



ANNUAL STATEMENT  
For the Year Ending December 31, 2011  
OF THE CONDITION AND AFFAIRS OF THE  
OHIC Insurance Company

NAIC Group Code	0831	, 0831	NAIC Company Code	35602	Employer's ID Number	31-0926059
	(current period)	(prior period)				
Organized under the Laws of	Ohio	,	State of Domicile or Port of Entry	Ohio		
Country of Domicile	UNITED STATES OF AMERICA					
Incorporated/Organized	02/09/1978		Commenced Business	03/01/1978		
Statutory Home Office	155 E BROAD STREET, 4TH FLOOR	,	COLUMBUS, OH 43215-3614			
	(Street and Number)		(City or Town, State and Zip Code)			
Main Administrative Office	185 GREENWOOD ROAD					
	(Street and Number)					
	NAPA, CA 94558		(707)226-0100			
	(City or Town, State and Zip Code)		(Area Code)(Telephone Number)			
Mail Address	PO BOX 2900	,	NAPA, CA 94558			
	(Street and Number)		(City or Town, State and Zip Code)			
Primary Location of Books and Records	185 GREENWOOD ROAD					
	(Street and Number)					
	NAPA, CA 94558		(707)226-0100			
	(City or Town, State and Zip Code)		(Area Code)(Telephone Number)			
Internet Website Address	www.thedoctors.com					
Statutory Statement Contact	DOUGLAS CHARLES WILL		(707)226-0100			
	(Name)		(Area Code)(Telephone Number)			
	statefilingOHIC@thedoctors.com		(707)226-0180			
	(E-Mail Address)		(Fax Number)			

OFFICERS

Name	Title
RICHARD ELLIOTT ANDERSON MD	PRESIDENT, CHIEF EXECUTIVE OFFICER
THOMAS GEORGE LUFFY	TREASURER
DAVID ARMAND MCHALE	SECRETARY

OTHERS

DAVID GERARD PREIMESBERGER, CHIEF FINANCIAL OFFICER	DARRELL BLAIR RANUM, REGIONAL VICE PRESIDENT
ROBERT DAVID FRANCIS, CHIEF OPERATING OFFICER	DOUGLAS CHARLES WILL, VICE PRESIDENT #
THOMAS GEORGE LUFFY, VICE PRESIDENT	MICHAEL YACOB, SENIOR VICE PRESIDENT #
DOUGLAS WILLIAM BOLTZ, ASSISTANT VICE PRESIDENT #	

DIRECTORS OR TRUSTEES

RICHARD ELLIOTT ANDERSON MD	ROBERT DAVID FRANCIS
DAVID GERARD PREIMESBERGER	DENNIS BRYAN LAWTON PhD
DAVID ARMAND MCHALE	

State of California

County of NAPA ss

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

(Signature)	(Signature)	(Signature)
ROBERT DAVID FRANCIS	DAVID ARMAND MCHALE	DAVID GERARD PREIMESBERGER
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
CHIEF OPERATING OFFICER	SECRETARY	CHIEF FINANCIAL OFFICER
(Title)	(Title)	(Title)

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_ 2012, by Robert David Francis, proved to me on the basis of satisfactory evidence to be the person who appeared before me, and David Armand McHale, proved to me on the basis of satisfactory evidence to be the person who appeared before me, and David Gerard Preimesberger, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

(Notary Public Signature)	a. Is this an original filing?	Yes[X] No[ ]
	b. If no:	
	1. State the amendment number	0
	2. Date filed	
	3. Number of pages attached	0

ASSETS

		Current Year			Prior Year
		1	2	3	4
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols.1-2)	Net Admitted Assets
1.	Bonds (Schedule D) .....	100,679,591		100,679,591	180,857,949
2.	Stocks (Schedule D)				
2.1	Preferred stocks .....				
2.2	Common Stocks .....				
3.	Mortgage loans on real estate (Schedule B):				
3.1	First liens .....				
3.2	Other than first liens .....				
4.	Real estate (Schedule A):				
4.1	Properties occupied by the company (less \$.....0 encumbrances) .....				
4.2	Properties held for the production of income (less \$.....0 encumbrances) .....				
4.3	Properties held for sale (less \$.....0 encumbrances) .....				
5.	Cash (\$.....3,195,997 Schedule E Part 1), cash equivalents (\$.....0 Schedule E Part 2) and short-term investments (\$.....1,147,083 Schedule DA) .....	4,343,080		4,343,080	8,323,674
6.	Contract loans (including \$.....0 premium notes) .....				
7.	Derivatives (Schedule DB) .....				
8.	Other invested assets (Schedule BA) .....				
9.	Receivables for securities .....	465,864		465,864	
10.	Securities Lending Reinvested Collateral Assets (Schedule DL) .....				
11.	Aggregate write-ins for invested assets .....				
12.	Subtotals, cash and invested assets (Lines 1 to 11) .....	105,488,535		105,488,535	189,181,623
13.	Title plants less \$.....0 charged off (for Title insurers only) .....				
14.	Investment income due and accrued .....	1,045,320		1,045,320	2,083,945
15.	Premiums and considerations:				
15.1	Uncollected premiums and agents' balances in the course of collection .....	395,656		395,656	94,232
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including \$.....0 earned but unbilled premiums) .....	415,068		415,068	1,046,045
15.3	Accrued retrospective premiums .....				
16.	Reinsurance:				
16.1	Amounts recoverable from reinsurers .....	1,186,658		1,186,658	5,227,132
16.2	Funds held by or deposited with reinsured companies .....				
16.3	Other amounts receivable under reinsurance contracts .....				
17.	Amounts receivable relating to uninsured plans .....				
18.1	Current federal and foreign income tax recoverable and interest thereon .....				
18.2	Net deferred tax asset .....	2,851,375	1,105,213	1,746,162	1,865,860
19.	Guaranty funds receivable or on deposit .....				
20.	Electronic data processing equipment and software .....				
21.	Furniture and equipment, including health care delivery assets (\$.....0) .....				
22.	Net adjustment in assets and liabilities due to foreign exchange rates .....				
23.	Receivables from parent, subsidiaries and affiliates .....				57,529
24.	Health care (\$.....0) and other amounts receivable .....				
25.	Aggregate write-ins for other than invested assets .....	289,033		289,033	1,265,158
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	111,671,645	1,105,213	110,566,432	200,821,525
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
28.	Total (Lines 26 and 27) .....	111,671,645	1,105,213	110,566,432	200,821,525
DETAILS OF WRITE-INS					
1101.	.....				
1102.	.....				
1103.	.....				
1198.	Summary of remaining write-ins for Line 11 from overflow page .....				
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....				
2501.	Miscellaneous Assets .....	289,033		289,033	1,265,158
2502.	.....				
2503.	.....				
2598.	Summary of remaining write-ins for Line 25 from overflow page .....				
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	289,033		289,033	1,265,158

LIABILITIES, SURPLUS AND OTHER FUNDS

		1	2
		Current Year	Prior Year
1.	Losses (Part 2A, Line 35, Column 8) .....	21,795,340	31,490,521
2.	Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6) .....		
3.	Loss adjustment expenses (Part 2A, Line 35, Column 9) .....	6,271,867	5,474,711
4.	Commissions payable, contingent commissions and other similar charges .....		
5.	Other expenses (excluding taxes, licenses and fees) .....	452,735	2,915,747
6.	Taxes, licenses and fees (excluding federal and foreign income taxes) .....	83,901	231,870
7.1	Current federal and foreign income taxes (including \$.....1,615,711 on realized capital gains (losses)) .....	649,647	10,211,920
7.2	Net deferred tax liability .....		
8.	Borrowed money \$.....0 and interest thereon \$.....0 .....		
9.	Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$.....0 and including warranty reserves of \$.....0 and accrued accident and health experience rating refunds including \$.....0 for medical loss ratio rebate per the Public Health Service Act) .....	1,101,978	1,250,703
10.	Advance premiums .....		
11.	Dividends declared and unpaid:		
11.1	Stockholders .....		9,600,000
11.2	Policyholders .....		
12.	Ceded reinsurance premiums payable (net of ceding commissions) .....	1,767,801	5,416,260
13.	Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19) .....	33,355,205	29,914,564
14.	Amounts withheld or retained by company for account of others .....		
15.	Remittances and items not allocated .....		
16.	Provision for reinsurance (Schedule F, Part 7) .....	17,221	1,124,062
17.	Net adjustments in assets and liabilities due to foreign exchange rates .....		
18.	Drafts outstanding .....		
19.	Payable to parent, subsidiaries and affiliates .....	285,047	421,961
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 .....	5,539	
26.	TOTAL Liabilities excluding protected cell liabilities (Lines 1 through 25) .....	65,786,281	98,052,318
27.	Protected cell liabilities .....		
28.	TOTAL Liabilities (Lines 26 and 27) .....	65,786,281	98,052,318
29.	Aggregate write-ins for special surplus funds .....		
30.	Common capital stock .....	3,591,990	3,591,990
31.	Preferred capital stock .....		
32.	Aggregate write-ins for other than special surplus funds .....		
33.	Surplus notes .....		
34.	Gross paid in and contributed surplus .....	32,734,144	58,000,000
35.	Unassigned funds (surplus) .....	8,454,017	41,177,217
36.	Less treasury stock, at cost:		
36.1	.....0 shares common (value included in Line 30 \$.....0) .....		
36.2	.....0 shares preferred (value included in Line 31 \$.....0) .....		
37.	Surplus as regards policyholders (Lines 29 to 35, minus 36) (Page 4, Line 39) .....	44,780,151	102,769,207
38.	TOTALS (Page 2, Line 28, Column 3) .....	110,566,432	200,821,525
DETAILS OF WRITE-INS			
2501.	Misc. Liability .....	5,539	
2502.	.....		
2503.	.....		
2598.	Summary of remaining write-ins for Line 25 from overflow page .....		
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	5,539	
2901.	.....		
2902.	.....		
2903.	.....		
2998.	Summary of remaining write-ins for Line 29 from overflow page .....		
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above) .....		
3201.	.....		
3202.	.....		
3203.	.....		
3298.	Summary of remaining write-ins for Line 32 from overflow page .....		
3299.	TOTALS (Lines 3201 through 3203 plus 3298) (Line 32 above) .....		

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	756,573	(3,720,880)
DEDUCTIONS		
2. Losses incurred (Part 2, Line 35, Column 7)	(8,193,629)	(43,234,212)
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	4,913,372	5,111,006
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	4,222,548	1,734,400
5. Aggregate write-ins for underwriting deductions		
6. TOTAL Underwriting Deductions (Lines 2 through 5)	942,291	(36,388,806)
7. Net income of protected cells		
8. Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7)	(185,718)	32,667,926
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	6,250,142	7,706,271
10. Net realized capital gains (losses) less capital gains tax of \$.....1,615,711 (Exhibit of Capital Gains (Losses))	3,000,607	1,666,337
11. Net investment gain or (loss) (Lines 9 + 10)	9,250,749	9,372,608
OTHER INCOME		
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0)		
13. Finance and service charges not included in premiums		
14. Aggregate write-ins for miscellaneous income	(1,615,451)	(1,567,743)
15. TOTAL Other Income (Lines 12 through 14)	(1,615,451)	(1,567,743)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	7,449,580	40,472,791
17. Dividends to policyholders		319
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)	7,449,580	40,472,473
19. Federal and foreign income taxes incurred	(948,477)	9,712,355
20. Net income (Line 18 minus Line 19) (to Line 22)	8,398,057	30,760,118
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	102,769,207	80,380,422
22. Net income (from Line 20)	8,398,057	30,760,118
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	(2,595,568)	(4,434,093)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets Line 28, Column 3)	5,101,613	3,558,559
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	1,106,841	2,104,201
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	(25,265,856)	
33.2 Transferred to capital (Stock Dividend)		
33.3 Transferred from capital		
34. Net remittances from or (to) Home Office		
35. Dividends to stockholders	(44,734,144)	(9,600,000)
36. Change in treasury stock (Page 3, Line 36.1 and 36.2, Column 2 minus Column 1)		
37. Aggregate write-ins for gains and losses in surplus		
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	(57,989,056)	22,388,785
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	44,780,151	102,769,207
DETAILS OF WRITE-INS		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page		
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)		
1401. Interest on FWA	(1,615,707)	(1,567,743)
1402. Misc Income	256	
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page		
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	(1,615,451)	(1,567,743)
3701.		
3702.		
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page		
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Lines 37 above)		

CASH FLOW

		1	2
		Current Year	Prior Year
Cash from Operations			
1.	Premiums collected net of reinsurance .....	(2,711,058)	1,508,199
2.	Net investment income .....	8,245,090	8,527,503
3.	Miscellaneous income .....	(1,615,451)	(1,567,743)
4.	Total (Lines 1 through 3) .....	3,918,582	8,467,959
5.	Benefit and loss related payments .....	(6,429,823)	(3,882,126)
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....		
7.	Commissions, expenses paid and aggregate write-ins for deductions .....	10,949,745	10,683,911
8.	Dividends paid to policyholders .....		319
9.	Federal and foreign income taxes paid (recovered) net of \$.....1,615,711 tax on capital gains (losses) .....	10,229,505	(2,664,576)
10.	Total (Lines 5 through 9) .....	14,749,427	4,137,528
11.	Net cash from operations (Line 4 minus Line 10) .....	(10,830,845)	4,330,432
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds .....	157,660,383	86,209,832
12.2	Stocks .....		25,000
12.3	Mortgage loans .....		
12.4	Real estate .....		
12.5	Other invested assets .....		
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments .....		
12.7	Miscellaneous proceeds .....		1,143,341
12.8	Total investment proceeds (Lines 12.1 to 12.7) .....	157,660,383	87,378,173
13.	Cost of investments acquired (long-term only):		
13.1	Bonds .....	73,822,030	67,593,171
13.2	Stocks .....		
13.3	Mortgage loans .....		
13.4	Real estate .....		
13.5	Other invested assets .....		
13.6	Miscellaneous applications .....	465,864	
13.7	Total investments acquired (Lines 13.1 to 13.6) .....	74,287,894	67,593,171
14.	Net increase (decrease) in contract loans and premium notes .....		
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....	83,372,489	19,785,002
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 .....	(25,265,856)	0
16.3	Borrowed funds .....		
16.4	Net deposits on deposit-type contracts and other insurance liabilities .....		
16.5	Dividends to stockholders .....	54,334,144	18,700,000
16.6	Other cash provided (applied) .....	3,077,762	698,451
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	(76,522,238)	(18,001,549)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(3,980,594)	6,113,885
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year .....	8,323,674	2,209,789
19.2	End of year (Line 18 plus Line 19.1) .....	4,343,080	8,323,674

