a result of the merger or consolidation .

GENERAL INTERROGATORIES - Line 8.4 (Continued)

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

8.4 - Names and location of any affiliates regulated by a federal regulatory services agency .

GENERAL INTERROGATORIES - Line 16.1 (continued)

<sup>1</sup> Name of Custodian(s)	<sup>2</sup> Custodian Address
--------------------------------------	-----------------------------------

Agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook  
UBS Financial Services ..... 180 Market Street New Albany, Ohio 43054 .....  
16.1 - Agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook

GENERAL INTERROGATORIES - Line 16.2 (continued)

<sup>1</sup> Name(s)	<sup>2</sup> Location(s)	<sup>3</sup> Complete Explanation(s)
-------------------------	-----------------------------	---

GENERAL INTERROGATORIES - Line 16.4 (continued)

<sup>1</sup> Old Custodian	<sup>2</sup> New Custodian	<sup>3</sup> Date of Change	<sup>4</sup> Reason
-------------------------------	-------------------------------	--------------------------------	------------------------

GENERAL INTERROGATORIES - Line 16.5 (continued)

<sup>1</sup> Central Registration Depository	<sup>2</sup> Name(s)	<sup>3</sup> Address
--	-------------------------	-------------------------

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  
0221 ..... UBS Financial Services ..... 180 Market Street Nesw Albany, Ohio 43054 .....  
16.5 - 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

GENERAL INTERROGATORIES (continued)

PART 2

PROPERTY AND CASUALTY INTERROGATORIES

1.

If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change?  
  
If yes, attach an explanation.

Yes ( ) No ( ) N/A (X)

2.

Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured?  
  
If yes, attach an explanation.

Yes ( ) No (X)

3.1

Have any of the reporting entity's primary reinsurance contracts been cancelled?

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 Discount Schedule.

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.

\$ .....

**Page 9**

Schedule F - Ceded Reinsurance

**NONE**



SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

			1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
States, etc.		Active Status	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	L	141,626	79,567	30,466	32,225	31,879	24,095	
2. Alaska	AK	L	115,830	103,115			3,769	4,028	
3. Arizona	AZ	L	116,016	98,354		1,172	37,278	21,672	
4. Arkansas	AR	L	73,174	35,332	40,997	39,044	20,673	10,369	
5. California	CA	L	6,418,480	7,445,594	1,675,140	1,764,544	993,719	1,115,215	
6. Colorado	CO	L	161,366	142,013	1,132	9,544	36,505	73,022	
7. Connecticut	CT	L	439,864	452,203	45,719	192,412	274,804	238,119	
8. Delaware	DE	L	6,669	(77)			5,253	11,517	
9. District of Columbia	DC	L	63,793	58,176		9,783		16,148	
10. Florida	FL	L	1,084,505	1,003,670	177,577	251,111	425,066	383,234	
11. Georgia	GA	L	198,855	67,237	56,740	23,752	39,105	42,598	
12. Hawaii	HI	L	3,869,842	354,922	249,250	28,800	124,599	9,787	
13. Idaho	ID	L	60,955	3,615			309	225	
14. Illinois	IL	L	248,784	320,486	77,524	114,871	188,313	489,299	
15. Indiana	IN	L	515,417	460,896	116,106	153,539	96,174	95,544	
16. Iowa	IA	L	126,053	30,919	11,572	1,110	5,179	615	
17. Kansas	KS	L	161,947	105,098	10,422	8,102	70,738	45,762	
18. Kentucky	KY	L	1,542,289	1,196,249	404,990	370,987	1,207,472	548,310	
19. Louisiana	LA	L	173,560	109,495	73,699	183,626	74,999	159,304	
20. Maine	ME	L	86,809	60,777	5,979	15,696	10,035	20,738	
21. Maryland	MD	L	526,655	483,565	28,353	97,956	229,799	293,791	
22. Massachusetts	MA	L	2,510,531	2,128,048	249,985	720,475	287,003	403,114	
23. Michigan	MI	L	431,918	686,564	95,707	243,807	262,486	318,311	
24. Minnesota	MN	L	30,667	16,122			11,193	9,476	
25. Mississippi	MS	L	130,169	82,551	113,603	42,268	49,066	24,315	
26. Missouri	MO	L	940,850	753,219	38,282	68,368	304,350	317,594	
27. Montana	MT	L	63,742	12,089					
28. Nebraska	NE	L	4,455	930				193	
29. Nevada	NV	L	1,056,697	455,508	9,723		276,046	267,182	
30. New Hampshire	NH	L	72,825	62,482	2,501	56,051	3,938	23,799	
31. New Jersey	NJ	L	2,251,369	2,157,700	861,700	1,267,461	1,826,065	1,153,778	
32. New Mexico	NM	L	109,456	103,473	33,175	9,702	17,290	6,022	
33. New York	NY	L	4,937,154	4,077,449	817,572	1,133,267	1,832,775	1,038,959	
34. North Carolina	NC	L	485,952	764,117	30,037	1,385	361,857	180,840	
35. North Dakota	ND	L	30,844	21,534		7,017	39	5,639	
36. Ohio	OH	L	7,655,998	6,843,877	3,207,481	4,595,002	1,861,016	2,006,370	
37. Oklahoma	OK	L	191,419	116,188	122,300	109,030	84,776	108,460	
38. Oregon	OR	L	317,492	326,588	8,522	16,812	19,872	26,005	
39. Pennsylvania	PA	L	379,573	397,182	5,995	69,469	43,891	109,593	
40. Rhode Island	RI	L	4,351,796	4,859,895	1,582,384	3,113,062	720,597	876,022	
41. South Carolina	SC	L	72,598	30,035	21,999	(191,292)	12,336		
42. South Dakota	SD	L	286	200					
43. Tennessee	TN	L	580,124	578,378	151,984	147,845	141,774	66,369	
44. Texas	TX	L	31,068,244	29,798,570	7,648,186	7,007,082	4,314,458	2,890,752	
45. Utah	UT	L	62,611	7,645	321		4,653		
46. Vermont	VT	L	167,360	86,172	29,818	56,371	11,779	20,817	
47. Virginia	VA	L	307,804	389,138	82,786	65,824	152,659	96,309	
48. Washington	WA	L	345,286	69,155	5,040	1,416	23,533	6,636	
49. West Virginia	WV	L	462,636	379,784	8,225	38,400	130,394	78,276	
50. Wisconsin	WI	L	137,647	104,563		9,795	87,703	61,261	
51. Wyoming	WY	L	2,533	1,266			4,183	5,392	
52. American Samoa	AS	N							
53. Guam	GU	N							
54. Puerto Rico	PR	N							
55. U.S. Virgin Islands	VI	N							
56. Northern Mariana Islands	MP	N							
57. Canada	CN	N							
58. Aggregate Other Alien	OT	X X X							
59. Totals	(a)	51	75,292,525	67,921,628	18,132,992	21,886,891	16,721,400	13,704,876	

