

PROGRESSIVE MOUNTAIN INSURANCE COMPANY
ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	107,595,638		107,595,638	115,228,987
2. Stocks:				
2.1 Preferred stocks.....			0	
2.2 Common stocks.....			0	
3. Mortgage loans on real estate:				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$.....0), cash equivalents (\$.....0) and short-term investments (\$.....0).....			0	
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives.....			0	
8. Other invested assets.....			0	
9. Receivables for securities.....			0	
10. Securities lending reinvested collateral assets.....			0	
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	107,595,638	0	107,595,638	115,228,987
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	1,124,741		1,124,741	2,060,463
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	17,778,931	3,759,683	14,019,248	12,565,733
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	72,223,772		72,223,772	60,764,574
15.3 Accrued retrospective premiums.....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	947,166		947,166	779,422
16.2 Funds held by or deposited with reinsured companies.....			0	
16.3 Other amounts receivable under reinsurance contracts.....			0	
17. Amounts receivable relating to uninsured plans.....			0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0	
18.2 Net deferred tax asset.....	4,793,733	224,739	4,568,994	4,561,415
19. Guaranty funds receivable or on deposit.....			0	
20. Electronic data processing equipment and software.....			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	
23. Receivables from parent, subsidiaries and affiliates.....			0	
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other than invested assets.....	44,973	44,973	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	204,508,954	4,029,395	200,479,559	195,960,594
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. Total (Lines 26 and 27).....	204,508,954	4,029,395	200,479,559	195,960,594

DETAILS OF WRITE-INS

1101.....			0	
1102.....			0	
1103.....			0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. PREPAID EXPENSES.....	38,306	38,306	0	
2502. MISCELLANEOUS OTHER ASSETS.....	6,667	6,667	0	
2503.....			0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	44,973	44,973	0	0

PROGRESSIVE MOUNTAIN INSURANCE COMPANY
LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$....13,746,961).....	28,612,881	27,922,051
2. Reinsurance payable on paid losses and loss adjustment expenses.....	433,430	499,332
3. Loss adjustment expenses.....	6,014,795	6,091,468
4. Commissions payable, contingent commissions and other similar charges.....	122,862	146,968
5. Other expenses (excluding taxes, licenses and fees).....	4,024,195	2,862,481
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	545,355	660,873
7.1 Current federal and foreign income taxes (including \$....33,373 on realized capital gains (losses)).....	661,810	681,452
7.2 Net deferred tax liability.....		
8. Borrowed money \$.....0 and interest thereon \$.....0.....		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$....126,418,919 and including warranty reserves of \$.....0).....	26,641,429	24,170,285
10. Advance premium.....	1,868,510	1,482,916
11. Dividends declared and unpaid:		
11.1 Stockholders.....		6,800,000
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	719,696	29,048
13. Funds held by company under reinsurance treaties.....		
14. Amounts withheld or retained by company for account of others.....		
15. Remittances and items not allocated.....		
16. Provision for reinsurance.....		
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....	14,206,177	12,552,117
19. Payable to parent, subsidiaries and affiliates.....	10,441,545	38,372,531
20. Derivatives.....		
21. Payable for securities.....		
22. Payable for securities lending.....		
23. Liability for amounts held under uninsured plans.....		
24. Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	47,305,041	21,341,814
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	141,597,726	143,613,336
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	141,597,726	143,613,336
29. Aggregate write-ins for special surplus funds.....	0	0
30. Common capital stock.....	1,500,000	1,500,000
31. Preferred capital stock.....		
32. Aggregate write-ins for other than special surplus funds.....	0	0
33. Surplus notes.....		
34. Gross paid in and contributed surplus.....	22,300,000	22,300,000
35. Unassigned funds (surplus).....	35,081,833	28,547,258
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 30 \$.....0).....		
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0).....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36).....	58,881,833	52,347,258
38. Totals.....	200,479,559	195,960,594

DETAILS OF WRITE-INS

2501. RECEIVABLE FACTORING LIABILITY.....	47,100,000	21,000,000
2502. STATE PLAN LIABILITY.....	176,823	337,673
2503. ESCHEATABLE PROPERTY.....	19,717	494
2598. Summary of remaining write-ins for Line 25 from overflow page.....	8,501	3,647
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	47,305,041	21,341,814
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	0	0
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 thru 3203 plus 3298) (Line 32 above).....	0	0

