

Pages amended to correct Prior Year to Date information.



PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

QUARTERLY STATEMENT

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

TRUSTGARD INSURANCE COMPANY

NAIC Group Code	00267 (Current Period)	00267 (Prior Period)	NAIC Company Code	40118	Employer's ID Number	41-1405571
Organized under the Laws of		Ohio	State of Domicile or Port of Entry		Ohio	
Country of Domicile			United States			
Incorporated/Organized		07/01/1981	Commenced Business		11/10/1981	
Statutory Home Office		671 South High Street (Street and Number)	Columbus, OH 43206-1014 (City or Town, State and Zip Code)			
Main Administrative Office		671 South High Street (Street and Number)	Columbus, OH 43206-1014 (City or Town, State and Zip Code)		614-445-2900 (Area Code) (Telephone Number)	
Mail Address		671 South High Street, P.O. Box 1218 (Street and Number or P.O. Box)	Columbus, OH 43216-1218 (City or Town, State and Zip Code)			
Primary Location of Books and Records		671 South High Street (Street and Number)	Columbus, OH 43206-1014 (City or Town, State and Zip Code)		614-445-2900 (Area Code) (Telephone Number)	
Internet Web Site Address		www.grangeinsurance.com				
Statutory Statement Contact		David Sidney Ackermann (Name)	614-445-2900 (Area Code) (Telephone Number) (Extension)			
		ackermannd@grangeinsurance.com (E-mail Address)	614-542-3017 (Fax Number)			

OFFICERS

Name	Title	Name	Title
THOMAS HOWARD WELCH	PRESIDENT & CEO	DAVID TRUFANT ROARK	VP & SECRETARY
JOHN PAUL MCCAFFREY	VP & CFO		

OTHER OFFICERS

JOHN CHRISTOPHER MONTGOMERY	VP - INVESTMENTS
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DIRECTORS OR TRUSTEES

DOUGLAS PAUL BUTH	GLENN EUGENE CORLETT	ELWOOD GORDON GEE	ROBERT ENLOW HOYT #
JOHN PAUL MCCAFFREY #	ROBERT JOHN O'BRIEN	MICHAEL VERNE PARROTT	MARY MARNETTE PERRY
MELVIN GEORGE PYE JR	THOMAS SIMRALL STEWART	PHILIP WAYNE STICHTER	THOMAS HOWARD WELCH
DAVID CHARLES WETMORE			

State of Ohio

County of Franklin ss

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

THOMAS HOWARD WELCH PRESIDENT & CEO	DAVID TRUFANT ROARK VP & SECRETARY	JOHN PAUL MCCAFFREY VP & CFO
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a. Is this an original filing? Yes [] No [X]

b. If no:

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

1
01/17/2012
4

Subscribed and sworn to before me this
17th day of January, 2012

JOHN PAUL MCCAFFREY
VP & CFO

THOMAS HOWARD WELCH
PRESIDENT & CEO

DAVID TRUFANT ROARK
VP & SECRETARY

TERESA J. BURCHWELL, Notary Public
April 28, 2012

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE TRUSTGARD INSURANCE COMPANY