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

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

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

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

PART 1 - ORGANIZATIONAL CHART

Schedule Y as of September 30, 2011

**Fenist, LLC**  
(A Holding Company)  
Organized in Ohio

**Bancinsurance Corporation**  
(A Holding Company)  
Incorporated in Ohio

**Ohio Indemnity Company**  
(An Insurance Company)  
Incorporated in Ohio

**Ultimate Services Agency, LLC**  
(An Insurance Agency)  
Organized in Ohio

**BIC Statutory Trust I**  
(A Trust)  
Organized in Connecticut

**BIC Statutory Trust II**  
(A Trust)  
Organized in Delaware

PART 1 - LOSS EXPERIENCE

Line of Business	Current Year to Date			4
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	Prior Year to Date Direct Loss Percentage
1. Fire .....				
2. Allied lines .....				
3. Farmowners multiple peril .....				
4. Homeowners multiple peril .....				
5. Commercial multiple peril .....				
6. Mortgage guaranty .....				
8. Ocean marine .....				
9. Inland marine .....	24,125,603	9,726,820	40.3	43.5
10. Financial guaranty .....				
11.1 Medical professional liability-occurrence .....				
11.2 Medical professional liability-claims made .....				
12. Earthquake .....				
13. Group accident and health .....				
14. Credit accident and health .....				
15. Other accident and health .....				
16. Workers' compensation .....				
17.1 Other liability-occurrence .....	32,405	69,018	213.0	(20.6)
17.2 Other liability-claims made .....				
17.3 Excess Workers' Compensation .....				
18.1 Products liability-occurrence .....				
18.2 Products liability-claims made .....				
19.1, 19.2 Private passenger auto liability .....				
19.3, 19.4 Commercial auto liability .....				
21. Auto physical damage .....	1,700,981	(9,862)	(0.6)	26.9
22. Aircraft (all perils) .....				
23. Fidelity .....				
24. Surety .....	7,180,979	340,084	4.7	7.1
26. Burglary and theft .....				
27. Boiler and machinery .....				
28. Credit .....	6,782,390	2,815,830	41.5	29.6
29. International .....				
30. Warranty .....	47,040	(190,490)	(405.0)	(263.1)
31. Reinsurance-Nonproportional Assumed Property .....	X X X	X X X	X X X	X X X
32. Reinsurance-Nonproportional Assumed Liability .....	X X X	X X X	X X X	X X X
33. Reinsurance-Nonproportional Assumed Financial Lines .....	X X X	X X X	X X X	X X X
34. Aggregate write-ins for other lines of business .....	16,584,174	8,887,132	53.6	62.1
35. TOTALS .....	56,453,572	21,638,532	38.3	41.8
DETAILS OF WRITE-INS				
3401. Collateral Protection .....	9,834,484	5,908,553	60.1	75.8
3402. Excess of Loss .....	3,382,909	1,337,811	39.5	32.8
3403. GAP .....	3,366,781	1,640,768	48.7	40.8
3498. Summary of remaining write-ins for Line 34 from overflow page .....				
3499. Totals (Line 3401 through Line 3403 plus Line 3498) (Line 34) .....	16,584,174	8,887,132	53.6	62.1

