



QUARTERLY STATEMENT

As of March 31, 2012
of the Condition and Affairs of the

Infinity Reserve Insurance Company

NAIC Group Code.....3495, 3495
(Current Period) (Prior Period)
Organized under the Laws of Ohio
Incorporated/Organized..... December 7, 1998
Statutory Home Office
Main Administrative Office
Mail Address
Primary Location of Books and Records
Internet Web Site Address
Statutory Statement Contact

NAIC Company Code..... 10968
State of Domicile or Port of Entry Ohio
1400 Provident Tower, One East Fourth Street..... Cincinnati OH 45202
(Street and Number) (City or Town, State and Zip Code)
3700 Colonnade Parkway, Suite 600..... Birmingham AL 35243-3216
(Street and Number) (City or Town, State and Zip Code)
P.O.Box 830189..... Birmingham AL 35283-0189
(Street and Number or P. O. Box) (City or Town, State and Zip Code)
3700 Colonnade Parkway, Suite 600..... Birmingham AL 35243-3216
(Street and Number) (City or Town, State and Zip Code)
www.infinityauto.com
James G. Jordan
(Name)
jimmy.jordan@ipacc.com
(E-Mail Address)

Employer's ID Number..... 31-1627506
Country of Domicile US
Commenced Business..... January 1, 1999
205-870-4000
(Area Code) (Telephone Number)
205-870-4000
(Area Code) (Telephone Number)
205-803-8229
(Area Code) (Telephone Number) (Extension)
205-803-8598
(Fax Number)

POLICYHOLDER SERVICES AND CLAIMS REPORTING: 1-800-477-5056

OFFICERS

Name	Title	Name	Title
Scott Christopher Pitrone	President & CEO	Samuel James Simon	Senior Vice President & Secretary
Mary Linn Clark	Assistant Treasurer	Roger Hubert Prestridge	Vice President & Treasurer

OTHER

Roger Smith	Senior Vice President & CFO	Shelia Heldenbrand Williams	Vice President
James Henry Romaker	Assistant Secretary	Mitchell Silverman	Assistant Secretary
Troy Perry Ballard	Assistant Treasurer	Vicki Windham Daniell	Assistant Treasurer

DIRECTORS OR TRUSTEES

James Randall Gober	Glen Nelson Godwin	Scott Christopher Pitrone	Roger Hubert Prestridge
Samuel James Simon	Roger Smith	Shelia Heldenbrand Williams	

State of..... Alabama
County of..... Jefferson

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.

_____ Scott Christopher Pitrone	_____ Samuel James Simon	_____ Mary Linn Clark
_____ President & CEO	_____ Senior Vice President & Secretary	_____ Assistant Treasurer

Subscribed and sworn to before me This 10th day of May, 2012	a. Is this an original filing? b. If no: 1. State the amendment number 2. Date filed 3. Number of pages attached	Yes [X] No [] _____ _____ _____
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My Commission Expires April 15, 2013

Infinity Reserve Insurance Company
ASSETS

	Current Statement Date			4
	1	2	3	
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31 Prior Year Net Admitted Assets
1. Bonds.....	4,234,230		4,234,230	4,233,343
2. Stocks:				
2.1 Preferred stocks.....			.0	
2.2 Common stocks.....			.0	
3. Mortgage loans on real estate:				
3.1 First liens.....			.0	
3.2 Other than first liens.....			.0	
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			.0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			.0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			.0	
5. Cash (\$.....0), cash equivalents (\$.....0) and short-term investments (\$.....79,155).....	79,155		79,155	48,905
6. Contract loans (including \$.....0 premium notes).....			.0	
7. Derivatives.....			.0	
8. Other invested assets.....			.0	
9. Receivables for securities.....			.0	
10. Securities lending reinvested collateral assets.....			.0	
11. Aggregate write-ins for invested assets.....	.0	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	4,313,385	.0	4,313,385	4,282,248
13. Title plants less \$.....0 charged off (for Title insurers only).....			.0	
14. Investment income due and accrued.....	24,765		24,765	17,277
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	117,916		117,916	94,526
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			.0	
15.3 Accrued retrospective premiums.....			.0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....			.0	
16.2 Funds held by or deposited with reinsured companies.....			.0	
16.3 Other amounts receivable under reinsurance contracts.....			.0	
17. Amounts receivable relating to uninsured plans.....			.0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....			.0	
18.2 Net deferred tax asset.....	48,213	1,877	46,336	42,525
19. Guaranty funds receivable or on deposit.....			.0	
20. Electronic data processing equipment and software.....			.0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....			.0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0	
23. Receivables from parent, subsidiaries and affiliates.....			.0	
24. Health care (\$.....0) and other amounts receivable.....			.0	
25. Aggregate write-ins for other than invested assets.....	.0	.0	.0	.312
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	4,504,279	1,877	4,502,402	4,436,888
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
28. Total (Lines 26 and 27).....	4,504,279	1,877	4,502,402	4,436,888