PROGRESSIVE MOUNTAIN INSURANCE COMPANY
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 \$....319,377,382)	301,705,523	258,124,263	352,517,047
1.2 Assumed..... (written \$....64,922,090)	62,450,946	60,590,391	80,998,541
1.3 Ceded..... (written \$....319,377,382)	301,705,523	258,124,263	352,517,047
1.4 Net..... (written \$....64,922,090)	62,450,946	60,590,391	80,998,541
DEDUCTIONS:			
2. Losses incurred (current accident year \$....38,593,711):			
2.1 Direct.....	191,839,095	162,504,424	229,549,950
2.2 Assumed.....	38,240,703	35,763,898	48,228,024
2.3 Ceded.....	191,839,095	162,504,424	229,549,950
2.4 Net.....	38,240,703	35,763,898	48,228,024
3. Loss adjustment expenses incurred.....	6,453,053	6,598,733	8,749,690
4. Other underwriting expenses incurred.....	14,083,715	14,183,976	18,491,426
5. Aggregate write-ins for underwriting deductions.....	2	(13,956)	(15,424)
6. Total underwriting deductions (Lines 2 through 5).....	58,777,473	56,532,651	75,453,716
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	3,673,473	4,057,740	5,544,825
INVESTMENT INCOME			
9. Net investment income earned.....	2,009,907	2,063,412	2,817,039
10. Net realized capital gains (losses) less capital gains tax of \$....396,383.....	640,790	57,163	77,628
11. Net investment gain (loss) (Lines 9 + 10).....	2,650,697	2,120,575	2,894,667
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$....158,809 amount charged off \$....5,874,408).....	(5,715,599)	(5,666,612)	(7,527,689)
13. Finance and service charges not included in premiums.....	7,786,666	7,008,342	9,597,259
14. Aggregate write-ins for miscellaneous income.....	14,918	128,039	166,973
15. Total other income (Lines 12 through 14).....	2,085,985	1,469,769	2,236,543
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	8,410,155	7,648,084	10,676,035
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).....	8,410,155	7,648,084	10,676,035
19. Federal and foreign income taxes incurred.....	2,301,840	2,227,807	2,898,404
20. Net income (Line 18 minus Line 19) (to Line 22).....	6,108,315	5,420,277	7,777,631
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	52,347,258	51,418,492	51,418,492
22. Net income (from Line 20).....	6,108,315	5,420,277	7,777,631
23. Net transfers (to) from Protected Cell accounts.....			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$....0.....			
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....	159,176	94,331	20,676
27. Change in nonadmitted assets.....	267,084	114,831	(69,541)
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.....			
33.2 Transferred to capital (Stock Dividend).....			
33.3 Transferred from capital.....			
34. Net remittances from or (to) Home Office.....			
35. Dividends to stockholders.....			(6,800,000)
36. Change in treasury stock.....			
37. Aggregate write-ins for gains and losses in surplus.....	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37).....	6,534,575	5,629,439	928,766
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	58,881,833	57,047,931	52,347,258

DETAILS OF WRITE-INS

0501. 2008 NORTH CAROLINA PRIVATE PASSENGER AUTO ESCROW (REFUNDS).....	2	(13,956)	(15,424)
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	2	(13,956)	(15,424)
1401. MISCELLANEOUS INCOME.....	24,796	130,804	156,570
1402. INTEREST INCOME ON INTERCOMPANY BALANCES.....	10,810	19,316	25,925
1403. SERVICE BUSINESS REVENUE.....	7,879	3,857	12,172
1498. Summary of remaining write-ins for Line 14 from overflow page.....	(28,567)	(25,938)	(27,694)
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	14,918	128,039	166,973
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	0	0	0

PROGRESSIVE MOUNTAIN INSURANCE COMPANY
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.....	53,575,782	48,786,316	71,025,568
2. Net investment income.....	4,160,033	4,450,242	4,955,086
3. Miscellaneous income.....	2,047,285	1,407,378	2,252,012
4. Total (Lines 1 through 3).....	59,783,100	54,643,936	78,232,666
5. Benefit and loss related payments.....	37,783,519	36,188,775	47,147,258
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	19,591,353	19,094,374	26,941,129
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$....374,030 tax on capital gains (losses).....	2,717,865	2,197,987	2,888,061
10. Total (Lines 5 through 9).....	60,092,737	57,481,136	76,976,448
11. Net cash from operations (Line 4 minus Line 10).....	(309,637)	(2,837,200)	1,256,218
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	36,770,473	18,074,689	20,700,784
12.2 Stocks.....		15,033,125	15,033,125
12.3 Mortgage loans.....			
12.4 Real estate.....			
12.5 Other invested assets.....			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....			
12.7 Miscellaneous proceeds.....		1,245,110	
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	36,770,473	34,352,924	35,733,909
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	29,314,360	27,508,978	34,540,819
13.2 Stocks.....		15,033,125	15,033,125
13.3 Mortgage loans.....			
13.4 Real estate.....			
13.5 Other invested assets.....			
13.6 Miscellaneous applications.....			
13.7 Total investments acquired (Lines 13.1 to 13.6).....	29,314,360	42,542,103	49,573,944
14. Net increase (decrease) in contract loans and premium notes.....			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	7,456,113	(8,189,179)	(13,840,035)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....			
16.2 Capital and paid in surplus, less treasury stock.....			
16.3 Borrowed funds.....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....			
16.5 Dividends to stockholders.....	6,800,000	4,500,000	4,500,000
16.6 Other cash provided (applied).....	(346,476)	9,396,468	10,953,906
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	(7,146,476)	4,896,468	6,453,906
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).....	0	(6,129,911)	(6,129,911)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	0	6,129,911	6,129,911
19.2 End of period (Line 18 plus Line 19.1).....	0	(0)	0

