



# QUARTERLY STATEMENT

AS OF MARCH 31, 2012  
OF THE CONDITION AND AFFAIRS OF THE

## Permanent General Assurance Corporation of Ohio

NAIC Group Code	3638 (Current Period)	3638 (Prior Period)	NAIC Company Code	22906	Employer's ID Number	62-1482846
Organized under the Laws of	Ohio		State of Domicile or Port of Entry	Ohio		
Country of Domicile	United States					
Incorporated/Organized	12/18/1991		Commenced Business	04/09/1992		
Statutory Home Office	9700 Rockside Road, Suite 250 (Street and Number)		Valley View, OH 44125 (City or Town, State and Zip Code)			
Main Administrative Office	2636 Elm Hill Pike, Suite 510 (Street and Number)		Nashville, TN 37214 (City or Town, State and Zip Code)	615-242-1961 (Area Code) (Telephone Number)		
Mail Address	P.O. Box 305054 (Street and Number or P.O. Box)		Nashville, TN 37230-5054 (City or Town, State and Zip Code)			
Primary Location of Books and Records	2636 Elm Hill Pike, Suite 510 (Street and Number)		Nashville, TN 37214 (City or Town, State and Zip Code)	615-744-1221 (Area Code) (Telephone Number)		
Internet Web Site Address	www.pgac.com					
Statutory Statement Contact	R BURTON BARNES JR (Name)		615-744-1221 (Area Code) (Telephone Number) (Extension)			
	bbarnes@pgac.com (E-Mail Address)		615-744-1608 (Fax Number)			

### OFFICERS

Name	Title	Name	Title
RANDY PHILIP PARKER	Chairman, President & CEO Sr. V.P., Chief Administrative Officer	BRIAN MICHAEL DONOVAN	CFO, Treasurer & Assistant Secretary
DAVID LEE HETTINGER			

### OTHER OFFICERS

SHERRILL CLEEK KAISER	Secretary	EILEEN MARY MANNERS	Assistant V.P., Claims
ALLISON WALKER GARRETSON	V.P., Underwriting & Premium Finance	WILLIAM JOSEPH YEAGER #	Sr. V.P., Claims
BARRY SCOT DICE	V.P., Direct Sales & Marketing	KENTON LEE FOURMAN	V.P., Chief Information Officer
CHARLES WESLEY KIRKLAND, JR.	V.P., Claims	ERIC WILLIAM BUR	V.P., IA Sales & Distribution
JOHN ALLEN HOLLAR	V.P., Product Management	ANDREW PETER MARTIN	Sr. V.P. Company-wide Sales&Distribution
ROBERT EUGENE NELSON	Assistant Secretary	ELIZABETH ANN ROBERTS	V.P., Human Resources
TODD RAYMOND HAKALA	V.P., Actuary Services		

### DIRECTORS OR TRUSTEES

BRIAN MICHAEL DONOVAN	DAVID LEE HETTINGER	ANDREW PETER MARTIN	ELIZABETH ANN ROBERTS
RANDY PHILIP PARKER			

State of Tennessee.....

ss

County of Davidson.....

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.

RANDY PHILIP PARKER  
Chairman, President & CEO

BRIAN MICHAEL DONOVAN  
CFO, Treasurer & Assistant Secretary

ROBERT EUGENE NELSON  
Assistant Secretary

a. Is this an original filing? Yes [ X ] No [ ]

b. If no,

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

Subscribed and sworn to before me this  
9th day of May, 2012

**STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio**

**ASSETS**

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	68,955,381		68,955,381	68,690,698
2. Stocks:				
2.1 Preferred stocks .....			0	0
2.2 Common stocks .....	10,109,906		10,109,906	9,901,806
3. Mortgage loans on real estate:				
3.1 First liens .....			0	0
3.2 Other than first liens .....			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....			0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ ..... encumbrances) .....			0	0
5. Cash (\$ ..... 4,033,882 ), cash equivalents (\$ ..... 0 ) and short-term investments (\$ ..... 4,373,471 ) .....		8,407,353	8,407,353	7,633,753
6. Contract loans (including \$ ..... premium notes) .....			0	0
7. Derivatives .....	0		0	0
8. Other invested assets .....	0		0	0
9. Receivables for securities .....			0	0
10. Securities lending reinvested collateral assets .....			0	0
11. Aggregate write-ins for invested assets .....	0	.0	0	2,121
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	87,472,640	.0	87,472,640	86,228,378
13. Title plants less \$ ..... charged off (for Title insurers only) .....			0	0
14. Investment income due and accrued .....	924,162		924,162	772,043
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	2,987,273	2,398	2,984,875	3,167,101
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....	36,423,011		36,423,011	28,129,851
15.3 Accrued retrospective premiums .....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....			0	0
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....			0	0
17. Amounts receivable relating to uninsured plans .....			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	2,196,294		2,196,294	1,264,631
18.2 Net deferred tax asset .....	3,605,053		3,605,053	3,751,800
19. Guaranty funds receivable or on deposit .....			0	0
20. Electronic data processing equipment and software .....			0	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	0
23. Receivables from parent, subsidiaries and affiliates .....			0	0
24. Health care (\$ ..... ) and other amounts receivable .....			0	0
25. Aggregate write-ins for other than invested assets .....	0	.0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	133,608,433	2,398	133,606,035	123,313,804
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
28. Total (Lines 26 and 27) .....	133,608,433	2,398	133,606,035	123,313,804
<b>DETAILS OF WRITE-INS</b>				
1101. Income due on security .....			0	2,121
1102. .....				
1103. .....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	.0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above) .....	0	0	0	2,121
2501. .....				
2502. .....				
2503. .....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	.0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above) .....	0	0	0	0

**STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio**

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 9,249,165 )	24,922,542	24,290,834
2. Reinsurance payable on paid losses and loss adjustment expenses	1,680,665	1,648,958
3. Loss adjustment expenses	5,935,840	5,901,242
4. Commissions payable, contingent commissions and other similar charges	66,372	0
5. Other expenses (excluding taxes, licenses and fees)	0	0
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	1,013,093	739,676
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))	0	0
7.2 Net deferred tax liability	0	0
8. Borrowed money \$ and interest thereon \$	0	0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 39,351,842 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act)	44,149,354	35,998,133
10. Advance premium	134,029	109,223
11. Dividends declared and unpaid:		
11.1 Stockholders	0	0
11.2 Policyholders	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions)	346,465	0
13. Funds held by company under reinsurance treaties	0	0
14. Amounts withheld or retained by company for account of others	0	0
15. Remittances and items not allocated	0	0
16. Provision for reinsurance	0	0
17. Net adjustments in assets and liabilities due to foreign exchange rates	0	0
18. Drafts outstanding	0	0
19. Payable to parent, subsidiaries and affiliates	2,647,561	4,787,324
20. Derivatives	0	0
21. Payable for securities	1,495,435	0
22. Payable for securities lending	0	0
23. Liability for amounts held under uninsured plans	0	0
24. Capital notes \$ and interest thereon \$	0	0
25. Aggregate write-ins for liabilities	0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	82,391,356	73,475,390
27. Protected cell liabilities	0	0
28. Total liabilities (Lines 26 and 27)	82,391,356	73,475,390
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	2,000,000	2,000,000
31. Preferred capital stock	0	0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes	0	0
34. Gross paid in and contributed surplus	27,200,000	27,200,000
35. Unassigned funds (surplus)	22,014,679	20,638,414
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$ )	0	0
36.2 shares preferred (value included in Line 31 \$ )	0	0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	51,214,679	49,838,414
38. Totals (Page 2, Line 28, Col. 3)	133,606,035	123,313,804
<b>DETAILS OF WRITE-INS</b>		
2501.		
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

**STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio**

**STATEMENT OF INCOME**

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct (written \$ 26,258,859 )	19,391,899	20,607,658	78,978,379
1.2 Assumed (written \$ 31,238,791 )	23,087,570	23,652,759	93,225,720
1.3 Ceded (written \$ 26,258,859 )	19,391,899	20,607,658	78,978,379
1.4 Net (written \$ 31,238,791 )	23,087,570	23,652,759	93,225,720
<b>DEDUCTIONS:</b>			
2. Losses incurred (current accident year \$ 14,078,345 ):			
2.1 Direct	12,077,566	12,864,136	52,501,669
2.2 Assumed	14,420,261	14,702,252	60,369,672
2.3 Ceded	12,364,759	13,184,083	52,501,671
2.4 Net	14,133,068	14,382,305	60,369,670
3. Loss adjustment expenses incurred .....	2,284,528	2,026,353	11,146,478
4. Other underwriting expenses incurred .....	9,742,654	9,762,684	35,326,890
5. Aggregate write-ins for underwriting deductions .....	0	0	0
6. Total underwriting deductions (Lines 2 through 5) .....	26,160,250	26,171,342	106,843,038
7. Net income of protected cells .....	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7) .....	(3,072,680)	(2,518,583)	(13,617,318)
<b>INVESTMENT INCOME</b>			
9. Net investment income earned .....	609,330	560,458	2,220,993
10. Net realized capital gains (losses) less capital gains tax of \$ .....	121,980	(34,753)	(66,877)
11. Net investment gain (loss) (Lines 9 + 10) .....	731,310	525,705	2,154,116
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ ..... amount charged off \$ ..... )	0	0	0
13. Finance and service charges not included in premiums .....	2,117,095	2,209,418	8,537,505
14. Aggregate write-ins for miscellaneous income .....	(9,326)	(46,034)	(97,520)
15. Total other income (Lines 12 through 14) .....	2,107,769	2,163,384	8,439,985
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15) .....	(233,601)	170,506	(3,023,217)
17. Dividends to policyholders .....	0	0	0
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) .....	(233,601)	170,506	(3,023,217)
19. Federal and foreign income taxes incurred .....	(1,544,174)	132,207	(211,148)
20. Net income (Line 18 minus Line 19)(to Line 22) .....	1,310,573	38,299	(2,812,069)
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year .....	49,838,414	52,492,377	52,492,377
22. Net income (from Line 20) .....	1,310,573	38,299	(2,812,069)
23. Net transfers (to) from Protected Cell accounts .....		0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ .....	212,492	172,787	(515,867)
25. Change in net unrealized foreign exchange capital gain (loss) .....		0	0
26. Change in net deferred income tax .....	(1,122,533)	236,494	1,401,821
27. Change in nonadmitted assets .....	737,514	39,451	(722,734)
28. Change in provision for reinsurance .....		0	0
29. Change in surplus notes .....		0	0
30. Surplus (contributed to) withdrawn from protected cells .....		0	0
31. Cumulative effect of changes in accounting principles .....	242,954	0	0
32. Capital changes:			
32.1 Paid in .....		0	0
32.2 Transferred from surplus (Stock Dividend) .....		0	0
32.3 Transferred to surplus .....		0	0
33. Surplus adjustments:			
33.1 Paid in .....		0	0
33.2 Transferred to capital (Stock Dividend) .....		0	0
33.3 Transferred from capital .....		0	0
34. Net remittances from or (to) Home Office .....		0	0
35. Dividends to stockholders .....		0	0
36. Change in treasury stock .....		0	0
37. Aggregate write-ins for gains and losses in surplus .....	(4,735)	(5,113)	(5,114)
38. Change in surplus as regards policyholders (Lines 22 through 37) .....	1,376,265	481,918	(2,653,963)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) .....	51,214,679	52,974,295	49,838,414
<b>DETAILS OF WRITE-INS</b>			
0501. ....			
0502. ....			
0503. ....			
0598. Summary of remaining write-ins for Line 5 from overflow page .....	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above) .....	0	0	0
1401. MISC INCOME .....		0	0
1402. FINANCE ROYALTY INCOME .....		101	169
1403. OTHER INTEREST (EXPENSE) .....	(9,326)	(46,135)	(97,689)
1498. Summary of remaining write-ins for Line 14 from overflow page .....	0	0	0
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) .....	(9,326)	(46,034)	(97,520)
3701. OTHER INCREASES / (DECREASES) .....	(4,735)	(5,113)	(5,114)
3702. ....			
3703. ....			
3798. Summary of remaining write-ins for Line 37 from overflow page .....	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above) .....	(4,735)	(5,113)	(5,114)

**STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio**

**CASH FLOW**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance.....	23,503,810	24,360,045	92,967,054
2. Net investment income .....	624,114	481,324	2,782,396
3. Miscellaneous income .....	2,107,769	2,163,384	8,439,985
4. Total (Lines 1 to 3) .....	26,235,693	27,004,753	104,189,435
5. Benefit and loss related payments .....	13,469,653	12,584,923	54,385,638
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	11,652,795	11,637,147	44,755,463
8. Dividends paid to policyholders .....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	(612,511)	0	718,987
10. Total (Lines 5 through 9) .....	24,509,937	24,222,070	99,860,088
11. Net cash from operations (Line 4 minus Line 10) .....	1,725,756	2,782,683	4,329,347
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	5,211,799	3,480,435	10,058,872
12.2 Stocks .....	0	0	0
12.3 Mortgage loans .....	0	0	0
12.4 Real estate .....	0	0	0
12.5 Other invested assets .....	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	0	0
12.7 Miscellaneous proceeds .....	1,495,435	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	6,707,234	3,480,435	10,058,872
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	5,517,013	249,078	13,947,293
13.2 Stocks .....	0	0	0
13.3 Mortgage loans .....	0	0	0
13.4 Real estate .....	0	0	0
13.5 Other invested assets .....	0	0	0
13.6 Miscellaneous applications .....	0	13,879	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	5,517,013	262,957	13,947,293
14. Net increase (or decrease) in contract loans and premium notes .....	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	1,190,221	3,217,478	(3,888,421)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds .....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0	0
16.5 Dividends to stockholders .....	0	0	0
16.6 Other cash provided (applied).....	(2,142,377)	5,674,893	2,472,625
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) .....	(2,142,377)	5,674,893	2,472,625
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	773,600	11,675,054	2,913,551
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	7,633,753	4,720,202	4,720,202
19.2 End of period (Line 18 plus Line 19.1) .....	8,407,353	16,395,256	7,633,753

# STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio

## NOTES TO FINANCIAL STATEMENTS

### **1. Summary of Significant Accounting Policies**

- A. The accompanying financial statements of Permanent General Assurance Corporation of Ohio (PGACOH) have been prepared in accordance with the NAIC Accounting Practices and Procedures Manual except to the extent that Ohio law differs. However, as of this Statement date, there have been no requests from the State of Ohio to depart from the prescribed NAIC guidelines.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the state of Ohio is shown below:

	<u>2012</u>	<u>2011</u>
<b><u>Net Income</u></b>		
(1) Ohio company state basis (Page 4, Line 20, Column 1 & 2)	\$1,311	\$38
(2) State prescribed practices that increase / (decrease) NAIC SAP:		
(3) State permitted practices that increase / (decrease) NAIC SAP:		
(4) NAIC SAP	\$1,311	\$38
<b><u>Surplus</u></b>		
(5) Ohio company state basis (Page 3, Line 37, Column 1 & 2)	\$51,215	\$52,974
(6) State prescribed practices that increase / (decrease) NAIC SAP:		
(7) State permitted practices that increase / (decrease) NAIC SAP:		
(8) NAIC SAP	\$51,215	\$52,974

### **B. Use of Estimates in the Preparation of the Financial Statements**

The preparation of financial statements in conformity with Statutory Accounting Principles 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 at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

### **C. Accounting Policy**

Premiums are earned over the terms of the related insurance policies. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct business.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

- (1) Short-term investments are stated at cost.
- (2) Bonds are stated at amortized cost using the yield to maturity method.
- (3) Common stocks, if owned are stated at lower of cost or market with exception to the stock of the company's wholly owned subsidiary (which is valued as described in the NAIC Valuation of Securities Manual).
- (4) The Company holds no preferred stock.
- (5) The Company holds no mortgage loans.
- (6) The basis for loan backed securities is amortized cost or the lower of amortized cost or fair market value. The adjustment methodology used for each type of security is prospective for securities which an OTTI loss has been recognized and retrospective for all other securities.
- (7) The Company values The General Automobile Insurance Company (a wholly owned subsidiary) in accordance with the NAIC policies and procedures manual.
- (8) The Company has no investments in joint ventures, partnerships & limited liability company.
- (9) The Company has no investments in derivatives.
- (10) The Company anticipates investment income as a factor in the premium deficiency calculation.
- (11) Reserve for losses represents the estimated liability for claims reported to the Company and an amount, based on actuarially determined reserves 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 not modified its capitalization policy from the prior period.
- (13) The Company has no pharmaceutical rebate receivables.

### **2. Accounting Changes and Corrections of Errors:**

On November 6, 2011, SSAP No. 101, Income Taxes, A Replacement of SSAP No. 10R and SSAP No. 10, was adopted by the NAIC. SSAP No. 101 contains changes to accounting for current and deferred federal and foreign income taxes, effective January 1, 2012. This guidance provides that the deferred tax asset admissibility guidance is no longer elective, and the reversal and surplus limitation parameters in the admissibility test are determined based on the risk-based capital level. It also requires gross deferred tax assets to be reduced by a statutory valuation allowance if it is more likely than not that some portion or all of the gross deferred tax assets will not be realized. Finally, the guidance set a more likely than not threshold for the recording of contingent tax liabilities. The cumulative effect of adopting this pronouncement is \$242,954.

The following summarizes the impact of the adoption (000's omitted).

	1/1/2012	12/31/2011	Change
Gross DTA	\$4,875	\$4,875	-
SVA	-	-	-
Adj. Gross DTA	\$4,875	\$4,875	-
Gross DTL	(148)	(148)	-
Non admitted DTA	(732)	(975)	243
Net Admitted DTA/(DTL)	\$3,995	\$3,752	\$243
Contingent tax liability	-	-	-
Penalty / Interest	-	-	-
Net impact to surplus	\$243	-	\$243 **

**STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio**

**NOTES TO FINANCIAL STATEMENTS**

\*\* The net impact to surplus is the sum of any change in the net admitted DTA / (DTL), contingent tax liability, and penalty and interest.

**3. Business Combinations and Goodwill**  
None.

**4. Discontinued Operations**  
None.

- 5. Investments**
- A) The Company has no mortgage loans.
  - B) The Company did not restructure any debt.
  - C) The Company holds no reverse mortgages.
  - D) Loan-Backed Securities
    - (1) The source used to determine prepayment assumptions is Intex.
    - (2) Not applicable.
    - (3) Securities with recognized impairments currently held.

Cusip	Book / Adjusted Carrying Value Amortized Cost Before Current Period OTII	Present Value of Projected Cashflows	Recognized Other-Than Temporary Impairment YTD	Amortized Cost At Report Date	Fair Value at Report Date	Date of Financial Statement Where Reported
73316PBB5	203,416	203,416	0	202,060	139,677	03/31/2012
<b>Total</b>	<b>203,416</b>	<b>203,416</b>	<b>0</b>	<b>202,060</b>	<b>139,677</b>	

- (4) All impaired securities (fair value is less than amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

Continuous Unrealized Loss	Less than 12 Months	\$ -
	12 Months or Longer	-

Fair Value of Security with Continuous Unrealized Loss	Less than 12 Months	\$ -
	12 Months or Longer	-

- (5) Not Applicable

- E) The Company has no repurchase agreements.
- F) The Company has no real estate investments.
- G) The Company has no low-income housing tax credits (LIHTC).