DETAILS OF WRITE-INS

1101.			.0	
1102.			.0	
1103.			.0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	.0	.0	.0	.0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	.0	.0	.0	.0
2501. Other assets.....			.0	.312
2502.			.0	
2503.			.0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.0	.0	.0	.0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	.0	.0	.0	.312

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$.....114,465).....	357,925	345,208
2. Reinsurance payable on paid losses and loss adjustment expenses.....	62,781	67,517
3. Loss adjustment expenses.....	140,112	135,375
4. Commissions payable, contingent commissions and other similar charges.....	3,045	3,051
5. Other expenses (excluding taxes, licenses and fees).....	20,374	20,254
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	3,229	4,298
7.1 Current federal and foreign income taxes (including \$.....278 on realized capital gains (losses)).....	6,728	24,349
7.2 Net deferred tax liability.....		
8. Borrowed money \$.....0 and interest thereon \$.....0.....		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$.....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.....	539,407	472,397
10. Advance premium.....		
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....		
13. Funds held by company under reinsurance treaties.....		
14. Amounts withheld or retained by company for account of others.....		
15. Remittances and items not allocated.....		
16. Provision for reinsurance.....		
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	19,302	18,054
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.....	199	150
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	1,153,102	1,090,653
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	1,153,102	1,090,653
29. Aggregate write-ins for special surplus funds.....	0	1,728
30. Common capital stock.....	1,500,000	1,500,000
31. Preferred capital stock.....		
32. Aggregate write-ins for other than special surplus funds.....	0	0
33. Surplus notes.....		
34. Gross paid in and contributed surplus.....	1,000,000	1,000,000
35. Unassigned funds (surplus).....	849,300	844,507
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 30 \$.....0).....		
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0).....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36).....	3,349,300	3,346,235
38. Totals.....	4,502,402	4,436,888

DETAILS OF WRITE-INS

2501. Accounts payable and other liabilities.....	199	150
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	199	150
2901. Additional admitted deferred tax assets.....		1,728
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	0	1,728
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 thru 3203 plus 3298) (Line 32 above).....	0	0

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct..... (written \$.....0).....		690	767
1.2 Assumed..... (written \$....344,158).....	277,149	238,981	1,019,060
1.3 Ceded..... (written \$.....0).....		690	767
1.4 Net..... (written \$....344,158).....	277,149	238,981	1,019,060
DEDUCTIONS:			
2. Losses incurred (current accident year \$....176,263):			
2.1 Direct.....	5,155	1,213	5,793
2.2 Assumed.....	175,003	146,608	628,584
2.3 Ceded.....	5,155	1,213	5,793
2.4 Net.....	175,003	146,608	628,584
3. Loss adjustment expenses incurred.....	40,056	32,338	139,877
4. Other underwriting expenses incurred.....	90,638	79,974	302,651
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	305,697	258,920	1,071,112
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	(28,548)	(19,939)	(52,052)
INVESTMENT INCOME			
9. Net investment income earned.....	16,795	20,405	81,273
10. Net realized capital gains (losses) less capital gains tax of \$....278.....	(278)	1,213	41,721
11. Net investment gain (loss) (Lines 9 + 10).....	16,517	21,618	122,994
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$....(27) amount charged off \$....4,986).....	(5,013)	(3,973)	(19,974)
13. Finance and service charges not included in premiums.....	16,374	14,159	61,993
14. Aggregate write-ins for miscellaneous income.....	6,025	4,886	20,061
15. Total other income (Lines 12 through 14).....	17,386	15,072	62,080
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	5,355	16,751	133,022
17. Dividends to policyholders.....			
18. Net income after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17).....	5,355	16,751	133,022
19. Federal and foreign income taxes incurred.....	6,101	6,215	30,988
20. Net income (Line 18 minus Line 19) (to Line 22).....	(746)	10,536	102,034
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	3,346,235	3,538,800	3,538,800
22. Net income (from Line 20).....	(746)	10,536	102,034
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.....	4,197	1,048	810
27. Change in nonadmitted assets.....	(386)	1,355	4,591
28. Change in provision for reinsurance.....			
29. Change in surplus notes.....			
30. Surplus (contributed to) withdrawn from protected cells.....			
31. Cumulative effect of changes in accounting principles.....			
32. Capital changes:			
32.1 Paid in.....			
32.2 Transferred from surplus (Stock Dividend).....			
32.3 Transferred to surplus.....			
33. Surplus adjustments:			
33.1 Paid in.....			
33.2 Transferred to capital (Stock Dividend).....			
33.3 Transferred from capital.....			
34. Net remittances from or (to) Home Office.....			
35. Dividends to stockholders.....			(300,000)
36. Change in treasury stock.....			
37. Aggregate write-ins for gains and losses in surplus.....	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37).....	3,065	12,939	(192,565)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	3,349,300	3,551,739	3,346,235
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	0	0	0
1401. Other fee income.....	6,284	4,834	20,691
1402. Miscellaneous income or (expense).....	(259)	52	(630)
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	6,025	4,886	20,061
3701. Additional admitted deferred tax assets.....		962	1,728
3702. Reclassification of additional admitted deferred tax assets to special surplus funds.....		(962)	(1,728)
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	0	0	0

