10067201120100100

ANNUAL STATEMENT

For the Year Ended December 31, 2011

of the Condition and Affairs of the

PROGRESSIVE HAWAII INSURANCE CORP.

NAIC Group Code.....155, 155 (Current Period) (Prior Period) | NAIC Company Code..... 10067 | Employer's ID Number..... 99-0311930

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

Incorporated/Organized..... May 4, 1994 | Commenced Business..... July 15, 1994

Statutory Home Office: 6300 WILSON MILLS ROAD, W33….. CLEVELAND ..... OH 44143-2182
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office: 6300 WILSON MILLS ROAD, W33….. CLEVELAND ..... OH ..... 44143-2182 — 440-461-5000
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address: P.O. BOX 89490….. CLEVELAND ..... OH 44101-6490
(Street and Number or P. O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records: 6300 WILSON MILLS ROAD, W33….. CLEVELAND ..... OH ..... 44143-2182 — 440-395-4460
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address: PROGRESSIVE.COM

Statutory Statement Contact: MARY BETH ANDREANO — 440-395-4460
(Name) (Area Code) (Telephone Number) (Extension)
FINANCIAL_REPORTING@PROGRESSIVE.COM — 440-446-7168
(E-Mail Address) (Fax Number)

POLICYHOLDER SERVICES AND CLAIMS REPORTING -- 1-800-PROGRESSIVE (1-800-776-4737)

OFFICERS

Name	Title	Name	Title
DAVID JAMES SKOVE	PRESIDENT	DANE ALLEN SHRALLOW	SECRETARY
THOMAS ALFRED KING	TREASURER		

OTHER

MARY BETH ANDREANO	(VICE PRESIDENT)	KAREN MARIE BARONE	(VICE PRESIDENT)
KATHLEEN MARY CERNY	(ASST. SECRETARY)	JAMES LEE KUSMER	(ASST.TREASURER)

DIRECTORS OR TRUSTEES

KATHRYN MARGARET LEMIEUX, DANIEL PETER MASCARO, MARK DONALD NIEHAUS, DAVID LLOYD PRATT, DAVID JAMES SKOVE

State of........ OHIO
County of..... CUYAHOGA

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 JAMES SKOVE	KATHLEEN MARY CERNY	THOMAS ALFRED KING
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
PRESIDENT	ASSISTANT SECRETARY	TREASURER
(Title)	(Title)	(Title)

Subscribed and sworn to before me
This 16TH day of FEBRUARY, 2012

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

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings 1 Amount	2 Percentage	Admitted Assets as Reported in the Annual Statement 3 Amount	4 Securities Lending Reinvested Collateral Amount	5 Total (Col. 3 + 4) Amount	6 Percentage
1. Bonds:						
1.1 U.S. treasury securities	19,328,106	20.7	19,328,106		19,328,106	20.7
1.2 U.S. government agency obligations (excluding mortgage-backed securities):						
1.21 Issued by U.S. government agencies		0.0			0	0.0
1.22 Issued by U.S. government sponsored agencies		0.0			0	0.0
1.3 Non-U.S. government (including Canada, excluding mortgage-backed securities)		0.0			0	0.0
1.4 Securities issued by states, territories and possessions and political subdivisions in the U.S.:						
1.41 States, territories and possessions general obligations	34,687,476	37.2	34,687,476		34,687,476	37.2
1.42 Political subdivisions of states, territories & possessions & political subdivisions general obligations		0.0			0	0.0
1.43 Revenue and assessment obligations	16,710,995	17.9	16,710,995		16,710,995	17.9
1.44 Industrial development and similar obligations		0.0			0	0.0
1.5 Mortgage-backed securities (includes residential and commercial MBS):						
1.51 Pass-through securities:						
1.511 Issued or guaranteed by GNMA		0.0			0	0.0
1.512 Issued or guaranteed by FNMA and FHLMC		0.0			0	0.0
1.513 All other		0.0			0	0.0
1.52 CMOs and REMICs:						
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA		0.0			0	0.0
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521		0.0			0	0.0
1.523 All other		0.0			0	0.0
2. Other debt and other fixed income securities (excluding short-term):						
2.1 Unaffiliated domestic securities (includes credit tenant loans and hybrid securities)	18,892,726	20.3	18,892,726		18,892,726	20.3
2.2 Unaffiliated non-U.S. securities (including Canada)	3,574,391	3.8	3,574,391		3,574,391	3.8
2.3 Affiliated securities		0.0			0	0.0
3. Equity interests:						
3.1 Investments in mutual funds		0.0			0	0.0
3.2 Preferred stocks:						
3.21 Affiliated		0.0			0	0.0
3.22 Unaffiliated		0.0			0	0.0
3.3 Publicly traded equity securities (excluding preferred stocks):						
3.31 Affiliated		0.0			0	0.0
3.32 Unaffiliated		0.0			0	0.0
3.4 Other equity securities:						
3.41 Affiliated		0.0			0	0.0
3.42 Unaffiliated		0.0			0	0.0
3.5 Other equity interests including tangible personal property under lease:						
3.51 Affiliated		0.0			0	0.0
3.52 Unaffiliated		0.0			0	0.0
4. Mortgage loans:						
4.1 Construction and land development		0.0			0	0.0
4.2 Agricultural		0.0			0	0.0
4.3 Single family residential properties		0.0			0	0.0
4.4 Multifamily residential properties		0.0			0	0.0
4.5 Commercial loans		0.0			0	0.0
4.6 Mezzanine real estate loans		0.0			0	0.0
5. Real estate investments:						
5.1 Property occupied by company		0.0			0	0.0
5.2 Property held for production of income (including $..........0 of property acquired in satisfaction of debt)		0.0			0	0.0
5.3 Property held for sale (including $.........0 property acquired in satisfaction of debt)		0.0			0	0.0
6. Contract loans		0.0			0	0.0
7. Derivatives		0.0			0	0.0
8. Receivables for securities	525	0.0	525		525	0.0
9. Securities lending (Line 10, Asset Page reinvested collateral)		0.0		XXX	XXX	XXX
10. Cash, cash equivalents and short-term investments		0.0			0	0.0
11. Other invested assets		0.0			0	0.0
12. Total invested assets	93,194,219	100.0	93,194,219	0	93,194,219	100.0

