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QUARTERLY STATEMENT

As of September 30, 2011

of the Condition and Affairs of the

Century Surety Company

NAIC Group Code.....0748, 0748 (Current Period) (Prior Period)
NAIC Company Code..... 36951
Employer's ID Number..... 31-0936702

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

Incorporated/Organized..... June 22, 1978
Commenced Business..... August 11, 1978

Statutory Home Office	465 Cleveland Avenue….. Westerville ..... OH ..... 43082 *(Street and Number) (City or Town, State and Zip Code)*	
Main Administrative Office	465 Cleveland Avenue….. Westerville ..... OH ..... 43082 *(Street and Number) (City or Town, State and Zip Code)*	614-895-2000 *(Area Code) (Telephone Number)*
Mail Address	465 Cleveland Avenue….. Westerville ..... OH ..... 43082 *(Street and Number or P. O. Box) (City or Town, State and Zip Code)*	
Primary Location of Books and Records	26255 American Drive….. Southfield ..... MI ..... 48034 *(Street and Number) (City or Town, State and Zip Code)*	248-358-1100 *(Area Code) (Telephone Number)*
Internet Web Site Address	www.meadowbrook.com	
Statutory Statement Contact	Kimberlee A. Arnold *(Name)*	248-358-1100-8102 *(Area Code) (Telephone Number) (Extension)*
	karnold@meadowbrook.com *(E-Mail Address)*	248-358-1614 *(Fax Number)*

OFFICERS

Name	Title	Name	Title
1. Christopher John Timm	President	2. Michael Gerard Costello	Secretary
3. Steven Christopher Divine	Treasurer	4.	

OTHER

Michael Gerard Costello	Sr. VP & General Counsel	Robert Samuel Cubbin	Chairman
Steven Christopher Divine	Vice President	Karen Marwell Spaun	Vice President
Nathan Karl Voorhis	Vice President	Angelo Lovell Williams	Vice President

DIRECTORS OR TRUSTEES

State of........ Ohio
County of..... Delaware

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

(Signature)	(Signature)	(Signature)
Christopher John Timm	Michael Gerard Costello	Steven Christopher Divine
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President	Secretary	Treasurer
(Title)	(Title)	(Title)

Subscribed and sworn to before me
This ________ day of ____________________

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

ASSETS

	Current Statement Date 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 December 31 Prior Year Net Admitted Assets
1. Bonds	376,339,340		376,339,340	347,889,976
2. Stocks:				
2.1 Preferred stocks	13,787,295	9,200	13,778,095	14,643,649
2.2 Common stocks	49,633,048		49,633,048	48,307,314
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 $..........0 encumbrances)			0	
5. Cash ($.....7,441,362), cash equivalents ($..........0) and short-term investments ($.....4,780,636)	12,221,999		12,221,999	5,062,332
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)	451,981,682	9,200	451,972,482	415,903,271
13. Title plants less $..........0 charged off (for Title insurers only)			0	
14. Investment income due and accrued	4,243,008		4,243,008	3,765,284
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	71,180,309	723,164	70,457,145	59,775,615
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $..........0 earned but unbilled premiums)	696,098		696,098	1,006,615
15.3 Accrued retrospective premiums			0	
16. Reinsurance:				
161. Amounts recoverable from reinsurers	29,499,043		29,499,043	27,467,940
16.2 Funds held by or deposited with reinsured companies			0	
16.3 Other amounts receivable under reinsurance contracts			0	
17. Amounts receivable relating to uninsured plans			0	
18.1 Current federal and foreign income tax recoverable and interest thereon	4,951,147		4,951,147	3,281,240
18.2 Net deferred tax asset	19,142,183	5,257,220	13,884,963	13,124,592
19. Guaranty funds receivable or on deposit	505		505	744
20. Electronic data processing equipment and software	437,665	437,659	6	3
21. Furniture and equipment, including health care delivery assets ($..........0)	19,839	19,839	0	
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	
23. Receivables from parent, subsidiaries and affiliates	5,066		5,066	30,383
24. Health care ($..........0) and other amounts receivable			0	
25. Aggregate write-ins for other than invested assets	2,702,340	0	2,702,340	2,504,573
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25)	584,858,885	6,447,081	578,411,804	526,860,259
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	
28. Total (Lines 26 and 27)	584,858,885	6,447,081	578,411,804	526,860,259

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. Miscellaneous Receivable	1,806,783		1,806,783	1,496,239
2502. Loan Receivable	430,000		430,000	503,372
2503. Security Deposits	280,000		280,000	281,452
2598. Summary of remaining write-ins for Line 25 from overflow page	185,557	0	185,557	223,510
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	2,702,340	0	2,702,340	2,504,573

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Statement Date	2 December 31 Prior Year
1.	Losses (current accident year $.....62,040,664)	192,004,433	176,153,096
2.	Reinsurance payable on paid losses and loss adjustment expenses	30,661,588	23,893,133
3.	Loss adjustment expenses	55,841,455	51,814,429
4.	Commissions payable, contingent commissions and other similar charges	673,095	1,476,871
5.	Other expenses (excluding taxes, licenses and fees)	118,499	136,478
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)	765,888	666,315
7.1	Current federal and foreign income taxes (including $..........0 on realized capital gains (losses))		
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 $.....106,203,171 and including warranty reserves of $..........0)	105,583,019	94,296,218
10.	Advance premium		
11.	Dividends declared and unpaid:		
	11.1 Stockholders		
	11.2 Policyholders		
12.	Ceded reinsurance premiums payable (net of ceding commissions)	34,263,384	28,615,390
13.	Funds held by company under reinsurance treaties	0	0
14.	Amounts withheld or retained by company for account of others	2,593,979	2,693,387
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	1,733,394	1,807,261
20.	Derivatives		
21.	Payable for securities	995,760	
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	1,183,184	1,167,099
26.	Total liabilities excluding protected cell liabilities (Lines 1 through 25)	426,417,679	382,719,678
27.	Protected cell liabilities		
28.	Total liabilities (Lines 26 and 27)	426,417,679	382,719,678
29.	Aggregate write-ins for special surplus funds	3,341,473	3,408,985
30.	Common capital stock	3,000,000	3,000,000
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	104,914,779	104,914,779
35.	Unassigned funds (surplus)	40,737,873	32,816,818
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)	151,994,125	144,140,581
38.	Totals	578,411,804	526,860,259

DETAILS OF WRITE-INS

2501.	Miscellaneous Payables	1,083,479	970,836
2502.	Deferred Income	9,624	47,124
2503.	Escheat Claims	90,082	149,139
2598.	Summary of remaining write-ins for Line 25 from overflow page	0	0
2599.	Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	1,183,184	1,167,099
2901.	Additional admitted deferred tax assets – SSAP 10R	3,341,473	3,408,985
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)	3,341,473	3,408,985
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

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 $.....151,182,508)	142,859,595	142,271,527	188,026,756
1.2 Assumed (written $.....169,926,182)	158,639,382	141,299,017	191,815,354
1.3 Ceded (written $.....151,182,508)	142,859,595	142,271,527	188,026,756
1.4 Net (written $.....169,926,182)	158,639,382	141,299,017	191,815,355
DEDUCTIONS:			
2. Losses incurred (current accident year $.....81,042,232):			
2.1 Direct	55,618,547	62,885,675	76,281,135
2.2 Assumed	80,521,572	67,245,873	91,288,366
2.3 Ceded	55,484,196	62,586,863	75,922,780
2.4 Net	80,655,922	67,544,685	91,646,721
3. Loss adjustment expenses incurred	22,722,760	17,468,325	24,476,462
4. Other underwriting expenses incurred	55,600,673	51,290,172	68,215,555
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	158,979,356	136,303,182	184,338,738
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(339,974)	4,995,835	7,476,617
INVESTMENT INCOME			
9. Net investment income earned	12,379,302	12,153,909	16,290,705
10. Net realized capital gains (losses) less capital gains tax of $..........0	1,443,930	56,500	391,451
11. Net investment gain (loss) (Lines 9 + 10)	13,823,233	12,210,409	16,682,156
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered $..........0 amount charged off $.....668,502)	(668,502)	(447,851)	(818,620)
13. Finance and service charges not included in premiums			
14. Aggregate write-ins for miscellaneous income	51,836	56,003	65,599
15. Total other income (Lines 12 through 14)	(616,666)	(391,848)	(753,021)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	12,866,592	16,814,396	23,405,752
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)	12,866,592	16,814,396	23,405,752
19. Federal and foreign income taxes incurred	4,330,093	4,697,191	7,694,613
20. Net income (Line 18 minus Line 19) (to Line 22)	8,536,499	12,117,205	15,711,139
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	144,140,582	144,811,889	144,811,890
22. Net income (from Line 20)	8,536,499	12,117,205	15,711,139
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of $.....(250,177)	1,608,600	4,352,031	5,767,788
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax	1,222,915	317,714	2,285,053
27. Change in nonadmitted assets	(346,959)	2,827,759	1,292,269
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	(3,100,000)	(14,328,136)	(26,622,273)
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus	(67,512)	540,250	894,716
38. Change in surplus as regards policyholders (Lines 22 through 37)	7,853,543	5,826,825	(671,308)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	151,994,125	150,638,714	144,140,582

DETAILS OF WRITE-INS

0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0
1401. Miscellaneous Income	51,836	56,003	65,599
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	51,836	56,003	65,599
3701. Miscellaneous surplus adjustment from merger integration rollover		540,250	
3702. Additional admitted deferred tax assets – SSAP 10R	(67,512)		894,716
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)	(67,512)	540,250	894,716

