



QUARTERLY STATEMENT

As of September 30, 2012

of the Condition and Affairs of the

PROGRESSIVE EXPRESS INSURANCE COMPANY

NAIC Group Code.....155, 155 (Current Period) (Prior Period)	NAIC Company Code..... 10193	Employer's ID Number..... 59-3213719
Organized under the Laws of OH	State of Domicile or Port of Entry OH	Country of Domicile US
Incorporated/Organized..... August 12, 1994	Commenced Business..... March 17, 1997	
Statutory Home Office	6300 WILSON MILLS ROAD, W33..... CLEVELAND OH 44143-2182 (Street and Number) (City or Town, State and Zip Code)	
Main Administrative Office	6300 WILSON MILLS ROAD, W33..... CLEVELAND OH 44143-2182 (Street and Number) (City or Town, State and Zip Code)	440-461-5000 (Area Code) (Telephone Number)
Mail Address	P.O. BOX 89490..... CLEVELAND OH 44101-6490 (Street and Number or P. O. Box) (City or Town, State and Zip Code)	
Primary Location of Books and Records	6300 WILSON MILLS ROAD, W33..... CLEVELAND OH 44143-2182 (Street and Number) (City or Town, State and Zip Code)	440-395-4460 (Area Code) (Telephone Number)
Internet Web Site Address	PROGRESSIVE.COM	
Statutory Statement Contact	MARY BETH ANDREANO (Name) FINANCIAL_REPORTING@PROGRESSIVE.COM (E-Mail Address)	440-395-4460 (Area Code) (Telephone Number) (Extension) 440-446-7168 (Fax Number)

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

OFFICERS

Name WILLIAM RAYMOND KAMPF MICHAEL WILLIAM BISSLER	Title PRESIDENT TREASURER	Name PATRICIA MITCHELL CORWIN	Title SECRETARY
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OTHER

JEANETTE LOUISE HISEK SANDRA LEE RIHALSKY	(VICE PRESIDENT) (VICE PRESIDENT)	MICHAEL JOHN MILLER MARGARET ANN ROSE	(VICE PRESIDENT) (ASST. SECRETARY)
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DIRECTORS OR TRUSTEES

PATRICIA ONODY BEMER MICHAEL JOHN MILLER	MICHAEL WILLIAM BISSLER	JEANETTE LOUISE HISEK	WILLIAM RAYMOND KAMPF
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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) WILLIAM RAYMOND KAMPF 1. (Printed Name) PRESIDENT (Title)	(Signature) MARGARET ANN ROSE 2. (Printed Name) ASSISTANT SECRETARY (Title)	(Signature) MICHAEL WILLIAM BISSLER 3. (Printed Name) TREASURER (Title)
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Subscribed and sworn to before me
This 8TH day of NOVEMBER, 2012

- a. Is this an original filing?
- b. If no:
 - 1. State the amendment number
 - 2. Date filed
 - 3. Number of pages attached

Yes [X] No []

PROGRESSIVE EXPRESS INSURANCE COMPANY
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.....	24,162,041		24,162,041	22,415,060
2. Stocks:				
2.1 Preferred stocks.....			0	
2.2 Common stocks.....			0	
3. Mortgage loans on real estate:				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$.....0), cash equivalents (\$.....0) and short-term investments (\$.....0).....			0	499,999
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives.....			0	
8. Other invested assets.....			0	
9. Receivables for securities.....	10,188		10,188	
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).....	24,172,229	0	24,172,229	22,915,059
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	151,261		151,261	107,252
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	12,654,526	1,014,364	11,640,162	10,067,137
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	83,696,249		83,696,249	70,581,676
15.3 Accrued retrospective premiums.....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	51,480,402		51,480,402	50,943,286
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.....	2,891,334	.619,147	2,272,187	1,857,756
19. Guaranty funds receivable or on deposit.....			0	
20. Electronic data processing equipment and software.....			0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....			0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....			0	
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other than invested assets.....	1,971,593	4,742	1,966,851	1,699,657
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	177,017,594	1,638,253	175,379,341	158,171,823
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. Total (Lines 26 and 27).....	177,017,594	1,638,253	175,379,341	158,171,823

