



QUARTERLY STATEMENT

As of September 30, 2011

of the Condition and Affairs of the

Triumphe Casualty Company

NAIC Group Code.....84, 84	NAIC Company Code..... 41106	Employer's ID Number..... 95-3623282
(Current Period) (Prior Period)		
Organized under the Laws of Pennsylvania	State of Domicile or Port of Entry Pennsylvania	Country of Domicile US
Incorporated/Organized..... October 20, 1981	Commenced Business..... December 31, 1981	
Statutory Home Office	4999 Louise Dr., Suite 202 Mechanicsburg PA 17055	
	(Street and Number) (City or Town, State and Zip Code)	
Main Administrative Office	3250 Interstate Drive..... Richfield OH 44286	330-659-8900
	(Street and Number) (City or Town, State and Zip Code)	(Area Code) (Telephone Number)
Mail Address	3250 Interstate Drive..... Richfield OH 44286	
	(Street and Number or P. O. Box) (City or Town, State and Zip Code)	
Primary Location of Books and Records	3250 Interstate Drive..... Richfield OH 44286	330-659-8900
	(Street and Number) (City or Town, State and Zip Code)	(Area Code) (Telephone Number)
Internet Web Site Address	www.nationalinterstate.com	
Statutory Statement Contact	Julie Ann McGraw	330-659-8900 -1272
	(Name)	(Area Code) (Telephone Number) (Extension)
	julie.mcgraw@nationalinterstate.com	330-659-8904
	(E-Mail Address)	(Fax Number)

OFFICERS

Name	Title	Name	Title
1. David Warner Michelson	President	2. Arthur Jeffrey Gonzales	VP, Secretary & General Counsel
3. Julie Ann McGraw	VP, CFO & Treasurer	4. Terry Eugene Phillips	Senior Vice President

OTHER

Gary Norman Monda	VP, CIO & Assistant Treasurer
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DIRECTORS OR TRUSTEES

Alan Robert Spachman	Gary Norman Monda	David Warner Michelson	Terry Eugene Phillips
Julie Ann McGraw	Terri Kaye Johnson	Arthur Jeffrey Gonzales	

State of..... Pennsylvania
County of..... Cumberland

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)
David Warner Michelson	Arthur Jeffrey Gonzales	Julie Ann McGraw
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President	VP, Secretary & General Counsel	VP, CFO & Treasurer
(Title)	(Title)	(Title)

Subscribed and sworn to before me	a. Is this an original filing?	Yes [X] No []
This 31 day of October	b. If no:	
	1. State the amendment number	
	2. Date filed	
	3. Number of pages attached	

ASSETS

	Current Statement Date			4
	1	2	3	
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31 Prior Year Net Admitted Assets
1. Bonds.....	22,640,005		22,640,005	22,885,953
2. Stocks:				
2.1 Preferred stocks.....	5,730		5,730	5,730
2.2 Common stocks.....			0	
3. Mortgage loans on real estate:				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$.....0), cash equivalents (\$.....0) and short-term investments (\$.....11,557).....	11,557		11,557	22,981
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).....	22,657,292	0	22,657,292	22,914,664
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	271,481		271,481	244,896
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	35,520		35,520	24,812
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	1,344,519	342	1,344,177	845,887
15.3 Accrued retrospective premiums.....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	385	385	0	
16.2 Funds held by or deposited with reinsured companies.....	7,756,399		7,756,399	
16.3 Other amounts receivable under reinsurance contracts.....			0	
17. Amounts receivable relating to uninsured plans.....			0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0	
18.2 Net deferred tax asset.....	674,062	91,669	582,393	347,421
19. Guaranty funds receivable or on deposit.....			0	
20. Electronic data processing equipment and software.....			0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....			0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....			0	125,676
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other than invested assets.....	145,113	0	145,113	136,530
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	32,884,770	92,396	32,792,374	24,639,886
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. Total (Lines 26 and 27).....	32,884,770	92,396	32,792,374	24,639,886

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. Other receivables.....	43,104		43,104	23,259
2502. Annuity contracts.....	102,009		102,009	113,271
2503.			0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	145,113	0	145,113	136,530