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	165,189,338	144,296,044	195,470,234
2.	Net investment income	13,348,649	12,831,952	17,390,213
3.	Miscellaneous income	(616,666)	(391,848)	(753,021)
4.	Total (Lines 1 through 3)	177,921,321	156,736,148	212,107,426
5.	Benefit and loss related payments	60,067,234	49,381,251	64,824,031
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7.	Commissions, expenses paid and aggregate write-ins for deductions	75,018,349	64,795,807	86,999,906
8.	Dividends paid to policyholders			
9.	Federal and foreign income taxes paid (recovered) net of $.....574,984 tax on capital gains (losses)	6,000,000	3,137,447	6,277,447
10.	Total (Lines 5 through 9)	141,085,583	117,314,505	158,101,383
11.	Net cash from operations (Line 4 minus Line 10)	36,835,738	39,421,644	54,006,043
	CASH FROM INVESTMENTS			
12.	Proceeds from investments sold, matured or repaid:			
	12.1 Bonds	31,992,944	23,371,650	37,393,529
	12.2 Stocks	700,000	1,020,003	2,147,503
	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	995,760		
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	33,688,704	24,391,653	39,541,032
13.	Cost of investments acquired (long-term only):			
	13.1 Bonds	60,209,236	53,641,580	76,720,464
	13.2 Stocks			
	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)	60,209,236	53,641,580	76,720,464
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)	(26,520,532)	(29,249,926)	(37,179,432)
	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	3,100,000	14,328,136	26,622,273
	16.6 Other cash provided (applied)	(55,539)	1,907,566	1,380,910
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	(3,155,538)	(12,420,570)	(25,241,363)
	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)	7,159,668	(2,248,852)	(8,414,752)
19.	Cash, cash equivalents and short-term investments:			
	19.1 Beginning of year	5,062,332	13,477,083	13,477,083
	19.2 End of period (Line 18 plus Line 19.1)	12,221,999	11,228,231	5,062,332

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

20.0001			

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Practices

The accompanying financial statements of Century Surety Company ("Company") have been completed in accordance with the National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures Manual except to the extent that Ohio state laws and regulations differ. Effective January 1, 2001, the state of Ohio required that insurance companies domiciled in the state of Ohio prepare their statutory basis financial statements in accordance with the NAIC *Accounting Practices and Procedures manual – Effective January 1, 2001* (NAIC SAP), subject to any deviations prescribed or permitted by the state of Ohio Insurance Commissioner. The Company has no such deviations as of September 30, 2011.

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

No significant change.

C. Accounting Policy

No significant change.

2. ACCOUNTING CHANGES AND CORRECTION OF ERRORS

No significant change.

3. BUSINESS COMBINATIONS AND GOODWILL

A. On June 1, 2005, the Company purchased ProCentury Insurance Company (ProCentury), formerly known as Fireman's Fund Insurance Company of Texas from Fireman's Fund Insurance Company.

The cost of acquisition was as follows:

Statutory surplus	$ 5,400,000
Purchase price above surplus	300,000
Finder's fee	50,000
Direct legal fees	156,049
Total cost	$5,906,049

Total goodwill is calculated as follows:

Total cost	$5,906,049
Less statutory book value	5,400,000
Total positive goodwill	$ 506,049

Amortization as of September 30, 2011	$ 320,492
Unamortized balance as of September 30, 2011	$ 185,557

The total positive goodwill is considered to be admitted and is being amortized to unrealized gain/loss over a ten year period.

B. Statutory Mergers - Not applicable.

C. Impairment Loss - Not applicable.

4. DISCONTINUED OPERATIONS

Not applicable.

5. INVESTMENTS

A. No significant change.

B. No significant change.

C. No significant change.

D. Loan-backed securities

1. Our asset manager uses a proprietary model for loss assumptions and widely accepted models for prepayment assumptions in valuing mortgage-backed and asset-backed securities; inputs come from major third party data providers. The effect of interest rates, volatility, and prepayment speeds are derived using Monte Carlo simulation. Credit loss analysis, resulting effective analytics (spreads, duration, convexity) and cash-flows are reported to clients on a monthly basis. Model assumptions are specific to asset class and collateral types and are regularly evaluated and adjusted where appropriate.
2. Securities recognized other-than-temporary impairment ("OTTI"), disclosed in the aggregate - Not applicable.
3. Loan-backed securities with an historical or current period recognized OTTI, currently held by the reporting entity where the present value of the discounted cash flows was/is less than the amortized cost basis of the securities.

CUSIP	Book/Adj Carry Value Amortized cost before current period OTTI	Projected Cash Flows	Recognized OTTI	Amortized cost after OTTI	Fair Value at time of OTTI	Date of Financial Statement Where Reported
00441RAJ6	$ 422,063	$ 355,309	$ 66,754	$ 355,309	$ 151,156	12/31/2009
05951KAX1	$ 415,185	$ 469,438	$ (54,253)	$ 469,438	$ 442,296	09/30/2009
05951KAX1	$ 374,662	$ 291,695	$ 82,967	$ 291,695	$ 249,632	03/31/2010
05951KAX1	$ 271,197	$ 265,483	$ 5,714	$ 265,483	$ 239,361	06/30/2010
12628KAA0	$ 175,417	$ 129,228	$ 46,189	$ 129,228	$ 108,752	12/31/2009
12628KAA0	$ 99,596	$ 89,216	$ 10,380	$ 89,216	$ 77,774	03/31/2010
233046AB7	$ 292,480	$ 343,204	$ (50,724)	$ 343,204	$ 336,344	09/30/2009
301965CH0	$ 660,244	$ 647,951	$ 12,293	$ 647,951	$ 274,451	12/31/2009
393505VY5	$ 303,167	$ 368,021	$ (64,854)	$ 368,021	$ 375,262	09/30/2009
589962CV9	$ 707,042	$ 683,785	$ 23,257	$ 683,785	$ 651,084	12/31/2009
BCC00H341	$ 989,799	$ 1,208,847	$ (219,048)	$ 1,208,847	$ 940,572	09/30/2009
	XXX	XXX	$ (141,325)	XXX	XXX	XXX

4. All impaired securities for which an OTTI has not been recognized in earnings as a realized loss including securities with a recognized OTTI for non-interest related declines when a non-recognized interest related impairment remains.

	Book Value	Market Value	Unrealized Loss
Less than 12 Months	$ 381,470	$ 355,443	$ (26,027)
Greater than 12 Months	$ 4,897,212	$ 3,045,123	$ (1,852,089)
Total	$ 5,278,682	$ 3,400,566	$ (1,878,117)

NOTES TO FINANCIAL STATEMENTS

5. There are a number of factors that are considered in determining if there is not an OTTI on an investment, including but not limited to, debt burden, credit ratings, sector, liquidity, financial flexibility, company management, expected earnings and cash flow stream, and economic prospects associated with the investment.

E. No significant change.
F. No significant change.
G. No significant change.

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

Not applicable.

7. INVESTMENT INCOME

No significant change.

8. DERIVATIVE INSTRUMENTS

No significant change.

9. INCOME TAXES

No significant change.

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

A. No significant change.
B. The following is a list of transactions between the Company and its affiliates on a pre-pooled basis, excluding reinsurance transactions and any non-insurance transactions which involve less than ½ of 1% of total assets of the reporting entity:

Affiliate	Date of Transaction	Explanation	Amount Paid (From)/To Company
Meadowbrook, Inc.	Various	Internal Admin. Costs	$ (19,222,081)

C. The Management Services Agreement ("Agreement") currently is effective July 1, 2011 through June 30, 2014. If the Agreement is not terminated by the parties, it automatically extends for additional three (3) year periods thereafter. The terms of the intercompany loan was changed effective August 1, 2011 to include Meadowbrook Insurance Group, Inc. ("MIGI") and its insurance affiliates.
D. At September 30, 2011, the Company reported $5,066 due from parent, subsidiaries and affiliates and $1,733,394 due to parent, subsidiaries and affiliates pursuant to the Intercompany Loan Agreement. Intercompany balances between parent, subsidiaries and affiliates are settled on a monthly basis.
E. No significant change.
F. The Company does not directly hire employees. Rather, the Company entered into the Agreement with Meadowbrook, Inc. and affiliates, which provides the accounting, financial reporting, underwriting, compliance, reinsurance, sales, claims, loss prevention, and general management services for the Company. Fees paid to Meadowbrook, Inc. and affiliates are determined on a monthly basis, based on the actual costs associated with overall administration of all programs. On a pre-pooled basis, the Company directly incurred $19,222,081 of such expenses as of September 30, 2011.

   Effective October 1, 2009 the Company entered into a new Agency Agreement with Meadowbrook, Inc. and its affiliates or subsidiaries (the "Agent") whereby the Company pays the Agent a commission for the production of premium. As of September 30, 2011, the Company has paid the Agent $282,713 in commissions.

   In addition, the Company's federal income tax return is consolidated with the entities referenced in Note 9(F) of the 2010 Annual Statement. Pursuant to the Tax Allocation Agreement, the Company incurred $5,116,219 of tax expense during the year, to be remitted to the ultimate parent, MIGI.
G. No significant change.
H. No significant change.
I. No significant change.
J. Investments in SCA Entities - Not applicable.
K. Investments in Foreign SCA Entities - Not applicable.
L. Valuation of Downstream Holding Companies - Not applicable.

11. DEBT

No significant change.

12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

Not applicable.

13. CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

A. No significant change.
B. No significant change.
C. Dividends on common stock are paid as declared by the Board of Directors of the Company. Without prior approval of its domiciliary commissioner, Ohio law limits dividends to shareholders to the greater of 10% of the prior year policyholders' surplus less dividends paid in the prior twelve months or the prior year net income (excluding realized capital gains) less dividends paid in the prior twelve months. These dividends are further limited by a clause in the Ohio law, which prohibits an insurer from declaring dividends unless the value of assets remaining is at least equal to the aggregate amount of debts and liabilities, including capital.
D. The Company paid ordinary dividends, not requiring regulatory approval, of $3,100,000 to ProCentury Corporation on July 14, 2011.
E. Within the limitations of (C) above, the maximum ordinary dividend payment allowed to shareholders as of September 30, 2011, without prior regulatory approval, is $62,559 after considering the ordinary dividend payment per (D) above.
F. No significant change.
G. No significant change.
H. No significant change.
I. No significant change.
J. The portion of unassigned funds (surplus) represented by cumulative unrealized capital gains is $2,281,094.
K. No significant change.
L and M. No significant change.

14. CONTINGENCIES

A. The Company has no material contingent commitments to a SCA entity, joint venture, partnership, or limited liability company, nor any contingent commitments attributable to low income housing tax credit properties as of September 30, 2011.

NOTES TO FINANCIAL STATEMENTS

B. The Company is subject to guaranty fund and other assessments by the states in which it writes business. Guaranty fund assessments should be accrued at the time of the insolvencies. Other assessments should be accrued either at the time the assessments are levied or in the case of premium-based assessments, at the time the premiums are written, or in the case of loss-based assessments, at the time the losses are incurred.