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. FLORIDA HURRICANE CATASTROPHE FUND ASSETS.....	1,966,851		1,966,851	1,699,657
2502. MISCELLANEOUS OTHER ASSETS.....	4,742	4,742	0	
2503.....			0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	1,971,593	4,742	1,966,851	1,699,657

PROGRESSIVE EXPRESS INSURANCE COMPANY
LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$....7,768,772).....	17,765,176	17,452,078
2. Reinsurance payable on paid losses and loss adjustment expenses.....		
3. Loss adjustment expenses.....	3,944,981	3,665,619
4. Commissions payable, contingent commissions and other similar charges.....	225,525	483,871
5. Other expenses (excluding taxes, licenses and fees).....	409,844	38,012
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	1,650,527	275,075
7.1 Current federal and foreign income taxes (including \$....35,933 on realized capital gains (losses)).....	283,666	635,891
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 \$....142,770,445 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).....	15,860,305	13,735,685
10. Advance premium.....	3,284,419	2,962,486
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	63,607,479	54,981,351
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.....	16,711,881	16,213,692
19. Payable to parent, subsidiaries and affiliates.....	4,395,388	2,155,853
20. Derivatives.....		
21. Payable for securities.....		
22. Payable for securities lending.....		
23. Liability for amounts held under uninsured plans.....		
24. Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	5,042,365	5,094,933
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	133,181,556	117,694,546
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	133,181,556	117,694,546
29. Aggregate write-ins for special surplus funds.....	0	0
30. Common capital stock.....	1,000,000	1,000,000
31. Preferred capital stock.....		
32. Aggregate write-ins for other than special surplus funds.....	0	0
33. Surplus notes.....		
34. Gross paid in and contributed surplus.....	38,226,084	38,226,084
35. Unassigned funds (surplus).....	2,971,701	1,251,193
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).....	42,197,785	40,477,277
38. Totals.....	175,379,341	158,171,823

DETAILS OF WRITE-INS

2501. FLORIDA HURRICANE CATASTROPHE FUND LIABILITIES.....	3,041,464	2,641,986
2502. STATE PLAN LIABILITY.....	1,964,795	1,877,713
2503. ESCHEATABLE PROPERTY.....	36,071	534,549
2598. Summary of remaining write-ins for Line 25 from overflow page.....	35	40,685
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	5,042,365	5,094,933
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 EXPRESS 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 \$....263,600,278).....	242,340,508	235,821,734	312,825,264
1.2 Assumed..... (written \$.....0).....	218,107,915	212,239,566	281,542,792
1.3 Ceded..... (written \$....237,243,065).....	24,232,593	23,582,168	31,282,472
1.4 Net..... (written \$....26,357,213).....			
DEDUCTIONS:			
2. Losses incurred (current accident year \$....14,758,698):			
2.1 Direct.....	140,921,231	115,010,213	158,120,443
2.2 Assumed.....	126,830,129	103,509,186	142,308,423
2.3 Ceded.....	14,091,102	11,501,027	15,812,020
2.4 Net.....	2,985,999	2,361,675	3,137,830
3. Loss adjustment expenses incurred.....	5,040,429	4,553,549	6,030,095
4. Other underwriting expenses incurred.....	0	0	0
5. Aggregate write-ins for underwriting deductions.....			
6. Total underwriting deductions (Lines 2 through 5).....	22,117,530	18,416,251	24,979,945
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	2,115,063	5,165,917	6,302,527
INVESTMENT INCOME			
9. Net investment income earned.....	320,148	509,907	666,252
10. Net realized capital gains (losses) less capital gains tax of \$....(14,060).....	1,630	(367,668)	48,284
11. Net investment gain (loss) (Lines 9 + 10).....	321,778	142,239	714,536
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$....1,276,642 amount charged off \$....1,412,386).....	(135,744)	(142,776)	(184,626)
13. Finance and service charges not included in premiums.....	2,110,178	2,158,859	2,845,983
14. Aggregate write-ins for miscellaneous income.....	(1,895,711)	(1,984,822)	(2,567,656)
15. Total other income (Lines 12 through 14).....	78,723	31,261	93,701
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	2,515,564	5,339,417	7,110,764
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).....	2,515,564	5,339,417	7,110,764
19. Federal and foreign income taxes incurred.....	1,136,254	1,872,424	2,273,135
20. Net income (Line 18 minus Line 19) (to Line 22).....	1,379,310	3,466,993	4,837,629
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	40,477,277	45,265,635	45,265,635
22. Net income (from Line 20).....	1,379,310	3,466,993	4,837,629
23. Net transfers (to) from Protected Cell accounts.....			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$....0.....			
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....	285,245	140,884	105,669
27. Change in nonadmitted assets.....	(161,770)	(24,272)	(31,656)
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.....	217,723		
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.....			(4,000,000)
33.2 Transferred to capital (Stock Dividend).....			
33.3 Transferred from capital.....			
34. Net remittances from or (to) Home Office.....			
35. Dividends to stockholders.....			(5,700,000)
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).....	1,720,508	3,583,605	(4,788,358)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	42,197,785	48,849,240	40,477,277