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year to Date
1. Fire .....			
2. Allied lines .....			
3. Farmowners multiple peril .....			
4. Homeowners multiple peril .....			
5. Commercial multiple peril .....			
6. Mortgage guaranty .....			
8. Ocean marine .....			
9. Inland marine .....	11,414,722	34,410,367	30,041,729
10. Financial guaranty .....			
11.1 Medical professional liability-occurrence .....			
11.2 Medical professional liability-claims made .....			
12. Earthquake .....			
13. Group accident and health .....			
14. Credit accident and health .....			
15. Other accident and health .....			
16. Workers' compensation .....			
17.1 Other liability-occurrence .....	650,083	651,770	(97)
17.2 Other liability-claims made .....			
17.3 Excess Workers' Compensation .....			
18.1 Products liability-occurrence .....			
18.2 Products liability-claims made .....			
19.1, 19.2 Private passenger auto liability .....			
19.3, 19.4 Commercial auto liability .....			
21. Auto physical damage .....	1,115,619	1,778,366	2,759,491
22. Aircraft (all perils) .....			
23. Fidelity .....			
24. Surety .....	2,404,389	7,277,342	8,001,824
26. Burglary and theft .....			
27. Boiler and machinery .....			
28. Credit .....	3,613,869	7,619,548	4,843,272
29. International .....			
30. Warranty .....	(407,884)	30,606	209,636
31. Reinsurance-Nonproportional Assumed Property .....	X X X	X X X	X X X
32. Reinsurance-Nonproportional Assumed Liability .....	X X X	X X X	X X X
33. Reinsurance-Nonproportional Assumed Financial Lines .....	X X X	X X X	X X X
34. Aggregate write-ins for other lines of business .....	8,223,457	23,524,526	22,065,773
35. TOTALS .....	27,014,255	75,292,525	67,921,628
DETAILS OF WRITE-INS			
3401. Collateral Protection .....	6,376,924	14,760,536	14,422,072
3402. Excess of Loss .....	5,415	4,396,912	4,428,792
3403. GAP .....	1,841,118	4,367,078	3,214,909
3498. Summary of remaining write-ins for Line 34 from overflow page .....			
3499. Totals (Line 3401 through Line 3403 plus Line 3498) (Line 34) .....	8,223,457	23,524,526	22,065,773

PART 3 (000 Omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Prior Year- End Known Case Loss and LAE Reserves	Prior Year- End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Column 1 plus Column 2)	2011 Loss and LAE Payments on Claims Reported as of Prior Year-End	2011 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2011 Loss and LAE Payments (Column 4 plus Column 5)	Q. S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End	Q. S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	Q. S. Date IBNR Loss and LAE Reserves	Total Q. S. Loss and LAE Reserves (Column 7 plus Column 8 plus Column 9)	Prior Year- End Known Case Loss and LAE Reserves Developed (Savings) / Deficiency (Column 4 plus Column 7 minus Column 1)	Prior-Year-End IBNR Loss and LAE Reserves Developed (Savings) / Deficiency (Column 5 plus Column 8 plus Column 9 minus Column 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings) / Deficiency (Column 11 plus Column 12)
1. 2008 + Prior	.....	..... 1,224	..... 1,224	.....	..... 64	..... 64	.....	.....	..... 783	..... 783	.....	..... (377)	..... (377)
2. 2009	.....	..... 939	..... 939	.....	..... 883	..... 883	.....	.....	..... 929	..... 929	.....	..... 873	..... 873
3. Subtotals 2009 + prior	.....	..... 2,163	..... 2,163	.....	..... 947	..... 947	.....	.....	..... 1,712	..... 1,712	.....	..... 496	..... 496
4. 2010	..... 561	..... 7,838	..... 8,399	..... 568	..... 2,834	..... 3,402	..... 6	.....	..... 3,333	..... 3,339	..... 13	..... (1,671)	..... (1,658)
5. Subtotals 2010 + prior	..... 561	..... 10,001	..... 10,562	..... 568	..... 3,781	..... 4,349	..... 6	.....	..... 5,045	..... 5,051	..... 13	..... (1,175)	..... (1,162)
6. 2011	X X X	X X X	X X X	X X X	..... 5,419	..... 5,419	X X X	..... 478	..... 7,231	..... 7,709	X X X	X X X	X X X
7. Totals	..... 561	..... 10,001	..... 10,562	..... 568	..... 9,200	..... 9,768	..... 6	..... 478	..... 12,276	..... 12,760	..... 13	..... (1,175)	..... (1,162)
8. Prior Year- End Surplus As Regards Policy- holders	..... 45,202										Column 11, Line 7 As % of Column 1, Line 7	Column 12, Line 7 As % of Column 2, Line 7	Column 13, Line 7 As % of Column 3, Line 7
											1. .... 2.3 %	2. .... (11.7)%	3. .... (11.0)%
													Column 13, Line 7 Line 8
													4. .... (2.6)%

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.

Responses

1. Will the Trusted Surplus Statement be filed with the state of domicile and the NAIC with this statement?

NO

EXPLANATION:

BARCODE:

Document Identifier 490:



2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?

