



QUARTERLY STATEMENT

As of June 30, 2012
of the Condition and Affairs of the

PROGRESSIVE NORTHWESTERN INSURANCE COMPANY

NAIC Group Code.....155, 155 (Current Period) (Prior Period)	NAIC Company Code..... 42919	Employer's ID Number..... 91-1187829
Organized under the Laws of OH	State of Domicile or Port of Entry OH	Country of Domicile US
Incorporated/Organized..... September 24, 1982	Commenced Business..... September 26, 1983	
Statutory Home Office	6300 WILSON MILLS ROAD, W33..... CLEVELAND OH 44143-2182 <i>(Street and Number) (City or Town, State and Zip Code)</i>	
Main Administrative Office	6300 WILSON MILLS ROAD, W33..... CLEVELAND OH 44143-2182 <i>(Street and Number) (City or Town, State and Zip Code)</i>	440-461-5000 <i>(Area Code) (Telephone Number)</i>
Mail Address	P.O. BOX 89490..... CLEVELAND OH 44101-6490 <i>(Street and Number or P. O. Box) (City or Town, State and Zip Code)</i>	
Primary Location of Books and Records	6300 WILSON MILLS ROAD, W33..... CLEVELAND OH 44143-2182 <i>(Street and Number) (City or Town, State and Zip Code)</i>	440-395-4460 <i>(Area Code) (Telephone Number)</i>
Internet Web Site Address	PROGRESSIVE.COM	
Statutory Statement Contact	MARY BETH ANDREANO <i>(Name)</i> FINANCIAL_REPORTING@PROGRESSIVE.COM <i>(E-Mail Address)</i>	440-395-4460 <i>(Area Code) (Telephone Number) (Extension)</i> 440-446-7168 <i>(Fax Number)</i>

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

OFFICERS

Name	Title	Name	Title
MARK DONALD NIEHAUS	PRESIDENT	PETER JAMES ALBERT	SECRETARY
THOMAS ALFRED KING	TREASURER		

OTHER

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

DIRECTORS OR TRUSTEES

THOMAS HUDSON HOLLYER	KATHRYN MARGARET LEMIEUX	MARK DONALD NIEHAUS	DAVID LLOYD PRATT
DAVID JAMES SKOVE			

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

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

_____ (Signature) MARK DONALD NIEHAUS 1. (Printed Name) PRESIDENT _____ (Title)	_____ (Signature) PETER JAMES ALBERT 2. (Printed Name) SECRETARY _____ (Title)	_____ (Signature) THOMAS ALFRED KING 3. (Printed Name) TREASURER _____ (Title)
---------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------

Subscribed and sworn to before me
This 10TH day of AUGUST, 2012

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

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.....	908,902,747		908,902,747	863,199,287
2. Stocks:				
2.1 Preferred stocks.....			0	5,250,000
2.2 Common stocks.....	126,854,460		126,854,460	115,131,761
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 (\$.....9,999,889) and short-term investments (\$.....31,394,900).....	41,394,789		41,394,789	42,780,845
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives.....			0	
8. Other invested assets.....			0	
9. Receivables for securities.....	7,959,975		7,959,975	502,250
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).....	1,085,111,971	0	1,085,111,971	1,026,864,143
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	6,513,921		6,513,921	6,481,626
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	20,966,831	1,939,561	19,027,270	1,443,823
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	67,305,660		67,305,660	60,646,295
15.3 Accrued retrospective premiums.....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	4,425,566		4,425,566	320,416
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.....	15,893,489		15,893,489	17,986,274
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.....	37,282,362		37,282,362	13,180,538
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other than invested assets.....	751,342	503,542	247,800	112,071
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	1,238,251,142	2,443,103	1,235,808,039	1,127,035,186
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. Total (Lines 26 and 27).....	1,238,251,142	2,443,103	1,235,808,039	1,127,035,186

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. STATE TAX CREDITS.....	247,800		247,800	112,071
2502. PREPAID EXPENSES.....	500,017	500,017	0	
2503. MISCELLANEOUS OTHER ASSETS.....	3,525	3,525	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).....	751,342	503,542	247,800	112,071

PROGRESSIVE NORTHWESTERN INSURANCE COMPANY
LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$.....137,060,812).....	360,686,905	342,647,501
2. Reinsurance payable on paid losses and loss adjustment expenses.....	10,410,831	7,299,509
3. Loss adjustment expenses.....	73,812,298	72,269,683
4. Commissions payable, contingent commissions and other similar charges.....	1,106,835	1,553,170
5. Other expenses (excluding taxes, licenses and fees).....	43,426,562	34,086,901
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	7,140,224	7,084,642
7.1 Current federal and foreign income taxes (including \$.....126,913 on realized capital gains (losses)).....	13,312,476	5,001,223
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 \$.....155,643,600 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.....	330,714,210	303,716,375
10. Advance premium.....	5,597,910	3,006,537
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	48,680	43,965
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.....	19,855,538	17,887,997
19. Payable to parent, subsidiaries and affiliates.....		
20. Derivatives.....		
21. Payable for securities.....	7,004,940	
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.....	4,025,668	3,962,421
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	877,143,077	798,559,924
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	877,143,077	798,559,924
29. Aggregate write-ins for special surplus funds.....	0	0
30. Common capital stock.....	3,000,025	3,000,025
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.....	146,299,975	146,299,975
35. Unassigned funds (surplus).....	209,364,962	179,175,262
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).....	358,664,962	328,475,262
38. Totals.....	1,235,808,039	1,127,035,186

DETAILS OF WRITE-INS

2501. STATE PLAN LIABILITY.....	3,504,773	3,606,566
2502. ESCHEATABLE PROPERTY.....	332,405	141,776
2503. OTHER LIABILITIES.....	175,274	201,894
2598. Summary of remaining write-ins for Line 25 from overflow page.....	13,216	12,185
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	4,025,668	3,962,421
2901.		
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	0
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

PROGRESSIVE NORTHWESTERN INSURANCE COMPANY
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 \$....247,143,891).....	233,263,668	235,748,642	468,158,784
1.2 Assumed..... (written \$....552,607,736).....	525,609,901	497,907,091	1,002,919,938
1.3 Ceded..... (written \$....247,143,891).....	233,263,668	235,748,642	468,158,784
1.4 Net..... (written \$....552,607,736).....	525,609,901	497,907,091	1,002,919,938
DEDUCTIONS:			
2. Losses incurred (current accident year \$....331,159,780):			
2.1 Direct.....	131,732,991	131,881,893	273,439,016
2.2 Assumed.....	336,159,563	299,557,970	617,807,491
2.3 Ceded.....	131,732,991	131,881,893	273,439,016
2.4 Net.....	336,159,563	299,557,970	617,807,491
3. Loss adjustment expenses incurred.....	55,969,793	51,647,456	103,825,319
4. Other underwriting expenses incurred.....	118,451,882	113,946,282	223,320,995
5. Aggregate write-ins for underwriting deductions.....	0	5	29
6. Total underwriting deductions (Lines 2 through 5).....	510,581,238	465,151,713	944,953,834
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	15,028,663	32,755,378	57,966,104
INVESTMENT INCOME			
9. Net investment income earned.....	14,076,433	14,076,397	27,530,654
10. Net realized capital gains (losses) less capital gains tax of \$....126,913.....	2,823,567	7,499,396	4,160,333
11. Net investment gain (loss) (Lines 9 + 10).....	16,900,000	21,575,793	31,690,987
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$....183,235 amount charged off \$....2,248,481).....	(2,065,246)	(2,096,741)	(4,198,660)
13. Finance and service charges not included in premiums.....	4,977,028	4,862,300	9,961,682
14. Aggregate write-ins for miscellaneous income.....	159,594	239,553	1,233,127
15. Total other income (Lines 12 through 14).....	3,071,376	3,005,112	6,996,149
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	35,000,039	57,336,283	96,653,240
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).....	35,000,039	57,336,283	96,653,240
19. Federal and foreign income taxes incurred.....	13,185,563	18,901,348	31,167,447
20. Net income (Line 18 minus Line 19) (to Line 22).....	21,814,476	38,434,935	65,485,793
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	328,475,262	319,267,118	319,267,118
22. Net income (from Line 20).....	21,814,476	38,434,935	65,485,793
23. Net transfers (to) from Protected Cell accounts.....			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$....3,617,841.....	6,718,847	3,745,614	(64,731)
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....	1,525,056	(1,958,849)	1,445,324
27. Change in nonadmitted assets.....	131,321	303,827	341,758
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.....			(58,000,000)
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).....	30,189,700	40,525,527	9,208,144
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	358,664,962	359,792,645	328,475,262
DETAILS OF WRITE-INS			
0501. 2008 NORTH CAROLINA PRIVATE PASSENGER AUTO ESCROW (REFUNDS).....		5	29
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	5	29
1401. MISCELLANEOUS INCOME.....	90,460	160,030	1,086,590
1402. SERVICE BUSINESS REVENUE.....	54,805	64,419	124,893
1403. INTEREST INCOME ON INTERCOMPANY BALANCES.....	14,329	15,104	21,644
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).....	159,594	239,553	1,233,127
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	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.....	531,431,377	490,856,720	1,010,956,186
2. Net investment income.....	22,341,784	25,812,988	48,405,042
3. Miscellaneous income.....	3,060,178	2,907,333	6,927,299
4. Total (Lines 1 through 3).....	556,833,339	519,577,041	1,066,288,527
5. Benefit and loss related payments.....	319,113,987	296,655,133	607,672,730
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	163,930,152	159,667,978	329,295,362
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$.....(298,240) tax on capital gains (losses).....	5,001,223	6,193,445	35,663,985
10. Total (Lines 5 through 9).....	488,045,362	462,516,556	972,632,077
11. Net cash from operations (Line 4 minus Line 10).....	68,787,977	57,060,485	93,656,450
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	180,998,068	522,928,180	712,314,717
12.2 Stocks.....	7,347,677	2,996,396	6,165,068
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.....	7,004,940	14,281	
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	195,350,685	525,938,857	718,479,785
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	233,452,907	456,341,111	676,491,096
13.2 Stocks.....	2,079,480	30,721,553	34,894,153
13.3 Mortgage loans.....			
13.4 Real estate.....			
13.5 Other invested assets.....			
13.6 Miscellaneous applications.....	7,457,725		487,969
13.7 Total investments acquired (Lines 13.1 to 13.6).....	242,990,112	487,062,664	711,873,218
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).....	(47,639,427)	38,876,193	6,606,567
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.....			58,000,000
16.6 Other cash provided (applied).....	(22,534,606)	(22,447,466)	364,361
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	(22,534,606)	(22,447,466)	(57,635,639)
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).....	(1,386,056)	73,489,212	42,627,378
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	42,780,845	153,467	153,467
19.2 End of period (Line 18 plus Line 19.1).....	41,394,789	73,642,679	42,780,845