SCHEDULE A - VERIFICATION BETWEEN YEARS

Real Estate

NONE

1.	Book/adjusted carrying value, December 31 of prior year		
2.	Cost of acquired:		
	2.1 Actual cost at time of acquisition (Part 2, Column 6)		
	2.2 Additional investment made after acquisition (Part 2, Column 9)		0
3.	Current year change in encumbrances:		
	3.1 Totals, Part 1, Column 13		
	3.2 Totals, Part 3, Column 11		0
4.	Total gain (loss) on disposals, Part 3, Column 18		
5.	Deduct amounts received on disposals, Part 3, Column 15		
6.	Total foreign exchange change in book/adjusted carrying value:		
	6.1 Totals, Part 1, Column 15		
	6.2 Totals, Part 3, Column 13		0
7.	Deduct current year's other than temporary impairment recognized:		
	7.1 Totals, Part 1, Column 12		
	7.2 Totals, Part 3, Column 10		0
8.	Deduct current year's depreciation:		
	8.1 Totals, Part 1, Column 11		
	8.2 Totals, Part 3, Column 9		0
9.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8)		0
10.	Deduct total nonadmitted amounts		
11.	Statement value at end of current period (Line 9 minus Line 10)		0

SCHEDULE B - VERIFICATION BETWEEN YEARS

Mortgage Loans

NONE

1.	Book value/recorded investment excluding accrued interest, December 31 of prior year		
2.	Cost of acquired:		
	2.1 Actual cost at time of acquisition (Part 2, Column 7)		
	2.2 Additional investment made after acquisition (Part 2, Column 8)		0
3.	Capitalized deferred interest and other:		
	3.1 Totals, Part 1, Column 12		
	3.2 Totals, Part 3, Column 11		0
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease):		
	5.1 Totals, Part 1, Column 9		
	5.2 Totals, Part 3, Column 8		0
6.	Total gain (loss) on disposals, Part 3, Column 18		
7.	Deduct amounts received on disposals, Part 3, Column 15		
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:		
	9.1 Totals, Part 1, Column 13		
	9.2 Totals, Part 3, Column 13		0
10.	Deduct current year's other than temporary impairment recognized:		
	10.1 Totals, Part 1, Column 11		
	10.2 Totals, Part 3, Column 10		0
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
12.	Total valuation allowance		
13.	Subtotal (Line 11 plus Line 12)		0
14.	Deduct total nonadmitted amounts		
15.	Statement value at end of current period (Line 13 minus Line 14)		0

SCHEDULE BA - VERIFICATION BETWEEN YEARS

Other Long-Term Invested Assets

NONE

1.	Book/adjusted carrying value, December 31 of prior year		
2.	Cost of acquired:		
	2.1 Actual cost at time of acquisition (Part 2, Column 8)		
	2.2 Additional investment made after acquisition (Part 2, Column 9)		0
3.	Capitalized deferred interest and other:		
	3.1 Totals, Part 1, Column 16		
	3.2 Totals, Part 3, Column 12		0
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease):		
	5.1 Totals, Part 1, Column 13		
	5.2 Totals, Part 3, Column 9		0
6.	Total gain (loss) on disposals, Part 3, Column 19		
7.	Deduct amounts received on disposals, Part 3, Column 16		
8.	Deduct amortization of premium and depreciation		
9.	Total foreign exchange change in book/adjusted carrying value:		
	9.1 Totals, Part 1, Column 17		
	9.2 Totals, Part 3, Column 14		0
10.	Deduct current year's other than temporary impairment recognized:		
	10.1 Totals, Part 1, Column 15		
	10.2 Totals, Part 3, Column 11		0
11.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		0
12.	Deduct total nonadmitted amounts		
13.	Statement value at end of current period (Line 11 minus Line 12)		0

SCHEDULE D - VERIFICATION BETWEEN YEARS

Bonds and Stocks

1.	Book/adjusted carrying value, December 31 of prior year		81,902,469
2.	Cost of bonds and stocks acquired, Part 3, Column 7		66,823,849
3.	Accrual of discount		27,390
4.	Unrealized valuation increase (decrease):		
	4.1 Part 1, Column 12		
	4.2 Part 2, Section 1, Column 15		
	4.3 Part 2, Section 2, Column 13		
	4.4 Part 4, Column 11		0
5.	Total gain (loss) on disposals, Part 4, Column 19		144,770
6.	Deduct consideration for bonds and stocks disposed of, Part 4, Column 7		54,668,844
7.	Deduct amortization of premium		1,035,939
8.	Total foreign exchange change in book/adjusted carrying value:		
	8.1 Part 1, Column 15		
	8.2 Part 2, Section 1, Column 19		
	8.3 Part 2, Section 2, Column 16		
	8.4 Part 4, Column 15		0
9.	Deduct current year's other than temporary impairment recognized:		
	9.1 Part 1, Column 14		
	9.2 Part 2, Section 1, Column 17		
	9.3 Part 2, Section 2, Column 14		
	9.4 Part 4, Column 13		0
10.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)		93,193,695
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)		93,193,695

SCHEDULE D - SUMMARY BY COUNTRY

Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description		1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
BONDS	1. United States	19,328,106	20,659,543	19,300,113	19,465,000
Governments (Including all obligations	2. Canada				
guaranteed by governments)	3. Other Countries				
	4. Totals	19,328,106	20,659,543	19,300,113	19,465,000
U.S. States, Territories and Possessions (Direct and guaranteed)	5. Totals	34,687,476	35,824,778	36,076,011	32,430,000
U.S. Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	6. Totals				
U.S. Special Revenue and Special Assessment Obligations and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions	7. Totals	16,710,995	17,088,119	16,916,540	16,205,000
Industrial and Miscellaneous and Hybrid	8. United States	18,892,726	19,032,578	19,166,202	18,480,000
Securities (Unaffiliated)	9. Canada				
	10. Other Countries	3,574,391	3,637,306	3,741,514	3,514,000
	11. Totals	22,467,117	22,669,884	22,907,716	21,994,000
Parent, Subsidiaries and Affiliates	12. Totals				
	13. Total Bonds	93,193,694	96,242,324	95,200,380	90,094,000
PREFERRED STOCKS	14. United States				
Industrial and Miscellaneous (Unaffiliated)	15. Canada				
	16. Other Countries				
	17. Totals	0	0	0	
Parent, Subsidiaries and Affiliates	18. Totals				
	19. Total Preferred Stocks	0	0	0	
COMMON STOCKS	20. United States				
Industrial and Miscellaneous (Unaffiliated)	21. Canada				
	22. Other Countries				
	23. Totals	0	0	0	
Parent, Subsidiaries and Affiliates	24. Totals				
	25. Total Common Stocks	0	0	0	
	26. Total Stocks	0	0	0	
	27. Total Bonds and Stocks	93,193,694	96,242,324	95,200,380	