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001			
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UNDERWRITING AND INVESTMENT EXHIBIT  
PART 1 - PREMIUMS EARNED

Line of Business		1 Net Premiums Written Per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year - per Column 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year - per Column 5, Part 1A	4 Premiums Earned During Year (Columns 1 + 2 - 3)
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 .....	33,191	91,885	85,757	39,319
11.2	Medical professional liability - claims-made .....	574,657	1,158,818	1,016,221	717,254
12.	Earthquake .....				
13.	Group accident and health .....				
14.	Credit accident and health (group and individual) .....				
15.	Other accident and health .....				
16.	Workers' compensation .....				
17.1	Other liability - occurrence .....				
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 .....				
19.3	19.4 Commercial auto liability .....				
21.	Auto physical damage .....				
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 .....				
32.	Reinsurance-Nonproportional Assumed Liability .....				
33.	Reinsurance-Nonproportional Assumed Financial Lines .....				
34.	Aggregate write-ins for other lines of business .....				
35.	TOTALS .....	607,848	1,250,703	1,101,978	756,573
DETAILS OF WRITE-INS					
3401.	.....				
3402.	.....				
3403.	.....				
3498.	Summary of remaining write-ins for Line 34 from overflow page .....				
3499.	TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above) .....				

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 1A - RECAPITULATION OF ALL PREMIUMS

		1	2	3	4	5
		Amount Unearned (Running One Year or Less From Date of Policy) (a)	Amount Unearned (Running More Than One Year From Date of Policy) (a)	Earned But Unbilled Premium	Reserve for Rate Credits and Retrospective Adjustments Based on Experience	Total Reserve For Unearned Premiums Columns 1 + 2 + 3 + 4
Line of Business						
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 .....	85,757				85,757
11.2	Medical professional liability - claims-made .....	1,016,221				1,016,221
12.	Earthquake .....					
13.	Group accident and health .....					
14.	Credit accident and health (group and individual) .....					
15.	Other accident and health .....					
16.	Workers' compensation .....					
17.1	Other liability - occurrence .....					
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 .....					
19.3	19.4 Commercial auto liability .....					
21.	Auto physical damage .....					
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 .....					
32.	Reinsurance-Nonproportional Assumed Liability .....					
33.	Reinsurance-Nonproportional Assumed Financial Lines .....					
34.	Aggregate write-ins for other lines of business .....					
35.	TOTALS .....	1,101,978				1,101,978
36. Accrued retrospective premiums based on experience .....						
37. Earned but unbilled premiums .....						
38. Balance (Line 35 through Line 37) .....						1,101,978
DETAILS OF WRITE-INS						
3401.	.....					
3402.	.....					
3403.	.....					
3498.	Summary of remaining write-ins for Line 34 from overflow page .....					
3499.	TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above) .....					

(a) State here basis of computation used in each case:

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 1B - PREMIUMS WRITTEN

Line of Business		1  Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6  Net Premiums Written Columns 1+2+3-4-5
			2  From Affiliates	3  From Non-Affiliates	4  To Affiliates	5  To Non-Affiliates	
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 .....	528,425			395,332	99,902	33,191
11.2	Medical professional liability - claims-made .....	5,464,482			4,419,123	470,702	574,657
12.	Earthquake .....						
13.	Group accident and health .....						
14.	Credit accident and health (group and individual) .....						
15.	Other accident and health .....						
16.	Workers' compensation .....						
17.1	Other liability - occurrence .....						
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 .....						
19.3	19.4 Commercial auto liability .....						
21.	Auto physical damage .....						
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 .....	X X X					
32.	Reinsurance-Nonproportional Assumed Liability .....	X X X					
33.	Reinsurance-Nonproportional Assumed Financial Lines .....	X X X					
34.	Aggregate write-ins for other lines of business .....						
35.	TOTALS .....	5,992,907			4,814,455	570,604	607,848
DETAILS OF WRITE-INS							
3401.	.....						
3402.	.....						
3403.	.....						
3498.	Summary of remaining write-ins for Line 34 from overflow page .....						
3499.	TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above) .....						

(a) Does the company's direct premiums written include premiums recorded on an installment basis? Yes[ ] No[X]  
If yes, (1) The amount of such installment premiums \$.....0.  
(2) Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$.....0

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 2 - LOSSES PAID AND INCURRED

Line of Business		Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Column 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Columns 4 + 5 - 6)	8 Percentage of Losses Incurred (Column 7, Part 2) to Premiums Earned (Column 4, Part 1)
		1  Direct Business	2  Reinsurance Assumed	3  Reinsurance Recovered	4 Net Payments (Columns 1 + 2 - 3)				
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 .....	1,379,679		102,000	1,277,679	17,970,845	13,591,330	5,657,195	14,387.97
11.2	Medical professional liability - claims-made .....	2,848,000		2,624,128	223,872	3,674,495	17,749,190	(13,850,823)	(1,931.09)
12.	Earthquake .....								
13.	Group accident and health .....								
14.	Credit accident and health (group and individual) .....								
15.	Other accident and health .....								
16.	Workers' compensation .....								
17.1	Other liability - occurrence .....								
17.2	Other liability - claims-made .....					150,000	150,000		
17.3	Excess Workers' Compensation .....								
18.1	Products liability - occurrence .....								
18.2	Products liability - claims made .....								
19.1	19.2 Private passenger auto liability .....								
19.3	19.4 Commercial auto liability .....								
21.	Auto physical damage .....								
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 .....	X X X							
32.	Reinsurance-Nonproportional Assumed Liability .....	X X X							
33.	Reinsurance-Nonproportional Assumed Financial Lines .....	X X X							
34.	Aggregate write-ins for other lines of business .....								
35.	TOTALS .....	4,227,679		2,726,128	1,501,551	21,795,340	31,490,520	(8,193,629)	(1,082.99)
DETAILS OF WRITE-INS									
3401.	.....								
3402.	.....								
3403.	.....								
3498.	Summary of remaining write-ins for Line 34 from overflow page .....								
3499.	TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above) .....								

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business		Reported Losses				Incurred But Not Reported			8	9
		1	2	3	4	5	6	7	Net Losses Unpaid (Columns 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
		Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	Net Losses Excluding Incurred But Not Reported (Columns 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded		
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 .....	29,969,611		17,312,751	12,656,860	7,299,963		1,985,978	17,970,845	5,505,490
11.2	Medical professional liability - claims-made .....	7,449,228		4,597,691	2,851,537	8,246,858		7,423,900	3,674,495	759,772
12.	Earthquake .....									
13.	Group accident & health .....								(a)	
14.	Credit accident & health (group & individual) .....								(a)	
15.	Other accident & health .....									
16.	Workers' compensation .....									
17.1	Other liability - occurrence .....									
17.2	Other liability - claims-made .....	150,000			150,000				150,000	6,606
17.3	Excess Workers' Compensation .....									
18.1	Products liability - occurrence .....									
18.2	Products liability - claims-made .....									
19.1	19.2 Private passenger auto liability .....									
19.3	19.4 Commercial auto liability .....									
21.	Auto physical damage .....									
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 .....	X X X				X X X				
32.	Reinsurance-Nonproportional Assumed Liability .....	X X X				X X X				
33.	Reinsurance-Nonproportional Assumed Financial Lines .....	X X X				X X X				
34.	Aggregate write-ins for other lines of business .....									
35.	TOTALS .....	37,568,839		21,910,442	15,658,397	15,546,821		9,409,878	21,795,340	6,271,867
DETAILS OF WRITE-INS										
3401.	.....									
3402.	.....									
3403.	.....									
3498.	Summary of remaining write-ins for Line 34 from overflow page .....									
3499.	TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above) .....									

(a) Including \$.....0 for present value of life indemnity claims.

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct .....	6,081,236			6,081,236
1.2 Reinsurance assumed .....				
1.3 Reinsurance ceded .....	1,628,647			1,628,647
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3) .....	4,452,589			4,452,589
2. Commission and brokerage:				
2.1 Direct, excluding contingent .....		484,510		484,510
2.2 Reinsurance assumed, excluding contingent .....				
2.3 Reinsurance ceded, excluding contingent .....		724,814		724,814
2.4 Contingent - direct .....				
2.5 Contingent - reinsurance assumed .....				
2.6 Contingent - reinsurance ceded .....				
2.7 Policy and membership fees .....				
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7) .....		(240,304)		(240,304)
3. Allowances to manager and agents .....				
4. Advertising .....		36,791		36,791
5. Boards, bureaus and associations .....	1,231	4,872	311	6,414
6. Surveys and underwriting reports .....	348	1,377	88	1,812
7. Audit of assureds' records .....				
8. Salary and related items:				
8.1 Salaries .....	171,673	679,360	43,363	894,397
8.2 Payroll taxes .....				
9. Employee relations and welfare .....	227,538	3,526,179	57,475	3,811,192
10. Insurance .....	969	3,836	245	5,050
11. Directors' fees .....				
12. Travel and travel items .....	13,121	51,924	3,314	68,359
13. Rent and rent items .....	12,393	49,043	3,130	64,566
14. Equipment .....	10,419	41,231	2,632	54,281
15. Cost or depreciation of EDP equipment and software .....	6,448	25,515	1,629	33,591
16. Printing and stationery .....	4,168	16,492	1,053	21,713
17. Postage, telephone and telegraph, exchange and express .....	5,209	20,612	1,316	27,136
18. Legal and auditing .....	7,882	21,163	1,351	30,396
19. TOTALS (Lines 3 to 18) .....	461,398	4,478,396	115,906	5,055,700
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....0 .....		(35,987)		(35,987)
20.2 Insurance department licenses and fees .....		55,327		55,327
20.3 Gross guaranty association assessments .....				
20.4 All other (excluding federal and foreign income and real estate) .....	415	2,442	105	2,962
20.5 TOTAL taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4) .....	415	21,782	105	22,302
21. Real estate expenses .....				
22. Real estate taxes .....	258	1,019	65	1,342
23. Reimbursements by uninsured plans .....				
24. Aggregate write-ins for miscellaneous expenses .....	(1,288)	(38,344)	283,009	243,377
25. TOTAL expenses incurred .....	4,913,372	4,222,548	399,085	(a) 9,535,005
26. Less unpaid expenses - current year .....	6,271,867	536,635		6,808,503
27. Add unpaid expenses - prior year .....	5,474,711	3,147,617		8,622,328
28. Amounts receivable relating to uninsured plans, prior year .....				
29. Amounts receivable relating to uninsured plans, current year .....				
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29) .....	4,116,215	6,833,530	399,085	11,348,830
DETAILS OF WRITE-INS				
2401. Miscellaneous Exp .....	(8,196)	(65,681)		(73,876)
2402. Consulting Fees .....	6,908	27,337	1,745	35,989
2403. Investments .....			281,264	281,264
2498. Summary of remaining write-ins for Line 24 from overflow page .....				
2499. TOTALS (Lines 2401 through 2403 plus 2498) (Line 24 above) .....	(1,288)	(38,344)	283,009	243,377

(a) Includes management fees of \$.....6,561,478 to affiliates and \$.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds .....	(a)..... 351,066	..... 304,312
1.1	Bonds exempt from U.S. tax .....	(a)..... 3,599,624	..... 2,925,621
1.2	Other bonds (unaffiliated) .....	(a)..... 3,737,798	..... 3,419,930
1.3	Bonds of affiliates .....	(a).....	.....
2.1	Preferred stocks (unaffiliated) .....	(b).....	.....
2.11	Preferred stocks of affiliates .....	(b).....	.....
2.2	Common stocks (unaffiliated) .....	.....	.....
2.21	Common stocks of affiliates .....	.....	.....
3.	Mortgage loans .....	(c).....	.....
4.	Real estate .....	(d).....	.....
5.	Contract loans .....	.....	.....
6.	Cash, cash equivalents and short-term investments .....	(e)..... (1,670)	..... (1,670)
7.	Derivative instruments .....	(f).....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income .....	..... 1,034	..... 1,034
10.	Total gross investment income .....	..... 7,687,852	..... 6,649,227
11.	Investment expenses .....		(g)..... 399,085
12.	Investment taxes, licenses and fees, excluding federal income taxes .....		(g).....
13.	Interest expense .....		(h).....
14.	Depreciation on real estate and other invested assets .....		(i).....
15.	Aggregate write-ins for deductions from investment income .....		.....
16.	Total deductions (Lines 11 through 15) .....		..... 399,085
17.	Net Investment income (Line 10 minus Line 16) .....		..... 6,250,142
DETAILS OF WRITE-INS			
0901.	Other Investment Income .....	..... 1,034	..... 1,034
0902.	.....	.....	.....
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....	.....
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9, above) .....	..... 1,034	..... 1,034
1501.	.....		.....
1502.	.....		.....
1503.	.....		.....
1598.	Summary of remaining write-ins for Line 15 from overflow page .....		.....
1599.	TOTALS (Lines 1501 through 1503 plus 1598) (Line 15, above) .....		.....
(a) Includes \$.....30,449 accrual of discount less \$.....986,772 amortization of premium and less \$.....215,238 paid for accrued interest on purchases.			
(b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.			
(c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.			
(d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.			
(e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.			
(f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.			
(g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.			
(h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.			
(i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.			