The Company has accrued a liability for guaranty fund and other assessments of $15,466 and a related premium tax benefit asset of $505. The liability is included in the taxes, licenses and fees liability. The asset is included in the guaranty funds receivable asset. The amounts represent management's best estimates based on information received from the states in which the Company writes business and may change due to many factors including the Company's share of the ultimate cost of current insolvencies.

C. The Company is unaware of any gain contingencies that could have a material financial effect.

D. The Company is unaware of any extra contractual obligation and bad faith losses that could have a material financial effect.

E. The Company has not encountered any contingent liabilities arising from litigation, income taxes or other matters, nor has any impairment of an asset, that would be considered material in relation to the financial position of the Company.

15. LEASES

A. Lessee Leasing Arrangements

1. The Company leases one office facility under a noncancelable operating lease that will expire October 2013.
2. At September 30, 2011, future minimum rental payments are as follows:

Year	Amount
2011	153,990
2012	615,960
2013	513,300
Total	$ 1,283,250

3. The Company has not entered into any sale-leaseback arrangements.

B. Lessor Leasing Arrangements

Not applicable.

16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND WITH CONCENTRATIONS OF CREDIT RISK

Not applicable.

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. There are no wash sales as of September 30, 2011.

18. GAIN OR LOSS FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

Not applicable.

19. DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS

Not applicable.

20. FAIR VALUE MEASUREMENT

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

1. Fair Value Measurements at Reporting Date

The Company has categorized its assets and liabilities that are measured at fair value into the three-level fair value hierarchy as reflected in the following table.

Level 1 - Valuations that are based on unadjusted quoted market prices in active markets for identical securities. The fair value of exchange-traded equities and mutual funds included in the Level 1 category were based on quoted prices that are readily and regularly available in an active market and are thus classified as Level 1.

Level 2 - Valuations that are based on observable inputs (other than Level 1 prices), such as quoted prices for similar assets at the measurement date; quoted prices in markets that are not active; or other inputs that are observable, either directly or indirectly. The fair value of securities included in the Level 2 category were based on market values obtained from a third-party pricing service. They were evaluated using pricing models that vary by asset class and incorporate available trade, bid and other observable market information. The third-party service monitors market indicators as well as industry and economic events. The Level 2 category includes corporate bonds, government and agency bonds, asset-backed, residential mortgage-backed and commercial mortgage-backed securities and municipal bonds.

Level 3 - Valuations that are derived from techniques in which one or more of the significant inputs are unobservable and/or involve management judgment and/or are based on non-binding broker quotes.

Description	Quoted Prices in Active Mkts for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Total Fair Value as of 09/30/11
Assets at Fair Value				
Perpetual Preferred Stock				
Industrial and Misc.	$ 8,940,046	$ 572,216	$ 0	$ 9,512,262
Total Perpetual Preferred Stock	$ 8,940,046	$ 572,216	$ 0	$ 9,512,262
Redeemable Preferred Stock				
Industrial and Misc.	$ 1,266,208	$ 0	$ 0	$ 1,266,208
Total Redeemable Preferred Stock	$ 1,266,208	$ 0	$ 0	$ 1,266,208

NOTES TO FINANCIAL STATEMENTS

Bonds				
Special Revenue	$ 0	$ 77,603	$ 0	$ 77,603
Industrial and Misc.	$ 0	$ 603,934	$ 246,420	$ 850,354
MBS/CMO				
Industrial and Misc.	$ 0	$ 1,442,410	$ 72,586	$ 1,514,996
Total Bonds	$ 0	$ 2,123,948	$ 319,005	$ 2,442,953
Common Stock				
Industrial and Misc.	$ 8,676,994	$ 0	$ 0	$ 8,676,994
Mutual Funds	$ 5,920,646	$ 0	$ 0	$ 5,920,646
Total Common Stock	$ 14,597,640	$ 0	$ 0	$ 14,597,640
Total Assets at Fair Value	**$ 24,803,894**	**$ 2,696,164**	**$ 319,005**	**$ 27,819,063**

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred between Levels. During the current year, no transfers into or out of Levels 1 and 2 were required.

2. **Rollforward of Fair Value Measurements in Level 3**

	Industrial & Misc.	Mortgage-Backed Securities	Asset-Backed Securities	Commercial Mortgage -Backed Securities	Total
Beginning Balance	$ 266,334		$ 955,822		$1,222,156
Transfer into Level 3 (End of Period)			0		
Transfer out of Level 3 (End of Period)	(1,339,571)		0		(1,339,571)
Total gains or losses					
Included in Net Income	75		(48,688)		(48,613)
Included in Surplus	55,746		432,439		488,185
Purchases, issuances, sales and settlements					
Purchases (End of Period)			0		0
Sales (End of Period)	(3,151)		0		(3,151)
Ending Balance	**$ (1,020,567)**		**$ 1,339,573**		**$ 319,006**

3. **Policy on Transfers Into and Out of Level 3**

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred into or out of Level 3. During the current year there were no transfers into Level 3. For the quarter end, September 30, 2011, there was 1 transfer out of Level 3 as the Industrial & Misc. security is currently held at book value.

4. **Inputs and Techniques Used for Level 2 and Level 3 Fair Values**

The estimated fair values of the Company's investments are based on prices provided by a third party pricing service and a third party investment manager. The prices provided by these services are based on quoted market prices, when available; non-binding broker quotes, or matrix pricing. The Company has not historically adjusted security prices.

For corporate, government and municipal bonds, the third party pricing service utilizes a pricing model with standard inputs that include benchmark yields, reported trades, issuer spreads, two-sided markets, benchmark securities, market bids / offers, and other reference data observable in the marketplace The model uses the option adjusted spread methodology and is a multi-dimensional relational model. All bonds valued under these techniques are classified as Level 2.

For asset-backed, residential mortgage-backed and commercial mortgage-backed securities, the third party pricing service valuation methodology includes consideration of interest rate movements, new issue data, monthly remittance reports and other pertinent data that is observable in the marketplace. This information is used to determine the cash flows for each tranche and identifies the inputs to be used such as benchmark yields, prepayment assumptions and collateral performance. All asset-backed, residential mortgage-backed and commercial mortgage-backed securities valued under these methods are classified as Level 2.
For all assets where readily observable pricing methods are not available the third party investment manager will price the asset using a combination of non-binding broker / dealer quotes, benchmarking techniques, and sector specific knowledge. All assets priced by using this methodology are classified as Level 3.

5. **Derivative Fair Values - Not applicable**

B. Disclosure was removed by the NAIC December 2010
C. Other Fair Value Disclosures - Not applicable.
D. Reasons Not Practical to Estimate Fair Values - Not applicable.

21. **OTHER ITEMS**

A. No significant change.
B. No significant change.
C. No significant change.
D. At September 30, 2011, the Company had admitted assets of $31,070,628 for amounts due from agents, and ($2,141) for amounts due from insureds. The Company routinely assesses the collectibility of these receivables and, where necessary, establishes an allowance for estimated uncollectible accounts. The potential loss associated with uncollectible accounts in excess of amounts non-admitted or otherwise provided for through an allowance for estimated uncollectible accounts is not believed to be material to the Company's financial position.
E. No significant change.
F. State Transferable Tax Credits - Not applicable.
G. No significant change.

NOTES TO FINANCIAL STATEMENTS

22. EVENTS SUBSEQUENT

A. Type I - Recognized Subsequent Events:
There were no events occurring subsequent to the end of the current quarter through the date of this filing meriting disclosure.

B. Type II - Nonrecognized Subsequent Events:
There were no events occurring subsequent to the end of the current quarter through the date of this filing meriting disclosure.

23. REINSURANCE

A. Unsecured Reinsurance Recoverables
The Company's unsecured reinsurance balances in excess of 3% of policyholder surplus with any one reinsurer are estimated at September 30, 2011 are as follows:

Reinsurer Name	NAIC Code	Federal ID#	Amount
Star Insurance Company	18023	38-2626205	366,677,290

This amount due from Star is related to the Intercompany Reinsurance Agreement noted in Note 26.

B. Reinsurance Recoverables in Dispute
No significant change.

C. Reinsurance Assumed and Ceded

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

	Assumed		Ceded		Assumed less Ceded	
	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity
a. Affiliates	$ 105,583,000	$ 0	$ 106,203,000	$ 0	$ (620,000)	$ 0
b. All other	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
c. Totals	$ 105,583,000	$ 0	$ 106,203,000	$ 0	$ (620,000)	$ 0
d. Direct Unearned Premium Reserve:	$ 106,203,000					

2. The additional or return commission, predicated on loss experience or on any other form of profit sharing arrangements in this quarterly statement as a result of existing contractual arrangements is accrued as follows:

	Direct	Assumed	Ceded	Net
a. Contingent Commission	$ 390,181	$ 0	$ 0	$ 390,181
b. Sliding Scale Commission	0	0	0	0
c. Other Profit Commission Arrangements	208,947	0	0	208,947
d. Total	$ 599,128	$ 0	$ 0	$ 599,128

3. The Company does not use protected cells as an alternative to traditional reinsurance.

D. Uncollectible Reinsurance
No significant change.

E. Commutation of Ceded Reinsurance
No significant change.

F. Retroactive Reinsurance
No significant change.

G. Reinsurance Accounted for as a Deposit
No significant change.

24. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION

A. Accrued retrospective premiums reported as an asset on the balance sheet have been determined based upon loss experience on business subject to such experience rating adjustment. Accrued retrospectively rated premiums, including all of those relating to bulk IBNR, have determined by or allocated to individual policyholder accounts.

B. The Company records accrued retrospective premiums through written premium.

C. Net written premiums for the current year on retrospective Other liabilities - claims made policies were $61,322 or 1.01% of total other liabilities - claims made net premiums written.

D. Ten percent of the amount of accrued retrospective premiums not offset by retrospective return premiums, other liabilities to the same party (other than loss and loss expense reserves), or collateral as permitted by SSAP No. 66, Retrospectively Rated Contracts, has been non-admitted.

a. Total accrued retro premium	$ (971,599)
b. Unsecured amount	0
c. Less: Non-admitted amount (10%)	0
d. Less: Non-admitted for any person for whom agents' balances or uncollected premiums are non-admitted.	0
e. Admitted amount (a)-(c)-(d)	$ (971,599)

25. CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

Net incurred losses and loss adjustment expenses attributable to insured events of prior accident years decreased $106K during calendar year 2011 as a result of re-estimation of unpaid loss and loss adjustment expenses. This decrease recognizes additional paid loss and loss adjustment expenses of $60.3 million, offset by a decrease in reserves on prior accident years of $60.4 million. Original estimates of ultimate losses are increased or decreased as additional information becomes known regarding individual claims.