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 119,666,095)	122,783,854	142,458,710	187,024,970
1.2 Assumed (written \$ 27,646,132)	27,565,541	29,603,677	39,298,227
1.3 Ceded (written \$ 119,743,515)	122,851,818	142,521,448	187,108,112
1.4 Net (written \$ 27,568,712)	27,497,577	29,540,939	39,215,085
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 16,722,974):			
2.1 Direct	94,555,978	94,774,565	124,708,820
2.2 Assumed	16,787,673	18,339,101	24,043,054
2.3 Ceded	94,619,105	94,824,578	124,775,253
2.4 Net	16,724,546	18,289,088	23,976,621
3. Loss adjustment expenses incurred	2,929,360	3,199,382	4,160,164
4. Other underwriting expenses incurred	8,835,923	9,601,461	12,451,963
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	28,489,829	31,089,931	40,588,748
7. Net income of protected cells		0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(992,252)	(1,548,992)	(1,373,663)
INVESTMENT INCOME			
9. Net investment income earned	1,860,789	1,621,120	2,121,652
10. Net realized capital gains (losses) less capital gains tax of \$ (697)	(1,295)	(134,495)	(211,750)
11. Net investment gain (loss) (Lines 9 + 10)	1,859,494	1,486,625	1,909,902
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 2,605 amount charged off \$ 222,711)	(220,106)	(256,077)	(357,494)
13. Finance and service charges not included in premiums	3,497,171	4,838,172	6,208,518
14. Aggregate write-ins for miscellaneous income	124,468	191,674	236,321
15. Total other income (Lines 12 through 14)	3,401,533	4,773,769	6,087,345
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	4,268,775	4,711,402	6,623,584
17. Dividends to policyholders	84,286	88,257	113,247
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)	4,184,489	4,623,145	6,510,337
19. Federal and foreign income taxes incurred	469,419	1,596,793	1,988,720
20. Net income (Line 18 minus Line 19)(to Line 22)	3,715,070	3,026,352	4,521,617
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	41,195,226	36,677,700	36,677,700
22. Net income (from Line 20)	3,715,070	3,026,352	4,521,617
23. Net transfers (to) from Protected Cell accounts		0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$		58,871	84,260
25. Change in net unrealized foreign exchange capital gain (loss)		0	0
26. Change in net deferred income tax	(918,049)	(62,727)	(82,414)
27. Change in nonadmitted assets	29,039	25,583	(5,937)
28. Change in provision for reinsurance		0	0
29. Change in surplus notes		0	0
30. Surplus (contributed to) withdrawn from protected cells		0	0
31. Cumulative effect of changes in accounting principles		0	0
32. Capital changes:			
32.1 Paid in		0	0
32.2 Transferred from surplus (Stock Dividend)		0	0
32.3 Transferred to surplus		0	0
33. Surplus adjustments:			
33.1 Paid in		0	0
33.2 Transferred to capital (Stock Dividend)		0	0
33.3 Transferred from capital		0	0
34. Net remittances from or (to) Home Office		0	0
35. Dividends to stockholders		0	0
36. Change in treasury stock		0	0
37. Aggregate write-ins for gains and losses in surplus	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37)	2,826,060	3,048,079	4,517,526
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	44,021,286	39,725,779	41,195,226
DETAILS OF WRITE-INS			
0501.		0	0
0502.		0	0
0503.		0	0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0
1401. Miscellaneous Income	124,468	191,674	236,321
1402.		0	0
1403.		0	0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	124,468	191,674	236,321
3701.		0	0
3702.		0	0
3703.		0	0
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	0	0	0

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE TRUSTGARD INSURANCE COMPANY

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance.....	26,978,905	29,888,864	39,109,802
2. Net investment income.....	2,006,301	1,525,728	2,115,815
3. Miscellaneous income.....	3,401,533	4,773,769	6,087,345
4. Total (Lines 1 to 3).....	32,386,739	36,188,361	47,312,962
5. Benefit and loss related payments.....	17,418,746	18,051,987	23,814,784
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	12,217,152	12,933,956	16,522,777
8. Dividends paid to policyholders.....	.76,739	.90,213	.116,573
9. Federal and foreign income taxes paid (recovered) net of \$(697) tax on capital gains (losses).....	1,874,700	2,038,194	2,038,195
10. Total (Lines 5 through 9).....	31,587,337	33,114,350	42,492,329
11. Net cash from operations (Line 4 minus Line 10).....	799,402	3,074,011	4,820,633
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	20,517,043	15,996,938	20,333,336
12.2 Stocks.....	0	0	0
12.3 Mortgage loans.....	0	0	0
12.4 Real estate.....	0	0	0
12.5 Other invested assets.....	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	0	0	0
12.7 Miscellaneous proceeds.....	5,872,981	1,796,226	0
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	26,390,024	17,793,164	20,333,336
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	20,557,718	21,351,991	27,132,923
13.2 Stocks.....	0	0	0
13.3 Mortgage loans.....	0	0	0
13.4 Real estate.....	0	0	0
13.5 Other invested assets.....	0	0	0
13.6 Miscellaneous applications.....	0	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6).....	20,557,718	21,351,991	27,132,923
14. Net increase (or decrease) in contract loans and premium notes.....	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	5,832,306	(3,558,827)	(6,799,587)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds.....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	0	0	0
16.5 Dividends to stockholders.....	0	0	0
16.6 Other cash provided (applied).....	137,222	909,549	908,173
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	137,222	909,549	908,173
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....	6,768,930	424,733	(1,070,781)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	633,636	1,704,417	1,704,417
19.2 End of period (Line 18 plus Line 19.1).....	7,402,566	2,129,150	633,636