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 accompanying statutory-basis financial statements of Progressive Northwestern Insurance Company (the "Company") were prepared on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance ("DOI").

The Ohio DOI requires insurance companies domiciled in the state of Ohio to prepare their statutory-basis financial statements in accordance with the National Association of Insurance Commissioners' ("NAIC") *Accounting Practices and Procedures Manual*, subject to any deviations prescribed or permitted by the Ohio DOI. No deviations from NAIC statutory accounting practices ("NAIC SAP") were used in preparing these statutory-basis financial statements.

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

Under SSAP 43R, the Company analyzes its structured debt securities to determine if the Company intends to sell, or if it is more likely than not that the Company will be required to sell, the security prior to recovery and, if so, the Company writes down the security to its current fair market value with the entire amount of the write-down recorded as a realized loss. To the extent that it is more likely than not that the Company will hold the debt security until recovery (which could be maturity), the Company determines if any of the decline in value is due to a credit loss (i.e., where the present value of cash flows expected to be collected is lower than the amortized cost basis of the security) and, if so, the Company recognizes that portion of the impairment as a realized loss.

The sources used to determine prepayment assumptions are derived from updated cash flows from widely utilized reputable industry sources. The Company's portfolio managers review the available cash flow data and prepayment assumptions and make adjustments based on current performance indicators on the underlying assets (e.g., delinquency rates, foreclosure rates, and default rates), credit support (via current levels of subordination), and historical credit ratings.

As of June 30, 2012, the Company did not intend to sell the loan-backed or structured debt securities on which a credit loss was recognized, and determined that it is more likely than not that the Company will not be required to sell the securities prior to the recovery (which could be maturity) of their respective cost basis.

The following table shows, as of June 30, 2012, the Company's other-than-temporary impairment for loan-backed and structured debt securities since the adoption of SSAP No. 43R.

CUSIP	Amortized cost before current period other-than-temporary impairment	Projected Cash Flows	Recognized other-than-temporary Impairment	Amortized Cost after other-than-temporary Impairment	Fair Value at time of other-than-temporary impairment	Financial Statement date when other-than-temporary impairment was reported
68389FKP8	\$ 4,569,061	\$ 4,487,142	\$ 81,919	\$ 4,487,142	\$ 3,319,450	2009 - Q4
46628KAV2	3,159,735	3,090,173	69,562	3,090,173	2,733,250	2011 - Q1
3622N6AG4	3,143,546	3,051,346	92,200	3,051,346	2,603,392	2011 - Q2
46628KAV2	2,942,765	2,873,424	69,341	2,873,424	2,522,134	2011 - Q2
3622N6AG4	2,686,788	2,651,800	34,988	2,651,800	2,382,297	2012 - Q2
Total	XXX	XXX	\$ 348,010	XXX	XXX	XXX

As of June 30, 2012, the Company had \$1,496,151 of gross unrealized losses in the Company's loan-backed and structured debt securities. The Company currently does not intend to sell the loan-backed and structured debt securities and determined that it is more likely than not that the Company will not be required to sell these securities for the period of time necessary to recover their cost basis. If the Company's strategy was to change and these securities were determined to be other-than-temporarily impaired, the Company would recognize a write-down in accordance with the Company's stated policy.

The following table shows, as of June 30, 2012, the composition of fair market value and gross unrealized losses on loan-backed and structured debt securities by the length of time that individual securities have been in a continuous unrealized loss position:

Fair Market Value	Unrealized Loss	Losses less than 12 Months	Losses greater than 12 months	Fair Market Value of losses less than 12 months	Fair Market Value of losses greater than 12 months
\$ 32,347,106	\$ 1,496,151	\$ 531,773	\$ 964,378	\$ 18,280,419	\$ 14,066,687

6. Joint Ventures, Partnerships and Limited Liability Companies

No significant change

7. Investment Income

No significant change

8. Derivative Instruments

No significant change

NOTES TO FINANCIAL STATEMENTS

9. Income Taxes

A. Components of the net deferred tax asset (liability) ("DTA"/"DTL")

1. The components of the DTA in accordance with SSAP 101 - Income Taxes, are as follows:

Description	June 30, 2012			December 31, 2011			Change		
	(1) Ordinary Income	(2) Capital gain (loss)	(3) (Col 1+2) Total	(4) Ordinary Income	(5) Capital gain (loss)	(6) (Col 4+5) Total	(7) (Col 1-4) Ordinary Income	(8) (Col 2-5) Capital gain (loss)	(9) (Col 7+8) Total
(a) Gross deferred tax assets	\$ 42,595,741	\$ 4,496,008	\$ 47,091,749	\$ 40,664,793	\$ 5,438,820	\$ 46,103,613	\$ 1,930,948	\$ (942,812)	\$ 988,136
(b) Statutory valuation allowance adjustment	-	-	-	-	-	-	-	-	-
(c) Adjusted gross deferred tax assets (1a-1b)	\$ 42,595,741	\$ 4,496,008	\$ 47,091,749	\$ 40,664,793	\$ 5,438,820	\$ 46,103,613	\$ 1,930,948	\$ (942,812)	\$ 988,136
(d) Deferred tax assets nonadmitted	-	-	-	-	-	-	-	-	-
(e) Subtotal (net deferred tax assets) (1c-1d)	\$ 42,595,741	\$ 4,496,008	\$ 47,091,749	\$ 40,664,793	\$ 5,438,820	\$ 46,103,613	\$ 1,930,948	\$ (942,812)	\$ 988,136
(f) Deferred tax liabilities	7,670,267	23,527,993	31,198,260	8,172,586	19,944,753	28,117,339	(502,319)	3,583,240	3,080,921
(g) Net admitted deferred tax assets (1e-1f)	\$ 34,925,474	\$ (19,031,985)	\$ 15,893,489	\$ 32,492,207	\$ (14,505,933)	\$ 17,986,274	\$ 2,433,267	\$ (4,526,052)	\$ (2,092,785)