CASH FLOW

	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
CASH FROM OPERATIONS			
1. Premiums collected net of reinsurance.....	320,769	250,837	1,045,156
2. Net investment income.....	8,351	23,336	94,119
3. Miscellaneous income.....	17,386	15,072	62,081
4. Total (Lines 1 through 3).....	346,506	289,245	1,201,356
5. Benefit and loss related payments.....	167,022	141,185	594,792
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	126,843	115,967	436,543
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	24,000	(2,000)	23,352
10. Total (Lines 5 through 9).....	317,865	255,152	1,054,687
11. Net cash from operations (Line 4 minus Line 10).....	28,641	34,093	146,669
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....		325,000	902,755
12.2 Stocks.....			
12.3 Mortgage loans.....			
12.4 Real estate.....			
12.5 Other invested assets.....			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....			
12.7 Miscellaneous proceeds.....			
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	0	325,000	902,755
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....		364,603	753,475
13.2 Stocks.....			
13.3 Mortgage loans.....			
13.4 Real estate.....			
13.5 Other invested assets.....			
13.6 Miscellaneous applications.....			
13.7 Total investments acquired (Lines 13.1 to 13.6).....	0	364,603	753,475
14. Net increase (decrease) in contract loans and premium notes.....			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	0	(39,603)	149,280
CASH FROM FINANCING AND MISCELLANEOUS SOURCES			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....			
16.2 Capital and paid in surplus, less treasury stock.....			
16.3 Borrowed funds.....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....			
16.5 Dividends to stockholders.....			300,000
16.6 Other cash provided (applied).....	1,609	2,731	(391)
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	1,609	2,731	(300,391)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	30,250	(2,779)	(4,442)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	48,905	53,347	53,347
19.2 End of period (Line 18 plus Line 19.1).....	79,155	50,568	48,905

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

20.0001			
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NOTES TO FINANCIAL STATEMENTS

1.) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Practices

The financial statements of Infinity Reserve Insurance Company ("the Company") are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance.

The Ohio Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the state of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for purposes of determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners ("NAIC") *Accounting Practices and Procedures Manual* has been adopted as a component of prescribed or permitted practices by the state of Ohio.

2.) ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

No significant change.

3.) BUSINESS COMBINATIONS AND GOODWILL

No significant change.

4.) DISCONTINUED OPERATIONS

No significant change.