DETAILS OF WRITE-INS

0501.....			
0502.....			
0503.....			
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	0	0	0
1401. INTEREST INCOME ON INTERCOMPANY BALANCES.....	13,095	8,218	8,928
1402. INTEREST INCOME (EXPENSE) ON PREMIUM REFUNDS.....	1,174	(772)	(790)
1403. MISCELLANEOUS OTHER EXPENSE.....	(10,820)	(49,295)	(14,409)
1498. Summary of remaining write-ins for Line 14 from overflow page.....	(1,899,160)	(1,942,973)	(2,561,385)
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	(1,895,711)	(1,984,822)	(2,567,656)
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

PROGRESSIVE EXPRESS INSURANCE COMPANY
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.....	20,465,475	25,943,614	34,089,902
2. Net investment income.....	391,750	559,609	787,863
3. Miscellaneous income.....	87,020	23,488	86,236
4. Total (Lines 1 through 3).....	20,944,245	26,526,711	34,964,001
5. Benefit and loss related payments.....	14,315,120	7,360,147	12,392,949
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	6,258,128	7,041,302	9,715,468
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$....185,187 tax on capital gains (losses).....	1,474,419	1,744,771	2,847,400
10. Total (Lines 5 through 9).....	22,047,667	16,146,220	24,955,817
11. Net cash from operations (Line 4 minus Line 10).....	(1,103,422)	10,380,491	10,008,184
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	17,074,393	4,217,753	14,919,476
12.2 Stocks.....			
12.3 Mortgage loans.....			
12.4 Real estate.....			
12.5 Other invested assets.....			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....			
12.7 Miscellaneous proceeds.....			
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	17,074,393	4,217,753	14,919,476
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	18,949,414	16,294,306	16,294,306
13.2 Stocks.....			
13.3 Mortgage loans.....			
13.4 Real estate.....			
13.5 Other invested assets.....			
13.6 Miscellaneous applications.....	10,188		
13.7 Total investments acquired (Lines 13.1 to 13.6).....	18,959,602	16,294,306	16,294,306
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).....	(1,885,209)	(12,076,553)	(1,374,830)
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.....			(4,000,000)
16.3 Borrowed funds.....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....			
16.5 Dividends to stockholders.....			5,700,000
16.6 Other cash provided (applied).....	2,488,632	1,696,062	1,566,645
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	2,488,632	1,696,062	(8,133,355)
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).....	(499,999)	0	499,999
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	499,999	0	0
19.2 End of period (Line 18 plus Line 19.1).....	0	0	499,999