C. Current income taxes consist of the following major components:

Description	(1) June 30, 2012	(2) December 31, 2011	(3) (Col 1-2) Change
(a) Federal income tax expense (benefit)	\$ 13,185,563	\$ 31,240,871	\$ (18,055,308)
(b) Foreign income tax expense (benefit)	-	-	-
(c) Prior year underaccrual (overaccrual)	-	(73,424)	73,424
(d) Subtotal	\$ 13,185,563	\$ 31,167,447	\$ (17,981,884)
(e) Federal income tax (benefit) on net realized capital gains (losses)	126,913	1,340,799	(1,213,886)
(f) Utilization of capital loss carry-forwards	-	-	-
(g) Prior year underaccrual (overaccrual)	-	1,963,517	(1,963,517)
(h) Subtotal	\$ 126,913	\$ 3,304,316	\$ (3,177,403)
(i) Federal and Foreign income taxes incurred	\$ 13,312,476	\$ 34,471,763	\$ (21,159,286)

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

The provision for Federal income taxes is different than that which would be obtained by applying the statutory Federal income tax rate to pre-tax income. The significant book to tax adjustments causing this difference are as follows:

Description	Tax Effect Amount	Effective Tax Rate
Provision computed at statutory rate	\$ 12,294,433	35%
Exempt interest income	(289,290)	-1%
Dividends received deduction	(235,970)	0%
Impact of nonadmitted assets	45,963	0%
Other	(27,716)	0%
Total	\$ 11,787,420	34%
Federal and foreign income taxes incurred	\$ 13,312,476	
Change in net deferred income tax	(1,525,056)	
Total statutory income taxes	\$ 11,787,420	

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

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

14. Contingencies

D. Claims Related to Extra Contractual Obligations and Bad Faith Losses Stemming from Lawsuits

The Company paid the following amount during the reporting period to settle claims related to extra contractual obligations ("ECO") or bad faith claims stemming from lawsuits.

	Direct
Claims related to ECO and bad faith losses paid	\$ 95,000

NOTES TO FINANCIAL STATEMENTS

The table below indicates the number of claims where amounts were paid to settle claims related to ECO or bad faith claims resulting from lawsuits during the reporting period. The claim count information disclosed is per claimant.

0-25 Claims	26-50 Claims	51-100 Claims	101-500 Claims	Over 500 Claims
X				

E. All Other Contingencies

The Company is named as defendant in various lawsuits arising out of its insurance operations. All legal actions relating to claims made under insurance policies are considered by the Company in establishing its loss and LAE reserves. The Company also has, on a net basis, potential exposure relating to lawsuits due to its participation in a 100% pooling reinsurance agreement for which it is allocated litigation expenses.

The following is a discussion of potentially significant pending cases at June 30, 2012. The Company does not consider a loss from these cases to be probable and is unable to estimate a range of loss, if any, at this time.

As of June 30, 2012, there was one certified class action lawsuit challenging the Company's use of certain automated database vendors or software to assist in the adjustment of bodily injury claims. Plaintiffs allege that these databases or software systematically undervalue the claims.

As of June 30, 2012, there was a putative class action lawsuit alleging that the Company failed to reimburse legal fees incurred to recover medical damages for personal injury protection benefits.

15. Leases

No significant change

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

No significant change

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

C. Wash Sales

The Company had no wash sales of securities with a NAIC rating of 3 or below during the reporting period.

18. Gain or Loss from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

No significant change

19. Direct Premiums 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 Measurements by Levels 1, 2 and 3

The Company categorizes its financial instruments, based on the degree of subjectivity inherent in the method by which they are valued, into a fair value hierarchy of three levels, as follows:

Level 1 - Inputs are unadjusted, quoted prices in active markets for identical instruments at the measurement date (e.g., active exchange-traded equity securities).

Level 2 - Inputs (other than quoted prices included within Level 1) that are observable for the instrument either directly or indirectly. This includes: (i) quoted prices for similar instruments in active markets, (ii) quoted prices for identical or similar instruments in markets that are not active, (iii) inputs other than quoted prices that are observable for the instruments, and (iv) inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs that are unobservable. Unobservable inputs reflect the Company's subjective evaluation about the assumptions market participants would use in pricing the financial instrument.

The Company evaluated whether the market was distressed or inactive in determining the fair value for those securities reported and reviewed certain market level inputs to evaluate whether sufficient activity, volume, and new issuances existed to create an active market. Based on this evaluation, the Company concluded that there was sufficient activity in determining the fair value for those securities reported.

The valuations classified as either Level 1 or Level 2 in the table below are priced exclusively by external sources, including: pricing vendors, dealers/market makers, and exchange-quoted prices. The Company did not have any transfers between Level 1 and Level 2.

Fair Value Measurements at June 30, 2012:

Asset Description	Level 1	Level 2	Level 3	Total
Bonds – Industrial & Miscellaneous	\$ --	\$ 4,298,721	\$ --	\$ 4,298,721
Common Stock – Industrial & Miscellaneous	126,854,460	--	--	126,854,460
Total	\$ 126,854,460	\$ 4,298,721	\$ --	\$ 131,153,181

2. Rollforward of Level 3 Items

Not applicable

3. Policy on Transfers Into and Out of Level 3

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred into or out of Level 3.

NOTES TO FINANCIAL STATEMENTS

4. Inputs and Techniques Used for Level 2 and Level 3 Fair Values
See Note 20A above.
5. Derivative Fair Values
Not applicable
- B. Other Fair Value Disclosures
Not applicable
- C. Reasons Not Practical to Estimate Fair Values
Not applicable
21. Other Items
No significant change
22. Events Subsequent
The Company was not impacted by any subsequent events. Subsequent events have been considered through August 10, 2012 for the statutory statement that was available for issuance by August 15, 2012.
23. Reinsurance
No significant change
24. Retrospectively Rated Contracts and Contracts Subject to Redetermination
No significant change
25. Changes in Incurred Losses and Loss Adjustment Expenses
Incurred losses and LAE attributable to insured events of prior accident years increased by \$6,199,000 in 2012, which is approximately 1.5% of the total prior year net unpaid losses and LAE of \$414,917,184. The increase is primarily due to an increase in originally anticipated severity of 1.7% and .3% for accident years 2011 and 2010, respectively, for private passenger auto liability incurred but not reported reserves. This increase was partially offset by a decrease in originally anticipated severity of .4% for accident year 2011 for auto physical damage.
26. Intercompany Pooling Arrangements
No significant change
27. Structured Settlements
No significant change
28. Health Care Receivables
No significant change
29. Participating Accident and Health Policies
No significant change
30. Premium Deficiency Reserves
No significant change
31. High Deductibles
No significant change
32. Discounting of Liabilities for Unpaid Losses and Unpaid Loss Adjustment Expenses
No significant change
33. Asbestos and Environmental Reserves
No significant change
34. Subscriber Savings Accounts
No significant change
35. Multiple Peril Crop Insurance
No significant change
36. Financial Guaranty Insurance
No significant change

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 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] N/A []
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. 12/31/2007.....

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. 12/31/2007.....

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). 4/7/2009.....

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 [X]

6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] 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 [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 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

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 [X] No []

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
THE COMPANY'S CODE OF ETHICS POLICIES WERE UPDATED WITH THE FOLLOWING:
- A NEW SECTION ON ETHICAL DECISION-MAKING.
- REVISED PROVISIONS ON 1)REPORTING CONCERNS ABOUT POTENTIAL MISCONDUCT, 2)DIVERSITY AND INCLUSION, 3) SOCIAL RESPONSIBILITY, 4)PERSONAL USE OF COMPANY PROVIDED MOBILE DEVICES 5)ALCOHOLIC BEVERAGES, 6)DISCLOSURE OF MINOR TRAFFIC VIOLATIONS, AND 7)CONFLICT OF INTEREST RULES FOR CLAIMS PERSONNEL.