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE TRUSTGARD INSURANCE COMPANY

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
1. Alabama	AL. N.		0		0		0
2. Alaska	AK. N.		0		0		0
3. Arizona	AZ. N.		0		0		0
4. Arkansas	AR. N.		0		0		0
5. California	CA. L.		0		0		0
6. Colorado	CO. L.		0		0		0
7. Connecticut	CT. N.		0		0		0
8. Delaware	DE. N.		0		0		0
9. District of Columbia	DC. N.		0		0		0
10. Florida	FL. N.		0		0		0
11. Georgia	GA. L.	11,972,958	15,108,644	11,693,920	10,060,796	3,991,027	4,853,306
12. Hawaii	HI. N.		0		0		0
13. Idaho	ID. N.		0		0		0
14. Illinois	IL. L.	20,687,489	25,643,688	15,099,037	21,327,866	11,104,402	13,540,521
15. Indiana	IN. L.	17,869,098	18,335,766	11,129,839	8,662,252	4,815,224	4,722,005
16. Iowa	IA. L.		0		0		0
17. Kansas	KS. L.		0		0		0
18. Kentucky	KY. L.	11,151,674	14,142,872	9,206,575	9,742,314	5,156,752	5,022,172
19. Louisiana	LA. N.		0		0		0
20. Maine	ME. N.		0		0		0
21. Maryland	MD. N.		0		0		0
22. Massachusetts	MA. N.		0		0		0
23. Michigan	MI. N.		0		0		0
24. Minnesota	MN. L.		0		0		0
25. Mississippi	MS. N.		0		0		0
26. Missouri	MO. L.		0	(950)	(627)		0
27. Montana	MT. N.		0		0		0
28. Nebraska	NE. L.		0		0		0
29. Nevada	NV. N.		0		0		0
30. New Hampshire	NH. N.		0		0		0
31. New Jersey	NJ. N.		0		0		0
32. New Mexico	NM. N.		0		0		0
33. New York	NY. N.		0		0		0
34. North Carolina	NC. N.		0		0		0
35. North Dakota	ND. L.		0		0		0
36. Ohio	OH. L.	10,489,341	12,612,806	6,995,180	7,766,245	4,713,645	5,118,133
37. Oklahoma	OK. N.		0		0		0
38. Oregon	OR. L.		0		0		0
39. Pennsylvania	PA. L.	16,535,940	17,147,724	12,370,246	11,607,052	5,477,646	5,244,362
40. Rhode Island	RI. N.		0		0		0
41. South Carolina	SC. L.	3,547,007	4,677,719	2,617,764	2,883,156	1,535,885	3,040,537
42. South Dakota	SD. L.		0		0		0
43. Tennessee	TN. L.	20,576,874	23,382,306	25,493,578	16,307,194	9,362,358	9,067,937
44. Texas	TX. L.		0		0		0
45. Utah	UT. N.		0		0		0
46. Vermont	VT. N.		0		0		0
47. Virginia	VA. L.	6,835,714	9,327,460	5,326,170	7,363,303	3,816,555	4,273,513
48. Washington	WA. L.		0		0		0
49. West Virginia	WV. N.		0		0		0
50. Wisconsin	WI. L.		0		0		0
51. Wyoming	WY. N.		0		0		0
52. American Samoa	AS. N.		0		0		0
53. Guam	GU. N.		0		0		0
54. Puerto Rico	PR. N.		0		0		0
55. U.S. Virgin Islands	VI. N.		0		0		0
56. Northern Mariana Islands	MP. N.		0		0		0
57. Canada	CN. N.		0		0		0
58. Aggregate Other Alien	OT. XXX	0	0	0	0	0	0
59. Totals	(a) 21	119,666,095	140,378,985	99,931,359	95,719,551	49,973,494	54,882,486
DETAILS OF WRITE-INS							
5801.	XXX.		0		0		0
5802.	XXX.		0		0		0
5803.	XXX.		0		0		0
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX.	0	0	0	0	0	0
5899. TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX	0	0	0	0	0	0