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$.....1,896,447).....	8,014,047	3,293,747
2. Reinsurance payable on paid losses and loss adjustment expenses.....		
3. Loss adjustment expenses.....	1,884,406	988,962
4. Commissions payable, contingent commissions and other similar charges.....	231,961	165,704
5. Other expenses (excluding taxes, licenses and fees).....	152,332	217,467
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	114,561	90,877
7.1 Current federal and foreign income taxes (including \$.....12,606 on realized capital gains (losses)).....	554,256	334,860
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 \$.....4,967,536 and including warranty reserves of \$.....0).....	3,462,275	2,210,849
10. Advance premium.....	21,992	19,995
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	122,238	145,968
13. Funds held by company under reinsurance treaties.....	237,391	152,550
14. Amounts withheld or retained by company for account of others.....	6,618	351
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.....	294,621	74,929
20. Derivatives.....		
21. Payable for securities.....		
22. Payable for securities lending.....		
23. Liability for amounts held under uninsured plans.....		
24. Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	15,096,700	7,696,259
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	15,096,700	7,696,259
29. Aggregate write-ins for special surplus funds.....	91,670	38,224
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.....	6,500,000	6,500,000
35. Unassigned funds (surplus).....	8,104,004	7,405,404
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).....	17,695,674	16,943,627
38. Totals.....	32,792,374	24,639,886

DETAILS OF WRITE-INS		
2501.		
2502.		
2503.		
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).....	0	0
2901. Additional admitted deferred taxes assets - SSAP 10R.....	91,670	38,224
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).....	91,670	38,224
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

Triumphe Casualty Company

STATEMENT OF INCOME

	1	2	3
	Current Year	Prior Year	Prior Year Ended
	to Date	to Date	December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct..... (written \$.....7,191,933).....	5,905,000	4,507,152	6,302,185
1.2 Assumed..... (written \$.....6,478,989).....	5,227,550	3,333,353	4,543,783
1.3 Ceded..... (written \$.....7,191,933).....	5,905,000	4,507,152	6,302,185
1.4 Net..... (written \$.....6,478,989).....	5,227,550	3,333,353	4,543,784
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....2,902,972):			
2.1 Direct.....	7,074,786	3,185,871	4,166,921
2.2 Assumed.....	2,801,521	1,637,544	2,286,729
2.3 Ceded.....	7,081,794	3,184,464	4,166,103
2.4 Net.....	2,794,513	1,638,951	2,287,547
3. Loss adjustment expenses incurred.....	582,663	328,549	467,599
4. Other underwriting expenses incurred.....	1,646,843	1,161,857	1,498,321
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	5,024,019	3,129,357	4,253,467
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	203,531	203,996	290,317
INVESTMENT INCOME			
9. Net investment income earned.....	662,927	586,345	777,464
10. Net realized capital gains (losses) less capital gains tax of \$.....12,606.....	23,412	6,897	6,897
11. Net investment gain (loss) (Lines 9 + 10).....	686,338	593,242	784,361
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0).....	0		
13. Finance and service charges not included in premiums.....	49,396	31,527	46,677
14. Aggregate write-ins for miscellaneous income.....	117,271	118,861	142,141
15. Total other income (Lines 12 through 14).....	166,667	150,388	188,818
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	1,056,536	947,626	1,263,495
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).....	1,056,536	947,626	1,263,495
19. Federal and foreign income taxes incurred.....	541,650	262,468	331,146
20. Net income (Line 18 minus Line 19) (to Line 22).....	514,886	685,158	932,349
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	16,943,627	15,977,424	15,977,425
22. Net income (from Line 20).....	514,886	685,158	932,349
23. Net transfers (to) from Protected Cell accounts.....			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0.....			
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....	288,417	40,619	34,485
27. Change in nonadmitted assets.....	(104,701)	(5,310)	(11,260)
28. Change in provision for reinsurance.....		6,000	6,000
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.....			
36. Change in treasury stock.....			
37. Aggregate write-ins for gains and losses in surplus.....	53,446	2,716	4,628
38. Change in surplus as regards policyholders (Lines 22 through 37).....	752,047	729,183	966,202
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	17,695,674	16,706,607	16,943,627
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.....	119,315	119,299	142,880
1402. Funds held interest.....	(2,045)	(438)	(739)
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).....	117,271	118,861	142,141
3701. Change in nonadmitted assets - additional admitted deferred taxes assets - SSAP 10R.....	53,446	2,716	4,628
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	53,446	2,716	4,628