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

20.0001			
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NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying statutory-basis financial statements of Progressive Mountain Insurance Company (the "Company") were prepared on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance ("DOI").

The Ohio DOI requires insurance companies domiciled in the state of Ohio to prepare their statutory-basis financial statements in accordance with the National Association of Insurance Commissioners' ("NAIC") *Accounting Practices and Procedures Manual* subject to any deviations prescribed or permitted by the Ohio DOI. No deviations from NAIC statutory accounting practices ("NAIC SAP") were used in preparing these statutory-basis financial statements.

2. Accounting Changes and Corrections of Errors

No significant change

3. Business Combinations and Goodwill

No significant change

4. Discontinued Operations

No significant change

5. Investments

D. Loan-Backed Securities

The Company does not own any loan-backed or structured debt securities.

6. Joint Ventures, Partnerships and Limited Liability Companies

No significant change

7. Investment Income

No significant change

8. Derivative Instruments

No significant change

9. Income Taxes

A. Components of the net deferred tax asset (liability) ("DTA"/"(DTL)")

1. The components of the DTA in accordance with SSAP 10R, Income Taxes, are as follows:

Description	September 30, 2011			December 31, 2010			Change		
	(1) Ordinary Income	(2) Capital gain (loss)	(3) (Col 1+2) Total	(4) Ordinary Income	(5) Capital gain (loss)	(6) (Col 4+5) Total	(7) (Col 1-4) Ordinary Income	(8) (Col 2-5) Capital gain (loss)	(9) (Col 7+8) Total
(a) Gross deferred tax assets	\$ 5,311,356	\$ 60,503	\$ 5,371,859	\$ 5,267,500	\$ 84,342	\$ 5,351,842	\$ 43,856	\$ (23,839)	\$ 20,017
(b) Statutory valuation allowance adjustment	-	-	-	-	-	-	-	-	-
(c) Adjusted gross deferred tax assets (1a-1b)	\$ 5,311,356	\$ 60,503	\$ 5,371,859	\$ 5,267,500	\$ 84,342	\$ 5,351,842	\$ 43,856	\$ (23,839)	\$ 20,017
(d) Deferred tax liabilities	576,281	1,845	578,126	643,892	73,393	717,285	(67,611)	(71,548)	(139,159)
(e) Subtotal (net deferred tax assets) (1c-1d)	\$ 4,735,075	\$ 58,658	\$ 4,793,733	\$ 4,623,608	\$ 10,949	\$ 4,634,557	\$ 111,467	\$ 47,709	\$ 159,176
(f) Deferred tax assets nonadmitted	166,081	58,658	224,739	62,193	10,949	73,142	103,888	47,709	151,597
(g) Net admitted deferred tax assets (1e-1f)	\$ 4,568,994	\$ -	\$ 4,568,994	\$ 4,561,415	\$ -	\$ 4,561,415	\$ 7,579	\$ -	\$ 7,579

2. The Company has not elected to admit additional DTAs pursuant to SSAP No. 10R, paragraph 10.e. for the reporting period ended September 30, 2011. The current period election does not differ from the prior year-end.