SCHEDULE D - PART 1A - SECTION 1

Quality and Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 9.7	8 Total from Column 6 Prior Year	9 % from Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
1. U.S. Governments											
1.1 Class 1		19,328,106				19,328,106	20.7	22,455,488	27.4	19,328,106	
1.2 Class 2						0	0.0		0.0		
1.3 Class 3						0	0.0		0.0		
1.4 Class 4						0	0.0		0.0		
1.5 Class 5						0	0.0		0.0		
1.6 Class 6						0	0.0		0.0		
1.7 Totals	0	19,328,106	0	0	0	19,328,106	20.7	22,455,488	27.4	19,328,106	0
2. All Other Governments											
2.1 Class 1						0	0.0		0.0		
2.2 Class 2						0	0.0		0.0		
2.3 Class 3						0	0.0		0.0		
2.4 Class 4						0	0.0		0.0		
2.5 Class 5						0	0.0		0.0		
2.6 Class 6						0	0.0		0.0		
2.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
3. U.S. States, Territories and Possessions, etc., Guaranteed											
3.1 Class 1	2,256,232	26,948,518	5,482,726			34,687,476	37.2	30,820,423	37.6	34,687,476	
3.2 Class 2						0	0.0		0.0		
3.3 Class 3						0	0.0		0.0		
3.4 Class 4						0	0.0		0.0		
3.5 Class 5						0	0.0		0.0		
3.6 Class 6						0	0.0		0.0		
3.7 Totals	2,256,232	26,948,518	5,482,726	0	0	34,687,476	37.2	30,820,423	37.6	34,687,476	0
4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed											
4.1 Class 1						0	0.0		0.0		
4.2 Class 2						0	0.0		0.0		
4.3 Class 3						0	0.0		0.0		
4.4 Class 4						0	0.0		0.0		
4.5 Class 5						0	0.0		0.0		
4.6 Class 6						0	0.0		0.0		
4.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
5. U.S. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed											
5.1 Class 1	2,115,907	10,496,573	3,754,973	343,542		16,710,995	17.9	13,156,006	16.1	16,710,995	
5.2 Class 2						0	0.0		0.0		
5.3 Class 3						0	0.0		0.0		
5.4 Class 4						0	0.0		0.0		
5.5 Class 5						0	0.0		0.0		
5.6 Class 6						0	0.0		0.0		
5.7 Totals	2,115,907	10,496,573	3,754,973	343,542	0	16,710,995	17.9	13,156,006	16.1	16,710,995	0

SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 9.7	8 Total from Column 6 Prior Year	9 % from Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
6. Industrial and Miscellaneous (unaffiliated)											
6.1 Class 1	6,114,502	8,003,916				14,118,418	15.1	11,817,807	14.4	9,118,589	4,999,829
6.2 Class 2	3,574,391	4,774,308				8,348,699	9.0	3,652,742	4.5	8,348,699	
6.3 Class 3						0	0.0		0.0		
6.4 Class 4						0	0.0		0.0		
6.5 Class 5						0	0.0		0.0		
6.6 Class 6						0	0.0		0.0		
6.7 Totals	9,688,893	12,778,224	0	0	0	22,467,117	24.1	15,470,549	18.9	17,467,288	4,999,829
7. Hybrid Securities											
7.1 Class 1						0	0.0		0.0		
7.2 Class 2						0	0.0		0.0		
7.3 Class 3						0	0.0		0.0		
7.4 Class 4						0	0.0		0.0		
7.5 Class 5						0	0.0		0.0		
7.6 Class 6						0	0.0		0.0		
7.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
8. Parent, Subsidiaries and Affiliates											
8.1 Class 1						0	0.0		0.0		
8.2 Class 2						0	0.0		0.0		
8.3 Class 3						0	0.0		0.0		
8.4 Class 4						0	0.0		0.0		
8.5 Class 5						0	0.0		0.0		
8.6 Class 6						0	0.0		0.0		
8.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 9.7	8 Total from Column 6 Prior Year	9 % from Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
9. **Total Bonds Current Year**											
9.1 Class 1	(d) 10,486,641	64,777,113	9,237,699	343,542	0	84,844,995	91.0	XXX	XXX	79,845,166	4,999,829
9.2 Class 2	(d) 3,574,391	4,774,308	0	0	0	8,348,699	9.0	XXX	XXX	8,348,699	0
9.3 Class 3	(d) 0	0	0	0	0	0	0.0	XXX	XXX	0	0
9.4 Class 4	(d) 0	0	0	0	0	0	0.0	XXX	XXX	0	0
9.5 Class 5	(d) 0	0	0	0	0	(c) 0	0.0	XXX	XXX	0	0
9.6 Class 6	(d) 0	0	0	0	0	(c) 0	0.0	XXX	XXX	0	0
9.7 Totals	14,061,032	69,551,421	9,237,699	343,542	0	(b) 93,193,694	100.0	XXX	XXX	88,193,865	4,999,829
9.8 Line 9.7 as a % of Col. 6	15.1	74.6	9.9	0.4	0.0	100.0	XXX	XXX	XXX	94.6	5.4
10. **Total Bonds Prior Year**											
10.1 Class 1	2,026,062	59,883,164	16,340,498			XXX	XXX	78,249,724	95.5	78,249,724	
10.2 Class 2		3,652,742				XXX	XXX	3,652,742	4.5	3,652,742	
10.3 Class 3						XXX	XXX	0	0.0		
10.4 Class 4						XXX	XXX	0	0.0		
10.5 Class 5						XXX	XXX	(c) 0	0.0		
10.6 Class 6						XXX	XXX	(c) 0	0.0		
10.7 Totals	2,026,062	63,535,906	16,340,498	0	0	XXX	XXX	(b) 81,902,466	100.0	81,902,466	0
10.8 Line 10.7 as a % of Col. 8	2.5	77.6	20.0	0.0	0.0	XXX	XXX	100.0	XXX	100.0	0.0
11. **Total Publicly Traded Bonds**											
11.1 Class 1	6,899,932	63,363,993	9,237,699	343,542		79,845,166	85.7	78,249,724	95.5	79,845,166	XXX
11.2 Class 2	3,574,391	4,774,308				8,348,699	9.0	3,652,742	4.5	8,348,699	XXX
11.3 Class 3						0	0.0	0	0.0	0	XXX
11.4 Class 4						0	0.0	0	0.0	0	XXX
11.5 Class 5						0	0.0	0	0.0	0	XXX
11.6 Class 6						0	0.0	0	0.0	0	XXX
11.7 Totals	10,474,323	68,138,301	9,237,699	343,542	0	88,193,865	94.6	81,902,466	100.0	88,193,865	XXX
11.8 Line 11.7 as a % of Col. 6	11.9	77.3	10.5	0.4	0.0	100.0	XXX	XXX	XXX	100.0	XXX
11.9 Line 11.7 as a % of Line 9.7, Col. 6, Section 9	11.2	73.1	9.9	0.4	0.0	94.6	XXX	XXX	XXX	94.6	XXX
12. **Total Privately Placed Bonds**											
12.1 Class 1	3,586,709	1,413,120				4,999,829	5.4	0	0.0	XXX	4,999,829
12.2 Class 2						0	0.0	0	0.0	XXX	0
12.3 Class 3						0	0.0	0	0.0	XXX	0
12.4 Class 4						0	0.0	0	0.0	XXX	0
12.5 Class 5						0	0.0	0	0.0	XXX	0
12.6 Class 6						0	0.0	0	0.0	XXX	0
12.7 Totals	3,586,709	1,413,120	0	0	0	4,999,829	5.4	0	0.0	XXX	4,999,829
12.8 Line 12.7 as a % of Col. 6	71.7	28.3	0.0	0.0	0.0	100.0	XXX	XXX	XXX	XXX	100.0
12.9 Line 12.7 as a % of Line 9.7, Col. 6, Section 9	3.8	1.5	0.0	0.0	0.0	5.4	XXX	XXX	XXX	XXX	5.4