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.....	5,950,435	3,404,746	4,563,695
2. Net investment income.....	809,798	665,802	942,635
3. Miscellaneous income.....	166,667	150,388	188,818
4. Total (Lines 1 through 3).....	6,926,901	4,220,936	5,695,147
5. Benefit and loss related payments.....	5,830,611	1,369,063	1,844,008
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	1,309,256	1,327,606	1,746,745
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$.....12,606 tax on capital gains (losses).....	334,860	426,761	426,761
10. Total (Lines 5 through 9).....	7,474,728	3,123,430	4,017,514
11. Net cash from operations (Line 4 minus Line 10).....	(547,827)	1,097,507	1,677,633
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	3,013,170	7,032,504	7,506,658
12.2 Stocks.....			
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.....			
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	3,013,170	7,032,504	7,506,658
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	2,904,659	7,910,266	9,441,241
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).....	2,904,659	7,910,266	9,441,241
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).....	108,511	(877,762)	(1,934,583)
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.....			
16.6 Other cash provided (applied).....	427,893	(272,797)	69,748
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	427,893	(272,797)	69,748
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).....	(11,423)	(53,052)	(187,202)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	22,980	210,182	210,182
19.2 End of period (Line 18 plus Line 19.1).....	11,557	157,130	22,980

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

20.0001			
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NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

A. The accompanying financial statements of Triumphe Casualty Company (Company) have been prepared on the basis of accounting practices prescribed or permitted by the State of Pennsylvania Department of Insurance. The Pennsylvania Department of Insurance requires insurance companies domiciled in the state of Pennsylvania to prepare their statutory financial statements in accordance with the National Association of Insurance Commissioners’ (NAIC) Accounting *Practices and Procedures Manual* subject to any deviations prescribed or permitted by the Pennsylvania Department of Insurance. There are no deviations prescribed or permitted by the Pennsylvania Department of Insurance utilized in the Company’s financial statements.

Note 2 - Accounting Changes and Corrections of Errors

No significant change.

Note 3 - Business Combinations and Goodwill

No significant change.

Note 4 - Discontinued Operations

No significant change.

Note 5 - Investments

- D. Loan-Backed Securities
1. The Company uses dealer-modeled prepayment assumptions for mortgage-backed and asset-backed securities at the date of purchase to determine effective yields; significant changes in estimated cash flows from the original purchase assumptions are accounted for on a prospective basis.
 2. The Company does not have any loan-backed securities with an other-than-temporary impairment for which it has the intent to sell or the inability or lack of intent to retain the investment in the security.
 3. The Company does not have any loan-backed securities with an other-than-temporary (“OTTI”) impairment recognized in 2011.
 4. The Company does not have any loan-backed securities with an unrealized loss at September 30, 2011.
 5. The Company does not have any loan-backed securities with an unrealized loss at September 30, 2011.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

No significant change.

Note 7 - Investment Income

No significant change.

Note 8 - Derivative Instruments

No significant change.

Note 9 - Income Taxes

No significant change.

Note 10 - Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

No significant change.

Note 11 - Debt

No significant change.

NOTES TO FINANCIAL STATEMENTS

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

No significant change.

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

No significant change.

Note 14 - Contingencies

E. Other Contingencies

Lawsuits arise against the Company in the normal course of business. Contingent liabilities from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company.

Note 15 - Leases

No significant change.

Note 16 - Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

No significant change.

Note 17 - Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

C. Wash Sales.

Not Applicable.

Note 18 - Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

No significant change.

Note 19 - Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

No significant change.

Note 20 - Fair Value

This footnote is not applicable to TCCO as the Company does not carry any securities at fair value at 09/30/2011.

Note 21 - Other Items

No significant change.

Note 22 - Events Subsequent

No significant change.

Note 23 - Reinsurance

No significant change.

Note 24 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

No significant change.