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds .....	..... 742,940	.....	..... 742,940	.....	.....
1.1	Bonds exempt from U.S. tax .....	..... 1,969,980	.....	..... 1,969,980	.....	.....
1.2	Other bonds (unaffiliated) .....	..... 1,903,398	.....	..... 1,903,398	.....	.....
1.3	Bonds of affiliates .....	.....	.....	.....	.....	.....
2.1	Preferred stocks (unaffiliated) .....	.....	.....	.....	.....	.....
2.11	Preferred stocks of affiliates .....	.....	.....	.....	.....	.....
2.2	Common stocks (unaffiliated) .....	.....	.....	.....	.....	.....
2.21	Common stocks of affiliates .....	.....	.....	.....	.....	.....
3.	Mortgage loans .....	.....	.....	.....	.....	.....
4.	Real estate .....	.....	.....	.....	.....	.....
5.	Contract loans .....	.....	.....	.....	.....	.....
6.	Cash, cash equivalents and short-term investments .....	.....	.....	.....	.....	.....
7.	Derivative instruments .....	.....	.....	.....	.....	.....
8.	Other invested assets .....	.....	.....	.....	.....	.....
9.	Aggregate write-ins for capital gains (losses) .....	.....	.....	.....	.....	.....
10.	Total capital gains (losses) .....	..... 4,616,318	.....	..... 4,616,318	.....	.....
DETAILS OF WRITE-INS						
0901.	.....	.....	.....	.....	.....	.....
0902.	.....	.....	.....	.....	.....	.....
0903.	.....	.....	.....	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page ..	.....	.....	.....	.....	.....
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9, above) ..	.....	.....	.....	.....	.....

EXHIBIT OF NONADMITTED ASSETS

		1	2	3
		Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1.	Bonds (Schedule D) .....			
2.	Stocks (Schedule D):			
2.1	Preferred stocks .....			
2.2	Common stocks .....			
3.	Mortgage loans on real estate (Schedule B):			
3.1	First liens .....			
3.2	Other than first liens .....			
4.	Real estate (Schedule A):			
4.1	Properties occupied by the company .....			
4.2	Properties held for the production of income .....			
4.3	Properties held for sale .....			
5.	Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA) .....			
6.	Contract loans .....			
7.	Derivatives (Schedule DB) .....			
8.	Other invested assets (Schedule BA) .....			
9.	Receivables for securities .....			
10.	Securities lending reinvested collateral assets (Schedule DL) .....			
11.	Aggregate write-ins for invested assets .....			
12.	Subtotals, cash and invested assets (Lines 1 to 11) .....			
13.	Title plants (for Title insurers only) .....			
14.	Invested income due and accrued .....			
15.	Premium and considerations:			
15.1	Uncollected premiums and agents' balances in the course of collection .....			
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due .....			
15.3	Accrued retrospective premiums .....			
16.	Reinsurance:			
16.1	Amounts recoverable from reinsurers .....			
16.2	Funds held by or deposited with reinsured companies .....			
16.3	Other amounts receivable under reinsurance contracts .....			
17.	Amounts receivable relating to uninsured plans .....			
18.1	Current federal and foreign income tax recoverable and interest thereon .....			
18.2	Net deferred tax asset .....	1,105,213	3,581,083	2,475,870
19.	Guaranty funds receivable or on deposit .....			
20.	Electronic data processing equipment and software .....			
21.	Furniture and equipment, including health care delivery assets .....			
22.	Net adjustment in assets and liabilities due to foreign exchange rates .....			
23.	Receivables from parent, subsidiaries and affiliates .....			
24.	Health care and other amounts receivable .....			
25.	Aggregate write-ins for other than invested assets .....		2,625,743	2,625,743
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	1,105,213	6,206,826	5,101,613
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
28.	Total (Lines 26 and 27) .....	1,105,213	6,206,826	5,101,613
DETAILS OF WRITE-INS				
1101.	.....			
1102.	.....			
1103.	.....			
1198.	Summary of remaining write-ins for Line 11 from overflow page .....			
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....			
2501.	Prepaid Expense .....		2,625,743	2,625,743
2502.	.....			
2503.	.....			
2598.	Summary of remaining write-ins for Line 25 from overflow page .....			
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....		2,625,743	2,625,743

# Notes to Financial Statements

1. Summary of Significant Accounting Policies

Accounting Practices

- A. The accompanying financial statements of OHIC Insurance Company (OHIC or The Company) have been prepared on the basis of accounting practices prescribed or permitted by the Ohio Insurance Department.

The State of Ohio requires insurance companies domiciled in the State of Ohio to prepare their statutory financial statements in accordance with the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* (NAIC SAP) subject to any deviations prescribed or permitted by the Ohio Insurance Department. OHIC has no prescribed or permitted practices exceptions.

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

The preparation of financial statements in conformity with NAIC SAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the period.

The Company has no toxic waste cleanup, asbestos-related or other environmental remediation exposures.

- C. Accounting Policies

Premiums are earned over the terms of the related policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct business and are based on reports received from ceding companies for reinsurance assumed. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

Net investment income earned consists primarily in interest, dividends and rent income less investment related expense. Interest is recognized on an accrual basis and dividends are recognized on an ex-dividend basis. Net realized capital gains (losses) are recognized on a first in first out basis when sold, redeemed or otherwise disposed. Realized capital losses include write-downs for impairments considered to be other than temporary.

Real estate investments are classified in the balance sheet as properties occupied by the company, properties held for the production of income and properties held for sale. Properties occupied by the company and properties held for the production of income are carried at depreciated cost less encumbrances. Properties held for sale are carried at the lower of depreciated cost or fair value less estimated cost to sell. This value would also be net of any encumbrance. The fair values of properties held for the production of income and held for sale are based upon quoted market prices, if available. If quoted market prices are unavailable, fair values are based upon market appraisals performed every five years using certified valuation techniques. Fair values of properties occupied by the company will be measured only if circumstances indicate that the financial condition of the Company is in question.

In addition, OHIC adheres to the following accounting policies:

1. Short-term investments are stated at amortized value using the scientific interest method. Non-investment grade short-term investments are stated at the lower of amortized value or fair value.
2. Investment grade bonds not backed by other loans are stated at amortized value using the interest method. Non-investment grade bonds with NAIC designations of 3 through 6 are stated at the lower of amortized value or fair value.
3. Common stocks, other than investments in stocks of subsidiaries and affiliates, are stated at fair value.
4. Investment grade redeemable preferred stocks are stated at amortized value. Investment grade Perpetual preferred stocks are stated at fair value. Non-investment grade preferred stocks are stated at the lower of amortized value or fair value.
5. First lien mortgage loans on real estate are stated at their estimated fair value.
6. Investment grade loan-backed and structured securities are generally stated at amortized value. The retrospective adjustment method is used to determine amortized value for all loan-backed securities. Non-investment grade loan-backed securities with NAIC designations of 3 through 6 are stated at the lower of amortized value or fair value. Loan-backed securities, within the scope of SSAP 43R, with a recognized other-than-temporary impairment are identified in Note 5D.
7. Investments in subsidiary and affiliated companies:

None

Notes to Financial Statements

8.

Investments in joint ventures, most partnerships and limited liability companies are stated at the underlying audited GAAP equity value.
9.

The Company does not hold investments in derivative instruments as defined by SSAP No. 31.
10.

The Company does not anticipate investment income as a factor in premium deficiency calculations.
11.

Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability is continually reviewed and any adjustments are reflected in the period determined.
12.

The Company has a written capitalization policy for prepaid expenses and purchases of items such as electronic data processing equipment, software, furniture, vehicles, other equipment and leasehold improvements. As of January 1, 2009, the capitalization threshold for all fixed assets other than computers was increased to \$10,000. As of January 1, 2011, the capitalization threshold for all fixed assets including computers was set to \$10,000.
13.

The Company has no pharmaceutical rebate receivables.

2. Accounting Changes and Correction of Errors

- A.

Accounting Changes and Correction of Errors

None

3. Business Combinations and Goodwill

- A.

Statutory Purchase Method

None
- B.

Statutory Mergers

None
- C.

Impairment Loss

None

4. Discontinued Operations

- A.

None

5. Investments

- A.

Mortgage Loans

None
- B.

Troubled Debt Restructuring for Creditors

None
- C.

Reverse Mortgages

None
- D.

Loan-backed Securities

1.

Prepayment assumptions for loan-backed and structured securities were obtained from broker dealer survey values or internal estimates.

2.

The Company has no securities within the scope of SSAP No. 43R with a recognized other-than-temporary impairment

3.

Security with a recognized other-than-temporary impairment, currently held by the reporting entity, as the present value of cash flows expected to be collected is less than the amortized cost basis of the securities

:

None

Notes to Financial Statements

- 4) The Company has the following securities with fair value less than amortized cost for which an other-than-temporary impairment has not been recognized in earnings as realized loss.

a. The aggregate amount of unrealized losses:

1. Less than 12 Months\$ 39,819

2. 12 Months or Longer\$ 29,806

b. The aggregate related fair value of securities with unrealized losses:

3. Less than 12 Months\$4,812,110

4. 12 Months or Longer\$ 196,673
5. All loan-backed and structured securities in an unrealized loss position were reviewed to determine whether other-than-temporary impairments should be recognized. The Company asserts that it has the intent and ability to hold these securities long enough to all the cost basis of the securities to be recovered. These conclusions are supported by a detailed analysis of the underlying credit and cash flows of each security. Unrealized losses are primarily attributed to credit spread widening and increased liquidity discounts. It is possible that the Company could recognize other-than-temporary impairments in the future on some of the securities if future events, information and the passage of time causes it to conclude that declines in value are other-than-temporary.

E. Repurchase Agreements and or Securities Lending Transactions

None

F. Real Estate:

None

G. Low Income Housing Tax Credits (LIHTC)

None

6. Joint Ventures, Partnerships and Limited Liability Corporations

A. Detail for those greater than 10% of Admitted Assets

None

B. Writedowns for Impairments

None

7. Investment Income

A. Accrued Investment Income

The Company non-admits investment income due and accrued if amounts are over 90 days past due, (180 days for mortgage loans or amounts on mortgage loans in default).

B. Amounts Nonadmitted

None

8. Derivative Instruments

None

9. Income Taxes

A. The components of the Deferred Tax Asset (DTA) and the Deferred Tax Liability (DTL) at December 31, 2011 and December 31, 2010 are as follows

Description	December 31, 2011			December 31, 2010		
	Ordinary	Capital	Total	Ordinary	Capital	Total
Total Gross Deferred Tax Assets	\$2,886,164	\$ -	\$2,886,164	\$ 5,527,737	\$ -	\$ 5,527,737
Statutory Valuation Allowance	-	-	-	-	-	-
Adjusted Gross Deferred Tax Assets	\$2,886,164	\$ -	\$2,886,164	\$ 5,527,737	\$ -	\$ 5,527,737
Total Gross Deferred Tax Liabilities	(34,789)	-	(34,789)	(80,794)	-	(80,794)
Net Deferred Tax Asset	\$2,851,375	\$ -	\$2,851,375	\$ 5,446,943	\$ -	\$ 5,446,943
Non-Admitted Deferred Tax Asset	(1,105,213)	-	(1,105,213)	(3,581,083)	-	\$(3,581,083)
Net Admitted Deferred Tax Asset	\$1,746,162	\$ -	\$1,746,162	\$ 1,865,860	\$ -	\$ 1,865,860
Net Change during year in total DTAs nonadmitted	\$ (2,475,870)			\$ (3,811,240)		

Notes to Financial Statements

The Company has not elected to admit additional DTAs pursuant to SSAP 10R, paragraph 10(e). The current period election does not differ from the prior reporting period.

The amount of each result or component of the calculation by tax character, of paragraphs 10.a, 10.b.i., 10.b.ii., 10.c.

Description	December 31, 2011			December 31, 2010		
	Ordinary	Capital	Total	Ordinary	Capital	Total
Can be recovered through loss carrybacks (10.a.)	1,746,162	-	1,746,162	1,865,860	-	1,865,860
Lesser of:						
Expected to be recognized within one year (10.b.i.)	-	-	-	-	-	-
Ten percent of adjusted capital and surplus (10.b.ii.)	10,090,335	-	10,090,335	7,789,171	-	7,789,171
Adjusted gross DTAs offset against existing DTLs (10.c.)	34,789	-	34,789	80,794	-	80,794
Risk-based capital level used in paragraph 10.d.						
Total adjusted capital			44,780,151			102,769,207
Authorized control level			3,744,550			3,720,182

The following amounts resulting from the calculation in paragraphs 10.a., 10.b., and 10.c.

	December 31, 2011			December 31, 2010		
	Ordinary	Capital	Total	Ordinary	Capital	Total
Admitted Deferred Tax Assets	1,746,162	-	1,746,162	1,865,860	-	1,865,860
Admitted Assets			110,566,432			200,821,525
Adjusted Statutory Surplus*			43,033,989			100,903,347
Total Adjusted Capital from DTAs			1,746,162			1,865,860
Increases due to SSAP No. 10R, Paragraph 10e						
Admitted Deferred Tax Assets	-	-	-	-	-	-
Admitted Assets	-	-	-	-	-	-
Statutory Surplus	-	-	-	-	-	-

\*As reported on the statutory balance sheet for the most recently filed statement with the domiciliary state commissioner adjusted in accordance with SSAP No. 10R, paragraph 10bii.