5.) INVESTMENTS

D. Loan-Backed Securities

- Prepayment assumptions used are derived by the Securities Industry and Financial Markets Association ("SIFMA") and Interactive Data Corporation ("IDC"). Effective yields are determined at the date of purchase, while significant changes in estimated cash flow from the original prepayment assumptions are accounted for on a prospective basis.
- The Company does not invest in loan-backed securities.
- None.
- None.
- The determination of whether unrealized losses on investments are other-than-temporary requires judgement based on subjective as well as objective factors. Factors considered and resources used by management include:
 - whether the unrealized loss is credit-driven or a result of changes in market interest rates;
 - the length of time the security's market value has been below its amortized cost (bonds) or cost (unaffiliated common stocks);
 - the extent to which fair value is less than amortized cost (bonds) or cost (unaffiliated common stocks) basis;
 - the intent to sell the security;
 - whether it is more likely than not that there will be a requirement to sell the security before its anticipated recovery;
 - historical operating, balance sheet and cash flow data contained in issuer's SEC filings;
 - issuer news releases;
 - near-term prospects for improvement in the issuer and/or its industry;
 - industry research and communications with industry specialists; and
 - third-party research and credit rating reports.

6.) JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

No significant change.

7.) INVESTMENT INCOME

No significant change.

8.) DERIVATIVE INSTRUMENTS

No significant change.

9.) INCOME TAXES

No significant change.

10.) INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

No significant change.

11.) DEBT

No significant change.

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

No significant change.

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

No significant change.

NOTES TO FINANCIAL STATEMENTS

14.) CONTINGENCIES

No significant change.

15.) LEASES

No significant change.

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

No significant change.

17.) SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

- A. Not applicable.
- B. Not applicable.
- C. Wash Sales - The Company was not involved in any wash sale transactions during 2012.

18.) GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

No significant change.

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

No significant change.

20.) FAIR VALUE MEASUREMENTS

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

1. Fair Value Measurement by Level 1, 2 and 3

The Company has categorized its assets and liabilities that are measured at fair value into the three-level fair value hierarchy as reflected in the table below. The three-level fair value hierarchy is based on the degree of subjectivity in the valuation method by which fair value was determined. The three levels are defined as follows:

Level 1 - Fair value measurements are based on quoted prices in active markets for identical assets. This category includes U.S Treasury securities and an exchange-traded fund that makes up the majority of the Company's equity portfolio.

Level 2 - Fair value measurements are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-derived valuations in which all significant techniques are observable in active markets. This category includes bonds and common stocks which are not exchange-traded.

Level 3 - Fair value measurements are based on valuations derived from valuation techniques in which one or more significant inputs are unobservable in the marketplace. This category includes bonds for which there is no active or inactive market for similar instruments, bonds whose fair value is determined based on unobservable inputs and bonds, other than those backed by the U.S. Government, that are not rated by a nationally recognized statistical rating organization.

4. Inputs and Techniques Used for Level 2 and Level 3 Fair Value

Fair value measurements categorized within Level 2 and Level 3 are generally obtained from the Securities Valuation Office of the National Association of Insurance Commissioners or from Interactive Data Corporation ("IDC"), a global provider of financial market data and related services to financial institutions. Should IDC not price a bond, fair value information is obtained from other globally recognized pricing sources, including Reuters and Bloomberg. Fair value for privately placed and other illiquid instruments is obtained from broker quotes or determined by comparison to similar instruments in the public market.

Broker quotes are obtained either through IDC, as part of the normal pricing process through our accounting provider, SS&C Technologies; or by request from investment manager, General Re-New England Asset Management, Inc. and Wellington Management Company, LLP; or our custodial bank, The Bank of New York Mellon, who have relationships with nationally-known brokers.

The Company's procedures for validating market prices obtained from third parties include, but are not limited to, periodic review of model pricing methodologies and periodic testing of sales activity to determine if there are any significant differences between the market price used to value the instrument as of the balance sheet date and the sales price of the instrument for sales that occurred around the balance sheet date.

C. Aggregate fair value measurements for all financial instruments at March 31, 2012, are as follows:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Bonds	\$ 4,413,887	\$ 4,313,385	\$ 4,413,887	\$ 0	\$ 0	\$ 0

21.) OTHER ITEMS

No significant change.

22.) EVENTS SUBSEQUENT

None.

23.) REINSURANCE

No significant change.

NOTES TO FINANCIAL STATEMENTS

24.) RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDETERMINATION

No significant change.