NOTES TO FINANCIAL STATEMENTS

Note 25 - Change in Incurred Losses and Loss Adjustment Expenses

Reserves as of December 31, 2010 were \$4,282,709. As of September 30, 2011, \$2,270,246 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$7,499,579. The increase in outstanding losses and LAE as compared to prior year is a result of the Company and affiliates entering into an inter-company pooling arrangement with Vanliner Insurance Company effective January 1, 2011. The impact to prior year reserves was an increase of \$5,712,525 for assuming the initial reserves effective with the implementation of the new pooling agreement. There has been \$225,409 favorable prior year development since December 31, 2010. The increase in incurred claims and claims adjustment expenses are generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

Note 26 - Intercompany Pooling Arrangements

Effective January 1, 2011, the Company entered into an amended pooling agreement with its parent, National Interstate Insurance Company (NIIC) and NIIC’s two insurance subsidiaries, National Interstate Insurance Company of Hawaii (NIIC-HI) and Vanliner Insurance Company (VIC). The following summarizes the participation percentages:

Name of Insurer	NAIC Code	% Participation
Triumphe Casualty Company	41106	2%
National Interstate Insurance Company of Hawaii	11051	2%
Vanliner Insurance Company	21172	26%
National Interstate Insurance Company (Lead)	32620	70%

Prior to the pooling of business, each participating company makes cessions, primarily excess of loss arrangements, to various other affiliated and non-affiliated reinsurers under terms of other reinsurance agreements. Each participant records its own Provision for Reinsurance based on its pre-pooling reinsurance activity. These liabilities are not shared with the other pooled participants. In the event that a reinsurance balance becomes uncollectible, the uncollectible balance will be shared by the pooled members in accordance to the pooling participation schedule. As of September 30, 2011 the Company had a \$7.4 million Funds Held receivable due from NIIC, the lead company. NIIC had a \$1.2 million receivable due from NIHI and a \$7.3 million payable due to VIC.

Note 27 - Structured Settlements

No significant change.

Note 28 - Health Care Receivables

No significant change.

Note 29 - Participating Policies

No significant change.

Note 30 - Premium Deficiency Reserves

No significant change.

Note 31 - High Deductibles

No significant change.

NOTES TO FINANCIAL STATEMENTS

Note 32 - Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

No significant change.

Note 33 - Asbestos/Environmental Reserves

No significant change.

Note 34 - Subscriber Savings Accounts

No significant change.

Note 35 - Multiple Peril Crop Insurance

No significant change.

Note 36 - Financial Guaranty Insurance

B. Not applicable.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1

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

Yes ☒]

No ☐]

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 ☒]

2.2

If yes, date of change:

.....

3.

Have there been any substantial changes in the organizational chart since the prior quarter end?
If yes, complete the Schedule Y-Part 1 - Organizational chart.

Yes ☐]

No ☒]

4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐]

No ☒]

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	2	3
Name of Entity	NAIC Company Code	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?
If yes, attach an explanation.

Yes ☐]

No ☒]

N/A ☐]

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.

12/31/2010.....

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).

10/18/2011.....

6.4

By what department or departments?
State of 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 ☒]

6.6

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

Yes ☐]

No ☐]

N/A ☒]

7.1

Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes ☐]

No ☒]

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 ☒]

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 ☒]

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

No ☐]

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

9.11

If the response to 9.1 is No, please explain:

9.2

Has the code of ethics for senior managers been amended?

Yes ☐]

No ☒]

9.21

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

9.3

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

Yes ☐]

No ☒]

Triumphe Casualty Company

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

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

FINANCIAL

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

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

INVESTMENT

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

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

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

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

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

14.2 If yes, please complete the following:

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

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

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? 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	2
Name of Custodian(s)	Custodian Address
Key Bank	PO Box 6717 Cleveland, OH 44101

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	2	3
Name(s)	Location(s)	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	2	3	4
Old Custodian	New Custodian	Date of Change	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	2	3
Central Registration Depository	Name(s)	Address

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:

Triumphe Casualty Company
GENERAL INTERROGATORIES (continued)

PART 2

PROPERTY & CASUALTY INTERROGATORIES

1.

If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change?

If yes, attach an explanation.