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

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

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

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

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

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

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

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

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

14.2 If yes, please complete the following:

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter 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

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

16. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes 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
CITIBANK, N.A.	338 GREENWICH STREET NEW YORK, NY 10013
STATE STREET	801 PENNSYLVANIA AVE KANSAS CITY, MO 64105

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)
NONE		

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? Yes No

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

1	2	3	4
Old Custodian	New Custodian	Date of Change	Reason
NONE			

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
30107	STATE STREET GLOBAL MARKETS, LLC	225 FRANKLIN ST BOSTON, MA 02110

17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes No

17.2 If no, list exceptions:

**PROGRESSIVE NORTHWESTERN 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? Yes [] No [X] N/A []
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 Disc. Rate	Total Discount				Discount Taken During Period			
			4 Unpaid Losses	5 Unpaid LAE	6 IBNR	7 Total	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 Total
						.0				.0
Total.....	XXX..	XXX..	0	0	0	0	0	0	0	0

5. Operating Percentages:

5.1 A&H loss percent 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

PROGRESSIVE NORTHWESTERN INSURANCE COMPANY
SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, Etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year to Date	3 Prior Year to Date	4 Current Year to Date	5 Prior Year to Date	6 Current Year to Date	7 Prior Year to Date
1. Alabama.....AL	N						
2. Alaska.....AK	L	2,652,458	2,868,691	903,788	1,015,832	789,025	1,076,554
3. Arizona.....AZ	L	1,562,691	1,982,744	733,614	1,448,992	628,557	911,898
4. Arkansas.....AR	L	32,366,720	32,019,090	16,966,748	16,265,535	13,052,114	13,097,356
5. California.....CA	L						(3)
6. Colorado.....CO	L						
7. Connecticut.....CT	L	15,317,603	12,414,785	6,845,169	6,359,964	15,960,500	16,176,319
8. Delaware.....DE	L			(725)	99,850	1	1
9. District of Columbia.....DC	L						
10. Florida.....FL	N						
11. Georgia.....GA	L			(8,159)	(1,654)		9,387
12. Hawaii.....HI	L	261,802	367,584	137,666	249,147	182,076	235,601
13. Idaho.....ID	L	19,727,925	18,776,809	10,942,057	8,839,131	11,373,851	9,169,816
14. Illinois.....IL	N						
15. Indiana.....IN	L	2,418,842	2,900,026	1,649,238	1,970,084	1,658,283	1,423,350
16. Iowa.....IA	L						
17. Kansas.....KS	L	45,334,217	43,837,172	28,363,696	28,657,339	19,091,793	17,642,365
18. Kentucky.....KY	L				318		194
19. Louisiana.....LA	L						
20. Maine.....ME	L	28,343,427	27,461,333	15,363,792	14,394,154	18,146,269	17,197,294
21. Maryland.....MD	L						
22. Massachusetts.....MA	N						
23. Michigan.....MI	Q						
24. Minnesota.....MN	L			131,872	168,319	242,761	534,443
25. Mississippi.....MS	L						
26. Missouri.....MO	L	14,802,797	16,046,376	7,835,581	7,500,064	6,777,146	7,191,713
27. Montana.....MT	L	17,908,211	15,843,962	8,608,576	7,382,860	9,003,637	8,054,520
28. Nebraska.....NE	L						
29. Nevada.....NV	L	588,238	706,335	199,036	253,932	184,580	428,089
30. New Hampshire.....NH	N						
31. New Jersey.....NJ	L						
32. New Mexico.....NM	L			113,173	231,473	768,632	1,585,055
33. New York.....NY	L	25,902,610	27,513,622	9,672,483	9,746,559	15,798,626	18,683,032
34. North Carolina.....NC	L						
35. North Dakota.....ND	L	19,801,872	18,032,645	9,758,695	10,538,772	9,521,832	8,430,820
36. Ohio.....OH	L						
37. Oklahoma.....OK	L				(543)		1,017
38. Oregon.....OR	L		(13)	277,965	268,487	102,693	800,792
39. Pennsylvania.....PA	N						
40. Rhode Island.....RI	L	415,132	507,282	279,499	416,562	634,932	716,428
41. South Carolina.....SC	L						
42. South Dakota.....SD	L						
43. Tennessee.....TN	L			(4,803)	(945)		
44. Texas.....TX	L						
45. Utah.....UT	L			(891)	234,934	13	262,355
46. Vermont.....VT	N						
47. Virginia.....VA	L	3,185,484	4,144,794	1,682,159	2,261,401	4,301,193	5,060,666
48. Washington.....WA	L	16,553,860	22,676,178	15,410,425	17,386,795	20,005,683	27,891,401
49. West Virginia.....WV	L						
50. Wisconsin.....WI	L						
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) 42	247,143,889	248,099,415	135,860,654	135,687,362	148,224,197	156,580,463

DETAILS OF WRITE-INS

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

(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer;

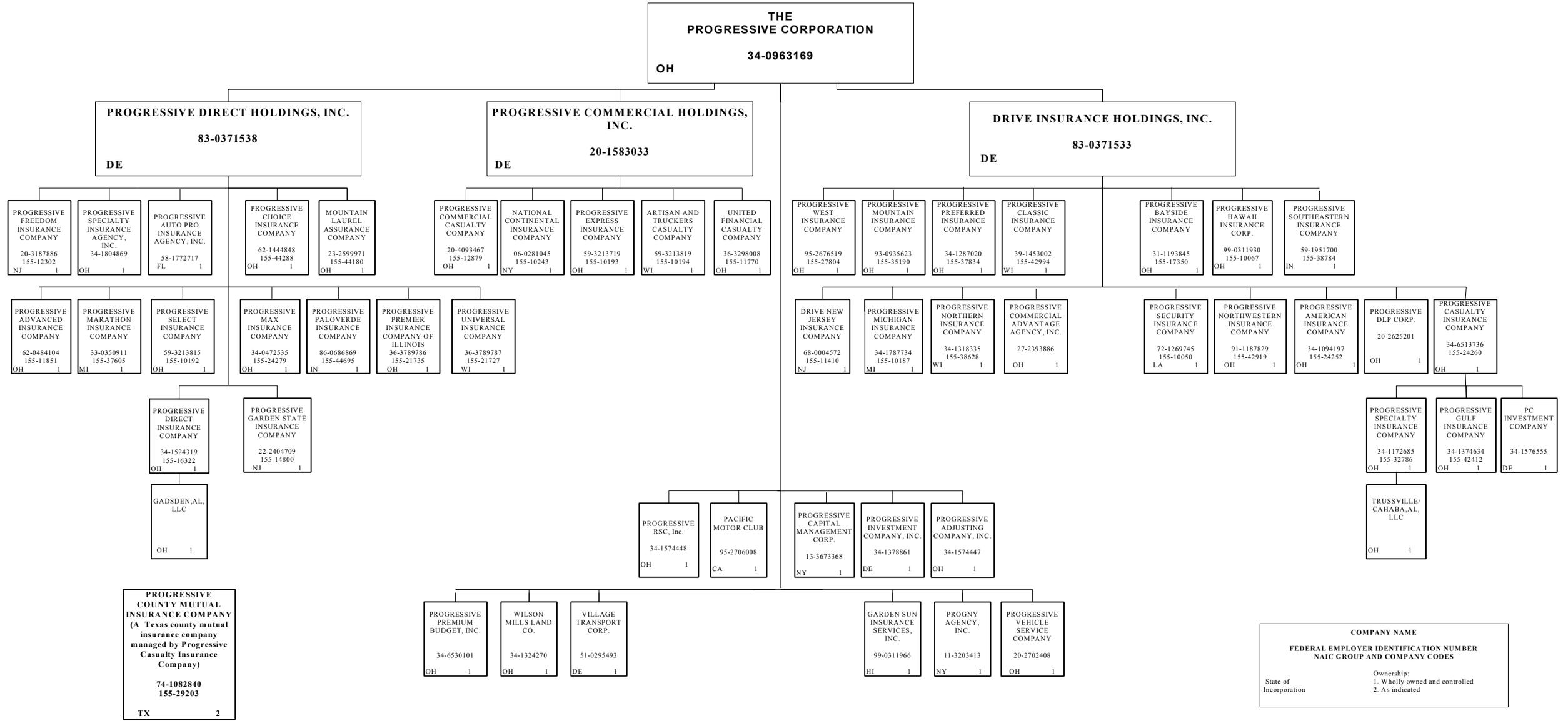
(E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to write business in the state.