25.) CHANGES IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

The following table provides an analysis of the change in loss and loss adjustment expense ("LAE") reserves net of reinsurance recoverables (in thousands):

	March 31, 2012	March 31, 2011
Balance at beginning of period	\$ 481	\$ 461
Loss and LAE incurred:		
Current accident year	215	182
Prior accident years	0	(3)
	215	179
Loss and LAE payments made for:		
Current accident year	(70)	(59)
Prior accident years	(128)	(124)
	(198)	(183)
Balance at end of period	\$ 498	\$ 457

Reserves as of December 31, 2011 were \$481,000. As of March 31, 2012, \$128,000 has been paid for incurred losses and loss adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$353,000 as a result of re-estimation of unpaid claims and claim adjustment expenses principally on Private Passenger and Commercial automobile lines of insurance. As a result, there has been no prior year development during the three months ended March 31, 2012 as compared to a \$3,000 favorable development during the three months ended March 31, 2011. The change 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. See table below for the effect resulting from the inclusion of extra-contractual obligations.

Beginning in 2005, losses and expenses associated with extra-contractual obligations were reflected in the underwriting section of the income statement. The following table reflects the effect to Schedule P of the extra-contractual obligations (in thousands):

Year	Payments for Loss and LAE	Outstanding Loss and LAE	Loss and LAE Incurred
Prior	\$ 0	\$ 0	\$ 0
2003	10	0	10
2004	3	0	3
2005	4	0	4
2006	2	0	2
2007	2	0	2
2008	0	0	0
2009	0	0	0
2010	0	0	0
2011	0	0	0
2012	0	0	0
	\$ 21	\$ 0	\$ 21

26.) INTERCOMPANY POOLING ARRANGEMENTS

No significant change.

27.) STRUCTURED SETTLEMENTS

No significant change.

28.) HEALTH CARE RECEIVABLES

No significant change.

29.) PARTICIPATING POLICIES

No significant change.

30.) PREMIUM DEFICIENCY RESERVES

No significant change.

31.) HIGH DEDUCTIBLES

No significant change.

32.) DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES OR UNPAID LOSS ADJUSTMENT EXPENSES

No significant change.

NOTES TO FINANCIAL STATEMENTS

33.) ASBESTOS / ENVIRONMENTAL RESERVES

No significant change.

34.) SUBSCRIBER SAVINGS ACCOUNTS

No significant change.

35.) MULTIPLE PERIL CROP INSURANCE

No significant change.

36.) FINANCIAL GUARANTY INSURANCE

The Company does not write financial guaranty insurance.

Infinity Reserve Insurance Company

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

1.1

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

Yes [☐] No [☒]

1.2

If yes, has the report been filed with the domiciliary state?

Yes [☐] No [☐]

2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [☐] No [☒]

2.2

If yes, date of change:

.....

3.

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

Yes [☐] No [☒]

4.1

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

Yes [☐] No [☒]

4.2

If yes, provide name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
Not Applicable		

5.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?
If yes, attach an explanation.

Yes [☐] No [☒] N/A [☐]

Not Applicable

6.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2006.....

6.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2006.....

6.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

12/15/2007.....

6.4

By what department or departments?

Ohio

6.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes [☐] No [☐] N/A [☒]

6.6

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

Yes [☐] No [☐] N/A [☒]

7.1

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

Yes [☐] No [☒]

7.2

If yes, give full information:

Not Applicable

8.1

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

Yes [☐] No [☒]

8.2

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

Not Applicable

8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes [☐] No [☒]

8.4

If the response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the 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 FDIC	6 SEC
Not Applicable					

9.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

Yes [☒] No [☐]

9.11

If the response to 9.1 is No, please explain:

Not Applicable

9.2

Has the code of ethics for senior managers been amended?

Yes [☐] No [☒]

9.21

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

Not Applicable

9.3

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

Yes [☐] No [☒]

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

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

Not Applicable

PART 1 - FINANCIAL

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes [] No [X]

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

.....

PART 1 - INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes [] No [X]

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

Not Applicable

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

\$.....0

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

\$.....0

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes [] No [X]

14.2 If yes, please complete the following:

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

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?

Yes [] No [X]

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

Yes [] No []

If no, attach a description with this statement.

Not Applicable

16. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes [X] No []

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

1	2
Name of Custodian(s)	Custodian Address
The Bank of New York Mellon	One Wall Street, New York, New York 10286

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

1	2	3
Name(s)	Location(s)	Complete Explanation(s)
Not Applicable		

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?