Effective January 1, 2011, the pooling agreement was amended and restated to include Vanliner Insurance Company. The Company's participation percentage remains the same.

Yes [X]

No []

N/A []

2.

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

If yes, attach an explanation.

Yes []

No [X]

3.1

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

Yes []

No [X]

3.2

If yes, give full and complete information thereto:

4.1

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

Yes []

No [X]

4.2

If yes, complete the following schedule:

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

5.

Operating Percentages:

5.1

A&H loss percent

57.1 %

5.2

A&H cost containment percent

14.3 %

5.3

A&H expense percent excluding cost containment expenses

42.9 %

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

States, Etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year to Date	3 Prior Year to Date	4 Current Year to Date	5 Prior Year to Date	6 Current Year to Date	7 Prior Year to Date
1. Alabama.....AL	N						
2. Alaska.....AK	L	67,393	61,971	26,394	16,301	6,722	15,510
3. Arizona.....AZ	L	245,917	197,143	387,599	308,358	106,604	120,985
4. Arkansas.....AR	N						
5. California.....CA	L						
6. Colorado.....CO	N						
7. Connecticut.....CT	N						
8. Delaware.....DE	L						
9. District of Columbia.....DC	L						
10. Florida.....FL	L	532,757		25,441		4,020	
11. Georgia.....GA	L	94,671	81,746	39,427	50,657	10,199	4,590
12. Hawaii.....HI	N						
13. Idaho.....ID	N						
14. Illinois.....IL	L	156,878	131,081	85,088	296,357	4,829	54,864
15. Indiana.....IN	L	53,764	43,382	41,804	7,971	1,048	8,271
16. Iowa.....IA	L	27,721	20,777	131,073	809	5,717	1,533
17. Kansas.....KS	L	37,489	31,534	5,359	15,373	6,327	2,642
18. Kentucky.....KY	N						
19. Louisiana.....LA	N						
20. Maine.....ME	N						
21. Maryland.....MD	L	3,343	3,117			107	98
22. Massachusetts.....MA	N						
23. Michigan.....MI	N						
24. Minnesota.....MN	N						
25. Mississippi.....MS	N						
26. Missouri.....MO	L	65,737	54,919	92,165	19,034	14,900	16,370
27. Montana.....MT	L	3,462,220	3,194,065	2,794,973	1,473,077	2,031,802	481,021
28. Nebraska.....NE	L	16,575	14,516	9,165	26,392	4,189	324
29. Nevada.....NV	L	77,786	72,060	188,733	25,695	7,952	12,555
30. New Hampshire.....NH	N						
31. New Jersey.....NJ	N						
32. New Mexico.....NM	N						
33. New York.....NY	N						
34. North Carolina.....NC	N						
35. North Dakota.....ND	L	9,871	7,923			169	257
36. Ohio.....OH	N						
37. Oklahoma.....OK	L	136,162	106,821	41,571	43,237	24,868	10,987
38. Oregon.....OR	L	149,521	172,403	85,379	145,213	13,656	20,135
39. Pennsylvania.....PA	L	130,810	107,873	109,788	32,734	28,005	12,067
40. Rhode Island.....RI	N						
41. South Carolina.....SC	L	276,703	36,681	107,762	43,733	369,477	2,516
42. South Dakota.....SD	L	529,293	458,894	398,871	353,495	76,298	58,480
43. Tennessee.....TN	N						
44. Texas.....TX	L	1,101,044	867,862	592,055	216,221	239,914	182,139
45. Utah.....UT	L	16,278	10,782		2,749	381	7,346
46. Vermont.....VT	N						
47. Virginia.....VA	L						
48. Washington.....WA	N						
49. West Virginia.....WV	L						
50. Wisconsin.....WI	N						
51. Wyoming.....WY	N						
52. American Samoa.....AS	N						
53. Guam.....GU	N						
54. Puerto Rico.....PR	N						
55. US Virgin Islands.....VI	N						
56. Northern Mariana Islands.....MP	N						
57. Canada.....CN	N						
58. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0
59. Totals.....	(a).....26	7,191,933	5,675,550	5,162,645	3,077,406	2,957,184	1,012,690