3. Benefits of adopting SSAP No. 10R, paragraph 10.e.

Not applicable

NOTES TO FINANCIAL STATEMENTS

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

1. Current Income Tax:

Description	(1) September 30, 2011	(2) December 31, 2010
(a) Federal income tax expense (benefit)	\$ 2,309,711	\$ 2,950,147
(b) Foreign income tax expense (benefit)	-	-
(c) Prior year underaccrual (overaccrual)	(7,871)	(51,743)
(d) Subtotal	\$ 2,301,840	\$ 2,898,404
(e) Federal income tax (benefit) on net realized capital gains (losses)	386,497	15,054
(f) Utilization of capital loss carry-forwards	-	-
(g) Prior year underaccrual (overaccrual)	9,886	(49,671)
(h) Subtotal	\$ 396,383	\$ (34,617)
(i) Federal and Foreign income taxes incurred	\$ 2,698,223	\$ 2,863,787

The change in net deferred income tax is comprised of the following (this analysis excludes nonadmitted assets; the change in nonadmitted assets is reported separately from the change in net deferred income tax in the Statement of Income, Surplus section):

Description	September 30, 2011	December 31, 2010	Change
Total deferred tax assets	\$ 5,371,859	\$ 5,351,842	\$ 20,017
Total deferred tax liabilities	578,126	717,285	(139,159)
Net deferred tax asset (liability)	\$ 4,793,733	\$ 4,634,557	\$ 159,176
Tax effect of unrealized gains (losses)			-
Change in net deferred income tax			\$ 159,176

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

The provision for Federal income taxes is different than that which would be obtained by applying the statutory Federal income tax rate to pre-tax income. At September 30, 2011 the significant book to tax adjustments causing this difference are as follows:

Description	Tax Effect Amount	Effective Tax Rate
Provision computed at statutory rate	\$ 3,082,288	35%
Exempt interest income	(600,525)	(7)
Prior year underaccrual (overaccrual)	(10,627)	--
Impact of nonadmitted assets	146,538	2
Tax credits	(85,294)	(1)
Other	6,666	--
Total	\$ 2,539,047	29%
Federal and foreign income taxes incurred	\$ 2,698,223	
Change in net deferred income tax	(159,176)	
Total statutory income taxes	\$ 2,539,047	

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

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

See Note 17B

11. Debt

No significant change

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

No significant change

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

No significant change

14. Contingencies

E. All Other Contingencies

The Company is named as defendant in various lawsuits arising out of its insurance operations. All legal actions relating to claims made under insurance policies are considered by the Company in establishing its loss and loss adjustment expense ("LAE") reserves. The Company also has potential exposure relating to lawsuits due to its participation in the 100% pooling reinsurance agreement for which it is allocated litigation expenses.

Unless specifically noted, the Company does not consider a loss from these cases to be probable and is unable to estimate a range of loss, if any, at this time.

As of September 30, 2011, there was a certified class action lawsuit pending against the Company alleging that the Company failed to offer certain enhanced personal injury protection benefits. An agreement to settle was reached in 2009 and a loss reserve was established accordingly. As of September 30, 2011, the settlement is still being administered.

As of September 30, 2011, there was a putative class action lawsuit alleging that the Company charged insureds for illusory underinsured and uninsured motorist coverage on multiple vehicle policies.

NOTES TO FINANCIAL STATEMENTS

15. Leases
No significant change

16. Information about Financial Instruments with Off-Balance Sheet Risk and with Concentrations of Credit Risk
No significant change

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

B. Transfers and Servicing of Financial Assets
The Company transferred \$47,100,000 of premiums receivable to Progressive Investment Company, Inc. ("PICI"), a non-insurance affiliate, for \$47,093,050 in cash and/or securities in September, 2011. The related premiums receivable remain in the Company's assets, and a corresponding liability was established. As the related cash is collected, it is transferred to PICI, and the liability is reduced. These premiums receivable transactions were approved by the Ohio DOI.

C. Wash Sales
The Company had no wash sales of securities with a National Association of Insurance Commissioners' rating of 3 or below during the year.