NOTES TO FINANCIAL STATEMENTS

26. INTERCOMPANY POOLING ARRANGEMENTS

A. Effective January 1, 2009, the Company and its United States affiliates (Star Insurance Company (Star), Savers Property and Casualty Insurance Company, Williamsburg National Insurance Company, Ameritrust Insurance Corporation and ProCentury Insurance Company) are participants in an Intercompany Reinsurance Agreement, whereby each participating affiliate cedes 100% of its business to the Company. Thereafter, the Company cedes to each participating affiliate, which have agreed to reinsure the Company for their respective participation. The participants and their respective participations as of January 1, 2009 are as follows:

Name of Insurer	NAIC Code	Percentage Participation
Star Insurance Co. (Lead insurer)	18023	35.83%
Century Surety Co.	36951	29.07%
Savers Property and Casualty Ins. Co.	16551	13.04%
ProCentury Insurance Co.	21903	9.44%
Williamsburg National Ins. Co.	25780	6.72%
Ameritrust Insurance Corp.	10665	5.90%

B. All business written by each participant is subject to the Intercompany Reinsurance Agreement.

C. After pooling and before redistribution, the Company has the following reinsurance ceded with nonaffiliated reinsurers:

1. For Liability Lines ($6,000,000 xs of $1,000,000 retention)
2. For Workers Compensation Lines ($104,000,000 xs $1,000,000 retention)
3. For Public Entity Liability Lines ($9,000,000 xs $1,000,000 retention)
4. For Property Per Risk Coverage ($9,000,000 xs $1,000,000 retention)
5. For Property Catastrophe Coverage ($44,000,000 xs $6,000,000 retention)
6. For Medical Professional Liability Lines ($700,000 xs $300,000 retention)
7. For Commercial Truck Liability Lines ($1,500,000 xs $500,000 retention)
8. For Other Liability Lines ($750,000 xs $250,000 retention)
9. For Agriculture Lines –Property ($9,500,000 xs $500,000 retention)
10. For Agriculture Lines- Liability ($500,000 xs $500,000 retention)
11. For Awards Lines ($10,000,000 xs $5,000,000 retention)
12. For Clash Lines ($3,000,000 xs $0 retention)
13. For Ocean Marine lines (variable quota share maximum retained line $1,000,000 part of $5,000,000)
14. Various quota share treaties all lines
15. Various Facultative Agreements all lines
16. Various Umbrella agreements

D. Under the Intercompany Reinsurance Agreement, only the Company has contractual rights of direct recovery from the excess of loss, catastrophe, quota share, facultative and umbrella agreements noted above.

E. There are no discrepancies between the assumed and ceded reinsurance schedules of the pool participants.

F. Under the Intercompany Reinsurance Agreement, only the Company establishes a provision for reinsurance and write-off of uncollectible reinsurance relating to the above noted reinsurance agreements.

G. Amounts due to/from lead entity and pool participants as of September 30, 2011:

Name of Insurer	Amounts Receivable	Amounts Payable	Net Receivable/(Payable)
Star Insurance Co. (Lead insurer)	$ 121,374,714	$ 135,886,534	$ (14,511,820)
Century Surety Co.	$ 69,580,905	$ 64,924,972	$ 4,655,933
Savers Property and Casualty Ins. Co.	$ 21,957,321	$ 19,635,033	$ 2,322,288
ProCentury Insurance Co.	$ 17,820,910	$ 14,666,004	$ 3,154,906
Williamsburg National Ins. Co.	$ 16,819,776	$ 14,358,664	$ 2,461,112
Ameritrust Insurance Corp.	$ 9,707,621	$ 7,790,040	$ 1,917,581

27. STRUCTURED SETTLEMENTS

No significant change.

28. HEALTH CARE RECEIVABLES

Not applicable.

29. PARTICIPATING ACCIDENT AND HEALTH POLICIES

Not applicable.

30. PREMIUM DEFICIENCY RESERVES

No significant change.

31. HIGH DEDUCTIBLES

The Company has no high deductibles as of September 30, 2011.

32. DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES AND UNPAID LOSS ADJUSTMENT EXPENSES

Not applicable.

33. ASBESTOS AND ENVIRONMENTAL RESERVES

No Significant change.

34. SUBSCRIBER SAVINGS ACCOUNTS

Not applicable.

35. MULTIPLE PERIL CROP INSURANCE

Not applicable.

36. FINANCIAL GUARANTY INSURANCE

A1. Unrecorded installment premiums and expected earnings - Not applicable.
A2. Recorded non-installment premiums and expected earnings - Not applicable.
A3. Changes in claims liability and discount rate used - Not applicable.
A4. Risk management activities - Not applicable.
B. The Company has no insured financial obligations.

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. 12/31/2010......................

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. 12/31/2005......................

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). 11/9/2006........................

6.4 By what department or departments?
Ohio Department of Insurance

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

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

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

7.2 If yes, give full information:

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

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

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

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

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

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

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

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

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
Code of Conduct revised as of 02/28/2011

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

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 [X] No [ ]

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $....................................0

INVESTMENT

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

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

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

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

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

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	$ 0	$ 0
14.22 Preferred Stock	$ 0	$ 0
14.23 Common Stock	$ 32,924,240	$ 35,035,408
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)	$ 32,924,240	$ 35,035,408
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	$ 0	$ 0

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

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

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

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

1 Name of Custodian(s)	2 Custodian Address
JP Morgan Chase Bank, NA	P.O. Box 710634, Columbus, OH 43271-0634

16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation.

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? Yes [ ] No [X]

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

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

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

1 Central Registration Depository	2 Name(s)	3 Address
107423	Conning, Inc	One Financial Plaza, Hartford, CT 06103-2627
106810	Munder Capital Management	480 Pierce Street, Birmingham, MI 48009

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

17.2 If no, list exceptions:

GENERAL INTERROGATORIES (continued)

PART 2

PROPERTY & CASUALTY INTERROGATORIES

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

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

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

3.2 If yes, give full and complete information thereto:

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

4.2 If yes, complete the following schedule:

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

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

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

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

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

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

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

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

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	E	2,268,296	1,628,934	500,828	161,106	2,373,958	1,793,112
2. Alaska AK	E	754,769	579,413	174,932	88,609	578,969	792,694
3. Arizona AZ	L	1,048,801	992,025	1,754,219	947,429	2,071,365	4,033,910
4. Arkansas AR	E	733,788	773,652	263,910	173,114	751,403	707,053
5. California CA	E	26,481,987	37,144,661	7,400,917	11,486,870	38,093,072	41,695,995
6. Colorado CO	E	1,248,246	1,237,632	221,694	118,175	2,504,738	2,718,387
7. Connecticut CT	E	861,628	438,903	112,324	10,367	669,098	727,035
8. Delaware DE	E	350,773	296,136	37,750	750	263,437	153,000
9. District of Columbia DC	E	155,739	215,447	21,290	24,776	354,417	355,773
10. Florida FL	E	35,153,780	31,172,804	10,830,855	9,498,380	35,917,225	38,098,117
11. Georgia GA	E	2,741,482	2,412,189	1,106,581	1,333,803	2,452,174	2,616,799
12. Hawaii HI	E	372,824	194,552	7,514	7,692	296,087	276,625
13. Idaho ID	E	255,881	269,504	31,145	15,099	216,181	180,524
14. Illinois IL	E	3,059,669	2,834,298	1,178,881	1,541,270	2,936,901	3,068,526
15. Indiana IN	L	235,308	182,871	395,174	408,678	787,153	1,375,266
16. Iowa IA	E	130,396	78,116	57,771	59,336	127,081	101,059
17. Kansas KS	E	737,057	571,659	317,091	137,245	728,008	688,800
18. Kentucky KY	E	954,887	790,394	252,336	319,337	1,222,843	1,168,456
19. Louisiana LA	E	8,812,790	7,756,979	3,226,954	4,324,747	10,086,164	11,111,017
20. Maine ME	E	243,639	315,849	40,644	5,564	63,121	45,669
21. Maryland MD	E	635,424	395,280	55,553	6,644	521,922	430,678
22. Massachusetts MA	E	1,400,737	1,249,859	702,272	252,254	1,614,898	829,717
23. Michigan MI	E	2,431,777	2,091,113	1,092,624	719,643	3,522,696	3,142,626
24. Minnesota MN	E	391,842	354,013	185,424	34,798	640,870	796,901
25. Mississippi MS	E	1,635,168	1,390,109	1,075,965	340,004	1,554,498	1,325,928
26. Missouri MO	E	2,573,514	2,132,130	2,932,937	2,842,562	4,094,909	4,187,726
27. Montana MT	E	395,508	352,165	(620)	21,932	287,664	429,570
28. Nebraska NE	E	489,484	363,524	70,771	529,587	363,993	183,313
29. Nevada NV	E	1,299,427	1,136,262	945,220	61,327	2,220,702	2,060,623
30. New Hampshire NH	E	339,945	125,611	15,786	11,000	173,827	134,846
31. New Jersey NJ	E	2,801,396	2,783,833	809,684	861,343	3,942,599	3,882,944
32. New Mexico NM	E	453,527	354,742	541,855	743,144	2,095,781	1,920,430
33. New York NY	E	7,632,737	6,323,113	3,602,975	2,761,025	14,995,995	11,010,052
34. North Carolina NC	E	2,422,701	2,318,758	500,298	183,875	1,313,896	2,678,146
35. North Dakota ND	E	180,506	116,387			163,751	118,332
36. Ohio OH	L	1,810,583	1,557,228	338,676	973,073	1,920,558	2,582,168
37. Oklahoma OK	E	2,158,814	1,408,104	868,527	1,119,859	1,910,180	1,693,835
38. Oregon OR	E	1,856,549	1,433,185	636,944	384,283	2,539,018	2,172,582
39. Pennsylvania PA	E	3,193,311	2,510,471	1,125,649	827,266	3,740,298	3,727,882
40. Rhode Island RI	E	144,833	60,939	49,286	4,815	31,676	19,374
41. South Carolina SC	E	1,519,670	1,352,116	960,786	599,837	1,407,763	1,413,238
42. South Dakota SD	E	81,981	91,442	815	5,439	103,318	69,634
43. Tennessee TN	E	881,993	812,614	331,176	596,748	1,028,365	1,859,511
44. Texas TX	E	21,501,895	16,916,277	7,547,889	9,175,949	22,171,606	22,332,436
45. Utah UT	E	502,584	358,814	6,233	1,928	766,814	729,370
46. Vermont VT	E	195,193	235,498	4,343	18,775	240,524	276,498
47. Virginia VA	E	814,385	586,151	135,440	152,585	1,854,901	1,804,656
48. Washington WA	E	4,322,868	4,028,133	2,118,262	471,692	7,473,920	6,574,822
49. West Virginia WV	L	718	5,717	(4,123)		28,434	142,707
50. Wisconsin WI	L	142,723	163,422	41,955	29,470	293,001	374,647
51. Wyoming WY	E	368,975	259,593	275,000	(3,093)	946,778	909,279
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	0
59. Totals	(a) 5	151,182,508	143,152,621	54,900,407	54,390,109	186,458,552	191,522,284