The Company had no tax planning strategy that affected their net admitted DTAs for 2011.

- B. Deferred tax liabilities have all been recognized.
- C. Current Tax and Change in Deferred Tax

The provisions for income taxes incurred on earnings are as follows:

	2011	2010	Change
Federal	(948,477)	9,712,355	(10,660,832)
Foreign	-	-	-
Realized Capital Gains Tax	1,615,711	871,139	744,572
Federal and foreign income taxes incurred	667,234	10,583,494	(9,916,260)

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are as follows:

Deferred Tax Assets	Dec. 31, 2011	Dec 31, 2010	Change	Character
Discounting of unpaid losses and LAE	756,641	1,120,931	(364,290)	Ordinary
Unearned Premium Reserve	77,139	87,549	(10,410)	Ordinary
Net Operating Loss	1,934,213	3,376,245	(1,442,032)	Capital
Other	118,171	943,012	(824,841)	Ordinary
Gross Deferred Tax Assets	2,886,164	5,527,737	(2,641,573)	
Non-Admitted Deferred Tax Assets	1,105,213	3,581,083	(2,475,870)	
Admitted Deferred Tax Assets	1,780,951	1,946,654	(165,703)	
Deferred Tax Liabilities				
Unrealized Gain				Capital
Advanced Premium Addback				Ordinary
Bond Discount Accretion	34,789	80,794	(46,005)	Ordinary
Other				Ordinary
Gross Deferred Tax Liabilities	34,789	80,794	(46,005)	
Net Admitted Deferred Tax Asset	1,746,162	1,865,860	(119,698)	

Notes to Financial Statements

The change in Net Deferred Income Taxes is comprised of the following:

	Dec.31, 2011	Dec. 31, 2010	Change
Total Gross Deferred Tax Assets	2,886,164	5,527,737	(2,641,573)
Total Gross Deferred Tax Liabilities	34,789	80,794	(46,005)
Net Deferred Tax Asset	2,851,375	5,446,943	(2,595,568)
Deferred Tax on Change in Unrealized Capital Gains			-
Change in Net Deferred Income Tax			(2,595,568)

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

The significant items that cause the difference between statutory federal income tax rate of 35% and the Company's effective income tax rate are as follows:

	Dec. 31, 2011	Effective Tax Rate
Provision Computed at Statutory Rate	3,172,852	35%
Increase/(Decrease) in taxes resulting from		
Tax-exempt Interest	(870,372)	-10%
Loss and LAE Reserves	(364,290)	-4%
Accrued Market Discount	46,024	1%
Unearned Premium Reserves	(10,411)	-%
Net Operating Loss	(1,442,032)	-16%
Other	135,463	1%
Total Current Provision	667,234	7%

E. At December 31, 2011, the Company had

Net operating loss carryforward	\$	5,526,324
Capital loss carryforward		-
AMT credit carryforward of		-

The following is income tax expense for 2011 and 2010 that is available for recoupment in the event of future net losses.

Year	Amount
2011	\$ 649,647
2010	\$ 10,229,506

F. The Company’s Federal Income Tax Return is consolidated with The Doctors Company (TDC) and its other subsidiaries. See Schedule Y for a complete list of the entities with which the Federal Tax Return is consolidated for the current year. The method of allocation between the companies is subject to a written agreement approved by the Board of Directors. Tax payments are made to, or refunds received from TDC in amounts which would result from filing separate tax returns with federal taxing authorities.

10. Information Concerning Parent, Subsidiaries and Affiliates

A. Name of Relationships

All shares of the Company are owned by TDC, which is wholly owned by its policyholders. TDC holds 100% ownership either directly or indirectly, except where indicated differently, of all subsidiaries and affiliates listed on Schedule Y included in this statement.

B. Detail of Transactions Greater than ½% of Admitted Assets

None

C. Change in Terms of Intercompany Arrangements

None

D. Amounts Due to or from Related Parties:

	(Due To)	Due From
SCPIE	930	-
TDC	19,237	-
TDCIS	404	-
TDMC	264,476	-
Total Due (To/From)	285,047	-

Notes to Financial Statements

- E. Guarantees or Contingencies for Related Parties
- None
- F. Management or Service Contracts, Cost Sharing Arrangements
- The Doctors' Management Company (TDMC) supervises the handling of payment of operating expenses, all underwriting functions and management of claims for The Exchange and all of its subsidiaries except for Professional Underwriters Liability Insurance Company, whose operations are managed by PULIC Insurance Services, Inc.
- G. Nature of Relationships that Could Affect Operations
- None
- H. Amount Deducted for Investment in Upstream Company
- None
- I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets
- None
- J. Writedowns for Impairments of Investments in Subsidiary, Controlled or Affiliated Companies
- None
- K. Foreign Insurance Subsidiaries
- None
- L. Downstream Non-Insurance Company Holding Company
- None

11. Debt

- A. Capital Notes
- None
- B. All Other Debt
- None

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

The Company sponsored a non-contributory defined benefit pension plan covering substantially all employees. As of December 31, 2006, the Company curtailed the pension plan. The monthly benefits are based on the pension plan formula, recognizing the employees' compensation and years of service through December 31, 2006. There is no increase in pension plan benefit after December 31, 2006, although employees will continue to earn vesting service while employed with the Company. The Plan curtailment had no effect on participants who terminated or retired prior to December 31, 2006. On December 18, 2009, the Plan was terminated by the Company. An application was submitted with the IRS on June 23, 2010, for an advance determination with respect to the Plan termination in accordance with Section 401(a) of the Code of 1986.

On September 1, 2011, the Company received a favorable determination letter from the IRS. On November 28, 2011, the plan was liquidated in accordance with the termination plan. The plan liquidation required a \$3,747,081 contribution from the Company.

A summary of assets, obligations and assumptions of the pension plan is as follows at December 31, 2011 and 2010:

	2011	2010
(1) Change in benefit obligation		
a. Benefit obligation at beginning of year	\$ 10,869,471	\$ 10,253,860
b. Service cost	40,611	113,735
c. Interest cost	558,451	563,818
d. Contribution by plan participants	0	0
e. Actuarial (gain)/loss	1,165,609	699,803
f. Foreign currency exchange rate changes	0	0
g. Benefits paid	(435,043)	(761,745)
h. Plan amendments	0	0

Notes to Financial Statements

i. Business combinations, divestitures, curtailments, settlements and special termination benefits	(12,199,099)	0
j. Benefit obligation at end of year	\$0	\$10,869,471
(2) Change in plan assets		
a. Fair value of plan assets at beginning of year	\$ 8,586,093	\$ 8,289,640
b. Actual return on plan assets	183,387	976,796
c. Foreign currency exchange rate changes	0	0
d. Employer contributions	3,864,662	81,402
e. Plan participants' contributions	0	0
f. Benefits paid	(435,043)	(761,745)
g. Business combinations, divestitures and settlements	(12,199,099)	0
j. Fair value of plan assets at end of year	\$0	\$8,586,093
(3) Funded Status		
a. Unrecognized prior service cost	\$ 0	\$ 0
b. Unrecognized net actuarial (gain)/ loss	0	2,625,743
c. Remaining net obligation or net asset at initial date of application	0	(2,283,378)
d. Accrued)/ prepaid pension cost	0	342,365
j. Intangible asset	\$0	\$2,625,743
(4) Benefit obligation for non-vested employees	\$ 0	\$ 0
(5) Components of net periodic benefit cost		
a. Service cost	40,611	113,735
b. Interest cost	558,451	563,818
c. Expected return on plan assets	(673,130)	(633,689)
d. Amortization of unrecognized transition obligation of transition asset	0	0
e. Amortization of net gains and losses	129,347	103,815
f. Net periodic pension cost	4,207,027	147,679
g. Amount of gain or loss recognized due to a settlement or curtailment	4,151,748	0
h. Total net periodic benefit cost	4,207,027	147,679
(6) Other balance sheet information		
Non-admitted asset	\$0	\$2,625,743
(7) Assumptions:		
a. Discount rate	5.25%	5.25%
b. Long-term rate of return on plan assets	8.00%	8.00%
c. Rate of compensation increase	N/A	N/A

The accumulated benefit obligation and projected benefit obligation as of December 31, 2011, and December 31, 2010 are equal to the benefit obligation shown above.

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations –

- A. Outstanding Shares
- The Company has 12,100 shares authorized, 3,991 shares issued and outstanding. All shares are Class A shares and are owned by TDC.
- B. Dividend Rate of Preferred Stock
- Not applicable
- C. Dividend Restrictions
- Without the prior approval of the Ohio Department of Insurance, dividends to stockholders are limited to the greater of 10% or surplus or prior year net income.
- D. Dividends Paid and Declared
- On December 16, 2010 the Company declared an extraordinary dividend of \$9,600,000 payable to its parent, TDC, on February 1, 2011. On August 29, 2011 the Company declared an extraordinary dividend of \$70,000,000 payable on October 7, 2011.
- E. Available as Ordinary Dividends
- Within the limitations of (C.) above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders.

Notes to Financial Statements

- F.

Additional dividend restrictions

None
- G.

Surplus Advances

None
- H.

Company Stock Held for Special Purposes

None
- I.

Changes in Special Surplus Funds

None
- J.

Changes in Unassigned Funds

None
- K.

Surplus Notes

None
- L. & M.

Quasi Reorganization

Not applicable

14. Contingencies

- A.

Contingent Commitments

None
- B.

Guaranty Fund and Other Assessments

The Company is not aware of any material guaranty fund assessments.
- C.

Gain Contingencies

None
- D.

Claims Related to ECO and Bad Faith Lawsuits

The Company paid the following amounts in the reporting period to settle claims related to extra contractual obligations stemming from lawsuits.

ECO claims paid during the reporting period	\$0

Number of claims where amounts were paid to settle claims related extra contractual obligations resulting from lawsuits during the reporting period.

(a) 0-25 Claims	(b) 26-50 Claims	(c) 51-100 Claims	(d) 101-500 Claims	(e) More than 500 claims

Claim count is disclosed

(f)	per claim	[X]
(g)	per claimant	[ ]

- E.

All Other Contingencies

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

15. Leases

None

Notes to Financial Statements

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

- A.

Financial Instruments with Off-Balance Sheet Risk

None
- B.

Financial Instruments with Concentration of Credit Risk

The Company maintains all cash at a single large national financial institution which exceeds Federal Deposit Insurance limits.

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

- A.

Transfers of Receivables Reported as Sales

None
- B.

Transfers and Servicing of Financial Assets

None
- C.

Wash Sales

None

18. Gain or Loss to the Reporting Entity from Uninsured A & H Plans and the Uninsured Portion of Partially Insured Plans

- A.

Administrative Services Only (ASO) Plans

None
- B.

Administrative Services Contract (ASC) Plans

None
- C.

Medicare or Other Similarly Structured Cost Based Reimbursement Contracts

None

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

None

20. Fair Value Measurement

- A.

Assets Measured at Fair Value Measurements

None
- B.

Assets Measured at Fair Value Using Significant Unobservable Inputs (Level 3)

None
- C,

Inputs and Techniques Used for Fair Value

Level 1 – Quoted prices in active markets for identical assets and liabilities: This category for items measured at fair value on a recurring basis includes exchange-traded stocks. The fair value of these stocks is based on quoted prices in active markets.

Level 2 – Significant observable inputs: The Company did not have any assets or liabilities measured at fair value on a recurring basis included in this category.

Level 3 – Significant unobservable inputs: The Company did not have any assets or liabilities measured at fair value on a recurring basis included in this category.

D.

The Company’s policy is to recognize transfers in and out of level 3 as of the end of the reporting period.

21. Other Items

- A.

Extraordinary Items

None

Notes to Financial Statements

- B.

Troubled Debt Restructuring for Debtors

Not applicable
- C.

Other Disclosures

Assets with a fair value of \$3,435,343 and \$2,342,140 at December 31, 2011 and 2010, respectively, were on deposit with government authorities or trustees as required by law.
- D.

Uncollectible Premiums Receivable

At December 31, 2011 and 2010, The Company had admitted assets of \$395,656 and \$94,232 respectively in premiums receivable due from policyholders, agents and ceding insurers. The Company routinely assesses the collectibility of these receivables. Based on the Company’s experience, any uncollectible premiums receivable as of December 31, 2011 are not expected to exceed the nonadmitted amounts totaling \$0 and, therefore, no additional provision for uncollectible amounts has been recorded. The potential for any additional loss is not believed to be material to The Company’s financial condition.
- E.

Business Interruption Insurance Recoveries

None
- F.

State Transfer Tax Credits

None
- G.

Subprime Mortgage-Related Risk Exposure

(1)

The Company relied on its investment advisors and third party pricing services to determine exposures to subprime mortgage loans. To determine subprime exposures the advisors review included but was not limited to:

Low percentage of non-owner occupied properties (<6%)

FICO scores (< 650)

High weighted average coupon relative to other mortgage-backed securities of similar loan age and issue date

High percentage of full documentation loans (>75%)

High weighted average margin for ARM loans (>5%)

High percentage of ARM loans are 2/28 or 3/27 hybrid loans

High percentage of loans with prepayment penalties (>50%)

Issuer is one of several known subprime lenders

Prospectus supplement indicates that underwriting standards are not “traditional”

(2)

Direct Exposure through investments in subprime mortgage loans

None

(3)

Direct Exposure through other investments

The Company owns fixed income securities in several multi-national financial institutions and others which may have sub-prime exposure.