(a) Includes $.....4,999,829 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.

(b) Includes $..........0 current year, $..........0 prior year of bonds with Z designations and $..........0 current year, $..........0 prior year of bonds with Z* designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z*" means the SVO could not evaluate the obligation because valuation procedures for the security class are under regulatory review.

(c) Includes $..........0 current year, $..........0 prior year of bonds with 5* designations and $..........0 current year, $..........0 prior year of bonds with 6* designations. "5*" means the NAIC designation was assigned by the SVO in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

(d) 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 D - PART 1A - SECTION 2

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 9.5	8 Total from Column 6 Prior Year	9 % from Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
1. **U.S. Governments**											
1.1 Issuer Obligations		19,328,106				19,328,106	20.7	22,455,488	27.4	19,328,106	
1.2 Residential Mortgage-Backed Securities						0	0.0		0.0		
1.3 Commercial Mortgage-Backed Securities						0	0.0		0.0		
1.4 Other Loan-Backed and Structured Securities						0	0.0		0.0		
1.5 Totals	0	19,328,106	0	0	0	19,328,106	20.7	22,455,488	27.4	19,328,106	0
2. **All Other Governments**											
2.1 Issuer Obligations						0	0.0		0.0		
2.2 Residential Mortgage-Backed Securities						0	0.0		0.0		
2.3 Commercial Mortgage-Backed Securities						0	0.0		0.0		
2.4 Other Loan-Backed and Structured Securities						0	0.0		0.0		
2.5 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
3. **U.S. States, Territories and Possessions, Guaranteed**											
3.1 Issuer Obligations	2,256,232	26,948,518	5,482,726			34,687,476	37.2	30,820,423	37.6	34,687,476	
3.2 Residential Mortgage-Backed Securities						0	0.0		0.0		
3.3 Commercial Mortgage-Backed Securities						0	0.0		0.0		
3.4 Other Loan-Backed and Structured Securities						0	0.0		0.0		
3.5 Totals	2,256,232	26,948,518	5,482,726	0	0	34,687,476	37.2	30,820,423	37.6	34,687,476	0
4. **U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed**											
4.1 Issuer Obligations						0	0.0		0.0		
4.2 Residential Mortgage-Backed Securities						0	0.0		0.0		
4.3 Commercial Mortgage-Backed Securities						0	0.0		0.0		
4.4 Other Loan-Backed and Structured Securities						0	0.0		0.0		
4.5 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
5. **U.S. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed**											
5.1 Issuer Obligations	2,115,907	10,496,573	3,754,973	343,542		16,710,995	17.9	13,156,006	16.1	16,710,995	
5.2 Residential Mortgage-Backed Securities						0	0.0		0.0		
5.3 Commercial Mortgage-Backed Securities						0	0.0		0.0		
5.4 Other Loan-Backed and Structured Securities						0	0.0		0.0		
5.5 Totals	2,115,907	10,496,573	3,754,973	343,542	0	16,710,995	17.9	13,156,006	16.1	16,710,995	0
6. **Industrial and Miscellaneous (unaffiliated)**											
6.1 Issuer Obligations	3,574,391	8,892,911				12,467,302	13.4	10,470,577	12.8	12,467,302	
6.2 Residential Mortgage-Backed Securities						0	0.0		0.0		
6.3 Commercial Mortgage-Backed Securities						0	0.0		0.0		
6.4 Other Loan-Backed and Structured Securities	6,114,502	3,885,313				9,999,815	10.7	4,999,972	6.1	4,999,986	4,999,829
6.5 Totals	9,688,893	12,778,224	0	0	0	22,467,117	24.1	15,470,549	18.9	17,467,288	4,999,829
7. **Hybrid Securities**											
7.1 Issuer Obligations						0	0.0		0.0		
7.2 Residential Mortgage-Backed Securities						0	0.0		0.0		
7.3 Commercial Mortgage-Backed Securities						0	0.0		0.0		
7.4 Other Loan-Backed and Structured Securities						0	0.0		0.0		
7.5 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
8. **Parent, Subsidiaries and Affiliates**											
8.1 Issuer Obligations						0	0.0		0.0		
8.2 Residential Mortgage-Backed Securities						0	0.0		0.0		
8.3 Commercial Mortgage-Backed Securities						0	0.0		0.0		
8.4 Other Loan-Backed and Structured Securities						0	0.0		0.0		
8.5 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 9.5	8 Total from Column 6 Prior Year	9 % from Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
9. **Total Bonds Current Year**											
9.1 Issuer Obligations	7,946,530	65,666,108	9,237,699	343,542	0	83,193,879	89.3	XXX	XXX	83,193,879	0
9.2 Residential Mortgage-Backed Securities	0	0	0	0	0	0	0.0	XXX	XXX	0	0
9.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	0	0.0	XXX	XXX	0	0
9.4 Other Loan-Backed and Structured Securities	6,114,502	3,885,313	0	0	0	9,999,815	10.7	XXX	XXX	4,999,986	4,999,829
9.5 Totals	14,061,032	69,551,421	9,237,699	343,542	0	93,193,694	100.0	XXX	XXX	88,193,865	4,999,829
9.6 Line 9.5 as a % of Col. 6	15.1	74.6	9.9	0.4	0.0	100.0	XXX	XXX	XXX	94.6	5.4
10. **Total Bonds Prior Year**											
10.1 Issuer Obligations	2,026,062	58,535,934	16,340,498			XXX	XXX	76,902,494	93.9	76,902,494	
10.2 Residential Mortgage-Backed Securities						XXX	XXX	0	0.0		
10.3 Commercial Mortgage-Backed Securities						XXX	XXX	0	0.0		
10.4 Other Loan-Backed and Structured Securities		4,999,972				XXX	XXX	4,999,972	6.1	4,999,972	
10.5 Totals	2,026,062	63,535,906	16,340,498	0	0	XXX	XXX	81,902,466	100.0	81,902,466	0
10.6 Line 10.5 as a % of Col. 8	2.5	77.6	20.0	0.0	0.0	XXX	XXX	100.0	XXX	100.0	0.0
11. **Total Publicly Traded Bonds**											
11.1 Issuer Obligations	7,946,529	65,666,109	9,237,699	343,542		83,193,879	89.3	76,902,494	93.9	83,193,879	XXX
11.2 Residential Mortgage-Backed Securities						0	0.0	0	0.0	0	XXX
11.3 Commercial Mortgage-Backed Securities						0	0.0	0	0.0	0	XXX
11.4 Other Loan-Backed and Structured Securities	2,527,794	2,472,192				4,999,986	5.4	4,999,972	6.1	4,999,986	XXX
11.5 Totals	10,474,323	68,138,301	9,237,699	343,542	0	88,193,865	94.6	81,902,466	100.0	88,193,865	XXX
11.6 Line 11.5 as a % of Col. 6	11.9	77.3	10.5	0.4	0.0	100.0	XXX	XXX	XXX	100.0	XXX
11.7 Line 11.5 as a % of Line 9.5, Col. 6, Section 9	11.2	73.1	9.9	0.4	0.0	94.6	XXX	XXX	XXX	94.6	XXX
12. **Total Privately Placed Bonds**											
12.1 Issuer Obligations						0	0.0	0	0.0	XXX	0
12.2 Residential Mortgage-Backed Securities						0	0.0	0	0.0	XXX	0
12.3 Commercial Mortgage-Backed Securities						0	0.0	0	0.0	XXX	0
12.4 Other Loan-Backed and Structured Securities	3,586,709	1,413,120				4,999,829	5.4	0	0.0	XXX	4,999,829
12.5 Totals	3,586,709	1,413,120	0	0	0	4,999,829	5.4	0	0.0	XXX	4,999,829
12.6 Line 12.5 as a % of Col. 6	71.7	28.3	0.0	0.0	0.0	100.0	XXX	XXX	XXX	XXX	100.0
12.7 Line 12.5 as a % of Line 9.5, Col. 6, Section 9	3.8	1.5	0.0	0.0	0.0	5.4	XXX	XXX	XXX	XXX	5.4