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			Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire.....			0.0	
2. Allied lines.....			0.0	
3. Farmowners multiple peril.....			0.0	
4. Homeowners multiple peril.....			0.0	
5. Commercial multiple peril.....			0.0	
6. Mortgage guaranty.....			0.0	
8. Ocean marine.....			0.0	
9. Inland marine.....			0.0	
10. Financial guaranty.....			0.0	
11.1. Medical professional liability - occurrence.....			0.0	
11.2. Medical professional liability - claims-made.....			0.0	
12. Earthquake.....			0.0	
13. Group accident and health.....			0.0	
14. Credit accident and health.....			0.0	
15. Other accident and health.....			0.0	
16. Workers' compensation.....		(7,008)	0.0	
17.1 Other liability-occurrence.....	126,760	6,352	5.0	2.8
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.....	686,865	1,545,035	224.9	28.8
19.3, 19.4 Commercial auto liability.....	111,368	74,819	67.2	961.5
21. Auto physical damage.....	4,980,007	5,455,588	109.5	77.9
22. Aircraft (all perils).....			0.0	
23. Fidelity.....			0.0	
24. Surety.....			0.0	
26. Burglary and theft.....			0.0	
27. Boiler and machinery.....			0.0	
28. Credit.....			0.0	
29. International.....			0.0	
30. Warranty.....			0.0	
31. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX	XXX
33. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business.....	0	0	0.0	
35. Totals.....	5,905,000	7,074,786	119.8	70.7

DETAILS OF WRITE-INS

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

PART 2 - DIRECT PREMIUMS WRITTEN

Lines of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire.....			
2. Allied lines.....			
3. Farmowners multiple peril.....			
4. Homeowners multiple peril.....			
5. Commercial multiple peril.....			
6. Mortgage guaranty.....			
8. Ocean marine.....			
9. Inland marine.....			
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.....	55,699	151,323	126,678
17.2 Other liability-claims made.....			
17.3 Excess workers' compensation.....			
18.1 Products liability-occurrence.....			
18.2 Products liability-claims made.....			
19.1 19.2 Private passenger auto liability.....	334,185	860,176	680,469
19.3 19.4 Commercial auto liability.....	58,032	197,427	9,429
21. Auto physical damage.....	2,169,949	5,983,007	4,858,974
22. Aircraft (all perils).....			
23. Fidelity.....			
24. Surety.....			
26. Burglary and theft.....			
27. Boiler and machinery.....			
28. Credit.....			
29. International.....			
30. Warranty.....			
31. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX
33. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business.....	0	0	0
35. Totals.....	2,617,865	7,191,933	5,675,550

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

	1	2	3	4	5	6	7	8	9	10	11	12	13										
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2011 Loss and LAE Payments on Claims Reported as of Prior Year-End	2011 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2011 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)										
1. 2008 + Prior.....	1,856	1,776	3,632	802	4	806	1,310	8	1,469	2,787	256	(295)	(39)										
2. 2009.....	860	1,650	2,510	456	7	463	647	11	1,268	1,926	243	(364)	(121)										
3. Subtotals 2009 + Prior.....	2,716	3,426	6,142	1,258	11	1,269	1,957	19	2,737	4,713	499	(659)	(160)										
4. 2010.....	1,141	2,712	3,853	925	76	1,001	815	52	1,920	2,787	599	(664)	(65)										
5. Subtotals 2010 + Prior.....	3,857	6,138	9,995	2,183	87	2,270	2,772	71	4,657	7,500	1,098	(1,323)	(225)										
6. 2011.....	XXX	XXX	XXX	XXX	1,204	1,204	XXX	767	1,632	2,399	XXX	XXX	XXX										
7. Totals.....	3,857	6,138	9,995	2,183	1,291	3,474	2,772	838	6,289	9,899	1,098	(1,323)	(225)										
8. Prior Year-End's Surplus As Regards Policyholders	16,944										Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7										
																				1. ....28.5 %	2. ....(21.6)%	3. ....(2.3)%	
																							Col. 13, Line 7 Line 8
																							4. ....(1.3)%

Q13

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

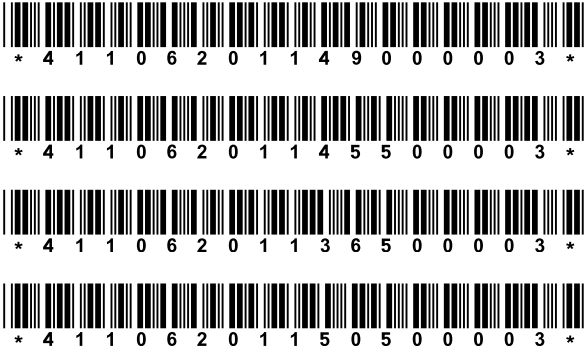
The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing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

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

Explanation:

1.
2.
3.
4.