NO

EXPLANATION:

BARCODE:

Document Identifier 455:



3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

NO

EXPLANATION:

BARCODE:

Document Identifier 365:



4. Will the Director and Officer Supplement be filed with the state of domicile and the NAIC with this statement?

NO

EXPLANATION:

BARCODE:

Document Identifier 505:



SCHEDULE A - VERIFICATION

Real Estate

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after ac		
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/ac		
7. Deduct current year's other than temporar		
8. Deduct current year's depreciation		
9. Book/adjusted carrying value at end of current period (Line 1 plus Line 2 plus Line 3 plus Line 4 minus		
Line 5 plus Line 6 minus Line 7 plus Line 8)		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)		

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year To Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after a		
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 mort		
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 (Line 1 plus Line 2 plus		
Line 3 plus Line 4 plus Line 5 plus Line 6 minus Line 7 minus Line 8 plus Line 9 minus Line 10)		
12. Total Valuation Allowance		
13. Subtotal (Line 11 plus Line 12)		
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)		

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after a		
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 (Line 1 plus Line 2 plus Line 3 plus Line 4 plus		
Line 5 plus Line 6 minus Line 7 minus Line 8 plus Line 9 minus Line 10)		
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)		

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	81,057,614	82,783,258
2. Cost of bonds and stocks acquired	18,811,893	21,874,221
3. Accrual of discount	167,832	292,409
4. Unrealized valuation increase (decrease)	(2,588,468)	(36,585)
5. Total gain (loss) on disposals	1,226,769	45,320
6. Deduct consideration for bonds and stocks disposed of	13,606,725	23,418,353
7. Deduct amortization of premium	136,761	233,434
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized	389,301	249,222
10. Book/adjusted carrying value at end of current period (Line 1 plus Line 2 plus Line 3 plus Line 4 plus		
Line 5 minus Line 6 minus Line 7 plus Line 8 minus Line 9)	84,542,853	81,057,614
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	84,542,853	81,057,614

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	2	3	4	5	6	7	8
	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a)	67,700,093	14,129,936	8,025,545	(670,744)	69,348,251	67,700,093	73,133,740	69,000,202
2. Class 2 (a)	5,250,245		1,241,047	422,496	4,674,201	5,250,245	4,431,694	4,785,514
3. Class 3 (a)	50,520		50,560	40	700,142	50,520		715,582
4. Class 4 (a)	541,032			1,682	266,635	541,032	542,714	537,754
5. Class 5 (a)	271,980			(1,225)	269,986	271,980	270,755	266,316
6. Class 6 (a)				229,958	266,802		229,958	
7. Total Bonds	73,813,870	14,129,936	9,317,152	(17,793)	75,526,017	73,813,870	78,608,861	75,305,368
PREFERRED STOCK								
8. Class 1	568,750			(40,250)	453,400	568,750	528,500	861,770
9. Class 2	3,079,800	612,199		215,275	2,570,240	3,079,800	3,907,274	2,548,484
10. Class 3	4,086,605	796,496		(1,080,008)	2,786,601	4,086,605	3,803,093	2,566,487
11. Class 4								
12. Class 5	15,188				15,188	15,188	15,188	15,188
13. Class 6								
14. Total Preferred Stock	7,750,343	1,408,695		(904,983)	5,825,429	7,750,343	8,254,055	5,991,929
15. Total Bonds and Preferred Stock	81,564,213	15,538,631	9,317,152	(922,776)	81,351,446	81,564,213	86,862,916	81,297,297

(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 \$ 13,400,363 ; NAIC 2 \$ ; NAIC 3 \$ ; NAIC 4 \$ ; NAIC 5 \$ ; NAIC 6 \$

SCHEDULE DA - PART 1

Short-Term Investments Owned End of Current Quarter

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999 Totals .....	13,400,363	X X X	13,400,363	25,508	.....

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book / adjusted carrying value, December 31 of prior year .....	5,788,545	1,551,046
2. Cost of short-term investments acquired .....	9,064,454	4,627,361
3. Accrual of discount .....		
4. Unrealized valuation increase (decrease) .....		
5. Total gain (loss) on disposals .....		
6. Deduct consideration received on disposals .....	1,452,636	389,862
7. Deduct amortization of premium .....		
8. Total foreign exchange change in book/adjusted carrying value .....		
9. Deduct current year's other than temporary impairment recognized .....		
10. Book/adjusted carrying value at end of current period (Line 1 + Line 2 + Line 3 + Line 4 + Line 5 - Line 6 - Line 7 + Line 8 - Line 9) .....	13,400,363	5,788,545
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11) .....	13,400,363	5,788,545



**Page SI04**

Schedule DB, Part A, Verification  
**NONE**

Schedule DB, Part B, Verification  
**NONE**

**Page SI05**

Schedule DB, Pt. C, Section 1, Replicated (Synthetic Assets) Open  
**NONE**

**Page SI06**

Sch DB, Pt C, Sn 2, Replication (Syn Assets) Transactions Open  
**NONE**

**Page SI07**

Schedule DB, Verification  
**NONE**

SCHEDULE E - VERIFICATION

(Cash Equivalents)

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....		2,144,698
2. Cost of cash equivalents acquired .....		511
3. Accrual of discount .....		
4. Unrealized valuation increase (decrease) .....		
5. Total gain (loss) on disposals .....		
6. Deduct consideration received on disposals .....		2,145,209
7. Deduct amortization of premium .....		
8. Total foreign exchange change in book/adjusted carrying value .....		
9. Deduct current year's other than temporary impairment recognized .....		
10. Book/adjusted carrying value at end of current period (Line 1 + Line 2 + Line 3 + Line 4 + Line 5 - Line 6 - Line 7 + Line 8 - Line 9) .....		
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11) .....		