**6. Joint Ventures, Partnerships and Limited Liability Companies**  
None.

**7. Investment Income**  
All Investment Income due and accrued is admitted.

**8. Derivative Instruments**  
None.

**9. Income Taxes**

A. The components of the net deferred tax asset / (liability) at March 31 are as follows:

	31-Mar-12			31-Dec-11			Change Capital	Total
	Ordinary	Capital	Total	Ordinary	Capital	Total		
Total gross deferred tax assets	3,669,294	71,337	3,740,630	4,802,434	72,874	4,875,308	(1,133,140)	(1,134,678)
Stat valuation allowance adj	-	-	-	-	-	-	-	-
Adj gross deferred tax assets	3,669,294	71,337	3,740,630	4,802,434	72,874	4,875,308	(1,133,140)	(1,134,678)
Total gross deferred tax liab	(135,577)	(135,577)	(147,722)	(147,722)	(147,722)	(147,722)	12,145	12,145
Net deferred tax assets	3,533,716	71,337	3,605,053	4,654,712	72,874	4,727,586	(1,120,996)	(1,122,533)
Def tax assets nonadmitted				(902,912)	(72,874)	(975,786)	902,912	72,874
Net admitted def tax asset	3,533,716	71,337	3,605,053	3,751,800		3,751,800	(218,084)	71,337
								(146,747)

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

Admission Calculation Components SSAP 101	31-Mar-12			31-Dec-11			Change Capital	Total
	Ordinary	Capital	Total	Ordinary	Capital	Total		

**STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio**

**NOTES TO FINANCIAL STATEMENTS**

Federal income taxes paid in prior years recoverable through loss carrybacks				1,061,535		1,061,535	(1,061,535)		(1,061,535)
Adj gross deferred tax assets expected to be realized after application of the threshold limitation	3,582,328	71,337	3,653,665	2,690,265		2,690,265	892,063	71,337	963,400
1. Adj gross deferred tax assets expected to be realized following the balance sheet date	3,582,328	71,337	3,653,665	2,690,265		2,690,265	892,063	71,337	963,400
2. Adj gross dtas allowed per limitation threshold			6,893,253			4,861,242			2,032,011
Adj gross dtas offset by gross deferred tax liabilities	86,965		86,965	147,729		147,729	(60,764)		(60,764)
Total	3,669,294	71,337	3,740,630	3,899,529		3,899,529	(230,235)	71,337	(158,899)

31-Mar-12      31-Dec-11  
Ratio percentage used to determine recovery period and threshold limitation amount.

464%      465%

Amount of adjusted capital and surplus used to determine recovery period and threshold limitation.

45,955,018      46,086,614

Impact of tax planning strategies:	31-Mar-12			31-Dec-11			Change	Capital	Total
	Ordinary	Capital	Total	Ordinary	Capital	Total			
Adjusted gross DTAs (% of Total Adjusted Gross DTAs)	0.0%	1.9%	1.9%	0.0%	1.5%	1.5%	0.0%	.4%	.4%
Net Admitted Gross DTAs	0.0%	2.0%	2.0%	0.0%	0.0%	0.0%	0.0%	2.0%	2.0%
(% of Total Net Admitted Adj Gross DTAs)									

The Company's tax strategies do not include the use of reinsurance.

**B. Unrecognized DTLs**

Not applicable

**C. Current Tax and Change in Deferred Tax**

<b>Current income tax:</b>	31-Mar-12	31-Dec-11	Change
Current federal income tax provision	(135,358)	0	(135,358)
Prior year (overaccrual)/underaccrual	0	(108,906)	108,906
Other adjustments	(1,408,816)	(102,243)	(1,306,573)
<b>Federal and foreign income taxes incurred</b>	<b><u>(1,544,174)</u></b>	<b><u>(211,149)</u></b>	<b><u>(1,333,025)</u></b>

**Deferred income tax:**      31-Mar-12      31-Dec-11      Change

Ordinary:			
Unearned premium reserve@ 20%	2,992,901	2,573,560	419,341
Discounted loss reserves	323,214	321,136	2,078
Guaranty fund accrual			
Allowance for Bad Debts	134,077	342,386	(208,309)
Accrued Bonus	52,344		52,344
Net Operating loss carryover	156,535	1,565,351	(1,408,816)
Unearned Provisional Commission	10,222		10,222
<b>Subtotal</b>	<b>3,669,294</b>	<b>4,802,433</b>	<b>(1,133,139)</b>
Statutory valuation allowance adjustment			
Nonadmitted		(902,912)	902,912
<b>Admitted ordinary deferred tax assets</b>	<b><u>3,669,294</u></b>	<b><u>3,899,521</u></b>	<b><u>(230,227)</u></b>

**Capital:**

Impairment Loss on Investments	37,284	37,284	0
Capital loss carryover			
Net unrealized capital losses - SAP	34,053	35,590	(1,537)
Subtotal	71,337	72,874	(1,537)
Statutory valuation allowance adjustment			
Nonadmitted		(72,874)	72,874
<b>Admitted capital deferred tax assets</b>	<b><u>71,337</u></b>	<b><u>71,337</u></b>	

<b>Admitted deferred tax assets</b>	<b><u>3,740,630</u></b>	<b><u>3,899,521</u></b>	<b><u>(158,891)</u></b>
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<b>Deferred Tax Liabilities:</b>	31-Mar-12	31-Dec-11	Change
Ordinary:			

**STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio**

**NOTES TO FINANCIAL STATEMENTS**

Sec. 481 adjustment	(135,577)	(147,722)	12,145
Subtotal	(135,577)	(147,722)	12,145

Capital:  
Subtotal

Deferred tax liabilities	(135,577)	(147,722)	12,145
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Net deferred tax assets / liabilities	<u>3,605,053</u>	<u>3,751,799</u>	<u>(146,746)</u>
---------------------------------------	------------------	------------------	------------------

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

The significant items causing a difference between the statutory federal income tax rate and the Company's effective income tax rate are as follows:

	31-Mar-12	Effective Rate
Provision computed at statutory rate	(345,335)	35.00%
Tax exempt interest	(96,373)	9.77%
Other permanent differences	17,552	-1.78%
State tax	0	0.00%
Rate differential	979	-0.10%
Provision to return adjustment	<u>(1)</u>	0.00%
Total	(423,178)	42.89%

	31-Mar-12	Effective Rate
Federal and foreign income taxes incurred	(1,544,174)	156.50%
Current taxes on realized capital gains	-	0.00%
Change in net deferred income taxes	<u>1,120,996</u>	<u>-113.61%</u>
Total statutory income taxes	(423,178)	42.89%

**E. Operating Loss and Tax Credit Carryforwards**

At the end of the year, the Company did not have any unused operating loss carryforwards generated in prior years available to offset against future taxable income. However, the Company estimates a 2012 net operating loss of \$447,243

Income tax expense for 2012 and 2011 in the amounts of \$0 and \$0 are available for recoupment in the event of future losses.

The company does not have any protective tax deposits under Sec. 6603 of the Internal Revenue Code.

**F. Consolidated Federal Income Tax Return**

1) The Company's federal income tax return will be consolidated with the following entities:

PGC Holdings Corp. (parent)	The General Automobile Insurance Services, Inc.
Permanent General Companies, Inc.	The General Automobile Insurance Services of Georgia, Inc.
Permanent General Assurance Corporation of Ohio	The General Automobile Insurance Services of Louisiana, Inc.
PGA Service Corporation	The General Automobile Insurance Services of Ohio, Inc.
The General Automobile Insurance Company, Inc.	The General Automobile Insurance Services of Texas, Inc.

2) The method of allocation between the companies is subject to written agreement, approved by the Board of Directors. Allocation is based upon separate return calculations with current credit for net losses. Intercompany tax balances are settled quarterly.

**G. Federal or Foreign Federal Income Tax Loss Contingencies**

The Company has no loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

**10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties**

A,B,C. No change.

D. At March 31, 2012, the Company reported \$2,647,561 net payable to its parent and affiliates. The terms of the settlement requires these amounts are settled within 90 days.

E. The Company has made no guarantees or undertakings for the benefit of the parent or affiliates.

F. PGACOH is a wholly owned subsidiary of PGC Holdings Corp. and as such has a tax agreement in place with this parent company. PGACOH also has a service agreement in place with its affiliate Permanent General Companies, Inc (PGC), which is also a wholly owned subsidiary of PGC Holdings Corp. Under this agreement PGC performs administrative services on behalf of PGACOH. These services include; claims administration, underwriting, policy issuance and record keeping, legal services, data processing and accounting. Beginning in April 1997, the company began issuing policies through The General Automobile Insurance Services of Ohio (GAIS - OH) an Ohio corporation and affiliate of PGACOH (see Schedule Y for organizational chart). GAIS - OH serves as a captive insurance agency for PGACOH and provides underwriting and customer services for all policies issued through its network of sales offices.

**STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio****NOTES TO FINANCIAL STATEMENTS**

- G. All outstanding shares of the company are owned by the parent company, PGC Holdings Corp.  
H. No amounts have been deducted from the value of an upstream entity or ultimate parent owned either directly or indirectly.  
I,J. The Company has an investment in a wholly owned insurance subsidiary (see organizational chart). Since the investment doesn't exceed 10% of admitted assets no further disclosure is required.  
K. None.  
L. None.

**11. Debt**

The company has no capital note obligations or other long-term debt.

**12. Retirement Plans, Deferred Compensation, Post employment Benefits and Compensated Absences and Other Post retirement Benefit Plans.**

None.

**13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations**

No change.

**14. Contingencies**

- (A) The company has no contingent commitments to a SCA entity, joint ventures, partnerships, or limited liability companies.  
(B) There were no assessments made that could materially effect the presentation of the enclosed financials.  
(C) The company has no gain contingencies.  
(D) Claims related extra contractual obligations and bad faith losses stemming from lawsuits.

The company paid the following amounts in the reporting period to settle claims related extra contractual obligations or bad faith claims stemming from lawsuits.

	<u>Direct</u>			
Claim payments made during reporting period	\$0			
Number of claims where amounts were paid to settle claims resulting from lawsuits during the reporting period.				
(A)	(B)	(C)	(D)	(E)
0-25	26-50	51-100	101-500	More than 500 Claims
X				

Indicate whether claim count information is disclosed per claim or claimant.

(F) Per Claim  (G) Per Claimant

- (E) The company has no warranty liabilities.  
(F) All Other Contingencies.

Various lawsuits against the Company have arisen in the course of the Company's 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.

**16. Information about Financial Instruments with Off-balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk.**

None.

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

None.

**18. Gain or Loss to the Report Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans.**

None.

**19. Direct Premium Written/Produced by MGA/3rd Party Administration**

None.

**20. Fair Value Measurements.**

A. (1) Fair Value Measurements at Reporting Date

**STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio**

**NOTES TO FINANCIAL STATEMENTS**

Description	Total @ 03/31/2012	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Bonds	9,709,250	0	5,479,572	4,229,678
<b>Total</b>	<b>9,709,250</b>	<b>0</b>	<b>5,479,572</b>	<b>4,229,678</b>

(2) Fair Value Measurements in Level 3 of the Fair Value Hierarchy

Description	Balance at 12/31/2011	Transfers into Level 3	Transfers out of Level 3	Gains / (Losses) in Net income	Gains / (Losses) in Surplus	Purchases / (Sales)	Balance at 3/31/2012
Bonds	4,231,451	0	0	(1,773)		0	4,229,678
<b>Total</b>	<b>4,231,451</b>	<b>0</b>	<b>0</b>	<b>(1,773)</b>	<b>0</b>	<b>0</b>	<b>4,229,678</b>

(3) Transfers between levels are reported at the end of the period.