(4)

Underwriting exposure to subprime mortgage risk through Mortgage Guaranty or Financial Guaranty insurance coverage

Not applicable

22. Events Subsequent

None

Notes to Financial Statements

23. Reinsurance

A. Unsecured Reinsurance Recoverables

The Company has unsecured reinsurance recoverable from the following company which is greater than 3% of surplus.

NAIC Code	Federal ID #	Name of Reinsurer	Amount
34495	95-3014772	The Doctors Company, An Inter-Insurance Exchange	\$10,170,000
39136	06-132503	Finial Reins Co	4,717,000
10227	13-492412	Munich Reins Amer Inc	8,175,000
34231	14-1584861	Medical Liab Mutual Ins Co	7,538,000

B. Reinsurance Recoverable in Dispute

The Company does not have any reinsurance recoverables for paid losses and loss adjustment expenses that exceed 5% of policyholders' surplus for an individual reinsurer or 10% of policyholders' surplus in aggregate.

C. Reinsurance Assumed and Ceded

1. The following table summarizes ceded and assumed unearned premiums and the related commission equity at December 31, 2011.

	Assumed		Ceded		Assumed Less Ceded	
	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity
a. Affiliates	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. All other	-	-	-	-	-	-
c. Totals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
d. Direct Unearned Premium Reserve:	\$1,101,978					

2. None

D. Uncollectible Reinsurance

None

E. Commutation of Ceded Reinsurance

In 2011, the Company did not commute any reinsurance.

F. Retroactive Reinsurance

Not applicable

G. Reinsurance Accounted for as a deposit

Not applicable

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

Immaterial

25. Change in Incurred Losses and Loss Adjustment Expenses

Incurred losses and loss adjustment expenses attributable to insured events of prior years has decreased by \$3,746,965 from \$737,795,251 in 2010 to \$734,048,286 in 2011 as a result of reestimation of unpaid losses and loss adjustment expenses on medical malpractice lines of insurance. This increase is 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.

26. Intercompany Pooling Arrangements

None

27. Structured Settlements

The Company has no structured settlements where it is contingently liable.

28. Health Care Receivables

None

29.	Participating Policies	
	None	
30.	Premium Deficiency Reserves	
	Liability carried for premium deficiency reserves	\$ 0
	Date of the most recent evaluation of this liability	12/31/2011
	Was anticipated investment income utilized in the calculation	No
31.	High Deductibles	
	None	
32.	Discounting of Liabilities for Unpaid Losses and Unpaid Loss Adjustment Expenses	
	The Company does not discount reserves.	
33.	Asbestos / Environmental Reserves	
	None	
34.	Subscriber Savings Accounts	
	None	
35.	Multiple Peril Crop Insurance	
	None	
36.	Financial Guarantee Insurance	
	None	

GENERAL INTERROGATORIES  
PART 1 - COMMON INTERROGATORIES  
GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes[X] No[ ]
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

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

Yes[ ] No[X]
- 2.2 If yes, date of change:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2011
- 3.2 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.

12/31/2008
- 3.3 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).

12/04/2009
- 3.4 By what department or departments?  
Ohio Department of Insurance
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments?

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

Yes[X] No[ ] N/A[ ]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business?

Yes[ ] No[X]
- 4.12 renewals?

Yes[ ] No[X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business?

Yes[ ] No[X]
- 4.22 renewals?

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

Yes[ ] No[X]
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

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

Yes[ ] No[X]
- 6.2 If yes, give full information:
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes[ ] No[X]
- 7.2 If yes,
- 7.21 State the percentage of foreign control

0.000%
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact)

1 Nationality	2 Type of Entity

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[ ] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[ ] No[X]
- 8.4 If response to 8.3 is yes, please provide the names and location (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e., the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC) and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
		Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
Ernst & Young, 725 South Figueroa Street, Los Angeles, CA 90017
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?

Yes[ ] No[X]
- 10.2 If response to 10.1 is "yes," provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation?

Yes[ ] No[X]
- 10.4 If response to 10.3 is "yes," provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?

Yes[X] No[ ] N/A[ ]
- 10.6 If the answer to 10.5 is "NO" or "N/A" please explain:
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
Insurance and Actuarial Advisory Services, James C. Votta, FCAS, MAAA, Ernst & Young US LLP, 5 Times Square, New York, NY 10036 - Consultant

GENERAL INTERROGATORIES (Continued)

- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes[ ] No[X]
- 12.11 Name of real estate holding company
- 12.12 Number of parcels involved

0
- 12.13 Total book/adjusted carrying value

\$0
- 12.2 If yes, provide explanation
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

Yes[ ] No[ ] N/A[X]
- 13.3 Have there been any changes made to any of the trust indentures during the year?

Yes[ ] No[ ] N/A[X]
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?

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

Yes[X] No[ ]
- 14.11 If the response to 14.1 is no, please explain:
- 14.2 Has the code of ethics for senior managers been amended?

Yes[ ] No[X]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes[ ] No[X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance with a NAIC rating of 3 or below?

Yes[ ] No[X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

	1 American Bankers Association (ABA) Routing Number	2  Issuing or Confirming Bank Name	3  Circumstances That Can Trigger the Letter of Credit	4  Amount
15.2001	.....	.....	.....	.....

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof?

Yes[X] No[ ]
17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof?

Yes[X] No[ ]
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person?

Yes[X] No[ ]

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?

Yes[ ] No[X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

\$0
- 20.11 To directors or other officers

\$0
- 20.12 To stockholders not officers

\$0
- 20.13 Trustees, supreme or grand (Fraternal only)
- 20.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):

\$0
- 20.21 To directors or other officers

\$0
- 20.22 To stockholders not officers

\$0
- 20.23 Trustees, supreme or grand (Fraternal only)
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?

Yes[ ] No[X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:

\$0
- 21.21 Rented from others

\$0
- 21.22 Borrowed from others

\$0
- 21.23 Leased from others

\$0
- 21.24 Other

\$0
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments?

Yes[ ] No[X]
- 22.2 If answer is yes:

\$0
- 22.21 Amount paid as losses or risk adjustment

\$0
- 22.22 Amount paid as expenses

\$0
- 22.23 Other amounts paid
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[ ] No[X]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$0

INVESTMENT

- 24.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.3)

Yes[X] No[ ]
- 24.2 If no, give full and complete information, relating thereto:
- 24.3 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet, (an alternative is to reference Note 17 where this information is also provided)
- 24.4 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?

Yes[ ] No[ ] N/A[X]
- 24.5 If answer to 24.4 is yes, report amount of collateral for conforming programs.

\$0
- 24.6 If answer to 24.4 is no, report amount of collateral for other programs.

\$0
- 24.7 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?

Yes[ ] No[ ] N/A[X]
- 24.8 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?

Yes[ ] No[ ] N/A[X]
- 24.9 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?

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

GENERAL INTERROGATORIES (Continued)

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.3).

25.2 If yes, state the amount thereof at December 31 of the current year:

25.21 Subject to repurchase agreements

25.22 Subject to reverse repurchase agreements

25.23 Subject to dollar repurchase agreements

25.24 Subject to reverse dollar repurchase agreements

25.25 Pledged as collateral

25.26 Placed under option agreements

25.27 Letter stock or securities restricted as to sale

25.28 On deposit with state or other regulatory body

25.29 Other

Yes[X] No[ ]

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

\$ 3,183,124

\$ 0

25.3 For category (25.27) provide the following:

1	2	3
Nature of Restriction	Description	Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB?

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

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?

27.2 If yes, state the amount thereof at December 31 of the current year.

28. 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 I, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

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

Yes[ ] No[X]

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

Yes[ ] No[X]

\$ 0

Yes[X] No[ ]

1	2
Name of Custodian(s)	Custodian's Address
Union Bank .....	350 California Street, Flr 6, San Francisco, CA 94104 .....

28.02 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)

.....

.....

.....

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?

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

Yes[ ] No[X]

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

28.05 Identify all investment advisers, 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 Number(s)

Name

Address

104518 .....

Deutsche Investment Management Americas Inc .....

345 Park Avenue, New York, NY 10154 .....

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b)(1)])?

29.2 If yes, complete the following schedule:

Yes[ ] No[X]

1	2	3
CUSIP #	Name of Mutual Fund	Book/Adjusted Carrying Value
29.2999 Total .....		

29.3 For each mutual fund listed in the table above, complete the following schedule:

GENERAL INTERROGATORIES (Continued)

1	2	3	4
Name of Mutual Fund (from above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	Date of Valuation

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds .....	..... 101,826,674	..... 109,455,204	..... 7,628,530
30.2 Preferred stocks .....			
30.3 Totals .....	..... 101,826,674	..... 109,455,204	..... 7,628,530

30.4 Describe the sources or methods utilized in determining the fair values  
We used market quotations supplied to us by Interactive Data Corp and our Investment Consultants.

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?

Yes[X] No[ ]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?

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

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?

Yes[X] No[ ]

32.2 If no, list exceptions:

OTHER

33.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any?

\$..... 0

33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

1	2
Name	Amount Paid

34.1 Amount of payments for legal expenses, if any?

\$..... 0

34.2 List the name of the firm and the amount paid if any such payments represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1	2
Name	Amount Paid

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or department of government, if any?

\$..... 0

35.2 List the name of firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies officers or department of government during the period covered by this statement.

1	2
Name	Amount Paid

GENERAL INTERROGATORIES (Continued)

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes[ ] No[X]

1.2 If yes, indicate premium earned on U.S. business only.

\$ ..... 0

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$ ..... 0

1.31 Reason for excluding:

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.

\$ ..... 0

1.5 Indicate total incurred claims on all Medicare Supplement insurance.

\$ ..... 0

1.6 Individual policies

Most current three years:

1.61 Total premium earned

\$ ..... 0

1.62 Total incurred claims

\$ ..... 0

1.63 Number of covered lives

..... 0

All years prior to most current three years:

1.64 Total premium earned

\$ ..... 0

1.65 Total incurred claims

\$ ..... 0

1.66 Number of covered lives

..... 0

1.7 Group policies

Most current three years:

1.71 Total premium earned

\$ ..... 0

1.72 Total incurred claims

\$ ..... 0

1.73 Number of covered lives

..... 0

All years prior to most current three years:

1.74 Total premium earned

\$ ..... 0

1.75 Total incurred claims

\$ ..... 0

1.76 Number of covered lives

..... 0

2. Health Test

	1	2
	Current Year	Prior Year
2.1 Premium Numerator .....	.....	.....
2.2 Premium Denominator .....	756,573	(3,720,880)
2.3 Premium Ratio (2.1 / 2.2) .....	.....	.....
2.4 Reserve Numerator .....	.....	.....
2.5 Reserve Denominator .....	29,169,186	38,215,935
2.6 Reserve Ratio (2.4 / 2.5) .....	.....	.....

3.1 Does the reporting entity issue both participating and non-participating policies?

Yes[ ] No[X]

3.2 If yes, state the amount of calendar year premiums written on:

\$ ..... 0

3.21 Participating policies

\$ ..... 0

3.22 Non-participating policies

4. For Mutual Reporting Entities and Reciprocal Exchange only:

4.1 Does the reporting entity issue assessable policies?

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

4.2 Does the reporting entity issue non-assessable policies?

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

4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders?

..... 0%

4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.

\$ ..... 0

5. For Reciprocal Exchanges Only:

5.1 Does the exchange appoint local agents?

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

5.2 If yes, is the commission paid:

5.21 Out of Attorney's-in-fact compensation

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

5.22 As a direct expense of the exchange

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

5.3 What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?

5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions been deferred?

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

5.5 If yes, give full information:

6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss:

The company no longer writes workers compensation coverage.

6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:

The company does not write property insurance.

6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss:

The company does not write property insurance.

6.4 Does the reporting entity carry catastrophic reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence?

Yes[X] No[ ]

6.5 If no, describe arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss

7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)?

Yes[ ] No[X]

7.2 If yes, indicate the number of reinsurance contracts containing such provisions.

..... 0

7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)?

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

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

Yes[ ] No[X]

8.2 If yes, give full information.

9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:

(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;

GENERAL INTERROGATORIES (Continued)

- (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;

(c) Aggregate stop loss reinsurance coverage;

(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;

(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or

(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity.

Yes[ ] No[X]
- 9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:

(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or

(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract.

Yes[ ] No[X]
- 9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:

(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income.

(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and

(c) A brief discussion of management's principal objectives in entering into the reinsurance contract including the economic purpose to be achieved.
- 9.4 Except for transactions meeting the requirements of paragraph 31 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:

(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principals ("SAP") and as a deposit under generally accepted accounting principals ("GAAP"); or

(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?

Yes[ ] No[X]
- 9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (section D) why the contract(s) is treated differently for GAAP and SAP.
- 9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:

(a) The entity does not utilize reinsurance; or

(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or

(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement.

Yes[ ] No[X]

Yes[ ] No[X]

Yes[ ] No[X]
10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done?

Yes[ ] No[ ] N/A[X]
- 11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force?

Yes[ ] No[X]
- 11.2 If yes, give full information:
- 12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:

12.11 Unpaid losses

12.12 Unpaid underwriting expenses (including loss adjustment expenses)

12.2 Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds.

12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses?

12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:

12.41 From

12.42 To

12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies?

12.6 If yes, state the amount thereof at December 31 of current year:

12.61 Letters of Credit

12.62 Collateral and other funds

\$ ..... 0

\$ ..... 0

\$ ..... 0

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

..... 0.000%

..... 0.000%

Yes[ ] No[X]
- 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation):

13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision?

13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount.

\$ ..... 200,000

Yes[ ] No[X]

..... 5
- 14.1 Is the company a cedant in a multiple cedant reinsurance contract?

14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants

Earned Premium

14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts?