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

PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date 1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	4 Prior Year to Date Direct Loss Percentage
1. Fire	15,792,684	2,314,492	14.7	27.4
2. Allied lines	3,097,413	3,977,120	128.4	91.4
3. Farmowners multiple peril			0.0	
4. Homeowners multiple peril			0.0	
5. Commercial multiple peril	38,296,634	22,849,801	59.7	52.3
6. Mortgage guaranty			0.0	
8. Ocean marine	1,936,667	(554,575)	(28.6)	142.1
9. Inland marine	1,296,285	202,398	15.6	12.3
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	59,522,459	14,248,613	23.9	44.3
17.2 Other liability-claims made	5,069,455	(29,409)	(0.6)	30.9
17.3 Excess workers' compensation			0.0	
18.1 Products liability-occurrence	89,604	34,466	38.5	
18.2 Products liability-claims made	4,251	1,147	27.0	
19.1, 19.2 Private passenger auto liability			0.0	
19.3, 19.4 Commercial auto liability	13,154,374	9,763,859	74.2	24.5
21. Auto physical damage	4,288,821	2,116,249	49.3	55.6
22. Aircraft (all perils)			0.0	
23. Fidelity	5,040	914	18.1	20.5
24. Surety	147,101	680,138	462.4	(54.3)
26. Burglary and theft			0.0	
27. Boiler and machinery	158,807	13,334	8.4	9.4
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	
35. Totals	142,859,595	55,618,547	38.9	44.2
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	5,218,413	15,384,522	15,436,204
2. Allied lines	1,074,549	3,069,675	3,340,328
3. Farmowners multiple peril			
4. Homeowners multiple peril			
5. Commercial multiple peril	13,596,576	42,863,236	42,382,086
6. Mortgage guaranty			
8. Ocean marine	557,712	2,083,365	1,842,769
9. Inland marine	519,709	1,290,290	1,429,470
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	21,411,335	62,921,848	55,444,641
17.2 Other liability-claims made	2,134,046	6,053,153	3,819,064
17.3 Excess workers' compensation			
18.1 Products liability-occurrence	358,625	394,304	
18.2 Products liability-claims made	4,937	4,937	
19.1 19.2 Private passenger auto liability			
19.3 19.4 Commercial auto liability	4,101,764	12,637,854	14,109,043
21. Auto physical damage	1,450,607	4,150,856	4,909,010
22. Aircraft (all perils)			
23. Fidelity	250	3,411	12,424
24. Surety	70,955	144,028	295,676
26. Burglary and theft			
27. Boiler and machinery	53,477	181,029	131,906
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	50,552,955	151,182,508	143,152,621
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 Prior Year-End Known Case Loss and LAE Reserves	2 Prior Year-End IBNR Loss and LAE Reserves	3 Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	4 2011 Loss and LAE Payments on Claims Reported as of Prior Year-End	5 2011 Loss and LAE Payments on Claims Unreported as of Prior Year-End	6 Total 2011 Loss and LAE Payments (Cols. 4 + 5)	7 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	8 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	9 Q.S. Date IBNR Loss and LAE Reserves	10 Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	11 Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1)	12 Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	13 Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2008 + Prior	41,398	41,444	82,842	19,547	301	19,848	33,425	737	28,239	62,401	11,575	(12,167)	(592)
2. 2009	22,660	29,254	51,914	12,147	301	12,448	19,658	737	19,118	39,513	9,146	(9,098)	48
3. Subtotals 2009 + Prior	64,057	70,698	134,755	31,694	603	32,297	53,084	1,474	47,357	101,915	20,721	(21,264)	(544)
4. 2010	35,566	57,646	93,212	22,556	5,425	27,981	18,890	13,268	33,511	65,669	5,880	(5,442)	438
5. Subtotals 2010 + Prior	99,623	128,344	227,967	54,250	6,028	60,278	71,974	14,742	80,868	167,584	26,601	(26,706)	(106)
6. 2011	XXX	XXX	XXX	XXX	23,222	23,222	XXX	28,793	51,469	80,262	XXX	XXX	XXX
7. Totals	99,623	128,344	227,967	54,250	29,250	83,500	71,974	43,535	132,337	247,846	26,601	(26,706)	(106)
8. Prior Year-End's Surplus As Regards Policyholders	144,141										Col. 11, Line 7 As % of Col. 1, Line 7 1. 26.7 %	Col. 12, Line 7 As % of Col. 2, Line 7 2. (20.8)%	Col. 13, Line 7 As % of Col. 3, Line 7 3. (0.0)%
													Col. 13, Line 7 Line 8 4. (0.1)%

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

Explanation:

1.
2.
3.
4.

Bar Code:

* 3 6 9 5 1 2 0 1 1 4 9 0 0 0 0 0 3 *

* 3 6 9 5 1 2 0 1 1 4 5 5 0 0 0 0 3 *

* 3 6 9 5 1 2 0 1 1 3 6 5 0 0 0 0 3 *

Overflow Page for Write-Ins

Additional Write-ins for Assets:

	Current Statement Date			4
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	December 31, Prior Year Net Admitted Assets
2504. Goodwill	185,557		185,557	223,510
2505.			0	
2597. Summary of remaining write-ins for Line 25	185,557	0	185,557	223,510

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	410,850,156	367,957,887
2. Cost of bonds and stocks acquired	60,209,235	76,720,464
3. Accrual of discount	192,235	403,439
4. Unrealized valuation increase (decrease)	1,396,375	6,889,827
5. Total gain (loss) on disposals	1,443,930	706,814
6. Deduct consideration for bonds and stocks disposed of	32,692,943	39,541,035
7. Deduct amortization of premium	1,639,306	1,971,877
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		315,363
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	439,759,682	410,850,156
11. Deduct total nonadmitted amounts	9,200	9,217
12. Statement value at end of current period (Line 10 minus Line 11)	439,750,482	410,840,939

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)	344,330,463	45,910,573	47,736,084	(1,395,543)	338,710,289	344,330,463	341,109,410	321,048,262
2. Class 2 (a)	31,827,548	2,492,575		775,586	23,107,250	31,827,548	35,095,709	21,607,588
3. Class 3 (a)	2,558,969		921,546	34,395	2,858,146	2,558,969	1,671,819	4,261,969
4. Class 4 (a)	1,184,064		128,468	120,317	2,137,296	1,184,064	1,175,913	2,162,628
5. Class 5 (a)	39,622		4,876	33,873	41,922	39,622	68,620	163,251
6. Class 6 (a)	1,857,513		38,423	179,418	1,967,683	1,857,513	1,998,507	1,883,397
7. Total Bonds	381,798,180	48,403,148	48,829,398	(251,954)	368,822,586	381,798,180	381,119,977	351,127,095
PREFERRED STOCK								
8. Class 1								
9. Class 2	5,496,825			(582,558)	5,457,724	5,496,825	4,914,267	5,397,653
10. Class 3	6,086,597		515,950	34,308	6,004,029	6,086,597	5,604,955	5,921,426
11. Class 4	2,807,160			(39,952)	2,827,280	2,807,160	2,767,208	2,829,930
12. Class 5	450,779			(9,800)	442,325	450,779	440,979	435,500
13. Class 6	59,885				68,339	59,885	59,885	68,339
14. Total Preferred Stock	14,901,246	0	515,950	(598,002)	14,799,697	14,901,246	13,787,295	14,652,848
15. Total Bonds and Preferred Stock	396,699,426	48,403,148	49,345,348	(849,955)	383,622,283	396,699,426	394,907,272	365,779,944

(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 $.....4,780,636; NAIC 2 $..........0; NAIC 3 $..........0; NAIC 4 $..........0; NAIC 5 $..........0; NAIC 6 $..........0.