**Page E01**

Sch. A, Pt. 2, Real Estate Acquired  
**NONE**

Sch. A, Pt. 3, Real Estate Disposed  
**NONE**

**Page E02**

Schedule B, Part 2, Mortgage Loans Acquired  
**NONE**

Schedule B, Part 3, Mortgage Loans Disposed  
**NONE**

**Page E03**

Sch. BA, Pt. 2, Other Long-Term Invested Assets Acquired  
**NONE**

Sch. BA, Pt. 3, Other Long-Term Invested Assets Disposed  
**NONE**

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE OHIO INDEMNITY COMPANY

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
Bonds - U. S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions									
130658-GR-2	CALIFORNIA ST DEPT VET AFFAIRS		09/01/2011	SIT INVESTMENTS		251,250	250,000.00	3,467	1FE
246395-XA-0	DELAWARE ST HSG AUTH REV		09/29/2011	SIT INVESTMENTS		278,445	750,000.00		1FE
251129-R8-7	DETROIT MICH CITY SCH DIST		09/14/2011	SIT INVESTMENTS		504,605	500,000.00	9,583	1FE
455057-K8-1	INDIANA ST FIN AUTH REV		09/29/2011	SIT INVESTMENTS		255,818	250,000.00		1FE
45656R-CF-7	INDUSTRY CALIF SALES TAX REV		09/08/2011	SIT INVESTMENTS		538,365	500,000.00	8,000	1FE
555597-FQ-1	MACON CNTY ILL SCH DIST NO 061		09/28/2011	SIT INVESTMENTS		258,660	250,000.00		1FE
59465E-UE-1	MICHIGAN ST HOSP FIN AUTH REV		09/14/2011	SIT INVESTMENTS		273,928	275,000.00	1,331	1FE
59465H-NY-8	MICHIGAN ST HOSP FIN AUTH REV		07/13/2011	SIT INVESTMENTS		20,207	20,000.00		1FE
59465H-NZ-5	MICHIGAN ST HOSP FIN AUTH REV		07/13/2011	SIT INVESTMENTS		232,379	230,000.00		1FE
621820-CD-9	MT LEBANON PA HOSP AUTH REV		08/30/2011	SIT INVESTMENTS		250,833	250,000.00	2,383	1FE
686430-EJ-4	ORLANDO FLA CMNTY REDEV AGY TA		09/14/2011	SIT INVESTMENTS		553,750	500,000.00	1,875	1FE
708796-B8-9	PENNSYLVANIA HSG FIN AGY SINGL		09/09/2011	SIT INVESTMENTS		500,000	500,000.00		1FE
708796-WP-8	PENNSYLVANIA HSG FIN AGY SINGL		09/15/2011	SIT INVESTMENTS		502,500	500,000.00	11,149	1FE
3199999	Subtotal - Bonds - U. S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions					4,420,739	4,775,000.00	37,788	
8399997	Subtotal - Bonds - Part 3					4,420,739	4,775,000.00	37,788	
8399999	Subtotal - Bonds					4,420,739	4,775,000.00	37,788	
Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)									
N00927-30-6	AEGON NV		08/08/2011	Undefined	20,000.000	361,193			P2LFE
060505-59-1	BANK OF AMERICA CORPORATION		08/08/2011	Undefined	10,000.000	136,005			P3LFE
06739H-36-2	BARCLAYS BANK PLC		08/05/2011	MERRILL LYNCH (COLS)	10,000.000	251,005			P2LFE
446150-40-1	HUNTINGTON BANCSHARES INC		08/08/2011	UBS FINANCIAL SERVICES	200.000	209,248			P3LFE
456837-80-6	ING GROEP N V		08/05/2011	MERRILL LYNCH (COLS)	10,000.000	248,505			P3LFE
493267-40-5	KEYCORP NEW		08/08/2011	Undefined	2,000.000	202,737			P3LFE
8499999	Subtotal - Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)					1,408,694			
8999997	Subtotal - Preferred Stocks - Part 3					1,408,694			
8999999	Subtotal - Preferred Stocks					1,408,694			
Common Stocks - Industrial and Miscellaneous (Unaffiliated)									
002824-10-0	ABBOTT LABS		08/05/2011	UBS FINANCIAL SERVICES	2,000.000	98,785			L
02209S-10-3	ALTRIA GROUP INC		08/05/2011	UBS FINANCIAL SERVICES	2,000.000	51,255			L
00206R-10-2	AT&T INC		08/05/2011	UBS FINANCIAL SERVICES	2,000.000	58,535			L
060505-10-4	BANK OF AMERICA CORPORATION		08/15/2011	UBS FINANCIAL SERVICES	20,000.000	169,102			L
06738E-20-4	BARCLAYS PLC		07/18/2011	UBS FINANCIAL SERVICES	10,000.000	138,905			L
172062-10-1	CINCINNATI FINL CORP		08/03/2011	UBS FINANCIAL SERVICES	5,000.000	133,939			L
30231G-10-2	EXXON MOBIL CORP		08/05/2011	UBS FINANCIAL SERVICES	4,000.000	301,005			L
397624-20-6	GREIF INC		09/01/2011	UBS FINANCIAL SERVICES	15,000.000	767,918			L
46625H-10-0	JPMORGAN CHASE & CO		08/15/2011	UBS FINANCIAL SERVICES	10,000.000	370,060			L
565849-10-6	MARATHON OIL CORP		08/08/2011	WACHOVIA SECURITIES	9,000.000	229,793			L
56585A-10-2	Marathon Petroleum Co		08/01/2011	WACHOVIA SECURITIES	1,500.000				L
670346-10-5	NUCOR CORP		08/15/2011	UBS FINANCIAL SERVICES	5,000.000	174,004			L
69562K-10-0	PAIN THERAPEUTICS INC		08/12/2011	UBS FINANCIAL SERVICES	40,000.000	185,378			L
700658-10-7	PARK NATL CORP		08/16/2011	UBS FINANCIAL SERVICES	7,000.000	415,978			L
780259-20-6	ROYAL DUTCH SHELL PLC		08/05/2011	UBS FINANCIAL SERVICES	2,500.000	163,030			L
881624-20-9	TEVA PHARMACEUTICAL INDS LTD		08/15/2011	UBS FINANCIAL SERVICES	10,000.000	415,731			L
(continues)									
(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues									