18. Gain or Loss from Uninsured Plans and the Uninsured Portion of Partially Insured Plans
No significant change

19. Direct Premiums Written / Produced by Managing General Agents / Third Party Administrators
No significant change

20. Fair Value Measurements

A. Inputs Used for Assets and Liabilities Measured at Fair Value

1. Fair Value Measurements by Levels 1, 2 and 3
The Company categorizes its financial instruments, based on the degree of subjectivity inherent in the method by which they are valued, into a fair value hierarchy of three levels, as follows:
Level 1 - Inputs are unadjusted, quoted prices in active markets for identical instruments at the measurement date (e.g., active exchange-traded equity securities).
Level 2 - Inputs (other than quoted prices included within Level 1) that are observable for the instrument either directly or indirectly. This includes: (i) quoted prices for similar instruments in active markets, (ii) quoted prices for identical or similar instruments in markets that are not active, (iii) inputs other than quoted prices that are observable for the instruments, and (iv) inputs that are derived principally from or corroborated by observable market data by correlation or other means.
Level 3 - Inputs that are unobservable. Unobservable inputs reflect the Company's subjective evaluation about the assumptions market participants would use in pricing the financial instrument.
The Company evaluated whether the market was distressed or inactive in determining the fair value for those securities reported and reviewed certain market level inputs to evaluate whether sufficient activity, volume, and new issuances existed to create an active market. Based on this evaluation, the Company concluded that there was sufficient activity in determining the fair value for those securities reported.
As of September 30, 2011, the Company did not measure and report any securities at fair value on the balance sheet. All bonds were carried at amortized cost.

2. Rollforward of Level 3 Items
Not applicable

3. Policy on Transfers Into and Out of Level 3
Not applicable

4. Inputs and Techniques Used for Level 2 and Level 3 Fair Values
Not applicable

5. Derivative Fair Values
Not applicable

C. Other Fair Value Disclosures
Not applicable

D. Reasons Not Practical to Estimate Fair Values
Not applicable

21. Other Items
No significant change

22. Events Subsequent
The Company was not impacted by any subsequent events. Subsequent events have been considered through November 7, 2011 for the statutory statement that was available for issuance by November 15, 2011.

23. Reinsurance
No significant change

NOTES TO FINANCIAL STATEMENTS

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination
No significant change

25. Changes in Incurred Losses and Loss Adjustment Expenses
Incurred losses and LAE attributable to insured events of prior years decreased \$631,000 in 2011, which is 1.9% of the total prior year net unpaid losses and LAE of \$34,013,519. Both loss and defense and cost containment reserves developed favorably. The majority of the favorable development is primarily attributable to accident years 2010 and 2008 and prior for Private Passenger Auto Liability and Commercial Auto Liability business. Originally anticipated severity for accident year 2010 decreased by 0.3% and 0.5% for Private Passenger Auto Liability and Auto Physical Damage, respectively.

26. Intercompany Pooling Arrangements
No significant change

27. Structured Settlements
No significant change

28. Health Care Receivables
No significant change

29. Participating Accident and Health Policies
No significant change

30. Premium Deficiency Reserves
No significant change

31. High Deductibles
No significant change

32. Discounting of Liabilities for Unpaid Losses and Unpaid Loss Adjustment Expenses
No significant change

33. Asbestos and Environmental Reserves
No significant change

34. Subscriber Savings Accounts
No significant change

35. Multiple Peril Crop Insurance
No significant change

36. Financial Guaranty Insurance
No significant change

PROGRESSIVE MOUNTAIN INSURANCE COMPANY
GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

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

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

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

2.2 If yes, date of change: _____

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

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

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

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [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. 12/31/2007.....

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. 12/31/2007.....

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). 4/7/2009.....

6.4 By what department or departments?

OHIO

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

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

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

7.2 If yes, give full information:

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

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

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

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

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

9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []

- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.

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

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

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

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

PROGRESSIVE MOUNTAIN INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

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

FINANCIAL

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

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

INVESTMENT

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

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

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

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

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

14.2 If yes, please complete the following:

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

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

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

16. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III. Conducting Examinations, F-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes [X] No []

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

1 Name of Custodian(s)	2 Custodian Address
CITIBANK, N.A.	338 GREENWICH STREET NEW YORK, NY 10013

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)
NONE		

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
NONE			

16.5 Identify all investment advisors, broker/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
NONE		

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:

PROGRESSIVE MOUNTAIN INSURANCE COMPANY
GENERAL INTERROGATORIES (continued)

PART 2
PROPERTY & CASUALTY INTERROGATORIES

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

Yes [] No [X] N/A []

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 canceled?

Yes [] No [X]

3.2 If yes, give full and complete information thereto:

4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation liabilities tabular reserves (see Annual Statement Instructions pertaining to disclosure of discounting for definition of "tabular reserves,") discounted at a rate of interest greater than zero?