SCHEDULE DA - PART 1

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals	4,780,636	XXX	4,780,636		

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	3,237,102	11,653,543
2. Cost of short-term investments acquired	100,732,408	105,842,671
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	99,188,874	114,259,113
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)	4,780,636	3,237,102
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	4,780,636	3,237,102

Sch. DB-Pt A-Verification
NONE

Sch. DB-Pt B-Verification
NONE

Sch. DB-Pt C-Sn 1
NONE

Sch. DB-Pt C-Sn 2
NONE

Sch. DB-Verification
NONE

SCHEDULE E- VERIFICATION

Cash Equivalents

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	4,266,440
2. Cost of cash equivalents acquired		24,208,671
3. Accrual of discount		533
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals		28,475,644
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)
Bonds - U.S. Political Subdivisions of States, Territories and Possessions									
426362 KA 6	HENRY CNTY GA SCH DIST		08/02/2011	ZIEGLER		651,327	550,000	611	1FE
821686 YA 4	SHELBY CNTY TENN		09/01/2011	MERRILL LYNCH		2,363,300	2,000,000	1,667	1FE
2499999.	Total - Bonds - U.S. Political Subdivision of States, Territories & Possessions					3,014,627	2,550,000	2,278	XXX
Bonds - U.S. Special Revenue and Special Assessment									
797412 AU 7	SAN DIEGO CNTY CALIF WTR AUTH		09/08/2011	MERRILL LYNCH		1,196,920	1,000,000		1FE
812643 FT 6	SEATTLE WASH MUN LT & PWR REV		08/30/2011	JEFFERIES & CO		1,759,185	1,500,000	6,458	1FE
3199999.	Total - Bonds - U.S. Special Revenue & Special Assessments					2,956,105	2,500,000	6,458	XXX
Bonds - Industrial and Miscellaneous									
03523T BL 1	ANHEUSER-BUSCH INBEV WOR		07/07/2011	BARCLAYS AMERICAN		499,985	500,000		1FE
202795 HZ 6	COMMONWEALTH EDISON		08/30/2011	US BANCORP INVESTMENTS INC		1,499,505	1,500,000		2FE
25179M AK 9	DEVON ENERGY CORPORATION		07/05/2011	MORGAN STANLEY		993,070	1,000,000		2FE
369550 AQ 1	GENERAL DYNAMICS CORP		07/05/2011	WELLS FARGO SECURITIES LLC		599,262	600,000		1FE
74005P AZ 7	PRAXAIR INC		08/31/2011	CREDIT SUISSE		1,661,148	1,675,000		1FE
884903 BK 0	THOMSON REUTERS CORP		09/28/2011	DEUTSCHE BANK		995,760	1,000,000		1FE
918204 AV 0	VF CORP		08/17/2011	BANK AMERICA		548,295	550,000		1FE
976656 CD 8	WISC ELEC POWER		09/07/2011	BARCLAYS AMERICAN		494,865	500,000		1FE
02364W BC 8	AMERICA MOVIL SAB DE CV	F	08/31/2011	BANK AMERICA		1,140,662	1,150,000		1FE
3899999.	Total - Bonds - Industrial & Miscellaneous					8,432,552	8,475,000	0	XXX
8399997.	Total - Bonds - Part 3					14,403,283	13,525,000	8,736	XXX
8399999.	Total - Bonds					14,403,283	13,525,000	8,736	XXX
9999999.	Total - Bonds, Preferred and Common Stocks					14,403,283	XXX	8,736	XXX

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

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Government																					
36202C 5D 1	G2 2644		09/01/2011	MBS PAYMENT		859	859	870	860		(1)		(1)		859			0	38	05/01/2027	1
36202E 6E 4	G2 4469		09/01/2011	MBS PAYMENT		77,913	77,913	78,607	77,972		(58)		(58)		77,913			0	2,615	02/01/2039	1
36202W KY 4	GN 611511		09/01/2011	MBS PAYMENT		1,667	1,667	1,745	1,673		(6)		(6)		1,667			0	56	03/01/2018	1
36211W KC 1	GN 525091		09/01/2011	MBS PAYMENT		155	155	166	155				0		155			0	9	03/01/2028	1
36296D LB 2	GN 688022		09/01/2011	MBS PAYMENT		43,788	43,788	43,737	43,781		7		7		43,788			0	1,576	06/01/2038	1
36296P 6Q 9	GN 697579		09/01/2011	MBS PAYMENT		96,265	96,265	98,101	96,503		(237)		(237)		96,265			0	3,556	06/01/2038	1
0599999.	Total - Bonds - U.S. Government					220,648	220,648	223,225	220,943	0	(296)	0	(296)	0	220,648	0	0	0	7,850	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment																					
3128LA 7D 6	FG A77192		09/01/2011	MBS PAYMENT		45,375	45,375	45,797	45,424		(49)		(49)		45,375			0	1,598	12/01/2037	1
3128M4 PX 5	FG G02838		09/01/2011	MBS PAYMENT		62,024	62,024	58,720	61,732		292		292		62,024			0	1,894	12/01/2035	1
312929 UA 8	FG A83277		09/01/2011	MBS PAYMENT		127,430	127,430	128,032	127,514		(84)		(84)		127,430			0	4,529	05/01/2038	1
312935 RM 3	FG A88592		09/01/2011	MBS PAYMENT		25,769	25,769	26,804	25,845		(75)		(75)		25,769			0	826	02/01/2039	1
312946 T2 2	FG A97769		09/01/2011	MBS PAYMENT		146,136	146,136	149,345			(198)		(198)		146,136			0	2,349	02/01/2041	1
31294K RE 7	FG E01385		09/01/2011	MBS PAYMENT		23,548	23,548	23,386	23,518		30		30		23,548			0	707	11/01/2017	1
31294K ZT 5	FG E01654		09/01/2011	MBS PAYMENT		15,707	15,707	15,705	15,707				0		15,707			0	530	11/01/2018	1
312962 6K 4	FG B10874		09/01/2011	MBS PAYMENT		28,112	28,112	28,003	28,094		19		19		28,112			0	832	03/01/2018	1
312962 WC 3	FG B10643		09/01/2011	MBS PAYMENT		27,871	27,871	28,350	27,932		(61)		(61)		27,871			0	912	05/01/2018	1
312964 6W 4	FG B12685		09/01/2011	MBS PAYMENT		30,810	30,810	31,123	30,847		(37)		(37)		30,810			0	1,028	04/01/2018	1
312964 UH 0	FG B12384		09/01/2011	MBS PAYMENT		48,327	48,327	48,796	48,391		(63)		(63)		48,327			0	1,505	08/01/2018	1
312968 5L 0	FG B16251		09/01/2011	MBS PAYMENT		25,330	25,330	25,653	25,349		(19)		(19)		25,330			0	816	02/01/2019	1
31297H YK 9	FG A29714		09/01/2011	MBS PAYMENT		56,847	56,847	56,474	56,783		64		64		56,847			0	2,111	02/01/2029	1
31297U Y8 7	FG A38835		09/01/2011	MBS PAYMENT		40,595	40,595	40,068	40,497		98		98		40,595			0	1,404	07/01/2034	1
31371K 2R 1	FN 254684		09/01/2011	MBS PAYMENT		21,683	21,683	22,052	21,734		(51)		(51)		21,683			0	718	08/01/2017	1
31371K Y4 7	FN 254631		09/01/2011	MBS PAYMENT		24,111	24,111	24,544	24,175		(65)		(65)		24,111			0	809	06/01/2017	1
31371L Q2 8	FN 255273		09/01/2011	MBS PAYMENT		113,806	113,806	112,422	113,595		212		212		113,806			0	3,416	11/01/2018	1
31376K B3 9	FN 357458		09/01/2011	MBS PAYMENT		6,497	6,497	6,527	6,501		(4)		(4)		6,497			0	196	04/01/2018	1
31385X GU 5	FN 555611		09/01/2011	MBS PAYMENT		8,767	8,767	8,806	8,772		(5)		(5)		8,767			0	262	11/01/2017	1
31390V K3 7	FN 657414		09/01/2011	MBS PAYMENT		17,737	17,737	18,358	17,826		(89)		(89)		17,737			0	656	05/01/2017	1
31391H 2X 1	FN 667790		09/01/2011	MBS PAYMENT		29,143	29,143	29,667	29,259		(115)		(115)		29,143			0	1,014	07/01/2017	1
31391Y 5W 3	FN 681361		09/01/2011	MBS PAYMENT		28,351	28,351	28,865	28,446		(94)		(94)		28,351			0	929	08/01/2017	1
31393C HX 4	FNR 2003-54 AD		09/01/2011	MBS PAYMENT		25,361	25,361	24,501	25,140		221		221		25,361			0	768	03/01/2012	1
31393D L7 4	FNR 2003-80 CA		09/01/2011	MBS PAYMENT		50,401	50,401	48,049	49,967		435		435		50,401			0	1,341	10/01/2013	1
31393E B3 2	FNR 2003-94 CE		09/01/2011	MBS PAYMENT		8,072	8,072	8,254	8,096		(24)		(24)		8,072			0	276	02/01/2024	1
31393M FK 2	FHR 2591 WB		07/01/2011	MBS PAYMENT		6,353	6,353	6,017	6,171		181		181		6,353			0	148	07/01/2011	1
31393N TU 3	FHR 2597 DE		09/01/2011	MBS PAYMENT		3,307	3,307	3,319	3,311		(3)		(3)		3,307			0	88	09/01/2013	1