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
Common Stocks - Industrial and Miscellaneous (Unaffiliated) (continued)									
89151E-10-9	TOTAL S A		08/15/2011	UBS FINANCIAL SERVICES	5,500.000	271,481			L
931142-10-3	WAL MART STORES INC		08/05/2011	UBS FINANCIAL SERVICES	2,000.000	101,505			L
94106L-10-9	WASTE MGMT INC DEL		09/23/2011	UBS FINANCIAL SERVICES	10,000.000	306,005			L
92926K-10-3	WCA WASTE CORP		09/21/2011	UBS FINANCIAL SERVICES	20,906.000	84,444			L
9099999	Subtotal - Common Stocks - Industrial and Miscellaneous (Unaffiliated)					4,436,855			
9799997	Subtotal - Common Stocks - Part 3					4,436,855			
9799999	Subtotal - Common Stocks					4,436,855			
9899999	Subtotal - Preferred and Common Stocks					5,845,550			
9999999	TOTALS					10,266,288		37,788	

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE OHIO INDEMNITY COMPANY

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold , Redeemed or Otherwise Disposed of  
by the Company 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 Identifi- cation	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 (Amort- ization) / 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 Designa- tion or Market Indi- cator (a)
Bonds - U. S. States, Territories and Possessions																					
68607L-JB-4	OREGON ST	G. O	08/01/2011	CALLED @ 100.0000000		5,000	5,000.00	4,963	5,000						5,000				134	10/01/2031	1FE
1799999	Subtotal - Bonds - U. S. States, Territories and Possessions					5,000	5,000.00	4,963	5,000						5,000				134		
Bonds - U. S. Special Revenue and Special Assessment and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																					
01170P-EW-2	ALASKA HSG FIN CORP HOME MTG R HOM		08/01/2011	CALLED @ 100.0000000		5,000	5,000.00	5,025	5,000						5,000				133	12/01/2034	1FE
041841-AV-9	ARLINGTON TEX SPL OBLIG	SPL	08/15/2011	VARIOUS		10,366	10,000.00	10,814	10,414		(52)		(52)		10,363		3	3	501	08/15/2034	1FE
19464H-CU-3	COLLIER COUNTY FLA HSG FIN		08/15/2011	CALLED @ 100.0000000		10,000	10,000.00	10,000	10,000						10,000				525	08/15/2015	1FE
19648A-FP-5	COLORADO HEALTH FACS AUTH REV	REV	09/08/2011	SIT INVESTMENTS		98,750	100,000.00	100,687	100,500		(44)		(44)		100,455		(1,705)	(1,705)	5,167	09/01/2029	1FE
207742-UG-0	CONNECTICUT ST HEALTH & EDL FA FAC		07/01/2011	CALLED @ 100.0000000		45,000	45,000.00	46,620	45,000						45,000				2,925	07/01/2012	2FE
23226R-AB-6	CUYAHOGA CNTY OHIO HSG MTG REV SR		09/20/2011	CALLED @ 100.0000000		1,700	1,700.00	1,751	1,700						1,700				97	03/20/2042	1FE
24829T-BU-6	DENHAM SPRINGS-LIVINGSTON HSG	SIN	09/01/2011	CALLED @ 100.0000000		3,116	3,116.00	3,251	3,116						3,116				114	11/01/2040	1FE
283758-JD-3	EL PASO TEX HSG FIN CORP MTG R SIN		09/01/2011	CALLED @ 100.0000000		4,118	4,118.00	4,283	4,118						4,118				170	04/01/2033	1FE
338423-MS-2	FLAGSTAFF ARIZ	IMP	08/15/2011	CALLED @ 100.0000000		90,000	90,000.00	90,528	90,000						90,000				4,698	01/01/2022	1FE
38122N-FZ-0	GOLDEN ST TOB SECURITIZATION C ENH		09/08/2011	SIT INVESTMENTS		504,575	500,000.00	402,430	431,578		3,833		3,833		435,411		69,164	69,164	17,821	06/01/2022	1FE
441695-BM-4	HOUMA TERREBONNE PUB TR FING A REV		08/01/2011	CALLED @ 100.0000000		11,000	11,000.00	11,394	11,000						11,000				352	12/01/2040	1FE
45129Y-WL-6	IDAHO HSG & FIN ASSN SINGLE FA MTG		07/01/2011	CALLED @ 100.0000000		30,000	30,000.00	30,645	30,000						30,000				1,650	01/01/2040	1FE
45129Y-XV-3	IDAHO HSG & FIN ASSN SINGLE FA SIN		07/01/2011	CALLED @ 100.0000000		15,000	15,000.00	15,544	15,000						15,000				848	07/01/2026	1FE
45200L-4B-9	ILLINOIS HEALTH FACS AUTH REV	REV	08/17/2011	SIT INVESTMENTS		162,938	165,000.00	160,479	160,591		138		138		160,729		2,209	2,209	6,348	11/15/2024	1FE
45200P-VA-2	ILLINOIS HEALTH FACS AUTH REV	REV	09/28/2011	SIT INVESTMENTS		101,000	100,000.00	104,900	101,740		(626)		(626)		101,114		(114)	(114)	6,906	01/01/2022	2FE
45505T-FZ-9	INDIANA ST HSG & CMNTY DEV AUT MTG		08/15/2011	CALLED @ 100.0000000		20,000	20,000.00	21,425	20,000						20,000				1,347	01/01/2040	1FE
506488-CH-6	LAFAYETTE LA PUB TR FING AUTH	REV	09/01/2011	CALLED @ 100.0000000		9,000	9,000.00	9,375	9,000						9,000				325	01/01/2041	1FE