Yes [] No [X]

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

1	2	3	4
Old Custodian	New Custodian	Date of Change	Reason
Not Applicable			

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

1	2	3
Central Registration Depository	Name(s)	Address
Not Applicable	Gen Re-New England Asset Management, Inc.	76 Batterson Park Rd., Farmington, CT 06032

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

Yes [X] No []

17.2 If no, list exceptions:

Not Applicable

Infinity Reserve Insurance Company
GENERAL INTERROGATORIES (continued)

PART 2

PROPERTY & CASUALTY INTERROGATORIES

1.

If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change?
If yes, attach an explanation.
Not Applicable

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

2.

Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured?
If yes, attach an explanation.
Not Applicable

Yes [] No [X]

3.1

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

Yes [] No [X]

3.2

If yes, give full and complete information thereto:
Not Applicable

4.1

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

Yes [] No [X]

4.2

If yes, complete the following schedule:

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

5.

Operating Percentages:

5.1

A&H loss percent

0.0 %

5.2

A&H cost containment percent

0.0 %

5.3

A&H expense percent excluding cost containment expenses

0.0 %

6.1

Do you act as a custodian for health savings accounts?

Yes [] No [X]

6.2

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

0

6.3

Do you act as an administrator for health savings accounts?

Yes [] No [X]

6.4

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

0

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

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

NONE

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, Etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year to Date	3 Prior Year to Date	4 Current Year to Date	5 Prior Year to Date	6 Current Year to Date	7 Prior Year to Date
1. Alabama.....AL	N						
2. Alaska.....AK	N						
3. Arizona.....AZ	N						
4. Arkansas.....AR	N						
5. California.....CA	N						
6. Colorado.....CO	N						
7. Connecticut.....CT	N						
8. Delaware.....DE	N						
9. District of Columbia.....DC	N						
10. Florida.....FL	N						
11. Georgia.....GA	L		449	3,555	(330)	9,452	(713)
12. Hawaii.....HI	N						
13. Idaho.....ID	N						
14. Illinois.....IL	N						
15. Indiana.....IN	N						
16. Iowa.....IA	N						
17. Kansas.....KS	N						
18. Kentucky.....KY	N						
19. Louisiana.....LA	N						
20. Maine.....ME	N						
21. Maryland.....MD	N						
22. Massachusetts.....MA	N						
23. Michigan.....MI	N						
24. Minnesota.....MN	N						
25. Mississippi.....MS	N						
26. Missouri.....MO	N						
27. Montana.....MT	N						
28. Nebraska.....NE	N						
29. Nevada.....NV	N						
30. New Hampshire.....NH	N						
31. New Jersey.....NJ	N						
32. New Mexico.....NM	N						
33. New York.....NY	N						
34. North Carolina.....NC	N						
35. North Dakota.....ND	N						
36. Ohio.....OH	L						
37. Oklahoma.....OK	N						
38. Oregon.....OR	N						
39. Pennsylvania.....PA	N						
40. Rhode Island.....RI	N						
41. South Carolina.....SC	L						
42. South Dakota.....SD	N						
43. Tennessee.....TN	N						
44. Texas.....TX	N						
45. Utah.....UT	N						
46. Vermont.....VT	N						
47. Virginia.....VA	N						
48. Washington.....WA	N						
49. West Virginia.....WV	N						
50. Wisconsin.....WI	N						
51. Wyoming.....WY	N						
52. American Samoa.....AS	N						
53. Guam.....GU	N						
54. Puerto Rico.....PR	N						
55. US Virgin Islands.....VI	N						
56. Northern Mariana Islands.....MP	N						
57. Canada.....CN	N						
58. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0
59. Totals.....	(a).....3	0	449	3,555	(330)	9,452	(713)

DETAILS OF WRITE-INS							
5801.	XXX						
5802.	XXX						
5803.	XXX						
5898. Summary of remaining write-ins for Line 58 from overflow page....	XXX	0	0	0	0	0	0
5899. Totals (Lines 5801 thru 5803 + Line 5898) (Line 58 above).....	XXX	0	0	0	0	0	0