Bar Code:



Triumphe Casualty Company
Overflow Page for Write-Ins

NONE

Triumphe Casualty Company

SCHEDULE A - VERIFICATION

Real Estate

	1	2
	Year to Date	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

SCHEDULE B - VERIFICATION

Mortgage Loans

	1	2
	Year to Date	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

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year to Date	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

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	22,891,683	21,113,163
2. Cost of bonds and stocks acquired.....	2,904,659	9,441,241
3. Accrual of discount.....	388	1,595
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....	36,018	10,610
6. Deduct consideration for bonds and stocks disposed of.....	3,013,170	7,506,658
7. Deduct amortization of premium.....	173,844	168,269
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).....	22,645,735	22,891,683
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	22,645,735	22,891,683

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1	2	3	4	5	6	7	8
	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a).....	19,357,311	864,382	749,538	(53,776)	19,637,297	19,357,311	19,418,379	19,649,259
2. Class 2 (a).....	3,218,352			(8,920)	3,227,173	3,218,352	3,209,432	3,235,925
3. Class 3 (a).....								
4. Class 4 (a).....								
5. Class 5 (a).....								
6. Class 6 (a).....	23,750				23,750	23,750	23,750	23,750
7. Total Bonds.....	22,599,414	864,382	749,538	(62,696)	22,888,220	22,599,414	22,651,562	22,908,934
PREFERRED STOCK								
8. Class 1.....								
9. Class 2.....								
10. Class 3.....								
11. Class 4.....								
12. Class 5.....	5,730				5,730	5,730	5,730	5,730
13. Class 6.....								
14. Total Preferred Stock.....	5,730	0	0	0	5,730	5,730	5,730	5,730
15. Total Bonds and Preferred Stock.....	22,605,144	864,382	749,538	(62,696)	22,893,950	22,605,144	22,657,292	22,914,664

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation:
NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

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.....	11,557	XXX.....	11,557	4	.....

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.....	22,981	150,182
2. Cost of short-term investments acquired.....	62,442	656,826
3. Accrual of discount.....		
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		
6. Deduct consideration received on disposals.....	73,866	784,027
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).....	11,557	22,981
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	11,557	22,981

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

Sch. E-Verification
NONE

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	2						3	4	5	6	7	8	9	10
CUSIP Identification	Description						Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
Bonds - U.S. Government														
31331J AW 3	FEDERAL FARM CREDIT BANK	AGENCY	4.150	JJ	01/07/2019		...08/26/2011	BNY MELLON CAPITAL		22,667	20,000	113	1	
3133XP CT 9	FEDERAL HOME LOAN BANK	AGENCY	4.250	MS	03/09/2018		...09/29/2011	CLARKE (G.X.) & CO		43,410	38,000	90	1	
0599999.	Total - Bonds - U.S. Government									66,077	58,000	203	XXX	
Bonds - U.S. Special Revenue and Special Assessment														
3136A0 DT 1	FANNIE MAE	CMO	3.500	MTH	12/01/2019		...07/25/2011	CANTOR		10,186	10,000	27	1	
31397U RJ 0	FANNIE MAE	CMO	3.500	MTH	02/01/2022		...07/22/2011	ANCORA ADVISORS LLC		626,521	606,892	1,534	1	
38373A D9 4	GOVT NATIONAL MORTGAGE ASSOC	CMO	4.000	MTH	03/01/2028		...08/17/2011	CANTOR		119,232	113,369	277	1	
3199999.	Total - Bonds - U.S. Special Revenue & Special Assessments									755,939	730,261	1,838	XXX	
Bonds - Industrial and Miscellaneous														
17275R AH 5	CISCO SYSTEMS INC	CORPORATE	4.450	JJ	01/15/2020		...07/27/2011	CANTOR		21,310	20,000	35	1FE	
3899999.	Total - Bonds - Industrial & Miscellaneous									21,310	20,000	35	XXX	
8399997.	Total - Bonds - Part 3									843,326	808,261	2,076	XXX	
8399999.	Total - Bonds									843,326	808,261	2,076	XXX	
9999999.	Total - Bonds, Preferred and Common Stocks									843,326	XXX	2,076	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	F o r e i g n	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)