14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements?

14.5 If the answer to 14.4 is no, please explain

Yes[X] No[ ]

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

Yes[ ] No[ ] N/A[X]
- 15.1 Has the reporting entity guaranteed any financed premium accounts?

15.2 If yes, give full information:

Yes[ ] No[X]
- 16.1 Does the reporting entity write any warranty business?

If yes, disclose the following information for each of the following types of warranty coverage:

Yes[ ] No[X]

	1	2	3	4	5
	Direct	Direct	Direct	Direct	Direct
	Losses Incurred	Losses Unpaid	Written Premium	Premium Unearned	Premium Earned
16.11 Home .....	.....	.....	.....	.....	.....
16.12 Products .....	.....	.....	.....	.....	.....
16.13 Automobile .....	.....	.....	.....	.....	.....
16.14 Other * .....	.....	.....	.....	.....	.....

\* Disclose type of coverage:

- 17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F - Part 3 that it excludes from Schedule F - Part 5?

Incurred but not reported losses on contracts in force prior to July 1, 1984 and not subsequently renewed are exempt from inclusion in Schedule F - Part 5. Provide the following information for this exemption.

17.11 Gross amount of unauthorized reinsurance in Schedule F - Part 3 excluded from Schedule F - Part 5

Yes[ ] No[X]

\$ ..... 0

GENERAL INTERROGATORIES (Continued)

17.12	Unfunded portion of Interrogatory 17.11	\$	0
17.13	Paid losses and loss adjustment expenses portion of Interrogatory 17.11	\$	0
17.14	Case reserves portion of Interrogatory 17.11	\$	0
17.15	Incurred but not reported portion of Interrogatory 17.11	\$	0
17.16	Unearned premium portion of Interrogatory 17.11	\$	0
17.17	Contingent commission portion of Interrogatory 17.11	\$	0
Provide the following information for all other amounts included in Schedule F - Part 3 and excluded from Schedule F - Part 5, not included above.			
17.18	Gross amount of unauthorized reinsurance in Schedule F - Part 3 excluded from Schedule F - Part 5	\$	0
17.19	Unfunded portion of Interrogatory 17.18	\$	0
17.20	Paid losses and loss adjustment expenses portion of Interrogatory 17.18	\$	0
17.21	Case reserves portion of Interrogatory 17.18	\$	0
17.22	Incurred but not reported portion of Interrogatory 17.18	\$	0
17.23	Unearned premium portion of Interrogatory 17.18	\$	0
17.24	Contingent commission portion of Interrogatory 17.18	\$	0
18.1	Do you act as a custodian for health savings accounts?	Yes[ ] No[X]	
18.2	If yes, please provide the amount of custodial funds held as of the reporting date:	\$	0
18.3	Do you act as an administrator for health savings accounts?	Yes[ ] No[X]	
18.4	If yes, please provide the balance of the funds administered as of the reporting date:	\$	0

FIVE - YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e., 17.6

	1 2011	2 2010	3 2009	4 2008	5 2007
<b>Gross Premiums Written (Page 8, Part 1B, Columns 1, 2 &amp; 3)</b>					
1. Liability Lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2, & 19.3, 19.4) .....	5,992,907	7,636,806	8,925,331	9,608,136	23,901,864
2. Property Lines (Lines 1, 2, 9, 12, 21, & 26) .....					
3. Property and Liability Combined Lines (Lines 3, 4, 5, 8, 22 & 27) .....					
4. All Other Lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....					
5. Nonproportional Reinsurance Lines (Lines 31, 32, & 33) .....					
6. TOTAL (Line 35) .....	5,992,907	7,636,806	8,925,331	9,608,136	23,901,864
<b>Net Premiums Written (Page 8, Part 1B, Column 6)</b>					
7. Liability Lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1,19.2 & 19.3,19.4) .....	607,848	(3,819,219)	7,309,724	(1,397,637)	(4,728,316)
8. Property Lines (Lines 1, 2, 9, 12, 21 & 26) .....					
9. Property and Liability Combined Lines (Lines 3, 4, 5, 8, 22 & 27) .....					
10. All Other Lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....					
11. Non-proportional Reinsurance Lines (Lines 31, 32 & 33) .....					
12. TOTAL (Line 35) .....	607,848	(3,819,219)	7,309,724	(1,397,637)	(4,728,316)
<b>Statement of Income (Page 4)</b>					
13. Net underwriting gain or (loss) (Line 8) .....	(185,718)	32,667,926	(3,811,068)	16,560,200	(30,604,209)
14. Net investment gain or (loss) (Line 11) .....	9,250,749	9,372,608	8,736,466	7,364,782	13,413,476
15. TOTAL other income (Line 15) .....	(1,615,451)	(1,567,743)	(1,442,056)	(1,248,088)	(431,153)
16. Dividends to policyholders (Line 17) .....		319			
17. Federal and foreign income taxes incurred (Line 19) .....	(948,477)	9,712,355	(2,791,709)	1,152,541	(8,147,095)
18. Net income (Line 20) .....	8,398,057	30,760,118	6,275,050	21,524,353	(9,474,791)
<b>Balance Sheet Lines (Pages 2 and 3)</b>					
19. TOTAL admitted assets excluding protected cell business (Page 2, Line 26, Column 3) .....	110,566,432	200,821,525	223,626,371	235,029,232	247,475,232
20. Premiums and considerations (Page 2, Column 3)					
20.1 In course of collection (Line 15.1) .....	395,656	94,232	259,448	536,608	4,115,156
20.2 Deferred and not yet due (Line 15.2) .....	415,068	1,046,045	791,787	949,790	2,066,662
20.3 Accrued retrospective premiums (Line 15.3) .....					
21. Total liabilities excluding protected cell business (Page 3, Line 26) .....	65,786,281	98,052,318	143,245,948	142,628,001	170,247,781
22. Losses (Page 3, Line 1) .....	21,795,340	31,490,521	77,813,943	85,065,828	104,942,398
23. Loss adjustment expenses (Page 3, Line 3) .....	6,271,867	5,474,711	9,931,575	13,465,571	28,717,540
24. Unearned premiums (Page 3, Line 9) .....	1,101,978	1,250,703	1,349,042	1,610,381	6,849,681
25. Capital paid up (Page 3, Lines 30 & 31) .....	3,591,990	3,591,990	3,591,990	3,591,990	3,591,990
26. Surplus as regards policyholders (Page 3, Line 37) .....	44,780,151	102,769,207	80,380,423	92,401,232	77,227,451
<b>Cash Flow (Page 5)</b>					
27. Net cash from operations (Line 11) .....	(10,830,845)	4,330,432	(14,461,992)	8,080,463	(33,258,070)
<b>Risk-Based Capital Analysis</b>					
28. TOTAL adjusted capital .....	44,780,151	102,769,207	80,380,423	92,401,232	77,227,451
29. Authorized control level risk-based capital .....	3,744,550	3,720,182	7,950,935	11,805,422	17,535,427
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Column 3)</b>					
<b>(Item divided by Page 2, Line 12, Column 3) x 100.0</b>					
30. Bonds (Line 1) .....	95.4	95.6	98.3	92.4	92.4
31. Stocks (Lines 2.1 & 2.2) .....			0.0	0.1	1.1
32. Mortgage loans on real estate (Lines 3.1 and 3.2) .....					
33. Real estate (Lines 4.1, 4.2 & 4.3) .....					
34. Cash, cash equivalents and short-term investments (Line 5) .....	4.1	4.4	1.1	6.9	4.7
35. Contract loans (Line 6) .....					
36. Derivatives (Line 7) .....			X X X	X X X	X X X
37. Other invested assets (Line 8) .....					
38. Receivables for securities (Line 9) .....	0.4				
39. Securities lending reinvested collateral assets (Line 10) .....			X X X	X X X	X X X
40. Aggregate write-ins for invested assets (Line 11) .....			0.6	0.5	1.8
41. Cash, cash equivalents and invested assets (Line 12) .....	100.0	100.0	100.0	100.0	100.0
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
42. Affiliated bonds, (Schedule D, Summary, Line 12, Column 1) .....					
43. Affiliated preferred stocks (Schedule D, Summary, Line 18, Column 1) .....					
44. Affiliated common stocks (Schedule D, Summary, Line 24, Column 1) .....					
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Column 5, Line 10) .....					
46. Affiliated mortgage loans on real estate .....					
47. All other affiliated .....					
48. TOTAL of above Lines 42 to 47 .....					
49. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Column 1, Line 37 x 100.0) .....					

FIVE - YEAR HISTORICAL DATA (Continued)

	1 2011	2 2010	3 2009	4 2008	5 2007
<b>Capital and Surplus Accounts (Page 4)</b>					
50. Net unrealized capital gains or (Losses) (Line 24) .....			122,600	234,236	(3,678,719)
51. Dividends to stockholders (Line 35) .....	(44,734,144)	(9,600,000)	(18,700,000)	(4,600,000)	(5,000,000)
52. Change in surplus as regards policyholders for the year (Line 38) .....	(57,989,056)	22,388,785	(12,020,810)	15,173,781	(22,051,821)
<b>Gross Losses Paid (Page 9, Part 2, Columns 1 and 2)</b>					
53. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1,19.2 & 19.3,19.4) .....	4,227,679	9,871,182	26,418,105	29,519,193	67,324,722
54. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....					
55. Property and liability combined lines (Lines 3, 4, 5, 8, 22, & 27) .....					
56. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....					
57. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....					
58. TOTAL (Line 35) .....	4,227,679	9,871,182	26,418,105	29,519,193	67,324,722
<b>Net Losses Paid (Page 9, Part 2, Column 4)</b>					
59. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1,19.2 & 19.3,19.4) .....	1,501,551	3,089,210	12,106,081	12,090,756	32,640,229
60. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....					
61. Property and liability combined lines (Lines 3, 4, 5, 8, 22, & 27) .....					
62. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30, & 34) .....					
63. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....					
64. TOTAL (Line 35) .....	1,501,551	3,089,210	12,106,081	12,090,756	32,640,229
<b>Operating Percentages (Page 4)</b>					
<b>(Item divided by Page 4, Line 1) x 100.0</b>					
65. Premiums earned (Line 1) .....	100.0	100.0	100.0	100.0	100.0
66. Losses incurred (Line 2) .....	(1,083.0)	1,161.9	64.1	(202.7)	365.9
67. Loss expenses incurred (Line 3) .....	649.4	(137.4)	63.8	(155.1)	677.1
68. Other underwriting expenses incurred (Line 4) .....	558.1	(46.6)	22.4	26.7	120.1
69. Net underwriting gain (loss) (Line 8) .....	(24.5)	(878.0)	(50.3)	431.1	(1,063.1)
<b>Other Percentages</b>					
70. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Column 6, Line 35 x 100.0) .....	960.4	(86.5)	42.9	(162.8)	(82.3)
71. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0) .....	(433.6)	1,024.6	128.0	(357.8)	1,043.0
72. Net premiums written to policyholders' surplus (Page 8, Part 1B, Column 6, Line 35 divided by Page 3, Line 37, Column 1 x 100.0) .....	1.4	(3.7)	9.1	(1.5)	(6.1)
<b>One Year Loss Development (000 omitted)</b>					
73. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2 - Summary, Line 12, Column 11) .....	(4,214)	(39,183)	6,561	(11,115)	22,373
74. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 73 above divided by Page 4, Line 21, Column 1 x 100.0) .....	(4.1)	(48.7)	7.1	(14.4)	22.5
<b>Two Year Loss Development (000 omitted)</b>					
75. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Column 12) .....	(43,473)	(31,845)	(1,285)	12,009	13,288
76. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 75 above divided by Page 4, Line 21, Column 2 x 100.0) .....	(54.1)	(34.5)	(1.7)	12.1	17.9

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes[ ] No[ ] N/A[X]

If no, please explain::

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES  
SCHEDULE P - PART 1 - SUMMARY

(\$000 omitted)

Years in Which Premiums Were Earned and Losses Were Incurred		Premiums Earned			Loss and Loss Expense Payments								12  Number of Claims Reported - Direct and Assumed
		1  Direct and Assumed	2  Ceded	3  Net (Columns 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10  Salvage and Subrogation Received	11  Total Net Paid (Columns 4 - 5 + 6 - 7 + 8 - 9)	
					4  Direct and Assumed	5  Ceded	6  Direct and Assumed	7  Ceded	8  Direct and Assumed	9  Ceded			
1.	Prior	... X X X ...	... X X X ...	... X X X ...	340	102	1,032	201	1,494			2,563	X X X
2.	2002	127,610	67,697	59,913	77,199	39,408	34,824	16,093	3,599			60,121	X X X
3.	2003	143,674	85,822	57,852	46,241	37,207	23,181	12,015	2,096			22,296	X X X
4.	2004	115,377	67,095	48,282	43,111	38,036	15,106	8,409	1,810			13,582	X X X
5.	2005	54,969	21,769	33,200	10,993	10,921	5,381	2,874	3,468			6,047	X X X
6.	2006	45,619	10,178	35,441	7,053	902	2,861	7	3,913			12,918	X X X
7.	2007	34,075	31,197	2,878	5,023	4,525	2,518	2,467	2,587			3,136	X X X
8.	2008	14,811	10,968	3,843	1,124	1,014	812	786	741			877	X X X
9.	2009	9,187	1,616	7,571	6,991	6,924	575	533	53			162	X X X
10.	2010	8,141	11,847	(3,706)	155	149	220	205				21	X X X
11.	2011	6,355	5,599	756	31	1	176	155				51	X X X
12.	Totals	... X X X ...	... X X X ...	... X X X ...	198,261	139,189	86,686	43,745	19,761			121,774	X X X