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

Sch. Y-Pt 1
NONE

Schedule Y-Part 1A
NONE

PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire.....			0.0	
2. Allied lines.....			0.0	
3. Farmowners multiple peril.....			0.0	
4. Homeowners multiple peril.....			0.0	
5. Commercial multiple peril.....			0.0	
6. Mortgage guaranty.....			0.0	
8. Ocean marine.....			0.0	
9. Inland marine.....			0.0	
10. Financial guaranty.....			0.0	
11.1. Medical professional liability - occurrence.....			0.0	
11.2. Medical professional liability - claims-made.....			0.0	
12. Earthquake.....			0.0	
13. Group accident and health.....			0.0	
14. Credit accident and health.....			0.0	
15. Other accident and health.....			0.0	
16. Workers' compensation.....			0.0	
17.1 Other liability-occurrence.....			0.0	
17.2 Other liability-claims made.....			0.0	
17.3 Excess workers' compensation.....			0.0	
18.1 Products liability-occurrence.....			0.0	
18.2 Products liability-claims made.....			0.0	
19.1, 19.2 Private passenger auto liability.....		5,636	0.0	(457.2)
19.3, 19.4 Commercial auto liability.....			0.0	
21. Auto physical damage.....		(481)	0.0	
22. Aircraft (all perils).....			0.0	
23. Fidelity.....			0.0	
24. Surety.....			0.0	
26. Burglary and theft.....			0.0	
27. Boiler and machinery.....			0.0	
28. Credit.....			0.0	
29. International.....			0.0	
30. Warranty.....	XXX	XXX	0.0	XXX
31. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX	XXX
33. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business.....	0	0	0.0	
35. Totals.....	0	5,155	0.0	175.8
DETAILS OF WRITE-INS				
3401.			0.0	
3402.			0.0	
3403.			0.0	
3498 Sum. of remaining write-ins for Line 34 from overflow page.....	0	0	0.0	XXX
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34).....	0	0	0.0	

PART 2 - DIRECT PREMIUMS WRITTEN

Lines of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire.....			
2. Allied lines.....			
3. Farmowners multiple peril.....			
4. Homeowners multiple peril.....			
5. Commercial multiple peril.....			
6. Mortgage guaranty.....			
8. Ocean marine.....			
9. Inland marine.....			
10. Financial guaranty.....			
11.1 Medical professional liability - occurrence.....			
11.2 Medical professional liability - claims made.....			
12. Earthquake.....			
13. Group accident and health.....			
14. Credit accident and health.....			
15. Other accident and health.....			
16. Workers' compensation.....			
17.1 Other liability-occurrence.....			
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.....			449
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.....	XXX	XXX	XXX
31. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX
33. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business.....	0	0	0
35. Totals.....	0	0	449
DETAILS OF WRITE-INS			
3401.			
3402.			
3403.			
3498 Sum. of remaining write-ins for Line 34 from overflow page.....	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34).....	0	0	0

Infinity Reserve Insurance Company
Overflow Page for Write-Ins

NONE

Infinity Reserve Insurance Company

SCHEDULE A - VERIFICATION

Real Estate

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Current year change in encumbrances.....		
4. Total gain (loss) on disposals.....		
5. Deduct amounts received on disposals.....		
6. Total foreign exchange change in book/adjusted carrying value.....		
7. Deduct current year's other than temporary impairment recognized.....		
8. Deduct current year's depreciation.....		
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8).....	0	0
10. Deduct total nonadmitted amounts.....		
11. Statement value at end of current period (Line 9 minus Line 10).....	0	0

SCHEDULE B - VERIFICATION

Mortgage Loans

	1	2
	Year to Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year.....	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Capitalized deferred interest and other.....		
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease).....		
6. Total gain (loss) on disposals.....		
7. Deduct amounts received on disposals.....		
8. Deduct amortization of premium and mortgage interest points and commitment fees.....		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest.....		
10. Deduct current year's other than temporary impairment recognized.....		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	0	0
12. Total valuation allowance.....		
13. Subtotal (Line 11 plus Line 12).....	0	0
14. Deduct total nonadmitted amounts.....		
15. Statement value at end of current period (Line 13 minus Line 14).....	0	0

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

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

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	4,233,343	4,323,044
2. Cost of bonds and stocks acquired.....		753,475
3. Accrual of discount.....	1,281	5,017
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		60,082
6. Deduct consideration for bonds and stocks disposed of.....		902,755
7. Deduct amortization of premium.....	394	5,520
8. Total foreign exchange change in book/adjusted carrying value.....		
9. Deduct current year's other than temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	4,234,230	4,233,343
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	4,234,230	4,233,343