Sch. DA-Verification
NONE

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 BETWEEN YEARS

Cash Equivalents

	1 Total	2 Bonds	3 Other (a)
1. Book/adjusted carrying value, December 31 of prior year	0		
2. Cost of cash equivalents acquired	14,799,660	14,799,660	
3. Accrual of discount	340	340	
4. Unrealized valuation increase (decrease)	0		
5. Total gain (loss) on disposals	0		
6. Deduct consideration received on disposals	14,800,000	14,800,000	
7. Deduct amortization of premium	0		
8. Total foreign exchange change in book/adjusted carrying value	0		
9. Deduct current year's other than temporary impairment recognized	0		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	0	0	0
11. Deduct total nonadmitted amounts	0		
12. Statement value at end of current period (Line 10 minus Line 11)	0	0	0

(a) Indicate the category of such investments, for example, joint ventures, transportation equipment:.....

Sch. A-Pt. 1
NONE

Sch. A-Pt. 2
NONE

Sch. A-Pt. 3
NONE

Sch. B-Pt. 1
NONE

Sch. B-Pt. 2
NONE

Sch. B-Pt. 3
NONE

Sch. BA-Pt. 1
NONE

Sch. BA-Pt. 2
NONE

Sch. BA-Pt. 3
NONE

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book/Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	Foreign	Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due and Accrued	Amount Received During Year	Acquired	Maturity
U.S. Government - Issuer Obligations																					
912828 JW 1	US TREASURY NOTE				1	70,336	102.484	71,739	70,000	70,137		(67)			1.500	1.400	JD	3	1,050	12/22/2008	12/31/2013
912828 MW 7	US TREASURY NOTE	SD			1	1,887,746	106.625	2,020,544	1,895,000	1,890,138		1,405			2.500	2.582	MS	12,038	47,375	04/01/2010	03/31/2015
912828 PS 3	US TREASURY NOTE				1	8,364,531	105.500	8,967,500	8,500,000	8,387,274		22,743			2.000	2.342	JJ	71,141	85,000	02/15/2011	01/31/2016
912828 QA 1	US TREASURY NOTE				1	8,977,500	106.664	9,599,760	9,000,000	8,980,557		3,057			2.250	2.303	MS	51,455	101,250	04/01/2011	03/31/2016
0199999. U.S. Government - Issuer Obligations						19,300,113	XXX	20,659,543	19,465,000	19,328,106	0	27,138	0	0	XXX	XXX	XXX	134,637	234,675	XXX	XXX
0599999. Total - U.S. Government						19,300,113	XXX	20,659,543	19,465,000	19,328,106	0	27,138	0	0	XXX	XXX	XXX	134,637	234,675	XXX	XXX
U.S. States, Territories & Possessions (Direct and Guaranteed) - Issuer Obligations																					
499512 G7 0	KNOX CNTY TENN				1FE	4,450,552	106.405	4,341,324	4,080,000	4,164,528		(65,035)			5.500	3.782	AO	56,100	224,400	06/01/2007	04/01/2013
592112 AN 6	MET GOVT NASHVILLE & DAVIDSON			1	1FE	10,986,816	113.229	10,869,984	9,600,000	10,781,698		(205,118)			5.000	0.940	FA	200,000	240,000	06/10/2011	02/01/2015
613664 H3 8	MONTGOMERY CNTY TENN				1FE	2,356,943	101.447	2,282,558	2,250,000	2,256,231		(18,867)			4.500	3.632	MN	16,875	101,250	03/01/2006	05/01/2012
821686 C2 6	SHELBY CNTY TENN				1FE	8,532,632	105.898	8,365,942	7,900,000	8,010,829		(32,561)			5.000	3.835	AO	98,750		02/16/2005	04/01/2013
821686 ZV 7	SHELBY CNTY TENN				1FE	108,008	105.885	105,885	100,000	101,403		(412)			5.000	3.835	AO	1,250		02/16/2005	04/01/2013
880541 FN 2	TENNESSEE ST				1FE	4,077,010	115.191	4,031,685	3,500,000	3,890,061		(112,597)			5.250	1.790	MN	30,625	183,750	04/27/2010	05/01/2015
880541 NZ 6	TENNESSEE ST			1	1FE	5,564,050	116.548	5,827,400	5,000,000	5,482,726		(69,902)			4.000	2.350	MN	33,333	202,222	10/28/2010	05/01/2018