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

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 – ORGANIZATIONAL CHART

Q11



COMPANY NAME

**FEDERAL EMPLOYER IDENTIFICATION NUMBER
NAIC GROUP AND COMPANY CODES**

State of Incorporation Ownership:
1. Wholly owned and controlled
2. As indicated

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership Board, Management Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	*
Members														
0155.....	The Progressive Insurance Group...	00000.....	34-0963169		0000080661	New York Stock Exchange..	The Progressive Corporation.....	OH.....	UIP.....	Board, Management.....	Board.....		The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000.....	83-0371533				Drive Insurance Holdings, Inc.....	DE.....	UDP.....	The Progressive Corporation.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	11410.....	68-0004572				Drive New Jersey Insurance Company.....	NJ.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	24252.....	34-1094197				Progressive American Insurance Company.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	17350.....	31-1193845				Progressive Bayside Insurance Company.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	24260.....	34-6513736				Progressive Casualty Insurance Company.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000.....	34-1576555				PC Investment Company.....	DE.....	NIA.....	Progressive Casualty Insurance Company.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	29203.....	74-1082840				Progressive County Mutual Insurance Company.....	TX.....	IA.....	Progressive Casualty Insurance Company.....	Management.....		The Progressive Corporation.	2, 3.....
0155.....	The Progressive Insurance Group...	42412.....	34-1374634				Progressive Gulf Insurance Company.....	OH.....	IA.....	Progressive Casualty Insurance Company.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	32786.....	34-1172685				Progressive Specialty Insurance Company.....	OH.....	IA.....	Progressive Casualty Insurance Company.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000.....					Trussville/Cahaba, AL , LLC.....	OH.....	NIA.....	Progressive Specialty Insurance Company.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	42994.....	39-1453002				Progressive Classic Insurance Company.....	WI.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000.....	20-2625201				Progressive DLP Corp.....	OH.....	NIA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	10067.....	99-0311930				Progressive Hawaii Insurance Corp.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	10187.....	34-1787734				Progressive Michigan Insurance Company.....	MI.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	35190.....	93-0935623				Progressive Mountain Insurance Company.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	38628.....	34-1318335				Progressive Northern insurance Company.....	WI.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	42919.....	91-1187829				Progressive Northwestern Insurance Company.....	OH.....		Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	37834.....	34-1287020				Progressive Preferred Insurance Company.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	10050.....	72-1269745				Progressive Security Insurance Company.....	LA.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	38784.....	59-1951700				Progressive Southeastern Insurance Company.....	IN.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	27804.....	95-2676519				Progressive West Insurance Company.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000.....	27-2393886				Progressive Commercial Advantage Agency, Inc.....	OH.....	NIA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000.....	20-1583033				Progressive Commercial Holdings, Inc.....	DE.....	NIA.....	The Progressive Corporation.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	10194.....	59-3213819				Artisan and Truckers Casualty Company.....	WI.....	IA.....	Progressive Commercial Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	10243.....	06-0281045				National Continental Insurance Company.....	NY.....	IA.....	Progressive Commercial Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	12879.....	20-4093467				Progressive Commercial Casualty Company.....	OH.....	IA.....	Progressive Commercial Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	10193.....	59-3213719				Progressive Express Insurance Company.....	OH.....	IA.....	Progressive Commercial Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	11770.....	36-3298008				United Financial Casualty Company.....	OH.....	IA.....	Progressive Commercial Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000.....	83-0371538				Progressive Direct Holdings, Inc.....	DE.....	NIA.....	The Progressive Corporation.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	44180.....	23-2599971				Mountain Laurel Assurance Company.....	OH.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	11851.....	62-0484104				Progressive Advanced Insurance Company.....	OH.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000.....	58-1772717				Progressive Auto Pro Insurance Agency, Inc.....	FL.....	NIA.....	Progressive Direct Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	44288.....	62-1444848				Progressive Choice Insurance Company.....	OH.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	16322.....	34-1524319				Progressive Direct Insurance Company.....	OH.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000.....					Gadsden, AL, LLC.....	OH.....	NIA.....	Progressive Direct Insurance Company.....	Ownership.....	100.000	The Progressive Corporation.	1, 3.....

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SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership Board, Management Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	*
0155.....	The Progressive Insurance Group...	12302.....	20-3187886				Progressive Freedom Insurance Company.....	NJ.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	14800.....	22-2404709				Progressive Garden State Insurance Company.....	NJ.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	37605.....	33-0350911				Progressive Marathon Insurance Company.....	MI.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	24279.....	34-0472535				Progressive Max Insurance Company.....	OH.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	44695.....	86-0686869				Progressive Paloverde Insurance Company.....	IN.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	21735.....	36-3789786				Progressive Premier Insurance Company of Illinois.....	OH.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	10192.....	59-3213815				Progressive Select Insurance Company.....	OH.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000.....	34-1804869				Progressive Specialty Insurance Agency, Inc.....	OH.....	NIA.....	Progressive Direct Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	21727.....	36-3789787				Progressive Universal Insurance Company.....	WI.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000.....	99-0311966				Garden Sun Insurance Services, ilc.....	HI.....	NIA.....	The Progressive Corporation.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000.....	95-2706008				Pacific Motor Club.....	CA.....	NIA.....	The Progressive Corporation.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000.....	11-3203413				PROGNY Agency, Inc.....	NY.....	NIA.....	The Progressive Corporation.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000.....	34-1574447				Progressive Adjusting Company, Inc.....	OH.....	NIA.....	The Progressive Corporation.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000.....	13-3673368				Progressive Capital Management Corp.....	NY.....	NIA.....	The Progressive Corporation.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000.....	34-1378861				Progressive Investment Company, Inc.....	DE.....	NIA.....	The Progressive Corporation.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000.....	34-6530101				Progressive Premium Budget, Inc.....	OH.....	NIA.....	The Progressive Corporation.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000.....	34-1574448				Progressive RSC, Inc.....	OH.....	NIA.....	The Progressive Corporation.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000.....	20-2702408				Progressive Vehicle Service Company.....	OH.....	NIA.....	The Progressive Corporation.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000.....	51-0295493				Village Transport Corp.....	DE.....	NIA.....	The Progressive Corporation.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000.....	34-1324270				Wilson Mills Land Co.....	OH.....	NIA.....	The Progressive Corporation.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....

Q12.1

Asterisk	Explanation
1	Schedule Y Part 1A is a common schedule for all companies in The Progressive Insurance Group, however column 10 requires specific relationship information relative to the reporting entity.
2	Progressive County Mutual Insurance Company is a Texas county mutual insurance company that is controlled, but not owned by Progressive Casualty Insurance Company.
3	None of the companies in The Progressive Insurance Group are Federally chartered or insured institutions and therefore, do not have Federal RSSD numbers.

PROGRESSIVE NORTHWESTERN INSURANCE COMPANY

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.....	5,407,706	2,155,182	39.9	52.4
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.....	3,354,252	382,975	11.4	7.2
17.2 Other liability-claims made.....	354	614	173.4	(366.6)
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.....	126,397,675	72,846,542	57.6	54.6
19.3, 19.4 Commercial auto liability.....	12,243,329	4,134,734	33.8	61.4
21. Auto physical damage.....	85,860,353	52,212,944	60.8	59.4
22. Aircraft (all perils).....			0.0	
23. Fidelity.....			0.0	
24. Surety.....			0.0	
26. Burglary and theft.....			0.0	
27. Boiler and machinery.....			0.0	
28. Credit.....			0.0	
29. International.....			0.0	
30. Warranty.....			0.0	
31. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX	XXX
33. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business.....	0	0	0.0	
35. Totals.....	233,263,669	131,732,991	56.5	55.9

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	2	3
	Current Quarter	Current Year to Date	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.....	4,489,740	6,585,737	6,279,797
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.....	2,189,307	3,815,929	3,999,373
17.2 Other liability-claims made.....			5,670
17.3 Excess workers' compensation.....			
18.1 Products liability-occurrence.....			
18.2 Products liability-claims made.....			
19.1 19.2 Private passenger auto liability.....	68,464,368	131,916,188	133,811,831
19.3 19.4 Commercial auto liability.....	7,048,672	13,587,576	11,514,799
21. Auto physical damage.....	48,582,549	91,238,461	92,487,945
22. Aircraft (all perils).....			
23. Fidelity.....			
24. Surety.....			
26. Burglary and theft.....			
27. Boiler and machinery.....			
28. Credit.....			
29. International.....			
30. Warranty.....			
31. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX
33. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business.....	0	0	0
35. Totals.....	130,774,636	247,143,891	248,099,415

DETAILS OF WRITE-INS

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

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2012 Loss and LAE Payments on Claims Reported as of Prior Year-End	2012 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2012 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2009 + Prior.....	69,111	15,019	84,130	24,546	851	25,397	44,092	2,426	10,196	56,714	(473)	(1,547)	(2,020)
2. 2010.....	80,473	18,334	98,807	27,355	1,902	29,256	52,915	6,143	11,862	70,920	(203)	1,572	1,369
3. Subtotals 2010 + Prior.....	149,584	33,353	182,937	51,900	2,753	54,653	97,007	8,568	22,058	127,633	(676)	26	(650)
4. 2011.....	176,932	55,048	231,980	80,867	11,548	92,416	99,186	18,569	28,659	146,414	3,122	3,728	6,850
5. Subtotals 2011 + Prior.....	326,515	88,402	414,917	132,768	14,301	147,069	196,193	27,138	50,717	274,047	2,446	3,754	6,199
6. 2012.....	XXX	XXX	XXX	XXX	225,478	225,478	XXX	118,269	42,183	160,452	XXX	XXX	XXX
7. Totals.....	326,515	88,402	414,917	132,768	239,779	372,547	196,193	145,407	92,900	434,499	2,446	3,754	6,199
8. Prior Year-End's Surplus As Regards Policyholders	328,475										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
											1.0.7 %	2.4.2 %	3.1.5 %
													Col. 13, Line 7 Line 8
													4.1.9 %