Yes [] No [X]

4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 Disc. 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.....	....XXX...	....XXX.....	....0	....0	....0	....0	....0	....0	....0	....0

5. Operating Percentages:

5.1 A&H loss percent	.....	0.0 %
5.2 A&H cost containment percent	.....	0.0 %
5.3 A&H expense percent excluding cost containment expenses	.....	0.0 %
6.1 Do you act as a custodian for health savings accounts?	.....	Yes [] No [X]
6.2 If yes, please provide the amount of custodial funds held as of the reporting date.	.....	0
6.3 Do you act as an administrator for health savings accounts?	.....	Yes [] No [X]
6.4 If yes, please provide the amount of funds administered as of the reporting date.	.....	0

**PROGRESSIVE MOUNTAIN INSURANCE COMPANY
SCHEDULE F - CEDED REINSURANCE**

Showing All New Reinsurers - Current Year to Date

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

NONE

PROGRESSIVE MOUNTAIN INSURANCE COMPANY
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	N					
2. Alaska.....	.AK	N					
3. Arizona.....	.AZ	N					
4. Arkansas.....	.AR	N					
5. California.....	.CA	N					
6. Colorado.....	.CO	L	867,887	1,051,962	1,396,297	711,527	840,566
7. Connecticut.....	.CT	N					
8. Delaware.....	.DE	N					
9. District of Columbia.....	.DC	N					
10. Florida.....	.FL	N					
11. Georgia.....	.GA	L	318,509,495	282,650,765	175,490,971	143,723,750	125,222,895
12. Hawaii.....	.HI	N					
13. Idaho.....	.ID	N					
14. Illinois.....	.IL	N					
15. Indiana.....	.IN	N					
16. Iowa.....	.IA	N					
17. Kansas.....	.KS	N					
18. Kentucky.....	.KY	N					
19. Louisiana.....	.LA	N					
20. Maine.....	.ME	N					
21. Maryland.....	.MD	N					
22. Massachusetts.....	.MA	N					
23. Michigan.....	.MI	Q					
24. Minnesota.....	.MN	N					
25. Mississippi.....	.MS	N					
26. Missouri.....	.MO	N					
27. Montana.....	.MT	N					
28. Nebraska.....	.NE	N					
29. Nevada.....	.NV	N					
30. New Hampshire.....	.NH	N					
31. New Jersey.....	.NJ	N					
32. New Mexico.....	.NM	N					
33. New York.....	.NY	N					
34. North Carolina.....	.NC	N					
35. North Dakota.....	.ND	N					
36. Ohio.....	.OH	L					
37. Oklahoma.....	.OK	N					
38. Oregon.....	.OR	N					
39. Pennsylvania.....	.PA	N					
40. Rhode Island.....	.RI	N					
41. South Carolina.....	.SC	N					
42. South Dakota.....	.SD	N					
43. Tennessee.....	.TN	N					
44. Texas.....	.TX	N					
45. Utah.....	.UT	N					
46. Vermont.....	.VT	N					
47. Virginia.....	.VA	L		26,408	62,872	14,883	53,411
48. Washington.....	.WA	N					
49. West Virginia.....	.WV	N					
50. Wisconsin.....	.WI	N					
51. Wyoming.....	.WY	N					
52. American Samoa.....	.AS	N					
53. Guam.....	.GU	N					
54. Puerto Rico.....	.PR	N					
55. US Virgin Islands.....	.VI	N					
56. Northern Mariana Islands.....	.MP	N					
57. Canada.....	.CN	N					
58. Aggregate Other Alien.....	OT	XXX	0	0	0	0	0
59. Totals.....		(a) 4	319,377,382	283,702,727	176,913,676	144,498,149	126,078,344
							105,089,043

DETAILS OF WRITE-INS

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

(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer;

(E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to write business in the state.

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

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

PART 1 – ORGANIZATIONAL CHART

NONE

PROGRESSIVE MOUNTAIN INSURANCE COMPANY
PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire.....				0.0
2. Allied lines.....				0.0
3. Farmowners multiple peril.....				0.0
4. Homeowners multiple peril.....				0.0
5. Commercial multiple peril.....				0.0
6. Mortgage guaranty.....				0.0
8. Ocean marine.....				0.0
9. Inland marine.....	2,449,611	1,515,229	61.9	68.0
10. Financial guaranty.....				0.0
11.1 Medical professional liability - occurrence.....				0.0
11.2 Medical professional liability - claims-made.....				0.0
12. Earthquake.....				0.0
13. Group accident and health.....				0.0
14. Credit accident and health.....				0.0
15. Other accident and health.....				0.0
16. Workers' compensation.....				0.0
17.1 Other liability-occurrence.....	1,100,551	306,640	27.9	24.3
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.....	163,373,402	108,449,603	66.4	67.8
19.3, 19.4 Commercial auto liability.....	30,081,225	19,568,067	65.1	64.4
21. Auto physical damage.....	104,700,734	61,999,557	59.2	55.6
22. Aircraft (all perils).....				0.0
23. Fidelity.....				0.0
24. Surety.....				0.0
26. Burglary and theft.....				0.0
27. Boiler and machinery.....				0.0
28. Credit.....				0.0
29. International.....				0.0
30. Warranty.....				0.0
31. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX	XXX
33. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business.....	0	0	0.0	0.0
35. Totals.....	301,705,523	191,839,096	63.6	63.0