Bonds - U.S. Government

3133XW E7 0	FEDERAL HOME LOAN BANK AGENCY.....	....	09/22/2011	CLARKE (G.X.) & CO.....	.....	.....78,661	75,000	77,278	76,997	.....	.....(412)	.....	.....(412)	.....	.....76,585	.....	.....2,076	2,076	1,458	06/13/2014	1.....
3134G1 LJ 1	FREDDIE MAC AGENCY.....	....	07/14/2011	CALL at 100.000.....	.....	.....575,000	575,000	576,042	.....	.....	.....(1,042)	.....	.....(1,042)	.....	.....575,000	.....	.....	.....0	3,234	01/14/2013	1.....
0599999.	Total - Bonds - U.S. Government.....					653,661	650,000	653,320	76,997	0	(1,454)	0	(1,454)	0	651,585	0	2,076	2,076	4,693	XXX...	..XXX....

Bonds - U.S. Special Revenue and Special Assessment

3136A0 DT 1	FANNIE MAE CMO.....	....	09/25/2011	MBS PAYDOWN.....	.....	.....48	48	48	.....	.....	.....	.....	.....0	.....	.....48	.....	.....	.....0	.....	12/01/2019	1.....
3137A2 PF 2	FREDDIE MAC CMO.....	....	09/15/2011	MBS PAYDOWN.....	.....	.....11,995	11,995	12,152	12,024	.....	.....(29)	.....	.....(29)	.....	.....11,995	.....	.....	.....0	236	10/01/2020	1.....
31397U RJ 0	FANNIE MAE CMO.....	....	09/25/2011	MBS PAYDOWN.....	.....	.....6,244	6,244	6,445	.....	.....	.....(1)	.....	.....(1)	.....	.....6,244	.....	.....	.....0	27	02/01/2022	1.....
31417Y SD 0	FANNIE MAE FNMA.....	....	09/01/2011	MBS PAYDOWN.....	.....	.....59,512	59,512	61,725	59,725	.....	.....(213)	.....	.....(213)	.....	.....59,512	.....	.....	.....0	1,398	07/01/2025	1.....
38373A D9 4	GOVT NATIONAL MORTGAGE ASSOC CMO.....	....	09/20/2011	MBS PAYDOWN.....	.....	.....2,283	2,283	2,401	.....	.....	.....	.....	.....0	.....	.....2,283	.....	.....	.....0	8	03/01/2028	1.....
3199999.	Total - Bonds - U.S. Special Revenue & Assessment.....					80,081	80,081	82,773	71,748	0	(243)	0	(243)	0	80,081	0	0	0	1,669	XXX...	..XXX....
8399997.	Total - Bonds - Part 4.....					733,742	730,081	736,093	148,745	0	(1,697)	0	(1,697)	0	731,666	0	2,076	2,076	6,362	XXX...	..XXX....
8399999.	Total - Bonds.....					733,742	730,081	736,093	148,745	0	(1,697)	0	(1,697)	0	731,666	0	2,076	2,076	6,362	XXX...	..XXX....
9999999.	Total - Bonds, Preferred and Common Stocks.....					733,742	XXX.....	736,093	148,745	0	(1,697)	0	(1,697)	0	731,666	0	2,076	2,076	6,362	XXX...	..XXX....

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

QE05

Sch. DB-Pt A-Sn 1
NONE

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

Sch. DB-Pt B-Sn 1
NONE

Sch. DB-Pt B-Sn 1-Footernote
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

Sch. E-Pt 1-Cash
NONE

Sch. E-Pt 2-Cash Equivalents
NONE