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PROGRESSIVE NORTHWESTERN INSURANCE COMPANY SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

Explanation:

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

Bar Code:



Statement for June 30, 2012 of the **PROGRESSIVE NORTHWESTERN INSURANCE COMPANY**
Overflow Page for Write-Ins

Additional Write-ins for Liabilities:

	1 Current Statement Date	2 December 31, Prior Year
2504. UNEARNED FEE RESERVE.....	13,216	12,185
2597. Summary of remaining write-ins for Line 25.....	13,216	12,185

**PROGRESSIVE NORTHWESTERN INSURANCE COMPANY
SCHEDULE A - VERIFICATION**

Real Estate

	1 Year to Date	2 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

NONE

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year to Date	2 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

NONE

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1 Year to Date	2 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

NONE

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	983,581,046	1,003,308,395
2. Cost of bonds and stocks acquired.....	235,532,386	711,385,249
3. Accrual of discount.....	972,686	1,648,705
4. Unrealized valuation increase (decrease).....	10,336,689	(99,584)
5. Total gain (loss) on disposals.....	3,050,356	7,737,149
6. Deduct consideration for bonds and stocks disposed of.....	188,345,747	718,479,785
7. Deduct amortization of premium.....	9,270,332	21,646,584
8. Total foreign exchange change in book/adjusted carrying value.....		
9. Deduct current year's other than temporary impairment recognized.....	99,876	272,499
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	1,035,757,208	983,581,046
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	1,035,757,208	983,581,046

SCHEDULE D - PART 1B

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

	1	2	3	4	5	6	7	8
	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a).....	715,690,567	441,310,907	441,442,885	(3,793,026)	715,690,567	711,765,563		738,955,951
2. Class 2 (a).....	166,758,981	43,695,244	24,324,242	5,070,893	166,758,981	191,200,876		114,180,275
3. Class 3 (a).....	26,776,401			(5,309,907)	26,776,401	21,466,494		26,779,168
4. Class 4 (a).....	25,975,686		18,434	(92,649)	25,975,686	25,864,603		26,064,735
5. Class 5 (a).....								
6. Class 6 (a).....								
7. Total Bonds.....	935,201,635	485,006,151	465,785,561	(4,124,689)	935,201,635	950,297,536	0	905,980,129
PREFERRED STOCK								
8. Class 1.....								5,250,000
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	5,250,000
15. Total Bonds and Preferred Stock.....	935,201,635	485,006,151	465,785,561	(4,124,689)	935,201,635	950,297,536	0	911,230,129

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(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.....	31,394,900	XXX	31,954,160	15	

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.....	30,680,858	128,237
2. Cost of short-term investments acquired.....	1,885,558	32,597,353
3. Accrual of discount.....		
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		
6. Deduct consideration received on disposals.....	836,756	1,820,232
7. Deduct amortization of premium.....	334,760	224,500
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).....	31,394,900	30,680,858
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	31,394,900	30,680,858

**Sch. DB-Pt A-Verification
NONE**

**Sch. DB-Pt B-Verification
NONE**

**Sch. DB-Pt C-Sn 1
NONE**

**Sch. DB-Pt C-Sn 2
NONE**

**Sch. DB-Verification
NONE**

SCHEDULE E- VERIFICATION

Cash Equivalents

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	12,099,987	
2. Cost of cash equivalents acquired.....	636,394,991	411,390,330
3. Accrual of discount.....	2,911	9,540
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		
6. Deduct consideration received on disposals.....	638,498,000	399,299,883
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).....	9,999,889	12,099,987
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	9,999,889	12,099,987

**Sch. A-Pt 2
NONE**

**Sch. A-Pt 3
NONE**

**Sch. B-Pt 2
NONE**

**Sch. B-Pt 3
NONE**

**Sch. BA-Pt 2
NONE**

**Sch. BA-Pt 3
NONE**

SCHEDULE D - PART 3

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

1 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 (a)
Bonds - U.S. Special Revenue and Special Assessment									
20775B XX 9	CONN ST HSG FIN AUTH HS 2.000% 11/15/17.....		...05/16/2012	Merrill Lynch.....		.....1,535,000	.....1,535,000		1FE.....
59447P NE 7	MICHIGAN ST FIN AUTH 5.000% 07/01/20.....		...06/13/2012	Merrill Lynch.....		.....12,011,300	.....10,000,000		1FE.....
3199999.	Total - Bonds - U.S. Special Revenue & Special Assessments.....					.....13,546,300	.....11,535,000	.....0	.....XXX.....
Bonds - Industrial and Miscellaneous									
00101J AA 4	ADT CORP 2.250% 07/15/17.....		...06/28/2012	Various.....		.....7,004,940	.....7,000,000		2FE.....
09247X AK 7	BLACKROCK INC/NEW YORK 1.375% 06/01/15.....		...05/22/2012	JP Morgan Securities.....		.....9,988,500	.....10,000,000		1FE.....
14149Y AU 2	CARDINAL HEALTH INC 1.900% 06/15/17.....		...05/16/2012	JP Morgan Securities.....		.....6,988,170	.....7,000,000		2FE.....
278865 AK 6	ECOLAB INC 3.000% 12/08/16.....		...05/29/2012	CSFBdirect.....		.....7,808,724	.....7,425,000	.....107,044	2FE.....
44890F AC 1	HALST 2012-A A3 0.920% 08/17/15.....		...06/13/2012	Citicorp Securities Inc.....		.....6,499,306	.....6,500,000		1FE.....
487836 BG 2	KELLOGG CO 1.125% 05/15/15.....		...05/14/2012	Barclays Capital.....		.....9,988,300	.....10,000,000		2FE.....
487836 BH 0	KELLOGG CO 1.750% 05/17/17.....		...05/14/2012	Barclays Capital.....		.....6,962,060	.....7,000,000		2FE.....
571748 AS 1	MARSH & MCLENNAN COS IN 2.300% 04/01/17.....		...04/05/2012	Wells Fargo Bank.....		.....4,943,050	.....5,000,000	.....9,264	2FE.....
929766 R6 2	WBCMT 2005-C18 AJ2 5.022% 04/15/42.....		...05/24/2012	CSFBdirect.....		.....5,104,688	.....5,000,000	.....20,228	1FM.....
502441 AA 6	LVMH MOET HENNESSY LOUI 1.625% 06/29/17.....	F.....	...06/26/2012	Citicorp Securities Inc.....		.....1,994,260	.....2,000,000		1FE.....
3899999.	Total - Bonds - Industrial & Miscellaneous.....					.....67,281,998	.....66,925,000	.....136,536	.....XXX.....
8399997.	Total - Bonds - Part 3.....					.....80,828,298	.....78,460,000	.....136,536	.....XXX.....
8399999.	Total - Bonds.....					.....80,828,298	.....78,460,000	.....136,536	.....XXX.....
Common Stocks - Industrial and Miscellaneous									
30219G 10 8	EXPRESS SCRIPTS INC.....		...04/02/2012	State Street Bank.....	.....1,582,000	.....48,594	.....XXX.....		L.....
49456B 10 1	KINDER MORGAN INC.....		...05/25/2012	State Street Bank.....	.....18,532,000	.....875,676	.....XXX.....		L.....
718546 10 4	PHILLIPS 66.....		...05/01/2012	Spin Off.....	.....12,314,000	.....225,727	.....XXX.....		L.....
9099999.	Total - Common Stocks - Industrial & Miscellaneous.....					.....1,149,997	.....XXX.....	.....0	.....XXX.....
9799997.	Total - Common Stocks - Part 3.....					.....1,149,997	.....XXX.....	.....0	.....XXX.....
9799999.	Total - Common Stocks.....					.....1,149,997	.....XXX.....	.....0	.....XXX.....
9899999.	Total - Preferred and Common Stocks.....					.....1,149,997	.....XXX.....	.....0	.....XXX.....
9999999.	Total - Bonds, Preferred and Common Stocks.....					.....81,978,295	.....XXX.....	.....136,536	.....XXX.....