SCHEDULE D - PART 1B

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

QSI02

	1	2	3	4	5	6	7	8
	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a).....	4,282,248	54,389	24,139	887	4,313,385			4,282,248
2. Class 2 (a).....								
3. Class 3 (a).....								
4. Class 4 (a).....								
5. Class 5 (a).....								
6. Class 6 (a).....								
7. Total Bonds.....	4,282,248	54,389	24,139	887	4,313,385	0	0	4,282,248
PREFERRED STOCK								
8. Class 1.....								
9. Class 2.....								
10. Class 3.....								
11. Class 4.....								
12. Class 5.....								
13. Class 6.....								
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock.....	4,282,248	54,389	24,139	887	4,313,385	0	0	4,282,248

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

SCHEDULE DA - PART 1

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals.....	79,155	XXX.....	79,155	.....	.....

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	48,905	53,347
2. Cost of short-term investments acquired.....	54,389	1,075,215
3. Accrual of discount.....	.....	.....
4. Unrealized valuation increase (decrease).....	.....	.....
5. Total gain (loss) on disposals.....	.....	.....
6. Deduct consideration received on disposals.....	24,139	1,079,657
7. Deduct amortization of premium.....	.....	.....
8. Total foreign exchange change in book/adjusted carrying value.....	.....	.....
9. Deduct current year's other than temporary impairment recognized.....	.....	.....
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	79,155	48,905
11. Deduct total nonadmitted amounts.....	.....	.....
12. Statement value at end of current period (Line 10 minus Line 11).....	79,155	48,905

Sch. DB-Pt A-Verification
NONE

Sch. DB-Pt B-Verification
NONE

Sch. DB-Pt C-Sn 1
NONE

Sch. DB-Pt C-Sn 2
NONE

Sch. DB-Verification
NONE

Sch. E-Verification
NONE

Sch. A-Pt 2
NONE

Sch. A-Pt 3
NONE

Sch. B-Pt 2
NONE

Sch. B-Pt 3
NONE

Sch. BA-Pt 2
NONE

Sch. BA-Pt 3
NONE

Sch. D-Pt 3
NONE

Sch. D-Pt 4
NONE

Sch. DB-Pt A-Sn 1
NONE

Sch. DB-Pt B-Sn 1
NONE

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

Sch. DB-Pt D
NONE

NONE

SCHEDULE DB - PART B - SECTION 1

Futures Contracts Open as of the Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14	Change in Variation Margin				19	20
														15	16	17	18		
Ticker Symbol	Number of Contracts	Notional Amount	Description	Description of Hedged Item(s)	Schedule/ Exhibit Identifier	Type(s) of Risk	Date of Maturity or Expiration	Exchange	Trade Date	Transaction Price	Reporting Date Price	Fair Value	Book/ Adjusted Carrying Value	Cumulative	Gain (Loss) Recognized in Current Year	Gain (Loss) Used to Adjust Basis of Hedged Item	Deferred	Potential Exposure	Hedge Effectiveness at Inception and at Quarter-end (a)

NONE

QE07

Broker Name	Net Cash Deposits
-------------	-------------------

NONE

QE07FE

NONE

SCHEDULE DB - PART D

Counterparty Exposure for Derivative Instruments Open as of Current Statement Date

1	2	3	4	Book Adjusted Carrying Value			Fair Value			11	12
				5	6	7	8	9	10		
Description Counterparty or Exchange Traded	Master Agreement (Y or N)	Credit Support Annex (Y or N)	Fair Value of Acceptable Collateral	Contracts With Book Adjusted Carrying Value > 0	Contracts With Book Adjusted Carrying Value < 0	Exposure Net of Collateral	Contracts With Fair Value > 0	Contracts With Fair Value < 0	Exposure Net of Collateral	Potential Exposure	Off-Balance Sheet Exposure

NONE

Sch. DL-Pt. 1
NONE

Sch. DL-Pt. 2
NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	

Open Depositories

The Bank of New York Mellon..... New York, New York.....	.....	.....0.010	.....	.....	.....	.....	.....	XXX..
0199999. Total Open Depositories.....	...XXX.....	...XXX.....	0	0	0	0	0	XXX..
0399999. Total Cash on Deposit.....	...XXX.....	...XXX.....	0	0	0	0	0	XXX..
0599999. Total Cash.....	...XXX.....	...XXX.....	0	0	0	0	0	XXX..

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

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

NONE