(4) As of March 31, 2012, the reported fair value of the reporting entity's investments in level 3 commercial and residential mortgage-backed securities was \$229,678. The company had one level 3 tax exempt bond with a fair value of \$4,000,000. These securities have a weighted average coupon rate of 5.06% and a weighted average maturity of 27.2 years. These securities are currently rated below investment grade. To measure the securities fair value the reporting entity uses an industry standard pricing model that uses the income approach. The input assumptions include but are not limited to prepayments, delinquency percentage, loan status, etc.

**21. Other Items.**

A. Extraordinary Items

None.

B. Troubled Debt Restructuring, Debtors

None.

C. Other Disclosures

None.

D. The Company routinely assesses the collectibility of premium and agent balances. The uncollectible amounts are not material to the Company's financial condition.

E. Business Interruption Insurance Recoveries.

None.

F. State Transferable Tax Credits

None.

G. Subprime Mortgage Related Risk Exposure

(1) Factors used to determine the investment in a specific sub-prime security include the quality of underwriter / loan servicer, types of loans (fixed, floating, hybrid ARM), loan quality (documentation, purpose, occupancy), loan origination year (vintage), loan geographic distribution, average loan to values, average FICO scores and the securities credit support level. Loan loss estimates are computed based on historical loan delinquency and foreclosure statistics and projecting future delinquencies and losses under multiple economic scenarios including various home price changes and employment estimates, as well as servicer style and the foreclosure rules for each state. Total projected losses for all mortgages in each deal are then compared to the credit support (subordination plus over collateralization) to determine the percentage of principal loss expected for each tranche. To minimize specific security risk and concentration risk to the sector, issue limitations and sector limitations as a percentage of the portfolio have been established. Not applicable since the company does not have a direct investment in sub prime mortgage loans.

(2) Direct Exposure through investments in subprime mortgage loans.

None.

(3) Direct Exposure through other investments.

Description	Cost	Book adjusted carry value	Fair value	OTTI to date
Other Assets	\$203,416	\$139,678	\$139,678	\$106,306

(4) Underwriting exposure to subprime mortgage risk through Mortgage Guaranty or Financial Guaranty insurance coverage. None.

**22. Events Subsequent.**

# STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio

## NOTES TO FINANCIAL STATEMENTS

None.

**23. Reinsurance**

No change.

**24. Retrospectively Rated Contracts & Contracts Subject to Redetermination.**

None.

**25. Change in Incurred Losses and Loss Adjustment Expenses**

Loss & lae reserves as of December 31, 2011 were \$30.192 million. As of March 31, 2012, \$9.224 million has been paid for incurred loss & lae expenses attributable to insured events or prior years. Reserves remaining for prior years are now \$21.023 million as a result of re-estimation of unpaid claims and lae expenses. Therefore, there has been a \$.055 million unfavorable prior year development from 12/31/2011 to 3/31/2012 principally on liability lines of business. \$.049 million of the favorable development of accident year 2011 reserves almost offset the unfavorable development of 2010 and prior, as the total development for the quarter was only \$.055 million.

For the 2011 accident year, liability reserves for Florida and New York saw improvement from calendar year end 2011 levels, of approximately \$.165 million and \$.132 million respectively. Most other states showed decreases or small increases in ultimates for the 2011 year, with California's \$.132 million of unfavorable development being the only state showing a relatively large increase. For prior accident years, all of the unfavorable development was from accident years 2009 and 2010, as claim severity pushed unfavorable development in Florida and New York PIP, as well as Pennsylvania and Tennessee liability coverages.

The development is generally the result of an ongoing analysis of recent loss development trends and are increased or decreased as additional information becomes known regarding individual claims. The Company has no retrospectively rated policies that are subject to premium adjustments. The development is generally the result of an ongoing analysis of recent loss development trends and are increased or decreased as additional information becomes known regarding individual claims. The Company has no retrospectively rated policies that are subject to premium adjustments.

**26. Intercompany Pooling Arrangements**

Effective January 1, 2010, the Company entered into a reinsurance pooling agreement with PGAC (NAIC company code - 37648) (lead entity) an affiliated property and casualty insurance company domiciled in Ohio and The General Automobile Insurance Company, Inc. (GAIC) (NAIC company code - 13703), a wholly owned subsidiary domiciled in Ohio. The business includes private passenger auto liability & auto physical damage with PGAC receiving 59%, PGAC-Ohio receiving 33%, & GAIC receiving 8%. This Agreement applies only to that portion of any insurance or reinsurance which the parties hereto retain net for their own account and in calculating the amount of any loss hereunder, only loss or losses in respect of that portion of any insurance or reinsurance which the parties hereto retain net for their own account shall be included. The Company has a net receivable balance of \$2,750,395 at 3/31/2012.

**27. Structured Settlements**

None.

**28. Health Care Receivables**

None.

**29. Participating Policies**

None.

**30. Premium Deficiency Reserves**

1. Liability carried for premium deficiency reserves.	\$0
2. Date of the most recent evaluation of this liability.	3/31/2012
3. Was anticipated investment income utilized in the calculation?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

**31. High Deductibles**

None.

**32. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses**

None.

**33. Asbestos/Environmental Reserves**

None.

**34. Subscriber Savings Accounts**

None

**35. Multi Peril Crop Insurance**

None

**36. Financial Guaranty Insurance**

None.

**STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio**

**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 [X]  
 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 [X]

- 2.2 If yes, date of change: .....

3. Have there been any substantial changes in the organizational chart since the prior quarter end? ..... Yes [ ] No [X]

If yes, complete the Schedule Y - Part 1 - organizational chart.

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

- 4.2 If yes, provide the 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

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? ..... Yes [ ] No [X] NA [ ]  
 If yes, attach an explanation.

- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. ..... 12/31/2009

- 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. ..... 12/31/2009

- 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). ..... 02/08/2011

- 6.4 By what department or departments?

Ohio Department of Insurance.....

- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? ..... Yes [X] No [ ] NA [ ]

- 6.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes [X] No [ ] NA [ ]

- 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 [X]

- 7.2 If yes, give full information:  
.....

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? ..... Yes [ ] No [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 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

**STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio**

**GENERAL INTERROGATORIES**

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

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

9.11 If the response to 9.1 is No, please explain:

.....

9.2 Has the code of ethics for senior managers been amended?..... Yes [ ] No [X]

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

.....

9.3 Have any provisions of the code of ethics been waived for any of the specified officers?..... Yes [ ] No [X]

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

.....

**FINANCIAL**

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

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:..... \$ .....0

**INVESTMENT**

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

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

.....

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

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

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

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....	\$ .....0	\$ .....0
14.22 Preferred Stock .....	\$ .....0	\$ .....0
14.23 Common Stock .....	\$ .....9,901,806	\$ .....10,109,906
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).....	\$ .....9,901,806	\$ .....10,109,906
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.

**STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio****GENERAL INTERROGATORIES**

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 Name of Custodian(s)	2 Custodian Address
Bank of America.....	225 Franklin Street, Boston, Ma. 02110.....

- 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 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....	.....	.....

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

Yes [ ] No [X]

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

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

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

1 Central Registration Depository	2 Name(s)	3 Address
.....	.....	.....

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

Yes [X] No [ ]

- 17.2 If no, list exceptions:

.....

**STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio****GENERAL INTERROGATORIES**

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted.)

**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? ..... Yes [ ] No [X] NA [ ]

If yes, attach an explanation.

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? ..... Yes [ ] No [X]

If yes, attach an explanation.

- 3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? ..... Yes [ ] No [X]

- 3.2 If yes, give full and complete information thereto

.....

- 4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation 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 Line of Business	2 Maximum Interest	3 Discount Rate	TOTAL DISCOUNT			DISCOUNT TAKEN DURING PERIOD			10 IBNR	11 TOTAL
			4 Unpaid Losses	5 Unpaid LAE	6 IBNR	7 TOTAL	8 Unpaid Losses	9 Unpaid LAE		
			TOTAL	0	0	0	0	0	0	0

5. Operating Percentages:

5.1 A&amp;H loss percent ..... 0.0%

5.2 A&amp;H cost containment percent ..... 0.0%

5.3 A&amp;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.

\$ .....

- 6.3 Do you act as an administrator for health savings accounts?

Yes [ ] No [ X ]

- 6.4 If yes, please provide the balance of the funds administered as of the reporting date.

\$ .....

**STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio**

## **SCHEDULE F—CEDED REINSURANCE**

## Showing All New Reinsurers - Current Year to Date

**STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio**

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

**Current Year to Date - Allocated by States and Territories**

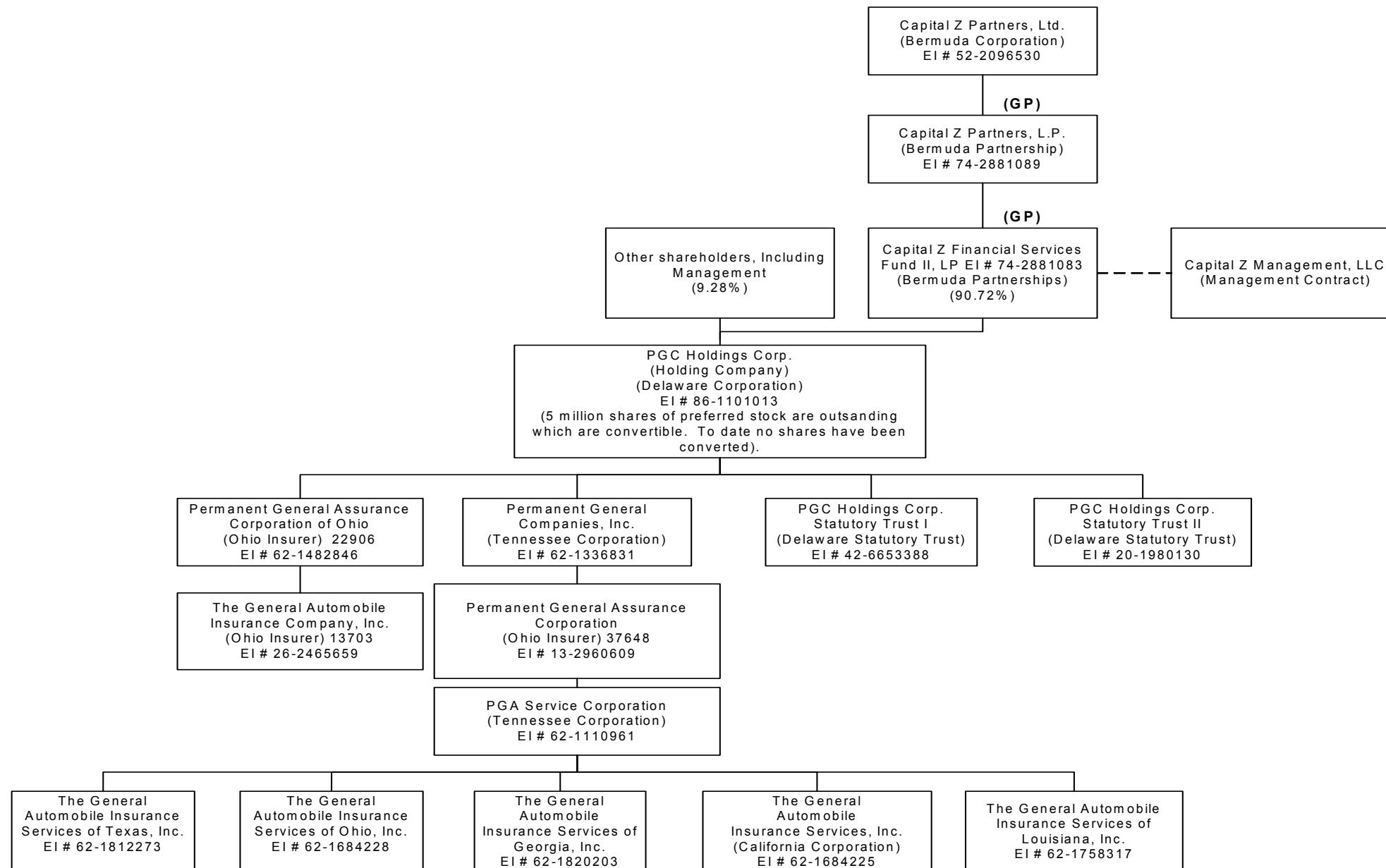
States, etc.	Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
1. Alabama	AL	N	0	0	0	0	0
2. Alaska	AK	N	0	0	0	0	0
3. Arizona	AZ	L	3,301	0	0	0	0
4. Arkansas	AR	N	0	0	0	0	0
5. California	CA	N	0	0	0	0	0
6. Colorado	CO	L	2,270,325	2,645,012	1,041,572	830,403	2,151,013
7. Connecticut	CT	N	0	0	0	0	0
8. Delaware	DE	N	0	0	0	0	0
9. Dist. Columbia	DC	N	0	0	0	0	0
10. Florida	FL	N	0	0	0	0	0
11. Georgia	GA	L	4,771,472	4,150,096	2,240,572	2,307,394	4,028,565
12. Hawaii	HI	N	0	0	0	0	0
13. Idaho	ID	N	0	0	0	0	0
14. Illinois	IL	L	912,644	928,773	306,726	396,899	489,113
15. Indiana	IN	L	0	0	0	0	0
16. Iowa	IA	N	0	0	0	0	0
17. Kansas	KS	N	0	0	0	0	0
18. Kentucky	KY	L	105,124	1,296,288	298,484	368,971	763,662
19. Louisiana	LA	N	0	0	0	0	0
20. Maine	ME	N	0	0	0	0	0
21. Maryland	MD	N	0	0	0	0	0
22. Massachusetts	MA	L	0	0	0	0	0
23. Michigan	MI	N	0	0	0	0	0
24. Minnesota	MN	N	0	0	0	0	0
25. Mississippi	MS	N	0	0	0	0	0
26. Missouri	MO	L	0	0	0	0	0
27. Montana	MT	N	0	0	0	0	0
28. Nebraska	NE	N	0	0	0	0	0
29. Nevada	NV	N	0	0	0	0	0
30. New Hampshire	NH	N	0	0	0	0	0
31. New Jersey	NJ	N	0	0	0	0	0
32. New Mexico	NM	N	0	0	0	0	0
33. New York	NY	N	0	0	0	0	0
34. No. Carolina	NC	L	0	0	0	0	0
35. No. Dakota	ND	N	0	0	0	0	0
36. Ohio	OH	L	3,987,478	4,103,864	1,851,684	2,078,928	2,944,604
37. Oklahoma	OK	N	0	0	0	0	0
38. Oregon	OR	L	0	0	0	0	0
39. Pennsylvania	PA	L	0	0	0	0	0
40. Rhode Island	RI	N	0	0	0	0	0
41. So. Carolina	SC	L	3,456,416	2,777,418	1,063,496	883,475	2,027,528
42. So. Dakota	SD	N	0	0	0	0	0
43. Tennessee	TN	L	5,629,085	6,888,560	2,975,879	4,360,988	5,141,509
44. Texas	TX	L	3,273,740	3,522,789	1,278,640	970,424	1,691,943
45. Utah	UT	N	0	0	0	0	0
46. Vermont	VT	N	0	0	0	0	0
47. Virginia	VA	L	1,849,274	1,343,477	762,198	867,799	1,400,132
48. Washington	WA	L	0	0	0	0	0
49. West Virginia	WV	N	0	0	0	0	0
50. Wisconsin	WI	L	0	0	0	0	0
51. Wyoming	WY	N	0	0	0	0	0
52. American Samoa	AS	N	0	0	0	0	0
53. Guam	GU	N	0	0	0	0	0
54. Puerto Rico	PR	N	0	0	0	0	0
55. U.S. Virgin Islands	VI	N	0	0	0	0	0
56. Northern Mariana Islands	MP	N	0	0	0	0	0
57. Canada	CN	N	0	0	0	0	0
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0
59. Totals	(a)	18	26,258,859	27,656,277	11,819,251	13,065,281	20,638,069
<b>DETAILS OF WRITE-INS</b>		XXX					
5801.		XXX					
5802.		XXX					
5803.		XXX					
5898. Summary of remaining write-ins for Line 58 from overflow page		XXX	0	0	0	0	0
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)		XXX	0	0	0	0	0

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

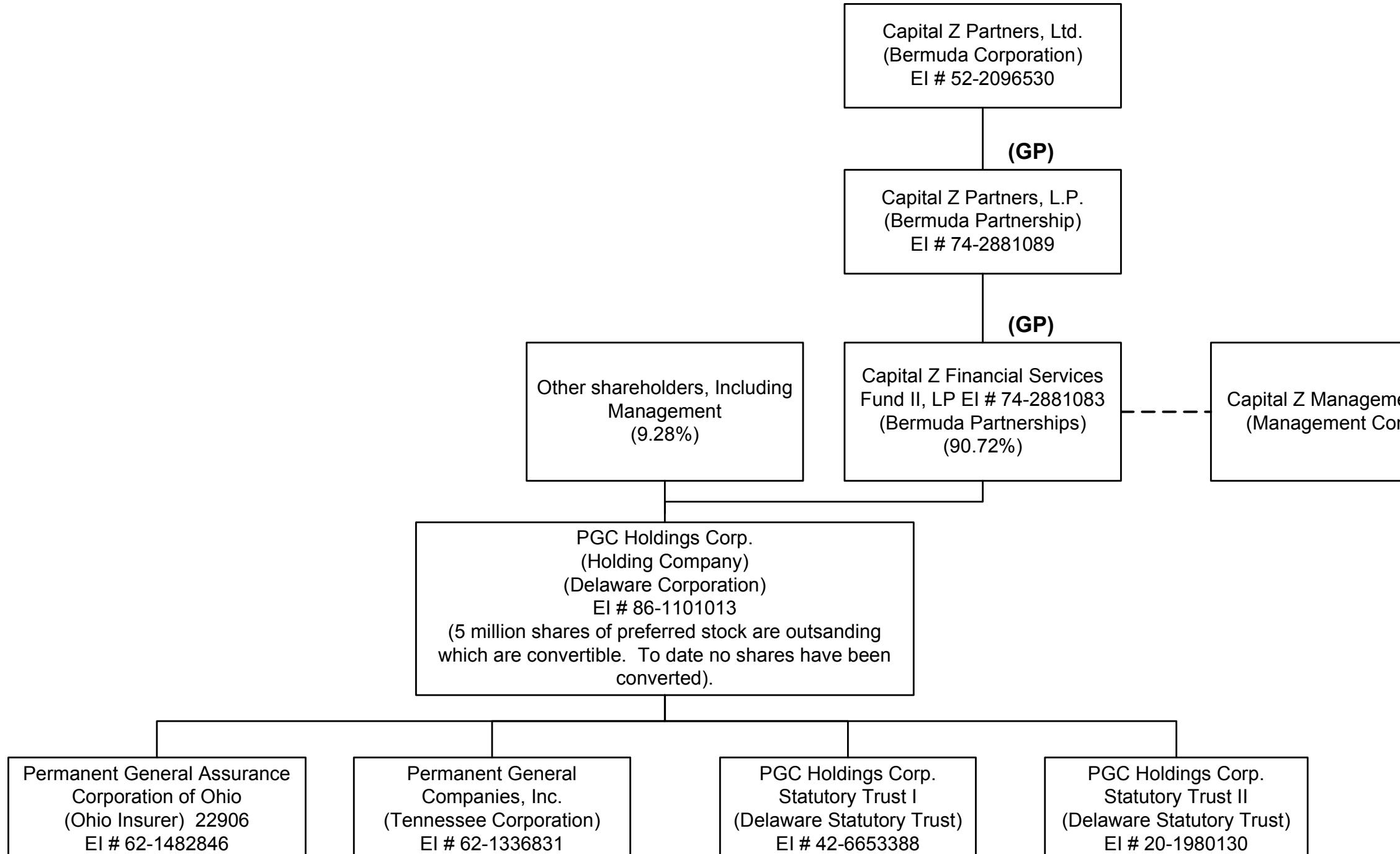
(a) Insert the number of L responses except for Canada and Other Alien.

STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio

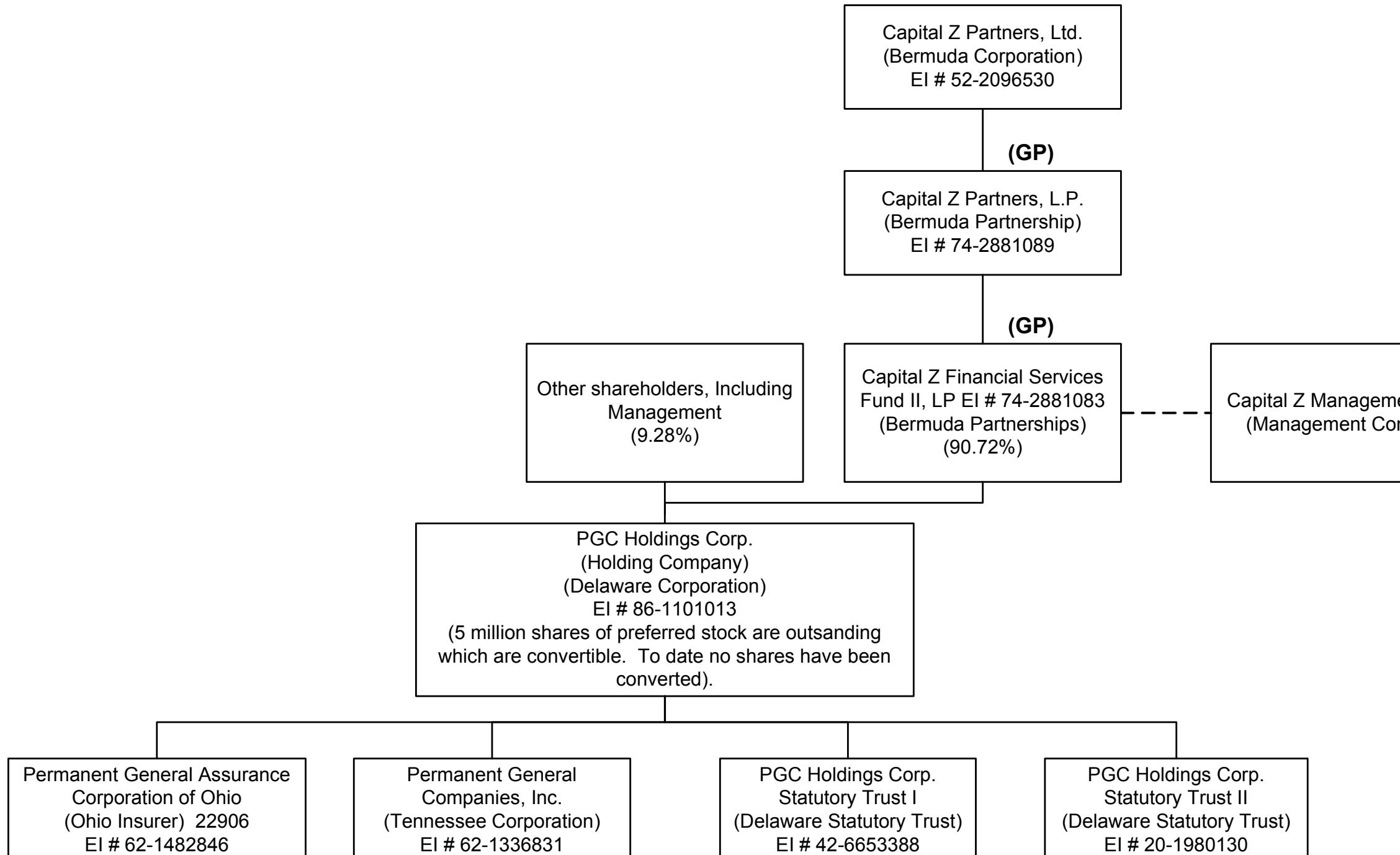
**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**  
**PART 1 - ORGANIZATIONAL CHART**



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



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



STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio

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

**STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio**

**SCHEDULE Y PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

1 Group Code	2 Group Name	3 NAIC Company Code	4 Federal ID Number	5 Federal RSSD	6 CIK	7 Name of Securities Exchange if Publicly Traded (U.S. or International)	8 Names of Parent Subsidiaries or Affiliates	9 Domiciliary Location	10 Relationship to Reporting Entity	11 Directly Controlled by (Name of Entity/Person)	12 Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	13 If Control is Ownership Provide Percentage	14 Ultimate Controlling Entity(ies)/Person(s)	15 *
		00000				PGC HOLDINGS CORPORATION		DE	.UIP	CAPITAL Z FIN. SERVICES FUND II LP	OWNERSHIP	90.7	CAPITAL Z PARTNERS LTD	
		00000				PGC HOLDINGS STAT TRUST 1		DE	.NIA	PGC HOLDINGS CORPORATION	OWNERSHIP	100.0	CAPITAL Z PARTNERS LTD	
		00000				PGC HOLDINGS STAT TRUST 2		DE	.NIA	PGC HOLDINGS CORPORATION	OWNERSHIP	100.0	CAPITAL Z PARTNERS LTD	
3638.....	Permanent General Holdings	22906	62-1482846			PGAC OF OHIO		OH	.IA	PGC HOLDINGS CORPORATION	OWNERSHIP	100.0	CAPITAL Z PARTNERS LTD	
3638.....	Permanent General Holdings	37648	13-2960609			PERMANENT GENERAL ASSURANCE CORP		OH		PERMANENT GENERAL COMPANIES, INC.	OWNERSHIP	100.0	CAPITAL Z PARTNERS LTD	
		00000				PERMANENT GENERAL COMPANIES, INC.		TN	.UDP	PGC HOLDINGS CORPORATION	OWNERSHIP	100.0	CAPITAL Z PARTNERS LTD	
		00000				PGA SERVICE CORPORATION		TN	.DS	PERMANENT GENERAL ASSURANCE CORP	OWNERSHIP	100.0	CAPITAL Z PARTNERS LTD	
		00000				THE GENERAL AUTO INS SERVICES OF OHIO, INC		OH	.DS	PGA SERVICE CORPORATION	OWNERSHIP	100.0	CAPITAL Z PARTNERS LTD	
		00000				THE GENERAL AUTO INS SERVICES OF CAL, INC		CA	.DS	PGA SERVICE CORPORATION	OWNERSHIP	100.0	CAPITAL Z PARTNERS LTD	
		00000				THE GENERAL AUTO INS SERVICES OF LA, INC		LA	.DS	PGA SERVICE CORPORATION	OWNERSHIP	100.0	CAPITAL Z PARTNERS LTD	
3638.....	Permanent General Holdings	13703	26-2465659			THE GENERAL AUTOMOBILE INS CO, INC		OH	.IA	PGAC OF OHIO	OWNERSHIP	100.0	CAPITAL Z PARTNERS LTD	
		00000				THE GENERAL AUTO INS SERVICES OF GA, INC		GA	.DS	PGA SERVICE CORPORATION	OWNERSHIP	100.0	CAPITAL Z PARTNERS LTD	
		00000				THE GENERAL AUTO INS SERVICES OF TX, INC		TX	.DS	PGA SERVICE CORPORATION	OWNERSHIP	100.0	CAPITAL Z PARTNERS LTD	

**STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio**

**PART 1 - LOSS EXPERIENCE**

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire			0.0	0.0
2. Allied lines			0.0	0.0
3. Farmowners multiple peril			0.0	0.0
4. Homeowners multiple peril			0.0	0.0
5. Commercial multiple peril			0.0	0.0
6. Mortgage guaranty			0.0	0.0
8. Ocean marine			0.0	0.0
9. Inland marine			0.0	0.0
10. Financial guaranty			0.0	0.0
11.1 Medical professional liability - occurrence			0.0	0.0
11.2 Medical professional liability – claims made			0.0	0.0
12. Earthquake			0.0	0.0
13. Group accident and health			0.0	0.0
14. Credit accident and health			0.0	0.0
15. Other accident and health			0.0	0.0
16. Workers' compensation			0.0	0.0
17.1 Other liability occurrence			0.0	0.0
17.2 Other liability – claims made			0.0	0.0
17.3 Excess Workers' Compensation			0.0	0.0
18.1 Products liability - occurrence			0.0	0.0
18.2 Products liability – claims made			0.0	0.0
19.1,19.2 Private passenger auto liability	14,652,395	9,149,386	62.4	64.2
19.3,19.4 Commercial auto liability			0.0	0.0
21. Auto physical damage	4,739,504	2,928,180	61.8	57.3
22. Aircraft (all perils)			0.0	0.0
23. Fidelity			0.0	0.0
24. Surety			0.0	0.0
26. Burglary and theft			0.0	0.0
27. Boiler and machinery			0.0	0.0
28. Credit			0.0	0.0
29. International			0.0	0.0
30. Warranty			0.0	0.0
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0.0	0.0
<b>TOTALS</b>	<b>19,391,899</b>	<b>12,077,566</b>	<b>62.3</b>	<b>62.4</b>
<b>DETAILS OF WRITE-INS</b>				
3401.				
3402.				
3403.				
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
<b>3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>

**PART 2 - DIRECT PREMIUMS WRITTEN**

Line of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
				1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
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	20,221,838	20,221,838	21,039,059			
19.3,19.4 Commercial auto liability	.0		0			
21. Auto physical damage	6,037,021	6,037,021	6,617,218			
22. Aircraft (all perils)	.0		0			
23. Fidelity	.0		0			
24. Surety	.0		0			
26. Burglary and theft	.0		0			
27. Boiler and machinery	.0		0			
28. Credit	.0		0			
29. International	.0		0			
30. Warranty	.0		0			
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX			
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX			
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX			
34. Aggregate write-ins for other lines of business	.0	.0	0			
<b>TOTALS</b>	<b>26,258,859</b>	<b>26,258,859</b>	<b>27,656,277</b>			
<b>DETAILS OF WRITE-INS</b>						
3401.						
3402.						
3403.						
3498. Sum. of remaining write-ins for Line 34 from overflow page	.0	.0	0			
<b>3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)</b>	<b>0</b>	<b>0</b>	<b>0</b>			

**STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio**

**PART 3 (000 omitted)**

**LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE**

Years in Which Losses Occurred	1 Prior Year-End Known Case Loss and LAE Reserves	2 Prior Year-End IBNR Loss and LAE Reserves	3 Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	4 2012 Loss and LAE Payments on Claims Reported as of Prior Year-End	5 2012 Loss and LAE Payments on Claims Unreported as of Prior Year-End	6 Total 2012 Loss and LAE Payments (Cols. 4 + 5)	7 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	8 Q.S. Date IBNR Loss and LAE Reserves	9	10 Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	11 Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	12 Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	13 Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)		
1. 2009 + Prior	1,218	(28)	1,190	353	4	357	972	10	195	1,177	107	237	344		
2. 2010	3,503	1,378	4,881	1,264	13	1,277	2,674	27	1,127	3,828	435	(211)	224		
3. Subtotals 2010 + prior	4,721	1,350	6,071	1,617	17	1,634	3,646	37	1,322	5,005	542	26	568		
4. 2011	14,729	9,392	24,121	7,515	75	7,590	10,504	106	5,408	16,018	3,290	(3,803)	(513)		
5. Subtotals 2011 + prior	19,450	10,742	30,192	9,132	92	9,224	14,150	143	6,730	21,023	3,832	(3,777)	55		
6. 2012	XXX	XXX	XXX	XXX	6,527	6,527	XXX	5,551	4,284	9,835	XXX	XXX	XXX		
7. Totals	19,450	10,742	30,192	9,132	6,619	15,751	14,150	5,694	11,014	30,858	3,832	(3,777)	55		
8. Prior Year-End Surplus As Regards Policy-holders	49,838										Col. 11, Line 7 As % of Col. 1 Line 7	Col. 12, Line 7 As % of Col. 2 Line 7	Col. 13, Line 7 As % of Col. 3 Line 7		
											1.	19.7	2.	(35.2)	
														Col. 13, Line 7 As a % of Col. 1 Line 8	
														4.	0.1

**STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio**

**SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES**

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

**RESPONSE**

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

**Explanation:**

- 1.
- 2.
- 3.
- 4.

**Bar Code:**

1.  2 2 9 0 6 2 0 1 2 4 9 0 0 0 0 0 1
2.  2 2 9 0 6 2 0 1 2 4 5 5 0 0 0 0 0 1
3.  2 2 9 0 6 2 0 1 2 3 6 5 0 0 0 0 0 1
4.  2 2 9 0 6 2 0 1 2 5 0 5 0 0 0 0 0 1

**OVERFLOW PAGE FOR WRITE-INS**

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**STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio**

**SCHEDULE A - VERIFICATION**

**Real Estate**

	<b>1</b> Year to Date	<b>2</b> Prior Year Ended December 31
<b>NONE</b>		
1. Book/adjusted carrying value, December 31 of prior year.....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....	0	0
2.2 Additional investment made after acquisition.....	0	0
3. Current year change in encumbrances.....	0	0
4. Total gain (loss) on disposals.....	0	0
5. Deduct amounts received on disposals.....	0	0
6. Total foreign exchange change in book/adjusted carrying value.....	0	0
7. Deduct current year's other than temporary impairment recognized.....	0	0
8. Deduct current year's depreciation.....	0	0
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8).....	0	0
10. Deduct total nonadmitted amounts.....	0	0
11. Statement value at end of current period (Line 9 minus Line 10).....	0	0

**SCHEDULE B – VERIFICATION**

**Mortgage Loans**

	<b>1</b> Year to Date	<b>2</b> Prior Year Ended December 31
<b>NONE</b>		
1. Book value/recorded investment excluding accrued interest, December 31 of prior year.....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....	0	0
2.2 Additional investment made after acquisition.....	0	0
3. Capitalized deferred interest and other.....	0	0
4. Accrual of discount.....	0	0
5. Unrealized valuation increase (decrease).....	0	0
6. Total gain (loss) on disposals.....	0	0
7. Deduct amounts received on disposals.....	0	0
8. Deduct amortization of premium and mortgage interest points and commitment fees.....	0	0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest.....	0	0
10. Deduct current year's other than temporary impairment recognized.....	0	0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	0	0
12. Total valuation allowance.....	0	0
13. Subtotal (Line 11 plus Line 12).....	0	0
14. Deduct total nonadmitted amounts.....	0	0
15. Statement value at end of current period (Line 13 minus Line 14).....	0	0

**SCHEDULE BA – VERIFICATION**

**Other Long-Term Invested Assets**

	<b>1</b> Year To Date	<b>2</b> Prior Year Ended December 31
<b>NONE</b>		
1. Book/adjusted carrying value, December 31 of prior year.....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....	0	0
2.2 Additional investment made after acquisition.....	0	0
3. Capitalized deferred interest and other.....	0	0
4. Accrual of discount.....	0	0
5. Unrealized valuation increase (decrease).....	0	0
6. Total gain (loss) on disposals.....	0	0
7. Deduct amounts received on disposals.....	0	0
8. Deduct amortization of premium and depreciation.....	0	0
9. Total foreign exchange change in book/adjusted carrying value.....	0	0
10. Deduct current year's other than temporary impairment recognized.....	0	0
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.....	0	0
13. Statement value at end of current period (Line 11 minus Line 12).....	0	0

**SCHEDULE D – VERIFICATION**

**Bonds and Stocks**

	<b>1</b> Year To Date	<b>2</b> Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	78,592,504	75,925,920
2. Cost of bonds and stocks acquired.....	5,517,013	13,947,293
3. Accrual of discount.....	1,311	6,968
4. Unrealized valuation increase (decrease).....	212,492	(515,867)
5. Total gain (loss) on disposals.....	121,980	39,335
6. Deduct consideration for bonds and stocks disposed of.....	5,211,799	10,058,872
7. Deduct amortization of premium.....	168,214	646,061
8. Total foreign exchange change in book/adjusted carrying value.....	0	0
9. Deduct current year's other than temporary impairment recognized.....	0	106,212
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7+8-9).....	79,065,287	78,592,504
11. Deduct total nonadmitted amounts.....	0	0
12. Statement value at end of current period (Line 10 minus Line 11).....	79,065,287	78,592,504

**STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio**

**SCHEDULE D - PART 1B**

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

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1 (a).....	69,264,842	6,288,622	5,498,680	(151,570)	.69,903,214	0	0	69,264,842
2. Class 2 (a).....	2,418,157	3,004,813	2,127,843	(9,168)	3,285,959	0	0	2,418,157
3. Class 3 (a).....	0	0	0	0	0	0	0	0
4. Class 4 (a).....	0	0	0	0	0	0	0	0
5. Class 5 (a).....	141,451	0	0	(1,774)	139,678	0	0	141,451
6. Class 6 (a).....	0	0	0	0	0	0	0	0
7. Total Bonds.....	71,824,451	9,293,435	7,626,524	(162,511)	73,328,851	0	0	71,824,451
<b>PREFERRED STOCK</b>								
8. Class 1.....	0	0	0	0	0	0	0	0
9. Class 2.....	0	0	0	0	0	0	0	0
10. Class 3.....	0	0	0	0	0	0	0	0
11. Class 4.....	0	0	0	0	0	0	0	0
12. Class 5.....	0	0	0	0	0	0	0	0
13. Class 6.....	0	0	0	0	0	0	0	0
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock.....	71,824,451	9,293,435	7,626,524	(162,511)	73,328,851	0	0	71,824,451

(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

**STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio**

**SCHEDULE DA - PART 1**

<b>Short-Term Investments</b>					
	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	4,373,471	XXX	4,373,471	0	0

**SCHEDULE DA - VERIFICATION**

<b>Short-Term Investments</b>		1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....		3,133,753	4,720,202
2. Cost of short-term investments acquired .....		3,776,422	69,035,935
3. Accrual of discount.....			0
4. Unrealized valuation increase (decrease).....			0
5. Total gain (loss) on disposals.....			0
6. Deduct consideration received on disposals.....		2,536,704	70,622,384
7. Deduct amortization of premium.....			0
8. Total foreign exchange change in book/adjusted carrying value.....			0
9. Deduct current year's other than temporary impairment recognized.....			0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....		4,373,471	3,133,753
11. Deduct total nonadmitted amounts.....			0
12. Statement value at end of current period (Line 10 minus Line 11)		4,373,471	3,133,753

Schedule DB - Part A - Verification

**NONE**

Schedule DB - Part B- Verification

**NONE**

Schedule DB - Part C - Section 1

**NONE**

Schedule DB - Part C - Section 2

**NONE**

Schedule DB - Verification

**NONE**

Schedule E Verification

**NONE**

Schedule A - Part 2

**NONE**

Schedule A - Part 3

**NONE**

Schedule B - Part 2

**NONE**

Schedule B - Part 3

**NONE**

Schedule BA - Part 2

**NONE**

**Schedule BA - Part 3**

**NONE**

**STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio**

**SCHEDULE D - PART 3**

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator <sup>(a)</sup>
313560-ES-8.....	FANNIE MAE 1.375 11/15/2016 1.375% 11/.....		01/06/2012.....	DIRECT.....		201,928	200,000	413	...
0599999 - Total - Bonds - U.S. Governments						201,928	200,000	413	XXX
373541-Z4-6.....	MUNICIPAL ELEC AUTH OF GA. 3.78 01/01/20.....		01/05/2012.....	SAMUEL A. RAMIREZ & CO.....		1,201,200	1,200,000	0	1FE
3199999 - Total - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of...						1,201,200	1,200,000	0	XXX
029912-AY-8.....	AMERICAN TOWER CORP 7.25 05/15/2019 7.....		02/02/2012.....	STERNE AGEE & LEACH INC.....		572,585	500,000	.8,257	2FE
067901-AJ-7.....	BARRICK GOLD CORP 3.85 04/01/2022 3.85.....		03/29/2012.....	JP MORGAN CHASE.....		749,573	750,000	0	2FE
78442F-EH-7.....	SLM CORP 8.45 06/15/2018 8.450% 06/15/.....		01/11/2012.....	GOLDMAN SACHS.....		522,000	500,000	3,756	2FE
034863-AE-0.....	ANGLO AMERICAN CAPITAL 2.625 04/03/2017.....	F	03/26/2012.....	Vari ous.....		748,835	750,000	0	2FE
404280-AN-9.....	HSBC HOLDING PLC 4 03/30/2022 4.000% 0.....	F	03/27/2012.....	Vari ous.....		747,430	750,000	0	1FE
524671-AA-2.....	LEGRAND FRANCE SA 8.5 02/15/2025 8.500.....	F	03/02/2012.....	BARCLAYS.....		411,821	325,000	1,688	2FE
63936U-AE-5.....	NAVG 2003-1A B 2.203% 11/15/15.....	F	02/29/2012.....	DEUTSCHE BANK.....		361,642	361,755	.421	1FE
3899999 - Total - Bonds - Industrial, Misc.						4,113,885	3,936,755	14,121	XXX
8399997 - Total - Bonds - Part 3						5,517,013	5,336,755	14,534	XXX
8399999 - Total - Bonds						5,517,013	5,336,755	14,534	XXX
8999999 - Total - Preferred Stocks						0	XXX	0	XXX
9799999 - Total - Common Stocks						0	XXX	0	XXX
9899999 - Total - Preferred and Common Stocks						0	XXX	0	XXX
9999999 Totals						5,517,013	XXX	14,534	XXX