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

QE04

SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 F o r e i g n	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.							
Bonds - U.S. Government																					
912828 SC 5	US TREASURY NOTE 0.875% 01/31/17.....		04/05/2012	Goldman Sachs.....		23,387,969	23,500,000	23,524,141			(811)		(811)		23,523,329		(135,360)	(135,360)	38,978	01/31/2017	1.....
0599999	Total - Bonds - U.S. Government.....					23,387,969	23,500,000	23,524,141	0	0	(811)	0	(811)	0	23,523,329	0	(135,360)	(135,360)	38,978	XXX...	XXX...
Bonds - U.S. States, Territories and Possessions																					
882721 MZ 3	TEXAS ST 0.180% 12/01/36.....		06/01/2012	Call 100.0000.....		670,000	670,000	670,000	670,000				0	670,000			0	0	515	06/01/2036	1FE.....
1799999	Total - Bonds - U.S. States, Territories & Possessions.....					670,000	670,000	670,000	670,000	0	0	0	0	670,000	0	0	0	0	515	XXX...	XXX...
Bonds - U.S. Special Revenue and Special Assessment																					
3137AH 6D 5	FHMS 2011-K015 X1 IO 1.678% 07/25/21.....		06/01/2012	Paydown.....				33,949	33,497		(33,497)		(33,497)					0	2,207	07/25/2021	1.....
31392C MS 0	FNW 2002-W1 2A 7.059% 02/25/42.....		06/01/2012	Paydown.....		17,419	17,419	18,306	18,483		(1,065)		(1,065)		17,419			0	529	02/25/2042	1.....
46246B JS 2	IOWA FIN AUTH HSG 5.000% 07/01/30.....		04/19/2012	Call 100.0000.....		20,000	20,000	20,892	20,219		(219)		(219)		20,000			0	800	07/01/2014	1FE.....
49130P JG 0	KENTUCKY HSG CORP 3.415% 07/01/13.....		04/01/2012	Call 100.0000.....		460,000	460,000	460,000	460,000				0	460,000			0	11,782	01/01/2013	1FE.....	
64468T D3 8	NEW HAMPSHIRE ST HSG 4.750% 07/01/33.....		06/01/2012	Call 100.0000.....		325,000	325,000	345,264	326,486		(1,486)		(1,486)		325,000			0	14,151	09/01/2012	1FE.....
83712D QV 1	SOUTH CAROLINA HSG 6.000% 07/01/38.....		04/01/2012	Call 100.0000.....		165,000	165,000	178,900	175,378		(10,378)		(10,378)		165,000			0	7,425	01/01/2017	1FE.....
3199999	Total - Bonds - U.S. Special Revenue & Assessment.....					987,419	987,419	1,057,311	1,034,063	0	(46,645)	0	(46,645)	0	987,419	0	0	0	36,894	XXX...	XXX...
Bonds - Industrial and Miscellaneous																					
01958X BS 5	ALLIED WASTE NORTH AMER 6.875% 06/01/17...		06/01/2012	Call 103.4380.....		10,343,800	10,000,000	11,000,000	10,495,851		(152,051)		(152,051)		10,343,800			0	343,750	06/01/2017	2FE.....
02005G AC 9	ALLYA 2009-B A3 1.980% 10/15/13.....		06/15/2012	Paydown.....		2,106,969	2,106,969	2,100,549	2,105,834		1,135		1,135		2,106,969			0	17,322	10/15/2013	1FE.....
05533E AU 8	BCAP 2010-RR8 3A1 3.000% 05/26/35.....		06/01/2012	Paydown.....		825,551	825,551	832,259	828,915		(3,363)		(3,363)		825,551			0	10,302	05/26/2035	1FM.....
05947U VC 9	BACM 2004-3 A5 5.549% 06/10/39.....		06/01/2012	Paydown.....		35,370	35,370	35,294	35,382		(11)		(11)		35,370			0	831	06/10/2039	1FM.....
05950V AG 5	BACM 2006-6 XP IO 0.447% 10/10/45.....		05/01/2012	Paydown.....				236,928	138,963		(138,963)		(138,963)					0	38,313	10/10/2045	1FE.....
07383F B5 6	BSCMS 2004-T14 X2 IO 0.378% 01/12/41.....		05/01/2012	Paydown.....				1,593,148	143,362		(143,362)		(143,362)					0	193,243	01/12/2041	1FE.....
07387B DY 6	BSCMS 2005-PW10 A2 5.270% 12/11/40.....		05/01/2012	Paydown.....		1,077,900	1,077,900	1,083,788	1,076,342		1,558		1,558		1,077,900			0	23,197	12/11/2040	1FM.....
12557Y AC 1	CITEC 2010-VT1A A3 2.410% 05/15/13.....		06/15/2012	Paydown.....		2,341,557	2,341,557	2,374,486	2,351,519		(9,962)		(9,962)		2,341,557			0	23,330	05/15/2013	1FE.....
14149Y AU 2	CARDINAL HEALTH INC 1.900% 06/15/17.....		06/20/2012	CSFBdirect.....		7,036,120	7,000,000	6,988,170			145		145		6,988,315		47,805	47,805	11,453	06/15/2017	2FE.....
17310M AM 2	CGCMT 2006-C5 XP IO 0.538% 10/15/49.....		05/01/2012	Paydown.....				443,174	174,540		(174,540)		(174,540)					0	44,358	10/15/2049	1FE.....
20046F AE 0	COMM 2001-J2A A2 6.096% 07/16/34.....		06/01/2012	Paydown.....		43,091	43,091	45,227	44,107		(1,016)		(1,016)		43,091			0	1,095	07/16/2034	1FM.....
20046F AS 9	COMM 2001-J2A X IO 0.438% 07/01/34.....		06/01/2012	Paydown.....				1,276	104		(104)		(104)					0	48	07/01/2034	3FE.....
22540V G6 3	CSFB 2002-9 1A1 7.000% 03/25/40.....		06/01/2012	Paydown.....		4,401	4,401	4,462	4,258	380	(237)		143		4,401			0	136	03/25/2040	1FM.....
22541N UJ 6	CSFB 2002-CP5 A2 4.940% 12/15/35.....		06/01/2012	Paydown.....		613,106	613,106	640,757	620,938		(7,832)		(7,832)		613,106			0	13,754	12/15/2035	1FM.....
33736X AH 2	FUNBC 2000-C1 IO 1.454% 05/01/32.....		06/01/2012	Paydown.....				39,679	32,395		(32,395)		(32,395)					0	10,346	05/01/2032	1FE.....
33736X CR 8	FUNBC 2001-C2 IO 1.566% 01/12/43.....		06/01/2012	Paydown.....				7,809					0					0	750	01/12/2043	5FE.....
36161H AC 5	GEEMT 2010-1 A3 0.940% 07/14/14.....		06/14/2012	Paydown.....		1,880,238	1,880,238	1,880,158	1,880,172		66		66		1,880,238			0	7,341	07/14/2014	1FE.....
361849 M9 0	GMACC 2005-C1 X2 IO 0.731% 05/10/43.....		06/01/2012	Paydown.....				2,324,967	175,322		(175,322)		(175,322)					0	219,014	05/10/2043	1FE.....
36228C WC 3	GSMS 2005-GG4 XP IO 0.926% 07/10/39.....		06/01/2012	Paydown.....				2,166,250	515,495		(515,495)		(515,495)					0	637,937	07/10/2039	1FE.....
3622N6 AG 4	GSR 2007-AR2 4A1 2.755% 02/25/51.....		06/01/2012	Paydown.....		28,779	28,779	28,382	28,382		397		397		28,779			0	330	02/25/2051	1FM.....
46625Y GS 6	JPMCC 2005-LDP1 X2 IO 0.186% 03/15/46.....		05/01/2012	Paydown.....									0					0	173,227	03/15/2046	1FE.....