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
31393Q MH 2	FHR 2614 EQ		09/01/2011	MBS PAYMENT		37,266	37,266	35,896	36,891		375		375		37,266			0	1,121	03/01/2014	1
31393Q WR 9	FHR 2610 DG		09/01/2011	MBS PAYMENT		12,339	12,339	11,568	12,000		339		339		12,339			0	309	07/01/2013	1
31393R 2D 1	FHR 2611 A		09/01/2011	MBS PAYMENT		46,705	46,705	43,655	45,226		1,479		1,479		46,705			0	1,250	02/01/2012	1
31393U QJ 5	FNR 2003-117 MN		09/01/2011	MBS PAYMENT		47,231	47,231	44,825	45,934		1,297		1,297		47,231			0	1,260	03/01/2012	1
31394C CH 3	FNR 2005-3 HC		09/01/2011	MBS PAYMENT		44,193	44,193	42,781	43,988		205		205		44,193			0	1,299	10/01/2022	1
31394E GN 2	FNR 2005-63 HA		09/01/2011	MBS PAYMENT		24,899	24,899	24,253	24,681		218		218		24,899			0	838	02/01/2013	1
31395A S8 9	FHR 2812 BG		09/01/2011	MBS PAYMENT		35,392	35,392	35,305	35,299		93		93		35,392			0	1,184	11/01/2011	1
31395G FP 2	FHR 2856 TE		09/01/2011	MBS PAYMENT		19,623	19,623	18,915	19,326		297		297		19,623			0	593	04/01/2012	1
31395K BQ 5	FHR 2905 CU		09/01/2011	MBS PAYMENT		356,908	356,908	363,879	356,908				0		356,908			0	12,090	10/01/2011	1
31395P EM 0	FHR 2952 PA		09/01/2011	MBS PAYMENT		45,972	45,972	44,794	45,722		250		250		45,972			0	1,553	03/01/2025	1
31395R AR 9	FHRR R001 AE		09/01/2011	MBS PAYMENT		61,771	61,771	60,412	61,157		614		614		61,771			0	1,797	01/01/2012	1
31398N XW 9	FNA 2010-M5 A1		09/01/2011	MBS PAYMENT		20,643	20,643	20,746	20,657		(14)		(14)		20,643			0	309	05/01/2017	1
31400J GV 5	FN 688812		09/01/2011	MBS PAYMENT		26,012	26,012	26,455	26,058		(46)		(46)		26,012			0	831	05/01/2017	1
31400P BE 4	FN 693137		09/01/2011	MBS PAYMENT		15,716	15,716	15,998	15,745		(30)		(30)		15,716			0	523	05/01/2017	1
31401B P5 8	FN 703444		09/01/2011	MBS PAYMENT		5,500	5,500	5,627	5,518		(18)		(18)		5,500			0	184	12/01/2017	1
31401L E6 6	FN 711257		09/01/2011	MBS PAYMENT		5,385	5,385	5,415	5,390		(5)		(5)		5,385			0	178	02/01/2018	1
31401M CE 9	FN 712069		09/01/2011	MBS PAYMENT		24,302	24,302	24,287	24,300		2		2		24,302			0	809	02/01/2018	1
31402J 2C 0	FN 730771		09/01/2011	MBS PAYMENT		28,660	28,660	29,107	28,732		(72)		(72)		28,660			0	1,001	01/01/2018	1
31402Q 4B 4	FN 735318		09/01/2011	MBS PAYMENT		32,776	32,776	32,428	32,717		59		59		32,776			0	988	10/01/2018	1
31402R LY 3	FN 735743		09/01/2011	MBS PAYMENT		66,241	66,241	65,527	66,120		121		121		66,241			0	1,967	08/01/2019	1
31404D ED 6	FN 765232		09/01/2011	MBS PAYMENT		17,847	17,847	17,981	17,866		(19)		(19)		17,847			0	553	07/01/2018	1
31404S TP 0	FN 777358		09/01/2011	MBS PAYMENT		21,988	21,988	21,792	21,960		28		28		21,988			0	654	12/01/2018	1
31405S HL 1	FN 797735		09/01/2011	MBS PAYMENT		23,800	23,800	24,178	23,830		(30)		(30)		23,800			0	798	07/01/2019	1
31412M M8 8	FN 929283		09/01/2011	MBS PAYMENT		354,238	354,238	356,397	354,623		(385)		(385)		354,238			0	10,891	10/01/2022	1
31414S 3U 5	FN 975211		09/01/2011	MBS PAYMENT		131,174	131,174	125,517	130,166		1,008		1,008		131,174			0	4,144	09/01/2037	1
31417Y RW 9	FN MA0500		09/01/2011	MBS PAYMENT		33,207	33,207	34,457			(29)		(29)		33,207			0	887	04/01/2040	1
31418T C4 7	FN AD5490		09/01/2011	MBS PAYMENT		36,679	36,679	38,616	36,825		(146)		(146)		36,679			0	1,299	12/01/2039	1
31419A K2 2	FN AE0312		09/01/2011	MBS PAYMENT		45,807	45,807	47,171	45,942		(135)		(135)		45,807			0	1,210	03/01/2040	1
31419F FW 1	FN AE4680		09/01/2011	MBS PAYMENT		44,773	44,773	46,431	44,894		(121)		(121)		44,773			0	1,238	07/01/2040	1
31419G XX 7	FN AE6093		09/01/2011	MBS PAYMENT		49,338	49,338	51,181	49,541		(202)		(202)		49,338			0	1,131	07/01/2025	1
38373Y 6X 7	GNR 2003-16 B		09/01/2011	MBS PAYMENT		790,835	790,835	792,812	790,895		(60)		(60)		790,835			0	26,196	03/01/2015	1
38374B 5M 1	GNR 2003-79 PH		09/01/2011	MBS PAYMENT		16,897	16,897	17,530	17,016		(119)		(119)		16,897			0	569	08/01/2013	1
38374B LQ 4	GNR 2003-60 MA		09/01/2011	MBS PAYMENT		9,137	9,137	8,830	9,108		29		29		9,137			0	216	11/01/2022	1
38374B UM 3	GNR 2003-66 NE		09/01/2011	MBS PAYMENT		29,903	29,903	28,604	29,509		394		394		29,903			0	794	10/01/2011	1
38374F CX 0	GNR 2004-5 VB		09/01/2011	MBS PAYMENT		254,584	254,584	263,176	255,181		(597)		(597)		254,584			0	10,263	10/01/2012	1
38374K DC 4	GNR 2004-104 GA		09/01/2011	MBS PAYMENT		47,278	47,278	45,800	47,091		187		187		47,278			0	1,429	04/01/2020	1

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
38374K RA 3	GNR 2005-3 AE		09/01/2011	MBS PAYMENT		27,438	27,438	26,668	27,281		157		157		27,438			0	827	11/01/2013	1
38374K UT 8	GNR 2005-13 PA		09/01/2011	MBS PAYMENT		71,742	71,742	69,432	71,259		483		483		71,742			0	2,056	10/01/2013	1
60415N XR 8	MINNESOTA ST HSG FIN AGY		07/01/2011	CALLED BY ISSUER at 100.000		85,000	85,000	88,143	86,545		(1,545)		(1,545)		85,000			0	4,250	01/01/2036	1FE
64468T ZN 0	NEW HAMPSHIRE ST HSG FIN AUTH		07/01/2011	CALLED BY ISSUER at 100.000		5,000	5,000	5,050	5,010		(10)		(10)		5,000			0	220	07/01/2023	1FE
880459 X2 3	TENNESSEE HSG DEV AGY		07/01/2011	CALLED BY ISSUER at 100.000		25,000	25,000	26,458	25,609		(609)		(609)		25,000			0	1,314	07/01/2034	1FE
93978K K2 3	WASHINGTON ST HSG FIN COMMN		09/01/2011	CALLED BY ISSUER at 100.000		70,000	70,000	70,077	70,016		(16)		(16)		70,000			0	1,896	12/01/2033	1FE
3199999.	Total - Bonds - U.S. Special Revenue & Assessment					4,196,672	4,196,672	4,205,812	4,013,160	0	3,941	0	3,941	0	4,196,672	0	0	0	134,580	XXX	XXX
Bonds - Industrial and Miscellaneous																					
00253C GM 3	AMT 2001-1 A2		09/01/2011	MBS PAYMENT		1,514	1,514	1,557	1,533		(20)		(20)		1,514			0	72	03/01/2012	1Z*
00253C HW 0	AMT 2002-2 A2		09/01/2011	MBS PAYMENT		8,904	8,904	8,904	8,904				0		8,904			0	267	11/01/2032	1Z*
004421 BK 8	ACE 2002-HE3 M3		09/29/2011	VARIOUS		9,442	9,442	4,940	20,437	1,959			1,959		9,442			0		03/25/2011	1Z*
00764M AD 9	AABST 2003-1 M2		09/27/2011	MBS PAYMENT		1,921	1,921	38					0				1,921	1,921		05/25/2033	1Z*
03072S FA 8	AMSI 2003-1 MV3		09/29/2011	VARIOUS		1,510	1,510	252	4,402				0		1,510			0		04/25/2011	1Z*
05947U LH 9	BACM 2003-1 A1		09/01/2011	MBS PAYMENT		14,182	14,182	14,218	14,182				0		14,182			0	345	04/01/2012	1Z*
05951K AX 1	BAFC 2006-7 T2A1		09/01/2011	MBS PAYMENT		9,045	11,763	8,389	8,389				0		8,389		656	656	450	10/01/2036	1Z*
12628K AA 0	CSAB 2006-3 A1A		09/01/2011	MBS PAYMENT		3,194	3,194	2,093	2,093				0		2,093		1,101	1,101	125	11/01/2036	1Z*
126380 AB 0	CSMC 2006-9 2A1		09/01/2011	MBS PAYMENT		21,731	21,731	21,174	20,848	902	(20)		882		21,731			0	786	04/01/2035	1Z*
22540V HG 0	CSFB 2001-HE25 B		08/26/2011	MBS PAYMENT		32	64,352						0				32	32		09/25/2011	1Z*
22540V UM 2	CSFB 2002-HE1 B		09/27/2011	MBS PAYMENT		124	124	2					0				124	124		07/25/2010	1Z*
22541N UA 5	CSFB 2002-30 DB1		09/01/2011	MBS PAYMENT		9,901	9,901	10,087	9,906		(5)		(5)		9,901			0	477	11/01/2032	1Z*
22541N UH 0	CSFB 2002-CP5 A1		09/01/2011	MBS PAYMENT		7,428	7,428	7,428	7,428				0		7,428			0	205	04/01/2012	1Z*
22541N ZG 7	HEAT 2003-1 B1		09/27/2011	MBS PAYMENT		1,428	1,428						0				1,428	1,428		06/25/2033	1Z*
22541S U3 0	CSFB 2004-8 1A2		09/01/2011	MBS PAYMENT		41,037	41,037	41,197	41,130		(93)		(93)		41,037			0	1,324	10/01/2012	1Z*
225458 PD 4	CSFB 2005-AGE1 B3		09/29/2011	VARIOUS		3,505	3,505	3,182	1,514	2,706			2,706		3,505			0		09/25/2015	5Z*
31846L BT 2	FAMLT 1998-1F NOTE		08/01/2011	MBS PAYMENT		482	482	498	484		(2)		(2)		482			0	22	05/01/2021	1Z*
32054Y AC 7	FIB 2000-1 A		09/17/2011	MBS PAYMENT		45,217	45,217	9,323					0				45,217	45,217		07/15/2026	6FE
35729P FA 3	FHLT 2004-C M8		09/29/2011	VARIOUS		346	346	325	190	309			309		346			0		03/25/2013	1Z*
36186C BQ 5	ALLY FINANCIAL INC		09/15/2011	MATURITY		127,000	127,000	111,458	120,081		6,919		6,919		127,000			0	8,731	09/15/2011	4FE
404119 AX 7	HCA INC		08/26/2011	CALLED BY ISSUER at 106.513		106,513	100,000	106,375	104,544		1,969		1,969		106,513			0	7,220	11/15/2016	3FE
456606 DD 1	INHEL 2001-C M2		09/29/2011	VARIOUS		854	854	765	1,506	359			359		854			0		12/25/2010	6Z*
456606 DE 9	INHEL 2001-C B		09/27/2011	MBS PAYMENT		4,069	4,069	146					0				4,069	4,069		05/25/2016	1Z*
466157 AC 8	WENT5 2001-AA A2		09/15/2011	MBS PAYMENT		6,832	6,832	6,867	6,832				0		6,832			0	311	03/15/2017	1FE
46625M TW 9	JPMCC 2003-C1 A1		09/01/2011	MBS PAYMENT		15,109	15,109	15,184	15,109				0		15,109			0	446	07/01/2012	1Z*
52108H 6T 6	LBUBS 2005-C5 A2		09/11/2011	MBS PAYMENT		7,365	7,365	7,302	7,741		(377)		(377)		7,365			0	258	09/11/2011	1Z*
55265K T4 1	MASTR 2003-10 3A1		09/01/2011	MBS PAYMENT		49,358	49,358	49,890	49,456		(99)		(99)		49,358			0	1,843	11/01/2033	1Z*
570506 AE 5	MARKWEST ENERGY PART/FIN		07/15/2011	CALLED BY ISSUER at 104.250		625,500	600,000	595,975	597,361		28,139		28,139		625,500			0	51,000	07/15/2016	3FE