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		Unpaid				
	13	14	15	16	17	18	19	20	21	22			
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Salvage and Subrogation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstanding Direct and Assumed
1. Prior	9,632	5,156	3,432	840	1,731	227	1,444	360	404			10,060	X X X
2. 2002	9,976	8,078	1,403	1,050	377	281	585	450	328			2,810	X X X
3. 2003	8,617	4,075	1,728		376	41	732		341			7,678	X X X
4. 2004	5,272	1,500	633		265	208	245		517			5,224	X X X
5. 2005	626		335		128		141		17			1,247	X X X
6. 2006			2									2	X X X
7. 2007	80	72	1,097	986	64	57	427	384	4			173	X X X
8. 2008	385	347	155	140	41	37	43	39	(47)			14	X X X
9. 2009	257	231	227	407	170	154	79	83	(67)			(209)	X X X
10. 2010	1,160	1,044	3,692	3,345	191	172	1,503	1,362	28			651	X X X
11. 2011	1,564	1,408	2,843	2,642	351	315	337	309	(4)			417	X X X
12. Totals	37,569	21,911	15,547	9,410	3,694	1,492	5,536	2,987	1,521			28,067	X X X

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34  Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26  Direct and Assumed	27  Ceded	28  Net	29  Direct and Assumed	30  Ceded	31  Net	32  Loss	33  Loss Expense		35  Losses Unpaid	36  Loss Expenses Unpaid
1. Prior	X X X	X X X	X X X	X X X	X X X	X X X			X X X	7,068	2,992
2. 2002	128,291	65,360	62,931	100.5	96.5	105.0				2,251	559
3. 2003	83,312	53,338	29,974	58.0	62.1	51.8				6,270	1,408
4. 2004	66,959	48,153	18,806	58.0	71.8	39.0				4,405	819
5. 2005	21,089	13,795	7,294	38.4	63.4	22.0				961	286
6. 2006	13,829	909	12,920	30.3	8.9	36.5				2	
7. 2007	11,800	8,491	3,309	34.6	27.2	115.0				119	54
8. 2008	3,254	2,363	891	22.0	21.5	23.2				53	(39)
9. 2009	8,285	8,332	(47)	90.2	515.6	(0.6)				(154)	(55)
10. 2010	6,949	6,277	672	85.4	53.0	(18.1)				463	188
11. 2011	5,298	4,830	468	83.4	86.3	61.9				357	60
12. Totals	X X X	X X X	X X X	X X X	X X X	X X X			X X X	21,795	6,272

Note: Parts 2 and 4 are gross of all discounting, including tabular discounting. Part 1 is gross of only nontabular discounting, which is reported in Columns 32 and 33 of Part 1. The tabular discount, if any, is reported in the Notes to Financial Statements which will reconcile Part 1 with Parts 2 and 4.

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	One Year	Two Year
1. Prior ...	105,865	133,439	141,212	140,627	142,318	162,077	154,842	160,235	148,079	153,861	5,782	(6,374)
2. 2002 ...	50,100	52,631	56,302	67,666	67,839	65,460	63,929	62,947	58,127	59,004	877	(3,943)
3. 2003 ...	X X X	50,904	46,362	32,690	28,276	34,362	33,926	25,888	23,915	27,537	3,622	1,649
4. 2004 ...	X X X	X X X	29,067	26,471	22,372	27,501	28,688	28,046	17,304	16,479	(825)	(11,567)
5. 2005 ...	X X X	X X X	X X X	15,220	11,902	6,561	7,387	8,662	3,678	3,809	131	(4,853)
6. 2006 ...	X X X	X X X	X X X	X X X	19,699	18,814	15,643	18,060	10,860	9,007	(1,853)	(9,053)
7. 2007 ...	X X X	X X X	X X X	X X X	X X X	(580)	(1,335)	9,072	12,121	718	(11,403)	(8,354)
8. 2008 ...	X X X	X X X	X X X	X X X	X X X	X X X	3,369	100	520	197	(323)	97
9. 2009 ...	X X X	X X X	X X X	X X X	X X X	X X X	X X X	1,042	265	(33)	(298)	(1,075)
10. 2010 ...	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	568	644	76	X X X
11. 2011 ...	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	472	X X X	X X X
12. TOTALS											(4,214)	(43,473)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011		
1. Prior ...	000	46,797	83,549	103,769	116,416	125,544	130,777	135,267	143,136	144,205	X X X	X X X
2. 2002 ...	1,517	9,551	25,361	39,931	46,251	50,429	52,594	55,969	56,310	56,522	X X X	X X X
3. 2003 ...	X X X	1,243	8,718	(5,988)	4,496	10,014	11,726	18,239	18,680	20,200	X X X	X X X
4. 2004 ...	X X X	X X X	1,171	(28,165)	(13,622)	4,285	10,068	10,771	11,551	11,772	X X X	X X X
5. 2005 ...	X X X	X X X	X X X	(12,330)	(5,978)	(1,375)	(545)	1,099	2,370	2,579	X X X	X X X
6. 2006 ...	X X X	X X X	X X X	X X X	386	3,212	6,747	8,397	8,650	9,005	X X X	X X X
7. 2007 ...	X X X	X X X	X X X	X X X	X X X	56	369	770	845	549	X X X	X X X
8. 2008 ...	X X X	X X X	X X X	X X X	X X X	X X X	13	(20)	(156)	136	X X X	X X X
9. 2009 ...	X X X	X X X	X X X	X X X	X X X	X X X	X X X	8	86	109	X X X	X X X
10. 2010 ...	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X		21	X X X	X X X
11. 2011 ...	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	51	X X X	X X X

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1	2	3	4	5	6	7	8	9	10
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
1. Prior ...	(15,254)	(17,947)	(3,591)	2,328	5,468	18,071	12,275	10,345		3,676
2. 2002 ...	27,781	7,403	3,773	3,011	3,315	5,149	6,776	4,004		488
3. 2003 ...	X X X	25,452	8,444	9,931	4,204	10,517	10,138	3,481		2,460
4. 2004 ...	X X X	X X X	13,258	24,475	9,491	9,465	12,357	10,491	1,721	878
5. 2005 ...	X X X	X X X	X X X	20,175	5,722	(310)	2,774	4,734	262	476
6. 2006 ...	X X X	X X X	X X X	X X X	12,576	4,710	2,966	5,916	5	2
7. 2007 ...	X X X	X X X	X X X	X X X	X X X	(1,367)	(2,666)	7,604	10,337	154
8. 2008 ...	X X X	X X X	X X X	X X X	X X X	X X X	3,138	(167)	435	19
9. 2009 ...	X X X	X X X	X X X	X X X	X X X	X X X	X X X	818	151	(184)
10. 2010 ...	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	337	488
11. 2011 ...	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	229

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN  
ALLOCATED BY STATES AND TERRITORIES

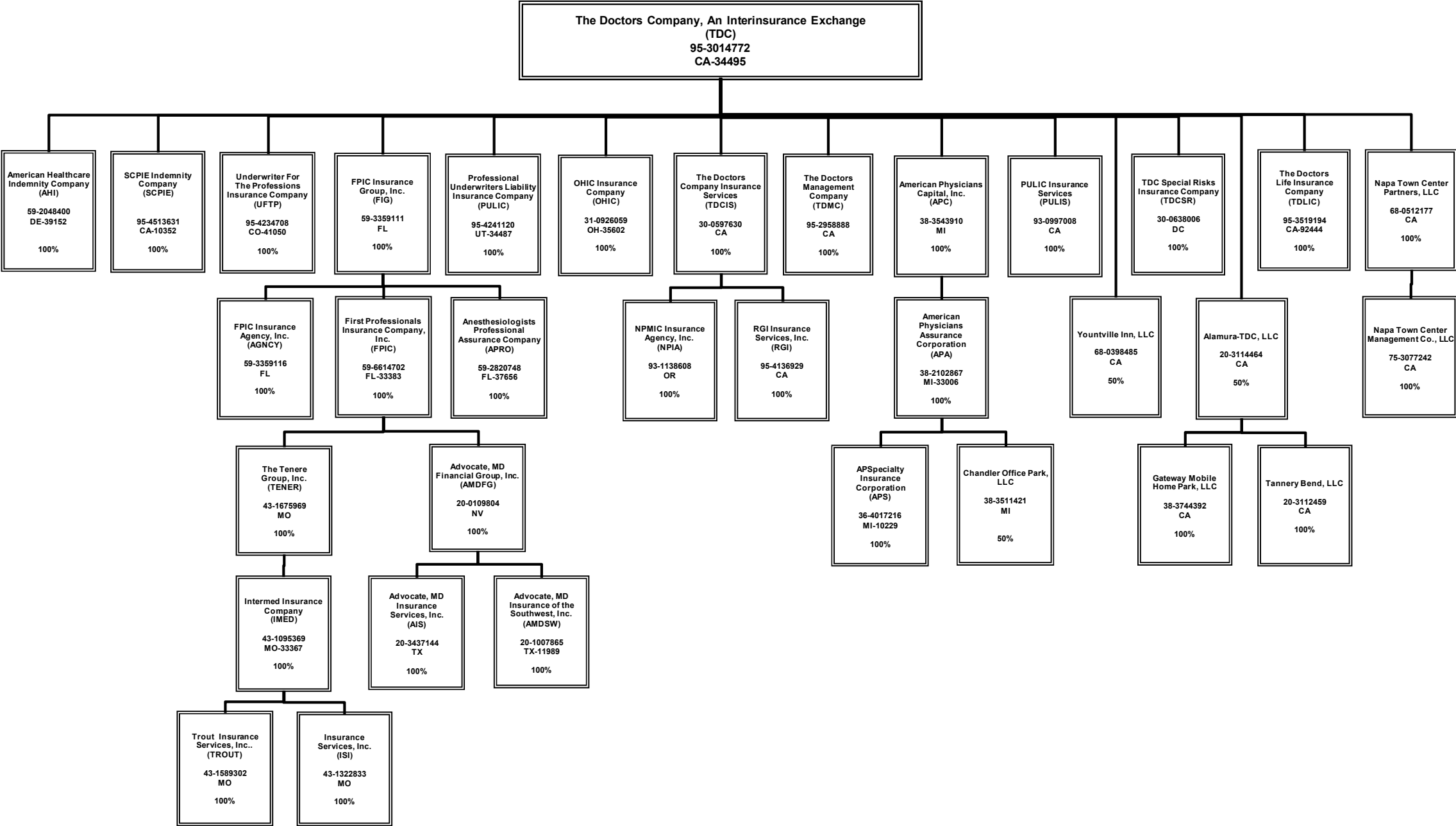
States, Etc.		1  Active Status	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4  Dividends Paid or Credited to Policyholders on Direct Business	5  Direct Losses Paid (Deducting Salvage)	6  Direct Losses Incurred	7  Direct Losses Unpaid	8  Finance and Service Charges Not Included in Premiums	9  Direct Premium Written for Federal Purchasing Groups (Included in Column 2)
			2	3						
			Direct Premiums Written	Direct Premiums Earned						
1.	Alabama (AL) .....	N								
2.	Alaska (AK) .....	L								
3.	Arizona (AZ) .....	L								
4.	Arkansas (AR) .....	L								
5.	California (CA) .....	N								
6.	Colorado (CO) .....	L								
7.	Connecticut (CT) .....	N								
8.	Delaware (DE) .....	N								
9.	District of Columbia (DC) .....	N								
10.	Florida (FL) .....	N								
11.	Georgia (GA) .....	L								
12.	Hawaii (HI) .....	N								
13.	Idaho (ID) .....	L								
14.	Illinois (IL) .....	L					(187,174)	5,731,777		
15.	Indiana (IN) .....	L				75,001	(211,121)	1,252,314		
16.	Iowa (IA) .....	L								
17.	Kansas (KS) .....	L								
18.	Kentucky (KY) .....	L				75,000	(918,906)	3,006,094		
19.	Louisiana (LA) .....	N								
20.	Maine (ME) .....	N								
21.	Maryland (MD) .....	L					12,445,575	14,948,579		
22.	Massachusetts (MA) .....	N								
23.	Michigan (MI) .....	L					(143,400)			
24.	Minnesota (MN) .....	L								
25.	Mississippi (MS) .....	N								
26.	Missouri (MO) .....	L								
27.	Montana (MT) .....	L								
28.	Nebraska (NE) .....	L								
29.	Nevada (NV) .....	L								
30.	New Hampshire (NH) .....	N								
31.	New Jersey (NJ) .....	E								
32.	New Mexico (NM) .....	L								
33.	New York (NY) .....	L								
34.	North Carolina (NC) .....	N								
35.	North Dakota (ND) .....	L								
36.	Ohio (OH) .....	L	5,992,907	6,355,873		3,014,345	(13,732,794)	25,389,969		
37.	Oklahoma (OK) .....	L								
38.	Oregon (OR) .....	L								
39.	Pennsylvania (PA) .....	L					2,551	752,551		
40.	Rhode Island (RI) .....	N								
41.	South Carolina (SC) .....	N								
42.	South Dakota (SD) .....	L								
43.	Tennessee (TN) .....	L								
44.	Texas (TX) .....	L								
45.	Utah (UT) .....	L								
46.	Vermont (VT) .....	N								
47.	Virginia (VA) .....	N								
48.	Washington (WA) .....	L						150,000		
49.	West Virginia (WV) .....	L				30,000	(1,974,039)			
50.	Wisconsin (WI) .....	L				1,033,333	1,017,580	1,609,247		
51.	Wyoming (WY) .....	L					125,129	275,129		
52.	American Samoa (AS) .....	N								
53.	Guam (GU) .....	N								
54.	Puerto Rico (PR) .....	N								
55.	U.S. Virgin Islands (VI) .....	N								
56.	Northern Mariana Islands (MP) .....	N								
57.	Canada (CN) .....	N								
58.	Aggregate other alien (OT) .....	X X X								
59.	TOTALS .....	(a) 33	5,992,907	6,355,873		4,227,679	(3,576,599)	53,115,660		