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SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Forfeiture	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
46625Y NH 2	JPMCC 2005-LDP2 X2 IO 0.740% 07/15/42		06/01/2012	Paydown				5,200,540	594,429		(594,429)		(594,429)					0	749,800	07/15/2042	1FE
46628F AB 7	JPMCC 2006-LDP7 A2 5.857% 04/15/45		06/01/2012	Paydown		277,621	277,621	278,314	276,990		631		631		277,621			0	8,264	04/15/2045	1FM
46628K AT 7	JPMMT 2006-A3 6A1 2.875% 08/25/34		06/01/2012	Paydown		221,943	221,943	215,397	188,010	40,244	(6,311)		33,933		221,943			0	2,833	08/25/2034	1FM
46628K AV 2	JPMMT 2006-A3 7A1 2.924% 12/25/48		06/01/2012	Paydown		113,901	113,901	110,177	110,177		3,724		3,724		113,901			0	1,249	12/25/2048	1FM
487836 BG 2	KELLOGG CO 1.125% 05/15/15		06/28/2012	Various		7,031,520	7,000,000	6,991,810			317		317		6,992,127		39,393	39,393	9,906	05/15/2015	2FE
493268 AS 5	KSLT 1999-B A2 0.897% 08/25/27		05/25/2012	Paydown		1,097,230	1,097,230	1,073,546	1,084,320		12,910		12,910		1,097,230			0	5,134	08/25/2027	1FE
55312V AQ 1	MLCFC 2006-4 XP IO 0.617% 12/12/49		06/01/2012	Paydown				251,418	189,261		(189,261)		(189,261)					0	40,537	12/12/2049	1FE
55609M AB 6	MEFT 2011-A A2 1.210% 09/20/13		06/20/2012	Paydown		2,311,674	2,311,674	2,311,608	2,311,469		204		204		2,311,674			0	11,169	09/20/2013	1FE
61760V AL 7	MSC 2012-C4 A1 1.085% 03/15/45		06/01/2012	Paydown		888,434	888,434	888,427			7		7		888,434			0	1,609	03/15/2045	1FE
65535V AA 6	NAA 2001-R1A A1 7.000% 02/01/30		06/01/2012	Paydown		18,434	18,434	18,682	18,438	370	(374)		(4)		18,434			0	467	02/01/2030	4AM
68389F KP 8	OOMLT 2006-1 2A3 0.435% 01/25/36		06/25/2012	Paydown		136,928	136,928	116,326	116,148		20,780		20,780		136,928			0	257	01/25/2036	1FM
74929Q AA 3	RBSCF 2010-MB1 A1 2.367% 02/15/15		04/30/2012	Merrill Lynch		4,801,727	4,712,629	4,712,530	4,711,021		(224)		(224)		4,710,797		90,930	90,930	37,802	02/15/2015	1FM
74929Q AA 3	RBSCF 2010-MB1 A1 2.367% 02/15/15		05/01/2012	Paydown		272,661	272,661	272,655	272,568		93		93		272,661			0	11,727	02/15/2015	1FM
78444V AA 9	SLCLT 2010-B A1 4.000% 07/15/42		06/15/2012	Paydown		235,191	235,191	235,191	235,659		(468)		(468)		235,191			0	4,255	07/15/2042	1FE
92887B AC 4	VFET 2010-1A A3 1.560% 06/17/13		06/15/2012	Paydown		2,427,118	2,427,118	2,427,082	2,427,112		6		6		2,427,118			0	15,557	06/17/2013	1FE
92976B BK 7	WBCMT 2005-C22 A2 5.242% 12/15/44		05/01/2012	Paydown		1,490,515	1,490,515	1,497,958	1,487,572		2,942		2,942		1,490,515			0	32,555	12/15/2044	1FM
949802 AA 0	WFMB5 2003-I A1 2.508% 09/25/33		06/01/2012	Paydown		81,435	81,435	80,370	82,499		(1,064)		(1,064)		81,435			0	814	09/25/2033	1FM
3899999	Total - Bonds - Industrial & Miscellaneous					47,743,214	47,242,676	60,508,794	34,757,554	40,994	(2,101,869)	0	(2,060,875)	0	47,565,086	0	178,128	178,128	2,704,012	.XXX	.XXX
8399997	Total - Bonds - Part 4					72,788,602	72,400,095	85,760,246	36,461,617	40,994	(2,149,325)	0	(2,108,331)	0	72,745,834	0	42,768	42,768	2,780,399	.XXX	.XXX
8399999	Total - Bonds					72,788,602	72,400,095	85,760,246	36,461,617	40,994	(2,149,325)	0	(2,108,331)	0	72,745,834	0	42,768	42,768	2,780,399	.XXX	.XXX
Common Stocks - Industrial and Miscellaneous																					
006848 10 5	ADELPHIA CORP		05/01/2012	Class Action Litigation		73,717	.XXX						0				73,717	73,717		.XXX	L
031652 10 0	AMKOR TECHNOLOGY INC		05/30/2012	Class Action Litigation		122	.XXX						0				122	122		.XXX	L
04010L 10 3	ARES CAPITAL CORP		04/13/2012	State Street Bank	1.000	9	.XXX	3	9	(6)			(6)	3		6	6		.XXX	L	
20825C 10 4	CONOCOPHILLIPS		05/01/2012	Spin Off		225,727	.XXX	225,727	426,551	(200,823)			(200,823)	225,727			0		.XXX	L	
232806 10 9	CYPRESS SEMICONDUCTOR C		05/15/2012	Morgan Stanley	19,000,000	256,874	.XXX	32,652	320,910	(288,258)			(288,258)	32,652	224,222	224,222	3,800		.XXX	L	
28336L 10 9	EL PASO CORP		05/25/2012	State Street Bank	43,800,000	1,512,234	.XXX	875,676	1,163,766	(288,090)			(288,090)	875,676	636,559	636,559	876		.XXX	L	
30219G 10 8	EXPRESS SCRIPTS INC		04/13/2012	State Street Bank	1.000	52	.XXX	53	42	11			11	53			0		.XXX	L	
370023 10 3	GENERAL GROWTH PROPERTI		05/15/2012	Morgan Stanley	2,098,000	37,050	.XXX	1,905	30,612	(28,707)			(28,707)	1,905	35,145	35,145	420		.XXX	L	
44267D 10 7	THE HOWARD HUGHES CORP		05/15/2012	Morgan Stanley	201,000	12,307	.XXX	510	8,878	(8,368)			(8,368)	510	11,797	11,797			.XXX	L	
49456B 10 1	KINDER MORGAN INC		06/20/2012	State Street Bank	1.000	25	.XXX	37					0	37		(12)	(12)		.XXX	L	
58405U 10 2	MEDCO HEALTH SOLUTIONS		04/02/2012	State Street Bank	1,953,000	104,840	.XXX	48,594	109,173	(60,579)			(60,579)	48,594	56,246	56,246			.XXX	L	
749121 10 9	QWEST CORP		04/26/2012	Class Action Litigation		1,791	.XXX						0				1,791	1,791		.XXX	L
756577 10 2	RED HAT INC		04/01/2012	Class Action Litigation		1,916	.XXX						0				1,916	1,916		.XXX	L
9099999	Total - Common Stocks - Industrial & Miscellaneous					2,226,664	.XXX	1,185,157	2,059,941	(874,820)	0	0	(874,820)	0	1,185,157	0	1,041,509	1,041,509	5,096	.XXX	.XXX
9799997	Total - Common Stocks - Part 4					2,226,664	.XXX	1,185,157	2,059,941	(874,820)	0	0	(874,820)	0	1,185,157	0	1,041,509	1,041,509	5,096	.XXX	.XXX

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SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 F o r e i g n Disposal Date	4 Name of Purchaser	5 Number of Shares of Stock	6 Consideration	7 Par Value	8 Actual Cost	9 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 Desig- nation 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.							
9799999.	Total - Common Stocks.....				2,226,664	XXX	1,185,157	2,059,941	(874,820)	0	0	(874,820)	0	1,185,157	0	1,041,509	1,041,509	5,096	XXX	XXX
9899999.	Total - Preferred and Common Stocks.....				2,226,664	XXX	1,185,157	2,059,941	(874,820)	0	0	(874,820)	0	1,185,157	0	1,041,509	1,041,509	5,096	XXX	XXX
9999999.	Total - Bonds, Preferred and Common Stocks.....				75,015,266	XXX	86,945,403	38,521,558	(833,826)	(2,149,325)	0	(2,983,151)	0	73,930,991	0	1,084,277	1,084,277	2,785,495	XXX	XXX

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

**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**

**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

CITIBANK..... NEW YORK, NY.....									XXX..
0199999. Total Open Depositories.....	...XXX.....	...XXX.....	.....0	.....0	.....0	.....0	.....0	.....0	XXX..
0399999. Total Cash on Deposit.....	...XXX.....	...XXX.....	.....0	.....0	.....0	.....0	.....0	.....0	XXX..
0599999. Total Cash.....	...XXX.....	...XXX.....	.....0	.....0	.....0	.....0	.....0	.....0	XXX..

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
Bonds - Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations							
PRAXAIR INC.....		06/25/2012	0.080	07/06/2012	9,999,889		133
3299999. Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations.....					9,999,889	.0	133
3899999. Total - Industrial and Miscellaneous (Unaffiliated).....					9,999,889	.0	133
Total Bonds							
7799999. Subtotals - Issuer Obligations.....					9,999,889	.0	133
8399999. Subtotals - Bonds.....					9,999,889	.0	133
8699999. Total - Cash Equivalents.....					9,999,889	.0	133

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