511665-EF-4	LAKELAND FLA HOSP SYS REV	REV	09/01/2011	CALLED @ 100.0000000		590,000	590,000.00	581,893	582,643		7,357		7,357		590,000				24,608	11/15/2025	2FE
512710-AP-9	LAKEWOOD WASH CONS LOC IMPT DI GO		09/08/2011	SIT INVESTMENTS		155,245	155,000.00	155,000	155,000						155,000		245	245	5,464	12/01/2026	1FE
54627A-CD-7	LOUISIANA HSG FIN AGY SINGLE F HOM		08/01/2011	CALLED @ 100.0000000		5,000	5,000.00	5,325	5,000						5,000				148	12/01/2038	1FE
54627A-BA-4	LOUISIANA HSG FIN AGY SINGLE F SIN		08/01/2011	CALLED @ 100.0000000		5,000	5,000.00	5,131	5,000						5,000				154	06/01/2038	1FE
566816-HG-2	MARICOPA CNTY ARIZ INDL DEV AU REV		07/25/2011	CALLED @ 100.0000000		190,000	190,000.00	188,239	190,000						190,000				10,033	07/01/2016	1FE
57586P-VS-2	MASSACHUSETTS ST HSG FIN AGY H HSG		07/01/2011	CALLED @ 100.0000000		5,000	5,000.00	5,000	5,000						5,000				124	06/01/2034	1FE
59455T-XC-1	MICHIGAN MUN BD AUTH REV	LN	08/11/2011	SIT INVESTMENTS		286,100	250,000.00	255,755	254,954		(293)		(293)		254,662		31,438	31,438	11,380	05/01/2024	1FE
59465H-NY-8	MICHIGAN ST HOSP FIN AUTH REV		09/08/2011	SIT INVESTMENTS		21,129	20,000.00	20,207			(22)		(22)		20,185		944	944	305	12/01/2030	1FE
59465E-2X-0	MICHIGAN ST HOSP FIN AUTH REV	REV	07/13/2011	SIT INVESTMENTS		252,586	250,000.00	258,750	253,539		(953)		(953)		252,586				6,719	12/01/2030	1FE
598776-AA-0	MILAN IND 21ST CENTY SCH BLDG	FIR	07/15/2011	CALLED @ 100.0000000		10,000	10,000.00	10,298	10,293		(293)		(293)		10,000				733	01/15/2027	1FE
60535Q-EM-8	MISSISSIPPI HOME CORP SINGLE F SIN		08/01/2011	CALLED @ 100.0000000		5,000	5,000.00	5,313	5,000						5,000				146	06/01/2038	1FE
60535Q-GF-1	MISSISSIPPI HOME CORP SINGLE F SIN		08/01/2011	CALLED @ 100.0000000		10,000	10,000.00	10,755	10,000						10,000				322	06/01/2038	1FE
60635H-YK-9	MISSOURI ST HEALTH & EDL FACS	SEN	09/14/2011	SIT INVESTMENTS		242,525	250,000.00	254,690	252,279		(362)		(362)		251,917		(9,392)	(9,392)	14,167	02/01/2025	1FE
60636X-2Q-5	MISSOURI ST HSG DEV COMMN SING SIN		09/01/2011	CALLED @ 100.0000000		5,000	5,000.00	5,000	5,000						5,000				263	09/01/2031	1FE
64469D-JK-8	NEW HAMPSHIRE ST HSG FIN AUTH	SIN	07/01/2011	CALLED @ 100.0000000		5,000	5,000.00	5,303	5,000						5,000				341	07/01/2038	1FE
65820E-QD-5	NORTH CAROLINA HSG FIN AGY	SIN	09/01/2011	CALLED @ 100.0000000		20,000	20,000.00	20,532	20,000						20,000				1,160	09/01/2012	1FE
658909-BE-5	NORTH DAKOTA ST HSG FIN AGY	REV	07/01/2011	CALLED @ 100.0000000		30,000	30,000.00	30,000	30,000						30,000				880	07/01/2040	1FE
67756B-SG-6	OHIO ST HIGHER EDL FAC REV	REV	09/08/2011	SIT INVESTMENTS		161,394	155,000.00	158,565	157,448		(258)		(258)		157,190		4,204	4,204	7,731	10/01/2026	1FE
67756Q-JB-4	OHIO ST HSG FIN AGY RESIDENTIA MTG		09/01/2011	CALLED @ 100.0000000		15,000	15,000.00	15,000	15,000						15,000				818	09/01/2033	1FE
67756Q-MV-6	OHIO ST HSG FIN AGY RESIDENTIA REV		09/01/2011	CALLED @ 100.0000000		5,000	5,000.00	5,000	5,000						5,000				238	09/01/2029	1FE
678908-E5-9	OKLAHOMA DEV FIN AUTH REV	REF	09/08/2011	SIT INVESTMENTS		252,340	250,000.00	255,378	253,668		(361)		(361)		253,307		(967)	(967)	13,472	02/15/2032	1FE
84129N-DU-0	SOUTHCENTRAL PA GEN AUTH REV	REV	09/08/2011	SIT INVESTMENTS		239,393	250,000.00	260,483	255,648		(715)		(715)		254,932		(15,540)	(15,540)	9,792	12/01/2023	2FE
79289G-AA-8	ST PAUL MINN HSG & REDEV AUTH	REV	09/08/2011	SIT INVESTMENTS		161,700	150,000.00	150,582	150,419		(37)		(37)		150,382		11,318	11,318	7,125	10/01/2024	1FE
79353G-AB-7	ST TAMMANY PARISH LA FIN AUTH	SIN	09/01/2011	CALLED @ 100.0000000		684	684.00	701	684						684				26	12/01/2039	1FE
88880T-BC-9	TOBACCO SETTLEMENT FING CORP N ASS		07/22/2011	CALLED @ 100.0000000		15,000	15,000.00	15,045	15,000						15,000				529	06/01/2014	1FE
889269-BG-0	TOLEDO-LUCAS CNTY OHIO PORT AU SPL		09/13/2011	SIT INVESTMENTS		42,088	65,000.00	50,422	50,422		139		139		50,560		(8,473)	(8,473)	3,071	11/01/2036	3FE
915230-AL-0	UNIVERSITY WASH EDL RESH PPTYS REV		07/29/2011	CALLED @ 100.0000000		250,000	250,000.00	250,700	250,000						250,000				8,884	06/01/2029	2FE
950511-HP-3	WENATCHEE WASH WTR & SWR REV	REV	07/11/2011	CALLED @ 100.0000000		150,000	150,000.00	150,563	150,000						150,000				4,721	12/01/2023	1FE