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

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

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE TRUSTGARD INSURANCE COMPANY

PART 1 - LOSS EXPERIENCE

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire	2,162,270	2,931,723	135.6	46.9
2. Allied lines	1,458,217	793,142	54.4	66.7
3. Farmowners multiple peril			0.0	0.0
4. Homeowners multiple peril	32,867,076	40,414,528	123.0	85.3
5. Commercial multiple peril			0.0	0.0
6. Mortgage guaranty			0.0	0.0
8. Ocean marine			0.0	0.0
9. Inland marine	812,164	349,998	43.1	42.0
10. Financial guaranty			0.0	0.0
11.1 Medical professional liability -occurrence			0.0	0.0
11.2 Medical professional liability -claims made			0.0	0.0
12. Earthquake	530,392	0	0.0	(0.1)
13. Group accident and health			0.0	0.0
14. Credit accident and health			0.0	0.0
15. Other accident and health			0.0	0.0
16. Workers' compensation	2,502,867	1,682,892	67.2	83.1
17.1 Other liability occurrence	960,560	469,333	48.9	22.1
17.2 Other liability-claims made			0.0	0.0
17.3 Excess Workers' Compensation			0.0	0.0
18.1 Products liability-occurrence			0.0	0.0
18.2 Products liability-claims made			0.0	0.0
19.1,19.2 Private passenger auto liability	48,814,240	25,837,630	52.9	64.5
19.3,19.4 Commercial auto liability	1,728,840	1,006,582	58.2	36.9
21. Auto physical damage	30,947,228	21,070,150	68.1	57.9
22. Aircraft (all perils)			0.0	0.0
23. Fidelity			0.0	0.0
24. Surety			0.0	0.0
26. Burglary and theft			0.0	0.0
27. Boiler and machinery			0.0	0.0
28. Credit			0.0	0.0
29. International			0.0	0.0
30. Warranty			0.0	0.0
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0.0	0.0
35. TOTALS	122,783,854	94,555,978	77.0	66.5
DETAILS OF WRITE-INS				
3401.			0.0	0.0
3402.			0.0	0.0
3403.			0.0	0.0
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date	
1. Fire	731,190	2,222,081	2,003,644	
2. Allied lines	512,335	1,513,821	1,342,733	
3. Farmowners multiple peril	0		0	
4. Homeowners multiple peril	11,482,833	32,239,252	34,042,771	
5. Commercial multiple peril	0		0	
6. Mortgage guaranty	0		0	
8. Ocean marine	0		0	
9. Inland marine	259,251	766,318	871,083	
10. Financial guaranty	0		0	
11.1 Medical professional liability-occurrence	0		0	
11.2 Medical professional liability-claims made	0		0	
12. Earthquake	209,946	540,873	534,311	
13. Group accident and health	0		0	
14. Credit accident and health	0		0	
15. Other accident and health	0		0	
16. Workers' compensation	915,066	3,315,033	1,927,366	
17.1 Other liability occurrence	303,013	870,761	1,046,742	
17.2 Other liability-claims made	0		0	
17.3 Excess Workers' Compensation	0		0	
18.1 Products liability-occurrence	0		0	
18.2 Products liability-claims made	0		0	
19.1,19.2 Private passenger auto liability	14,830,749	46,370,120	59,732,875	
19.3,19.4 Commercial auto liability	633,764	2,220,201	1,429,776	
21. Auto physical damage	9,495,788	29,607,635	37,447,684	
22. Aircraft (all perils)	0		0	
23. Fidelity	0		0	
24. Surety	0		0	
26. Burglary and theft	0		0	
27. Boiler and machinery	0		0	
28. Credit	0		0	
29. International	0		0	
30. Warranty	0		0	
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	
34. Aggregate write-ins for other lines of business	0	0	0	
35. TOTALS	39,373,935	119,666,095	140,378,985	
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	
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0	