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

**STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio**

**SCHEDULE D - PART 4**

**Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter**

1 CUSIP Identifi- cation	2 Description	3 For- eign	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Design- ation or Market Indicator (a)	
										11 Unrealized Valuation Increase/ Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11 + 12 - 13)	15 Total Foreign Exchange Change in B./A.C.V.								
667027-PR-1..	NORTHSIDE TEX INDPT SCH DIST CALLABLE 2/..		02/15/2012..	Call 100.0000.....		.230,000	.230,000	.248,099	.230,311	.0	.(311)	.0	.(311)	.0	.230,000	.0	.0	.0	.0	.6,038	.02/15/2012..	1FE.....
791434-TB-9..	ST LOUIS CNTY MO ..		02/01/2012..	Maturity.....		.85,000	.65,000	.73,323	.65,093	.0	.(93)	.0	.(93)	.0	.65,000	.0	.0	.0	.0	.1,625	.02/01/2012..	1FE.....
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions					295,000	295,000	321,421	295,405		0	(405)	0	(405)	0	295,000	0	0	0	0	7,663	XXX	XXX
3128GV-TY-6..	FHLMC POOL #E91467 5.000% 09/01/17.....		03/01/2012..	Paydown.....		.4,802	.4,802	.4,875	.4,838	.0	.0	.0	.0	.0	.4,837	.0	.(36)	.(36)	.40	.09/01/2017..	1FE.....	
3128H6-VN-1..	FHLMC POOL #E98721 5.000% 08/01/18.....		03/01/2012..	Paydown.....		.951	.951	.952	.957	.0	.0	.0	.0	.0	.957	.0	.(6)	.(6)	.6	.08/01/2018..	1FE.....	
312962-VE-0..	FREDDIE MAC POOL #B11550 4.500% 10/01/18.....		03/01/2012..	Paydown.....		.7,026	.7,026	.7,000	.7,020	.0	.0	.0	.0	.0	.7,020	.0	.7	.7	.62	.10/01/2018..	1FE.....	
312963-WK-3..	FREDDIE MAC POOL #B11550 5.000% 01/01/18.....		03/01/2012..	Paydown.....		.13,518	.13,518	.13,727	.13,641	.0	.(1)	.0	.(1)	.0	.13,640	.0	.(122)	.(122)	.114	.01/01/2019..	1..	
31377U-JG-9..	FNMA DUS POOL #387363 (GA) 5.005% 05/01/18.....		03/01/2012..	Paydown.....		.4,563	.4,563	.4,567	.4,552	.0	.0	.0	.0	.0	.4,552	.0	.11	.11	.40	.05/01/2015..	1FE.....	
31387H-R9-3..	FNMA POOL #584712 6.500% 05/01/31.....		03/01/2012..	Paydown.....		.122	.122	.121	.122	.0	.0	.0	.0	.0	.122	.0	.0	.0	.1	.05/01/2031..	1FE.....	
31391X-S7-5..	FNMA POOL #680142 5.000% 01/01/18.....		03/01/2012..	Paydown.....		.1,403	.1,403	.1,402	.1,401	.0	.0	.0	.0	.0	.1,401	.0	.3	.3	.12	.01/01/2018..	1FE.....	
31391Y-5W-3..	FNMA POOL #681361 5.000% 03/01/18.....		03/01/2012..	Paydown.....		.5,069	.5,069	.5,161	.5,152	.0	.(1)	.0	.(1)	.0	.5,152	.0	.(83)	.(83)	.40	.03/01/2018..	1FE.....	
31398A-UU-4..	FNMA POOL #6805111 100% 2.000% 01/09/12.....		01/09/2012..	Maturity.....		.200,000	.200,000	.202,250	.200,018	.0	.(18)	.0	.(18)	.0	.200,000	.0	.0	.0	.0	.2,000	.01/09/2012..	1FE.....
31406B-N4-8..	FNMA POOL #8051111 100% 5.500% 12/01/2011.....		03/01/2012..	Paydown.....		.23,536	.23,536	.23,992	.23,891	.0	.0	.0	.0	.0	.23,892	.0	.(356)	.(356)	.115	.12/01/2034..	1FE.....	
31409J-M3-1..	FNMA (TN) POOL #872578 5.500% 05/01/21.....		03/01/2012..	Paydown.....		.2,830	.2,830	.2,800	.2,801	.0	.0	.0	.0	.0	.2,801	.0	.28	.28	.26	.05/01/2021..	1FE.....	
31409L-LQ-6..	FNMA POOL #874335 (TN) 5.310% 03/01/17.....		03/01/2012..	Paydown.....		.8,859	.8,859	.8,926	.8,859	.0	.0	.0	.0	.0	.8,859	.0	.(1)	.(1)	.102	.03/01/2017..	1..	
31413S-HS-6..	FNMA POOL #953941 100% GA 6.000% 12/01/2011.....		03/01/2012..	Paydown.....		.90,054	.90,054	.90,673	.90,619	.0	.0	.0	.0	.0	.90,620	.0	.(566)	.(566)	.465	.12/01/2037..	1..	
31413S-HT-4..	FNMA POOL #953942 100% TN 6.000% 11/01/2011.....		03/01/2012..	Paydown.....		.589	.589	.593	.596	.0	.0	.0	.0	.0	.596	.0	.(7)	.(7)	.6	.11/01/2037..	1..	
396586-QC-6..	GREENVILLE SC WTRWKS REV CALLABLE 2/1/12.....		02/01/2012..	Call 100.0000.....		.220,000	.220,000	.235,809	.220,189	.0	.(189)	.0	.(189)	.0	.220,000	.0	.0	.0	.0	.5,775	.02/01/2012..	1FE.....
592041-LB-1..	MET GOV NASHVILLE & DAVIDSON CALLABLE 5% 03/29/2012..		Call 100.0000.....			.1,530,000	.1,530,000	.1,668,159	.1,530,000	.0	.0	.0	.0	.0	.1,530,000	.0	.0	.0	.0	.31,450	.05/01/2014..	1FE.....
3199999 - Total - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of...						2,113,321	2,113,321	2,271,006	2,114,657	0	(209)	0	(209)	0	2,114,448	0	(1,126)	(1,126)	40,253	XXX	XXX	
437076-AP-7..	HOME DEPOT INC 5.40% 03/01/2016 5.40% 01/13/2012..		JEFFRIES & COMPANY.....			.581,515	.500,000	.558,960	.553,123	.0	.(595)	.0	.(595)	.0	.552,528	.0	.28,987	.28,987	.10,350	.03/01/2016..	1FE.....	
760759-AL-4..	REPUBLIC SERVICES INC 3.8 05/15/2018 3% 03/26/2012..		BANK OF NEW YORK.....			.802,065	.750,000	.749,768	.749,791	.0	.7	.0	.7	.0	.749,798	.0	.52,267	.52,267	.10,608	.05/15/2018..	2FE.....	
87927V-AW-8..	TELECOM ITALIA CAPITAL 6.175 06/18/2014...F 09/15/2014..		HSBC SECURITIES USA INC.....			.845,168	.800,000	.840,048	.834,152	.0	.(2,938)	.0	.(2,938)	.0	.831,214	.0	.13,954	.13,954	.12,899	.06/18/2014..	2FE.....	
92931N-AC-4..	WPP FINANCE UU 8% 09/15/2014..F 02/02/2012..		KNIGHT LIBERTAS FINANCIAL.....			.574,730	.500,000	.577,635	.548,555	.0	.(1,723)	.0	.(1,723)	.0	.546,832	.0	.27,898	.27,898	.15,778	.09/15/2014..	2FE.....	
3899999 - Bonds - Industrial and Miscellaneous						2,803,478	2,550,000	2,726,411	2,685,621	0	(5,250)	0	(5,250)	0	2,680,371	0	123,107	123,107	49,635	XXX	XXX	
8399997 - Bonds - Part 4						5,211,799	4,958,321	5,318,838	5,095,682	0	(5,863)	0	(5,863)	0	5,089,819	0	121,980	121,980	97,551	XXX	XXX	
8399999 - Total - Bonds						5,211,799	4,958,321	5,318,838	5,095,682	0	(5,863)	0	(5,863)	0	5,089,819	0	121,980	121,980	97,551	XXX	XXX	
8999999 - Total - Preferred Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX	
9799999 - Total - Common Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX	
9899999 - Total - Preferred and Common Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX	
99999999 Totals						5,211,799	XXX	5,318,838	5,095,682	0	(5,863)	0	(5,863)	0	5,089,819	0	121,980	121,980	97,551	XXX	XXX	

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

Schedule DB - Part A - Section 1  
**NONE**

Sch. DB - Pt. A - Sn. 1 - Footnote (a)  
**NONE**

Schedule DB - Part B - Section 1  
**NONE**

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

Schedule DB - Part D  
**NONE**

Schedule DL - Part 1  
**NONE**

Schedule DL - Part 2  
**NONE**

**STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio**

## **SCHEDULE E - PART 1 - CASH**

**STATEMENT AS OF MARCH 31, 2012 OF THE Permanent General Assurance Corporation of Ohio**

## **SCHEDULE E - PART 2 - CASH EQUIVALENTS**

### Show Investments Owned End of Current Quarter

**NONE**

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