(continues)

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

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of  
by the Company 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 Identifi- cation	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 (Amort- ization) / 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 Designa- tion or Market Indi- cator (a)
Bonds - U. S. Special Revenue and Special Assessment and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions (continued)																					
97710N-8T-6	WISCONSIN ST HEALTH & EDL FACS REV		07/01/2011	CALLED @ 100.0000000		250,000	250,000.00	248,278	248,814		1,186		1,186		250,000				14,375	07/01/2014	1FE
3199999	- Subtotal - Bonds - U. S. Special Revenue and Special Assessment and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions					4,501,746	4,479,618.00	4,407,057	4,389,567		8,638		8,638		4,418,412		83,333	83,333	197,651		
8399997	- Subtotal - Bonds - Part 4					4,506,746	4,484,618.00	4,412,020	4,394,567		8,638		8,638		4,423,412		83,333	83,333	197,785		
8399999	- Subtotal - Bonds					4,506,746	4,484,618.00	4,412,020	4,394,567		8,638		8,638		4,423,412		83,333	83,333	197,785		
Common Stocks - Industrial and Miscellaneous (Unaffiliated)																					
565849-10-6	MARATHON OIL CORP		08/01/2011	COST ADJ																	L
9099999	- Subtotal - Common Stocks - Industrial and Miscellaneous (Unaffiliated)																				
9999999	- TOTALS					4,506,746		4,412,020	4,394,567		8,638		8,638		4,423,412		83,333	83,333	197,785		

**Page E06**

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

Financial or Economic Impact of the Hedge  
**NONE**

**Page E07**

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

Schedule DB, Part B, Section 1, Broker Name  
**NONE**

Schedule DB, Part B, Financial or Economic Impact of the Hedge  
**NONE**

**Page E08**

Schedule DB, Part D  
**NONE**

**Page E09**

Schedule DL, Part 1  
**NONE**

**Page E10**

Schedule DL, Part 2  
**NONE**



SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository		2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
				Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	6	7	8	*
Name	Location and Supplemental Information	Code	Rate of Interest			First Month	Second Month	Third Month	
Open Depositories									
Fifth Third Bank	Cincinnati, Ohio					1,355,993	1,704,624	795,886	
US Bank	St Paul, Minnesota					1,011,364	1,037,811	1,175,287	
0199998 - Deposits in 8 depositories that do not exceed the allowable limit in any one depository (See									
Instructions) - Open Depositories				351	6	1,009,712	1,008,912	1,011,746	
0199999 - TOTAL - Open Depositories				351	6	3,377,068	3,751,347	2,982,919	
0399999 - TOTAL Cash on Deposit				351	6	3,377,068	3,751,347	2,982,919	
0499999 - Cash in Company's Office						304	304	304	
0599999 - TOTALS				351	6	3,377,372	3,751,651	2,983,223	

**Page E12**  
Schedule E, Part 2, Cash Equivalents  
**NONE**