1199999. U.S. States, Territories & Possessions - Issuer Obligations						36,076,011	XXX	35,824,778	32,430,000	34,687,476	0	(504,492)	0	0	XXX	XXX	XXX	436,933	951,622	XXX	XXX
1799999. Total - U.S. States, Territories & Possessions (Direct and Guaranteed)						36,076,011	XXX	35,824,778	32,430,000	34,687,476	0	(504,492)	0	0	XXX	XXX	XXX	436,933	951,622	XXX	XXX
U.S. Special Revenue & Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their U.S. Political Subdivisions - Issuer Obligations																					
880459 3L 4	TENNESSEE HSG DEV			1	1FE	1,737,084	103.910	1,735,297	1,670,000	1,693,858		(5,855)			5.000	4.109	JJ	41,750	83,500	10/27/2005	07/01/2015
880459 V6 6	TENNESSEE HSG DEV			1	1FE	1,239,448	103.886	1,225,855	1,180,000	1,196,887		(4,964)			5.250	3.971	JJ	30,975	61,950	04/01/2005	01/01/2014
880459 X2 3	TENNESSEE HSG DEV			1	1FE	3,281,394	103.500	3,286,125	3,175,000	3,234,942		(7,382)			5.125	3.896	JJ	81,359	162,719	12/01/2007	07/01/2014
88045R PE 6	TENNESSEE HSG DEV			1	1FE	4,179,359	108.183	4,251,592	3,930,000	4,110,071		(44,303)			5.000	3.591	JJ	98,250	204,142	05/12/2010	07/01/2019
88045R WH 1	TENNESSEE HSG DEV			1	1FE	6,479,255	105.428	6,589,250	6,250,000	6,475,237		(4,018)			4.500	3.609	JJ	23,438		12/07/2011	07/01/2022
2599999. U.S. Special Revenue & Assessment Obligations - Issuer Obligations						16,916,540	XXX	17,088,119	16,205,000	16,710,995	0	(66,522)	0	0	XXX	XXX	XXX	275,772	512,311	XXX	XXX
3199999. Total - U.S. Special Revenue & Special Assessment Obligations						16,916,540	XXX	17,088,119	16,205,000	16,710,995	0	(66,522)	0	0	XXX	XXX	XXX	275,772	512,311	XXX	XXX
Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations																					
369604 AY 9	GENERAL ELECTRIC CO				1FE	4,283,240	104.210	4,168,400	4,000,000	4,118,603		(107,067)			5.000	2.213	FA	83,333	200,000	06/09/2010	02/01/2013
907818 DC 9	UNION PACIFIC CORP				2FE	4,883,334	108.187	4,846,778	4,480,000	4,774,308		(109,026)			5.125	1.949	FA	86,738	114,800	03/07/2011	02/15/2014
902133 AE 7	TYCO ELECTRONICS GROUP S		F		2FE	3,741,514	103.509	3,637,306	3,514,000	3,574,391		(78,351)			6.000	3.647	AO	52,710	210,840	12/02/2009	10/01/2012
3299999. Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations						12,908,088	XXX	12,652,484	11,994,000	12,467,302	0	(294,444)	0	0	XXX	XXX	XXX	222,781	525,640	XXX	XXX
Industrial & Miscellaneous (Unaffiliated) - Other Loan-Backed and Structured Securities																					
02005P AC 9	ALLYA 2010-4 A3			2	1FE	4,999,970	100.094	5,004,700	5,000,000	4,999,986		14			0.910	0.912	MON	2,022	45,500	11/04/2010	11/15/2013
587681 AC 1	MBALT 2011-1A A3			2	1FE	4,999,658	100.254	5,012,700	5,000,000	4,999,829		171			1.180	1.187	MON	2,622	48,019	02/16/2011	03/15/2013
3599999. Industrial & Miscellaneous - Other Loan-Backed and Structured Securities						9,999,628	XXX	10,017,400	10,000,000	9,999,815	0	185	0	0	XXX	XXX	XXX	4,644	93,519	XXX	XXX
3899999. Total - Industrial & Miscellaneous (Unaffiliated)						22,907,716	XXX	22,669,884	21,994,000	22,467,117	0	(294,259)	0	0	XXX	XXX	XXX	227,425	619,159	XXX	XXX
Totals																					
7799999. Total - Issuer Obligations						85,200,752	XXX	86,224,924	80,094,000	83,193,879	0	(838,320)	0	0	XXX	XXX	XXX	1,070,123	2,224,248	XXX	XXX
8099999. Total - Other Loan-Backed and Structured Securities						9,999,628	XXX	10,017,400	10,000,000	9,999,815	0	185	0	0	XXX	XXX	XXX	4,644	93,519	XXX	XXX
8399999. Grand Total - Bonds						95,200,380	XXX	96,242,324	90,094,000	93,193,694	0	(838,135)	0	0	XXX	XXX	XXX	1,074,767	2,317,767	XXX	XXX