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
57643L CD 6	MABS 2003-WMC2 M6		09/27/2011	MBS PAYMENT		812	812	23					0				812	812		05/25/2011	1Z*
589929 YA 0	MLMI 2002-AFC1 BF1		09/29/2011	VARIOUS		3,564	3,564	2,094	6,238	991			991		3,564			0		01/01/2016	5Z*
61746W MN 7	MSDWC 2002-AM1 B1		09/27/2011	MBS PAYMENT		200	200	10					0				200	200		07/25/2011	1Z*
61746W RT 9	MSDWC 2002-HE2 B1		09/27/2011	MBS PAYMENT		140	140						0				140	140		07/25/2011	1Z*
61746W VU 1	MSDWC 2002-NC4 B1		09/29/2011	VARIOUS		925	925	250	2,297	124			124		925			0		10/25/2010	6Z*
64352V EB 3	NCHET 2003-5 AI4		09/01/2011	MBS PAYMENT		16,282	16,282	16,275	16,282				0		16,282			0	514	10/01/2012	1Z*
681904 AK 4	OMNICARE INC.		09/23/2011	CALLED BY ISSUER at 103.438		63,097	61,000	62,983	62,068	79	950		1,029		63,097			0	2,850	12/15/2015	3FE
68389F EY 6	OOMLT 2004-1 M7		09/29/2011	VARIOUS		2,851	2,851	2,516	1,294	2,239			2,239		2,851			0		01/25/2034	6Z*
68619A AG 2	ORGN 2001-A M1		09/29/2011	VARIOUS		4,085	4,085	1,996	9,201				0		4,085			0		11/15/2017	6FE
76111X LT 8	RFMSI 2004-S6 1A5		09/01/2011	MBS PAYMENT		115,501	115,501	116,440	115,788		(287)		(287)		115,501			0	4,254	04/01/2012	1Z*
857689 AV 5	STATION CASINOS INC.		09/28/2011	MERGER		151	100,000	17	10	7			7		17		134	134		04/01/2012	6Z
86358E ES 1	SAIL 2003-BC11 B		09/27/2011	MBS PAYMENT		252	252	29					0				252	252		10/25/2033	1Z*
86358E FR 2	SAIL 2003-BC12 M4		09/27/2011	VARIOUS		8,673	8,673	7,830	2,287	3,622			3,622				8,673	8,673	23,827	05/25/2009	1Z*
86358E FT 8	SAIL 2003-BC12 M6		09/27/2011	MBS PAYMENT		177	177						0				177	177		06/25/2009	1Z*
86358E GG 5	SAIL 2004-1 B		07/27/2011	PRIOR YEAR INCOME									0					0	1,230	11/25/2009	1Z*
86358R EA 1	SASC 2001-SB1 B1		09/01/2011	MBS PAYMENT		5,753	5,753	4,621	3,754	1,856	144		2,001		5,753			0	129	03/01/2022	1Z*
86358R L7 0	SASC 2002-HF1 B		09/29/2011	VARIOUS		40,736	40,736	29,554	43,214	14,523			14,523		40,736			0		03/25/2011	6Z*
86359A 2T 9	SASC 2003-BC3 M4		09/27/2011	MBS PAYMENT		3,468	3,468	1					0				3,468	3,468		05/25/2013	1Z*
86359A CS 0	SASC 2002-HF2 B1		09/27/2011	MBS PAYMENT		142,565	142,565	8,556					0				142,565	142,565		03/25/2010	1Z*
86359A CT 8	SASC 2002-HF2 B2		09/27/2011	MBS PAYMENT		964	964	7					0				964	964		02/25/2011	1Z*
86359A ME 0	SASC 2003-AL1 A		09/01/2011	MBS PAYMENT		7,313	7,313	7,007	7,284		28		28		7,313			0	163	11/01/2025	1FE
86359A TS 2	SASC 2003-AM1 B2		09/29/2011	VARIOUS		788	788	522	1,402				0		788			0		08/25/2010	1Z*
88576P AB 9	HENDR 2003-AA NOTE		09/15/2011	MBS PAYMENT		14,201	14,201	14,201	14,175		26		26		14,201			0	441	08/15/2019	1FE
90928A AA 5	UAL 2007 PASS TRUST		07/02/2011	MBS PAYMENT		1,468	1,468	1,464	1,396	71	1		72		1,468			0	108	07/02/2019	4FE
94981A AB 9	WFMBS 2003-14 1A2		09/01/2011	MBS PAYMENT		56,851	56,851	54,142	56,194		657		657		56,851			0	1,741	11/01/2018	1Z*
97381W AD 6	WINDSTREAM CORP		09/19/2011	CALLED BY ISSUER at 104.313		66,760	64,000	68,640	66,712		49		49		66,760			0	5,991	08/01/2016	3FE
BCC00H 34 1	AMHPT 1996-2 B2		09/01/2011	MBS PAYMENT			28,213	18,023	14,289	3,734			3,734		18,023		(18,023)	(18,023)	1,708	09/15/2026	6FE
92658T AG 3	VIDEOTRON LTEE	A	07/18/2011	CALLED BY ISSUER at 101.146		59,676	59,000	59,369	58,953		723		723		59,676			0	4,070	01/15/2014	3FE
3899999.	Total - Bonds - Industrial & Miscellaneous					1,740,795	1,898,348	1,504,138	1,526,908	33,483	38,703	0	72,186	0	1,546,885	0	193,910	193,910	120,905	XXX	XXX
8399997.	Total - Bonds - Part 4					6,158,115	6,315,668	5,933,175	5,761,011	33,483	42,349	0	75,831	0	5,964,205	0	193,910	193,910	263,335	XXX	XXX
8399999.	Total - Bonds					6,158,115	6,315,668	5,933,175	5,761,011	33,483	42,349	0	75,831	0	5,964,205	0	193,910	193,910	263,335	XXX	XXX
Preferred Stocks - Industrial and Miscellaneous																					
264411 69 5	DUKE REALTY CORP.		07/18/2011	CALLED BY ISSUER at 25.000	20,000.000	500,000	25.00	515,950	491,000	24,950			24,950		515,950		(15,950)	(15,950)	19,938	XXX	P3LFE
8499999.	Total - Preferred Stocks - Industrial & Miscellaneous					500,000	XXX	515,950	491,000	24,950	0	0	24,950	0	515,950	0	(15,950)	(15,950)	19,938	XXX	XXX
8999997.	Total - Preferred Stocks - Part 4					500,000	XXX	515,950	491,000	24,950	0	0	24,950	0	515,950	0	(15,950)	(15,950)	19,938	XXX	XXX
8999999.	Total - Preferred Stocks					500,000	XXX	515,950	491,000	24,950	0	0	24,950	0	515,950	0	(15,950)	(15,950)	19,938	XXX	XXX

Statement for September 30, 2011 of the **Century Surety Company**

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Desig-nation or Market Indicator (a)
9899999.	Total - Preferred and Common Stocks					500,000	XXX	515,950	491,000	24,950	0	0	24,950	0	515,950	0	(15,950)	(15,950)	19,938	XXX	XXX
9999999.	Total - Bonds, Preferred and Common Stocks					6,658,115	XXX	6,449,125	6,252,011	58,433	42,349	0	100,781	0	6,480,155	0	177,960	177,960	283,273	XXX	XXX

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

Sch. DB-Pt A-Sn 1
NONE

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

Sch. DB-Pt B-Sn 1
NONE

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

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

Sch. DB-Pt D
NONE

Sch. DL-Pt. 1
NONE

Sch. DL-Pt. 2
NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 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 6 First Month	7 Second Month	8 Third Month	9 *
Open Depositories								
JPMorgan Chase Bank ... Columbus, OH					1,403,778	3,489,710	6,957,666	XXX
Cash in Transit							483,697	XXX
0199999. Total Open Depositories	XXX	XXX	0	0	1,403,778	3,489,710	7,441,362	XXX
0399999. Total Cash on Deposit	XXX	XXX	0	0	1,403,778	3,489,710	7,441,362	XXX
0599999. Total Cash	XXX	XXX	0	0	1,403,778	3,489,710	7,441,362	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

NONE

* 3 6 9 5 1 2 0 1 1 5 0 5 0 0 1 0 3 *

DIRECTOR AND OFFICER SUPPLEMENT

Year To Date For the Period Ended September 30, 2011

NAIC Group Code.....0748 NAIC Company Code.....36951

Company Name: Century Surety Company

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

1. Monoline Policies

1 Direct Written Premiums	2 Direct Earned Premiums	3 Direct Losses Incurred
........................6,750	4,032	....

2. Commercial Multiple Peril (CMP) Packaged Policies

2.1 Does the reporting entity provide D&O liability coverage as part of a CMP packaged policy? .... Yes [ ] No [X]

2.2 Can the direct premium earned for D&O liability coverage provided as part of a CMP packaged policy be quantified or estimated? .... Yes [ ] No [X]

2.3 If the answer to question 2.2 is yes, provide the quantified or estimated direct premium earned amount for D&O liability coverage in CMP packaged policies:

2.31 Amount quantified: ....N/A

2.32 Amount estimated using reasonable assumptions: ....N/A

2.4 If the answer to question 2.1 is yes, provide direct losses incurred (losses paid plus change in case reserves) for the D&O liability coverages provided in CMP packaged policies: ....N/A