DETAILS OF WRITE-INS

3401.			0.0	
3402.			0.0	
3403.			0.0	
3498. Sum. of remaining write-ins for Line 34 from overflow page.....	0	0	0.0	XXX
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34).....	0	0	0.0	

PART 2 - DIRECT PREMIUMS WRITTEN

Lines of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire.....			
2. Allied lines.....			
3. Farmowners multiple peril.....			
4. Homeowners multiple peril.....			
5. Commercial multiple peril.....			
6. Mortgage guaranty.....			
8. Ocean marine.....			
9. Inland marine.....	1,021,151	3,161,190	2,420,896
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.....	422,896	1,359,122	1,114,557
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.....	58,904,532	171,943,932	150,398,618
19.3, 19.4 Commercial auto liability.....	11,609,223	33,802,217	31,333,163
21. Auto physical damage.....	36,333,284	109,110,921	98,435,493
22. Aircraft (all perils).....			
23. Fidelity.....			
24. Surety.....			
26. Burglary and theft.....			
27. Boiler and machinery.....			
28. Credit.....			
29. International.....			
30. Warranty.....			
31. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX
33. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business.....	0	0	0
35. Totals.....	108,291,086	319,377,382	283,702,727

DETAILS OF WRITE-INS

3401.			
3402.			
3403.			
3498. Sum. of remaining write-ins for Line 34 from overflow page.....	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34).....	0	0	0

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

Years in Which Losses Occurred	1	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 (Cols. 1 + 2)	2011 Loss and LAE Payments on Claims Reported as of Prior Year-End	2011 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2011 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2008 + Prior.....	5,873	1,251	7,124	2,655	.83	2,738	3,017	222	.623	3,862	(201)	(323)	(524)
2. 2009.....	6,227	1,528	7,755	2,851	.274	3,125	3,258	576	.851	4,685	(118)	173	55
3. Subtotals 2009 + Prior.....	12,100	2,780	14,880	5,506	.357	5,863	6,275	798	.1,474	8,547	(319)	(150)	(469)
4. 2010.....	14,624	4,510	19,134	7,977	1,263	9,240	6,380	1,476	.1,877	9,732	(268)	106	(162)
5. Subtotals 2010 + Prior.....	26,724	7,289	34,014	13,482	1,620	15,103	12,655	2,274	.3,351	18,280	(587)	(44)	(631)
6. 2011.....	XXX.....	XXX.....	XXX.....	XXX.....	28,977	28,977	XXX.....	12,390	.3,958	16,348	XXX.....	XXX.....	XXX.....
7. Totals.....	26,724	7,289	34,014	13,482	30,597	44,080	12,655	14,664	.7,309	34,628	(587)	(44)	(631)
8. Prior Year-End's 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
											1. ....(2.2)%	2. ....(0.6)%	3. ....(1.9)%
											Col. 13, Line 7 Line 8		
											4. ....(1.2)%		

**PROGRESSIVE MOUNTAIN INSURANCE COMPANY
SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES**

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

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

Explanation:

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

Bar Code:

PROGRESSIVE MOUNTAIN INSURANCE COMPANY
Overflow Page for Write-Ins

Additional Write-ins for Liabilities:

	1 Current Statement Date	2 December 31, Prior Year
2504. OTHER LIABILITIES.....	7,438	2,856
2505 UNEARNED FEE RESERVE.....	1,063	791
2597. Summary of remaining write-ins for Line 25.....	8,501	3,647

Additional Write-ins for Statement of Income:

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1404. LOSS ON RECEIVABLE FACTORING.....	(28,567)	(25,938)	(27,694)
1497. Summary of remaining write-ins for Line 14.....	(28,567)	(25,938)	(27,694)

PROGRESSIVE MOUNTAIN INSURANCE COMPANY
SCHEDULE A - VERIFICATION

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	
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 end of current period (Lines 1+2+3+4-5+6-7-8).....	0	0
10. Deduct total nonadmitted amounts.....		
11. Statement value at end of current period (Line 9 minus Line 10).....	0	0

NONE

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year.....	0	
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 points and commitment fees.....		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest.....		
10. Deduct current year's other than temporary impairment recognized.....		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	0	0
12. Total valuation allowance.....		
13. Subtotal (Line 11 plus Line 12).....	0	0
14. Deduct total nonadmitted amounts.....		
15. Statement value at end of current period (Line 13 minus Line 14).....	0	0