Sch. D-Pt. 2-Sn. 1
NONE

Sch. D-Pt. 2-Sn. 2
NONE

SCHEDULE D - PART 3

Showing all Long-Term Bonds and Stocks ACQUIRED During Current Year

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
Bonds - U.S. Government								
912828 PS 3	US TREASURY NOTE 2.000% 01/31/16		02/15/2011	Goldman Sachs		8,364,531	8,500,000	7,514
912828 QA 1	US TREASURY NOTE 2.250% 03/31/16		04/01/2011	Barclays Capital		8,977,500	9,000,000	2,213
0599999.	Total - Bonds - U.S. Government					17,342,031	17,500,000	9,727
Bonds - U.S. States, Territories and Possessions								
592112 AN 6	MET GOVT NASHVILLE & DAVIDSON 5.000% 02/01/19		06/10/2011	Toronto Dominion		10,986,816	9,600,000	178,667
821686 C2 6	SHELBY CNTY TENN 5.000% 04/01/13		10/18/2011	Unrefunded from #821686UW0 (see Schedule D - Part 4)		8,043,390	7,900,000	
821686 ZV 7	SHELBY CNTY TENN 5.000% 04/01/13		10/18/2011	Prerefunded from #821686UW0 (see Schedule D - Part 4)		101,815	100,000	
1799999.	Total - Bonds - U.S. States, Territories & Possessions					19,132,021	17,600,000	178,667
Bonds - U.S. Special Revenue and Special Assessment								
88045R WH 1	TENNESSEE HSG DEV 4.500% 07/01/31		12/07/2011	Various		6,479,255	6,250,000	344
3199999.	Total - Bonds - U.S. Special Revenue and Special Assessments					6,479,255	6,250,000	344
Bonds - Industrial and Miscellaneous								
587681 AC 1	MBALT 2011-1A A3 1.180% 11/15/13		02/16/2011	JP Morgan Securities		4,999,658	5,000,000	
907818 DC 9	UNION PACIFIC CORP 5.125% 02/15/14		03/07/2011	Key Bank NA Cleveland		4,883,334	4,480,000	15,944
3899999.	Total - Bonds - Industrial and Miscellaneous					9,882,992	9,480,000	15,944
8399997.	Total - Bonds - Part 3					52,836,299	50,830,000	204,682
8399998.	Total - Bonds - Summary Item from Part 5					13,987,550	13,900,000	8,737
8399999.	Total - Bonds					66,823,849	64,730,000	213,419
9999999.	Total - Bonds, Preferred and Common Stocks					66,823,849	XXX	213,419

SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21
										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	Stated Contractual Maturity Date
Bonds - U.S. Government																				
912828 JR 2	US TREASURY NOTE 3.750% 11/15/18		03/15/2011	Goldman Sachs		8,561,875	8,000,000	9,150,000	8,933,836		(22,364)		(22,364)		8,911,472		(349,597)	(349,597)	100,276	11/15/2018
912828 JW 1	US TREASURY NOTE 1.500% 12/31/13		04/13/2011	Goldman Sachs		6,593,770	6,530,000	6,561,335	6,549,045		(1,815)		(1,815)		6,547,230		46,540	46,540	28,140	12/31/2013
912828 KG 4	US TREASURY NOTE 1.375% 03/15/12		01/05/2011	Barclays Capital		5,058,008	5,000,000	5,033,685	5,013,670		(156)		(156)		5,013,514		44,494	44,494	21,461	03/15/2012
0599999.	Total - Bonds - U.S. Government					20,213,653	19,530,000	20,745,020	20,496,551	0	(24,335)	0	(24,335)	0	20,472,216	0	(258,563)	(258,563)	149,877	XXX
Bonds - U.S. States, Territories and Possessions																				
821686 UW 0	SHELBY CNTY TENN 5.000% 04/01/13		10/18/2011	Refunded #821686 - C26 & ZV7		8,145,205	8,000,000	8,640,640	8,221,438		(76,233)		(76,233)		8,145,205			0	400,000	04/01/2013
821686 UY 6	SHELBY CNTY TENN 5.000% 04/01/15		01/27/2011	Citicorp Securities Inc.		6,823,614	6,050,000	6,681,518	6,539,037		(9,165)		(9,165)		6,529,871		293,742	293,742	100,833	04/01/2015
1799999.	Total - Bonds - U.S. States, Territories & Possessions					14,968,819	14,050,000	15,322,158	14,760,475	0	(85,398)	0	(85,398)	0	14,675,076	0	293,742	293,742	500,833	XXX
Bonds - U.S. Special Revenue and Special Assessment																				
880459 3L 4	TENNESSEE HSG DEV 5.000% 01/01/36		10/01/2011	Call 100.0000		595,000	595,000	618,901	605,586		(10,586)		(10,586)		595,000			0	24,992	07/01/2015
880459 V6 6	TENNESSEE HSG DEV 5.250% 07/01/34		10/01/2011	Call 100.0000		785,000	785,000	824,548	799,537		(14,537)		(14,537)		785,000			0	37,447	01/01/2014
880459 X2 3	TENNESSEE HSG DEV 5.125% 07/01/34		10/01/2011	Call 100.0000		1,350,000	1,350,000	1,395,239	1,378,626		(28,626)		(28,626)		1,350,000			0	59,877	07/01/2014
88045R PE 6	TENNESSEE HSG DEV 5.000% 01/01/27		10/01/2011	Call 100.0000		70,000	70,000	74,442	73,996		(3,996)		(3,996)		70,000			0	4,511	07/01/2019
3199999.	Total - Bonds - U.S. Special Revenue and Special Assessments					2,800,000	2,800,000	2,913,130	2,857,745	0	(57,745)	0	(57,745)	0	2,800,000	0	0	0	126,827	XXX
Bonds - Industrial and Miscellaneous																				
71343P AE 1	PEPSIAMERICAS INC 5.750% 07/31/12		01/12/2011	Wells Fargo Bank		2,689,675	2,500,000	2,678,475	2,592,165		(2,643)		(2,643)		2,589,522		100,153	100,153	67,083	07/31/2012
3899999.	Total - Bonds - Industrial and Miscellaneous					2,689,675	2,500,000	2,678,475	2,592,165	0	(2,643)	0	(2,643)	0	2,589,522	0	100,153	100,153	67,083	XXX
8399997.	Total - Bonds - Part 4					40,672,147	38,880,000	41,658,783	40,706,936	0	(170,121)	0	(170,121)	0	40,536,814	0	135,332	135,332	844,620	XXX
8399998.	Total - Bonds - Summary Item from Part 5					13,996,697	13,900,000	13,987,550			(291)		(291)		13,987,259		9,438	9,438	16,945	XXX
8399999.	Total - Bonds					54,668,844	52,780,000	55,646,333	40,706,936	0	(170,412)	0	(170,412)	0	54,524,073	0	144,770	144,770	861,565	XXX
9999999.	Total - Bonds, Preferred and Common Stocks					54,668,844	XXX	55,646,333	40,706,936	0	(170,412)	0	(170,412)	0	54,524,073	0	144,770	144,770	861,565	XXX