DETAILS OF WRITE-INS										
5801.	.....	X X X								
5802.	.....	X X X								
5803.	.....	X X X								
5898.	Summary of remaining write-ins for Line 58 from overflow page .....	X X X								
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above) ..	X X X								

(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.  
Explanation of basis of allocation of premiums by states, etc.: Premiums are allocated where premium risks are located

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER  
MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 - ORGANIZATIONAL CHART



INDEX TO PROPERTY & CASUALTY  
ANNUAL STATEMENT

Assets .....	2
Cash Flow .....	5
Exhibit of Capital Gains (Losses) .....	12
Exhibit of Net Investment Income .....	12
Exhibit of Nonadmitted Assets .....	13
Exhibit of Premiums and Losses (State Page) .....	19
Five-Year Historical Data .....	17
General Interrogatories .....	15
Jurat Page .....	1
Liabilities, Surplus and Other Funds .....	3
Notes To Financial Statements .....	14
Overflow Page for Write-ins .....	98
Schedule A - Part 1 .....	E01
Schedule A - Part 2 .....	E02
Schedule A - Part 3 .....	E03
Schedule A - Verification Between Years .....	SI02
Schedule B - Part 1 .....	E04
Schedule B - Part 2 .....	E05
Schedule B - Part 3 .....	E06
Schedule B - Verification Between Years .....	SI02
Schedule BA - Part 1 .....	E07
Schedule BA - Part 2 .....	E08
Schedule BA - Part 3 .....	E09
Schedule BA - Verification Between Years .....	SI03
Schedule D - Part 1 .....	E10
Schedule D - Part 1A - Section 1 .....	SI05
Schedule D - Part 1A - Section 2 .....	SI08
Schedule D - Part 2 - Section 1 .....	E11
Schedule D - Part 2 - Section 2 .....	E12
Schedule D - Part 3 .....	E13
Schedule D - Part 4 .....	E14
Schedule D - Part 5 .....	E15
Schedule D - Part 6 - Section 1 .....	E16
Schedule D - Part 6 - Section 2 .....	E16
Schedule D - Summary By Country .....	SI04
Schedule D - Verification Between Years .....	SI03
Schedule DA - Part 1 .....	E17
Schedule DA - Verification Between Years .....	SI10
Schedule DB - Part A - Section 1 .....	E18
Schedule DB - Part A - Section 2 .....	E19
Schedule DB - Part A - Verification Between Years .....	SI11
Schedule DB - Part B - Section 1 .....	E20
Schedule DB - Part B - Section 2 .....	E21
Schedule DB - Part B - Verification Between Years .....	SI11
Schedule DB - Part C - Section 1 .....	SI12
Schedule DB - Part C - Section 2 .....	SI13
Schedule DB - Part D - Section 1 .....	E22
Schedule DB - Verification .....	SI14
Schedule DL - Part 1 .....	E23
Schedule DL - Part 2 .....	E24
Schedule E - Part 1 - Cash .....	E25
Schedule E - Part 2 - Cash Equivalents .....	E26
Schedule E - Part 3 - Special Deposits .....	E27
Schedule E - Verification Between Years .....	SI15
Schedule F - Part 1 .....	20
Schedule F - Part 2 .....	21
Schedule F - Part 3 .....	22
Schedule F - Part 4 .....	23
Schedule F - Part 5 .....	24
Schedule F - Part 6 .....	25
Schedule F - Part 7 .....	26
Schedule F - Part 8 .....	27

INDEX TO PROPERTY & CASUALTY  
ANNUAL STATEMENT

Schedule H - Accident and Health Exhibit - Part 1 .....	28
Schedule H - Parts 2, 3, and 4 .....	29
Schedule H - Part 5 - Health Claims .....	30
Schedule P - Part 1 - Summary .....	31
Schedule P - Part 1A - Homeowners/Farmowners .....	33
Schedule P - Part 1B - Private Passenger Auto Liability/Medical .....	34
Schedule P - Part 1C - Commercial Auto/Truck Liability/Medical .....	35
Schedule P - Part 1D - Workers' Compensation (Excluding Excess Workers' Compensation) .....	36
Schedule P - Part 1E - Commercial Multiple Peril .....	37
Schedule P - Part 1F - Section 1 - Medical Professional Liability - Occurrence .....	38
Schedule P - Part 1F - Section 2 - Medical Professional Liability - Claims-Made .....	39
Schedule P - Part 1G - Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery) .....	40
Schedule P - Part 1H - Section 1 - Other Liability - Occurrence .....	41
Schedule P - Part 1H - Section 2 - Other Liability - Claims-Made .....	42
Schedule P - Part 1I - Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary & Theft) .....	43
Schedule P - Part 1J - Auto Physical Damage .....	44
Schedule P - Part 1K - Fidelity/Surety .....	45
Schedule P - Part 1L - Other (Including Credit, Accident and Health) .....	46
Schedule P - Part 1M - International .....	47
Schedule P - Part 1N - Reinsurance - Nonproportional Assumed Property .....	48
Schedule P - Part 1O - Reinsurance - Nonproportional Assumed Liability .....	49
Schedule P - Part 1P - Reinsurance - Nonproportional Assumed Financial Lines .....	50
Schedule P - Part 1R - Section 1 - Products Liability - Occurrence .....	51
Schedule P - Part 1R - Section 2 - Products Liability - Claims-Made .....	52
Schedule P - Part 1S - Financial Guaranty/Mortgage Guaranty .....	53
Schedule P - Part 1T - Warranty .....	54
Schedule P - Part 2, Part 3 and Part 4 - Summary .....	32
Schedule P - Part 2A - Homeowners/Farmowners .....	55
Schedule P - Part 2B - Private Passenger Auto Liability/Medical .....	55
Schedule P - Part 2C - Commercial Auto/Truck Liability/Medical .....	55
Schedule P - Part 2D - Workers' Compensation (Excluding Excess Workers' Compensation) .....	55
Schedule P - Part 2E - Commercial Multiple Peril .....	55
Schedule P - Part 2F - Section 1 - Medical Professional Liability - Occurrence .....	56
Schedule P - Part 2F - Section 2 - Medical Professional Liability - Claims-Made .....	56
Schedule P - Part 2G - Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery) .....	56
Schedule P - Part 2H - Section 1 - Other Liability - Occurrence .....	56
Schedule P - Part 2H - Section 2 - Other Liability - Claims - Made .....	56
Schedule P - Part 2I - Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, and Theft) .....	57
Schedule P - Part 2J - Auto Physical Damage .....	57
Schedule P - Part 2K - Fidelity, Surety .....	57
Schedule P - Part 2L - Other (Including Credit, Accident and Health) .....	57
Schedule P - Part 2M - International .....	57
Schedule P - Part 2N - Reinsurance - Nonproportional Assumed Property .....	58
Schedule P - Part 2O - Reinsurance - Nonproportional Assumed Liability .....	58
Schedule P - Part 2P - Reinsurance - Nonproportional Assumed Financial Lines .....	58
Schedule P - Part 2R - Section 1 - Products Liability - Occurrence .....	59
Schedule P - Part 2R - Section 2 - Products Liability - Claims-Made .....	59
Schedule P - Part 2S - Financial Guaranty/Mortgage Guaranty .....	59
Schedule P - Part 2T - Warranty .....	59
Schedule P - Part 3A - Homeowners/Farmowners .....	60
Schedule P - Part 3B - Private Passenger Auto Liability/Medical .....	60
Schedule P - Part 3C - Commercial Auto/Truck Liability/Medical .....	60
Schedule P - Part 3D - Workers' Compensation (Excluding Excess Workers' Compensation) .....	60
Schedule P - Part 3E - Commercial Multiple Peril .....	60
Schedule P - Part 3F - Section 1 - Medical Professional Liability - Occurrence .....	61
Schedule P - Part 3F - Section 2 - Medical Professional Liability - Claims-Made .....	61
Schedule P - Part 3G - Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery) .....	61
Schedule P - Part 3H - Section 1 - Other Liability - Occurrence .....	61
Schedule P - Part 3H - Section 2 - Other Liability - Claims-Made .....	61
Schedule P - Part 3I - Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, and Theft) .....	62
Schedule P - Part 3J - Auto Physical Damage .....	62
Schedule P - Part 3K - Fidelity/Surety .....	62
Schedule P - Part 3L - Other (Including Credit, Accident and Health) .....	62
Schedule P - Part 3M - International .....	62

INDEX TO PROPERTY & CASUALTY  
ANNUAL STATEMENT

Schedule P - Part 3N - Reinsurance - Nonproportional Assumed Property .....	63
Schedule P - Part 3O - Reinsurance - Nonproportional Assumed Liability .....	63
Schedule P - Part 3P - Reinsurance - Nonproportional Assumed Financial Lines .....	63
Schedule P - Part 3R - Section 1 - Products Liability - Occurrence .....	64
Schedule P - Part 3R - Section 2 - Products Liability - Claims-Made .....	64
Schedule P - Part 3S - Financial Guaranty/Mortgage Guaranty .....	64
Schedule P - Part 3T - Warranty .....	64
Schedule P - Part 4A - Homeowners/Farmowners .....	65
Schedule P - Part 4B - Private Passenger Auto Liability/Medical .....	65
Schedule P - Part 4C - Commercial Auto/Truck Liability/Medical .....	65
Schedule P - Part 4D Workers' Compensation (Excluding Excess Workers' Compensation) .....	65
Schedule P - Part 4E - Commercial Multiple Peril .....	65
Schedule P - Part 4F - Section 1 - Medical Professional Liability - Occurrence .....	66
Schedule P - Part 4F - Section 2 - Medical Professional Liability - Claims-Made .....	66
Schedule P - Part 4G - Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery) .....	66
Schedule P - Part 4H - Section 1 - Other Liability - Occurrence .....	66
Schedule P - Part 4H - Section 2 - Other Liability - Claims-Made .....	66
Schedule P - Part 4I - Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary and Theft) .....	67
Schedule P - Part 4J - Auto Physical Damage .....	67
Schedule P - Part 4K - Fidelity/Surety .....	67
Schedule P - Part 4L - Other (Including Credit, Accident and Health) .....	67
Schedule P - Part 4M - International .....	67
Schedule P - Part 4N - Reinsurance - Nonproportional Assumed Property .....	68
Schedule P - Part 4O - Reinsurance - Nonproportional Assumed Liability .....	68
Schedule P - Part 4P - Reinsurance - Nonproportional Assumed Financial Lines .....	68
Schedule P - Part 4R - Section 1 - Products Liability - Occurrence .....	69
Schedule P - Part 4R - Section 2 - Products Liability - Claims-Made .....	69
Schedule P - Part 4S - Financial Guaranty/Mortgage Guaranty .....	69
Schedule P - Part 4T - Warranty .....	69
Schedule P - Part 5A - Homeowners/Farmowners .....	70
Schedule P - Part 5B - Private Passenger Auto Liability/Medical .....	71
Schedule P - Part 5C - Commercial Auto/Truck Liability/Medical .....	72
Schedule P - Part 5D - Workers' Compensation (Excluding Excess Worker' Compensation) .....	73
Schedule P - Part 5E - Commercial Multiple Peril .....	74
Schedule P - Part 5F - Medical Professional Liability - Claims-Made .....	76
Schedule P - Part 5F - Medical Professional Liability - Occurrence .....	75
Schedule P - Part 5H - Other Liability - Claims-Made .....	78
Schedule P - Part 5H - Other Liability - Occurrence .....	77
Schedule P - Part 5R - Products Liability - Claims-Made .....	80
Schedule P - Part 5R - Products Liability - Occurrence .....	79
Schedule P - Part 5T - Warranty .....	81
Schedule P - Part 6C - Commercial Auto/Truck Liability/Medical .....	82
Schedule P - Part 6D - Workers' Compensation (Excluding Excess Workers' Compensation) .....	82
Schedule P - Part 6E - Commercial Multiple Peril .....	83
Schedule P - Part 6H - Other Liability - Claims-Made .....	84
Schedule P - Part 6H - Other Liability - Occurrence .....	83
Schedule P - Part 6M - International .....	84
Schedule P - Part 6N - Reinsurance - Nonproportional Assumed Property .....	85
Schedule P - Part 6O - Reinsurance - Nonproportional Assumed Liability .....	85
Schedule P - Part 6R - Products Liability - Claims-Made .....	86
Schedule P - Part 6R - Products Liability - Occurrence .....	86
Schedule P - Part 7A - Primary Loss Sensitive Contracts .....	87
Schedule P - Part 7B - Reinsurance Loss Sensitive Contracts .....	89
Schedule P Interrogatories .....	91
Schedule T - Exhibit of Premiums Written .....	92
Schedule T - Part 2 - Interstate Compact .....	93
Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group .....	94
Schedule Y - Part 1A - Detail of Insurance Holding Company System .....	95
Schedule Y - Part 2 - Summary of Insurer's Transactions With Any Affiliates .....	96
Statement of Income .....	4
Summary Investment Schedule .....	SI01

**INDEX TO PROPERTY & CASUALTY  
ANNUAL STATEMENT**

Supplemental Exhibits and Schedules Interrogatories .....	97
Underwriting and Investment Exhibit Part 1 .....	6
Underwriting and Investment Exhibit Part 1A .....	7
Underwriting and Investment Exhibit Part 1B .....	8
Underwriting and Investment Exhibit Part 2 .....	9
Underwriting and Investment Exhibit Part 2A .....	10
Underwriting and Investment Exhibit Part 3 .....	11