NONE

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

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

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.....	115,228,982	103,355,022
2. Cost of bonds and stocks acquired.....	29,314,360	49,573,944
3. Accrual of discount.....	1,563	1,458
4. Unrealized valuation increase (decrease).....	1,037,173	43,011
5. Total gain (loss) on disposals.....	36,770,473	35,733,909
6. Deduct consideration for bonds and stocks disposed of.....	1,215,967	2,010,544
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 (Lines 1+2+3+4+5-6-7+8-9).....	107,595,638	115,228,982
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	107,595,638	115,228,982

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).....	99,695,344	29,314,360	21,000,000	(414,066)	84,742,219	99,695,344	107,595,638	115,228,986
2. Class 2 (a).....								
3. Class 3 (a).....								
4. Class 4 (a).....								
5. Class 5 (a).....								
6. Class 6 (a).....								
7. Total Bonds.....	99,695,344	29,314,360	21,000,000	(414,066)	84,742,219	99,695,344	107,595,638	115,228,986
PREFERRED STOCK								
8. Class 1.....								
9. Class 2.....								
10. Class 3.....								
11. Class 4.....								
12. Class 5.....								
13. Class 6.....								
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock.....	99,695,344	29,314,360	21,000,000	(414,066)	84,742,219	99,695,344	107,595,638	115,228,986

(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.

PROGRESSIVE MOUNTAIN INSURANCE COMPANY
SCHEDULE DA - PART 1

Short-Term Investments

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

NONE

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.....	0	6,129,911
2. Cost of short-term investments acquired.....		
3. Accrual of discount.....		
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		
6. Deduct consideration received on disposals.....		5,990,000
7. Deduct amortization of premium.....		139,911
8. Total foreign exchange change in book/adjusted carrying value.....		
9. Deduct current year's other than temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	0	0
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	0	0

Sch. DB-Pt A-Verification
NONE

Sch. DB-Pt B-Verification
NONE

Sch. DB-Pt C-Sn 1
NONE

Sch. DB-Pt C-Sn 2
NONE

Sch. DB-Verification
NONE

PROGRESSIVE MOUNTAIN INSURANCE COMPANY
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	
2. Cost of cash equivalents acquired.....	20,999,874	
3. Accrual of discount.....	126	
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		
6. Deduct consideration received on disposals.....	21,000,000	
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 (Lines 1+2+3+4+5-6-7+8-9).....	0	0
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	0	0

Sch. A-Pt 2
NONE

Sch. A-Pt 3
NONE

Sch. B-Pt 2
NONE

Sch. B-Pt 3
NONE

Sch. BA-Pt 2
NONE

Sch. BA-Pt 3
NONE

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
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Bonds - U.S. States, Territories and Possessions

373383 N6 1	GEORGIA ST 5.000% 07/01/17.....		08/10/2011	Morgan Stanley.....		6,963,960	6,000,000	36,667	1FE.....
373384 VR 4	GEORGIA ST 4.000% 09/01/19.....		07/11/2011	Merrill Lynch.....		22,350,400	20,000,000		1FE.....
1799999.	Total - Bonds - U.S. States, Territories & Possessions.....					29,314,360	26,000,000	36,667	XXX.....
8399997.	Total - Bonds - Part 3.....					29,314,360	26,000,000	36,667	XXX.....
8399999.	Total - Bonds.....					29,314,360	26,000,000	36,667	XXX.....
9999999.	Total - Bonds, Preferred and Common Stocks.....					29,314,360	XXX.....	36,667	XXX.....

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

QE04

Sch. D-Pt 4
NONE

Sch. DB-Pt A-Sn 1
NONE

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

Sch. DB-Pt B-Sn 1
NONE

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

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

Sch. DB-Pt D
NONE

Sch. DL-Pt. 1
NONE

Sch. DL-Pt. 2
NONE

PROGRESSIVE MOUNTAIN INSURANCE COMPANY
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	

Open Depositories

CITIBANK.....	NEW YORK, NY.....	.....	.....	.....	.....	.....	.....	XXX..
0199999_ Total Open Depositories.....	....XXX.....	....XXX.....	.....0	.....0	.....0	.....0	.....0	XXX..
0399999_ Total Cash on Deposit.....	....XXX.....	....XXX.....	.....0	.....0	.....0	.....0	.....0	XXX..
0599999_ Total Cash.....	....XXX.....	....XXX.....	.....0	.....0	.....0	.....0	.....0	XXX..

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
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NONE