SCHEDULE D - PART 5

Showing all Long-Term Bonds and Stocks ACQUIRED During Year and Fully DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	11	Change in Book/Adjusted Carrying Value 12	13	14	15	16	17	18	19	20	21
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Disposal Date	Name of Purchaser	Par Value (Bonds) or Number of Shares (Stock)	Actual Cost	Consideration	Book/ Adjusted Carrying Value at Disposal	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (12+13-14)	Total Foreign Exchange Change in B./A.C.V.	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest and Dividends Received During Year	Paid for Accrued Interest and Dividends
Bonds - U.S. Government																				
912828 QJ 2	US TREASURY NOTE 2.125% 02/29/16		03/16/2011	Barclays Capital	03/22/2011	Bank of America Corp	8,900,000	8,989,000	8,937,547	8,988,709		(291)		(291)			(51,162)	(51,162)	11,820	8,737
0599999.	Total - Bonds - U.S. Government						8,900,000	8,989,000	8,937,547	8,988,709	0	(291)	0	(291)	0	0	(51,162)	(51,162)	11,820	8,737
Bonds - Industrial and Miscellaneous																				
883556 AW 2	THERMO FISHER SCIENTIFIC 2.050% 02/21/14.		02/14/2011	Barclays Capital	03/07/2011	Goldman Sachs	5,000,000	4,998,550	5,059,150	4,998,550				0			60,600	60,600	5,125	
3899999.	Total - Bonds - Industrial and Miscellaneous						5,000,000	4,998,550	5,059,150	4,998,550	0	0	0	0	0	0	60,600	60,600	5,125	0
8399998.	Total - Bonds						13,900,000	13,987,550	13,996,697	13,987,259	0	(291)	0	(291)	0	0	9,438	9,438	16,945	8,737
9999999.	Total - Bonds, Preferred and Common Stocks							13,987,550	13,996,697	13,987,259	0	(291)	0	(291)	0	0	9,438	9,438	16,945	8,737

Sch. D-Pt. 6-Sn. 1
NONE

Sch. D-Pt. 6-Sn. 2
NONE

Sch. DA-Pt. 1
NONE

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

Sch. DB-Pt. A-Sn. 2
NONE

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

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

Sch. DB-Pt. B-Sn. 2
NONE

Sch. DB-Pt. B-Sn 2B-Broker List
NONE

Sch. DB-Pt. D
NONE

Sch. DL-Pt. 1
NONE

Sch. DL-Pt. 2
NONE

SCHEDULE E - PART 1 - CASH

1 Depository		2 Code	3 Rate of Interest	4 Amount of Interest Received During Year	5 Amount of Interest Accrued December 31 of Current Year	6 Balance	7 *
Open Depositories							
CITIBANK	NEW YORK, NY						XXX
0199999. Total - Open Depositories		XXX	XXX	0	0	0	XXX
0399999. Total Cash on Deposit		XXX	XXX	0	0	0	XXX
0599999. Total Cash		XXX	XXX	0	0	0	XXX

TOTALS OF DEPOSITORY BALANCES ON THE LAST DAY OF EACH MONTH DURING THE CURRENT YEAR

1. January		4. April		7. July		10. October	
2. February		5. May		8. August		11. November	
3. March		6. June		9. September		12. December	

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned December 31 of Current Year

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year

NONE

SCHEDULE E - PART 3 - SPECIAL DEPOSITS

		1	2	Deposits for the Benefit of All Policyholders		All Other Special Deposits	
	States, Etc.	Type of Deposit	Purpose of Deposit	3 Book/Adjusted Carrying Value	4 Fair Value	5 Book/Adjusted Carrying Value	6 Fair Value
1.	Alabama......AL						
2.	Alaska......AK						
3.	Arizona......AZ						
4.	Arkansas......AR						
5.	California......CA						
6.	Colorado......CO						
7.	Connecticut......CT						
8.	Delaware......DE						
9.	District of Columbia......DC						
10.	Florida......FL						
11.	Georgia......GA						
12.	Hawaii......HI						
13.	Idaho......ID						
14.	Illinois......IL						
15.	Indiana......IN						
16.	Iowa......IA						
17.	Kansas......KS						
18.	Kentucky......KY						
19.	Louisiana......LA						
20.	Maine......ME						
21.	Maryland......MD						
22.	Massachusetts......MA						
23.	Michigan......MI						
24.	Minnesota......MN						
25.	Mississippi......MS						
26.	Missouri......MO						
27.	Montana......MT						
28.	Nebraska......NE						
29.	Nevada......NV						
30.	New Hampshire......NH						
31.	New Jersey......NJ						
32.	New Mexico......NM						
33.	New York......NY						
34.	North Carolina......NC						
35.	North Dakota......ND						
36.	Ohio......OH	B	Collateral for Insurance Underwriting	1,680,677	1,796,631		
37.	Oklahoma......OK						
38.	Oregon......OR						
39.	Pennsylvania......PA						
40.	Rhode Island......RI						
41.	South Carolina......SC						
42.	South Dakota......SD						
43.	Tennessee......TN	B	Collateral for Insurance Underwriting	209,461	223,913		
44.	Texas......TX						
45.	Utah......UT						
46.	Vermont......VT						
47.	Virginia......VA						
48.	Washington......WA						
49.	West Virginia......WV						
50.	Wisconsin......WI						
51.	Wyoming......WY						
52.	American Samoa......AS						
53.	Guam......GU						
54.	Puerto Rico......PR						
55.	US Virgin Islands......VI						
56.	Northern Mariana Islands......MP						
57.	Canada......CN						
58.	Aggregate Alien and Other......OT	XXX	XXX	0	0	0	0
59.	Total	XXX	XXX	1,890,138	2,020,544	0	0

DETAILS OF WRITE-INS

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

2011 ALPHABETICAL INDEX -- PROPERTY & CASUALTY ANNUAL STATEMENT BLANK