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 Express 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 September 30, 2012, the Company had \$125 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 September 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
\$ 102,125	\$ 125	\$ -	\$ 125	\$ -	\$ 102,125

6. Joint Ventures, Partnerships and Limited Liability Companies

No significant change

7. Investment Income

No significant change

8. Derivative Instruments

No significant change

9. Income Taxes**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	September 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	\$ 2,321,664	\$ 845,939	\$ 3,167,603	\$ 2,125,230	\$ 875,393	\$ 3,000,623	\$ 196,434	\$ (29,454)	\$ 166,980
(b) Statutory valuation allowance adjustment	-	-	-	-	-	-	-	-	-
(c) Adjusted gross deferred tax assets (1a-1b)	\$ 2,321,664	\$ 845,939	\$ 3,167,603	\$ 2,125,230	\$ 875,393	\$ 3,000,623	\$ 196,434	\$ (29,454)	\$ 166,980
(d) Deferred tax assets nonadmitted	42,251	576,896	619,147	257,207	491,126	748,333	(214,956)	85,770	(129,186)
(e) Subtotal (net deferred tax assets) (1c-1d)	\$ 2,279,413	\$ 269,043	\$ 2,548,456	\$ 1,868,023	\$ 384,267	\$ 2,252,290	\$ 411,390	\$ (115,224)	\$ 296,166
(f) Deferred tax liabilities	7,226	269,043	276,269	10,267	384,267	394,534	(3,041)	(115,224)	(118,265)
(g) Net admitted deferred tax assets (1e-1f)	\$ 2,272,187	\$ -	\$ 2,272,187	\$ 1,857,756	\$ -	\$ 1,857,756	\$ 414,431	\$ -	\$ 414,431

NOTES TO FINANCIAL STATEMENTS

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

Description	(1) September 30, 2012	(2) December 31, 2011	(3) (Col 1-2) Change
(a) Federal income tax expense (benefit)	\$ 1,107,115	\$ 2,266,659	\$ (1,159,544)
(b) Foreign income tax expense (benefit)	-	-	-
(c) Prior year underaccrual (overaccrual)	29,139	6,476	22,663
(d) Subtotal	\$ 1,136,254	\$ 2,273,135	\$ (1,136,881)
(e) Federal income tax (benefit) on net realized capital gains (losses)	(13,986)	256,916	(270,902)
(f) Utilization of capital loss carry-forwards	-	-	-
(g) Prior year underaccrual (overaccrual)	(74)	399,396	(399,470)
(h) Subtotal	\$ (14,060)	\$ 656,312	\$ (670,372)
(i) Federal and Foreign income taxes incurred	\$ 1,122,194	\$ 2,929,447	\$ (1,807,252)

- 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	\$ 875,526	35%
Exempt interest income	(29,860)	-1%
Impact of nonadmitted assets	(25,631)	-1%
Other	16,914	0%
Total	\$ 836,949	33%
Federal and foreign income taxes incurred		
Change in net deferred income tax		
Total statutory income taxes		

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	\$ 350,000

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 potential exposure relating to lawsuits due to its participation in a management agreement for which it is allocated litigation expenses.

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

As of September 30, 2012, there were two putative class action lawsuits challenging the Company's practice in Florida of adjusting personal injury protection and first-party medical payments.

15. Leases

No significant change

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

No significant change

NOTES TO FINANCIAL STATEMENTS

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.
- As of September 30, 2012, the Company did not measure and report any securities at fair value on the balance sheet. All bonds were carried at amortized cost.
2. Rollforward of Level 3 Items
- Not applicable
3. Policy on Transfers Into and Out of Level 3
- Not applicable
4. Inputs and Techniques Used for Level 2 and Level 3 Fair Values
- Not applicable
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
- H. Agents' Balances Certification, Florida Statute 625.012 (5):
- At September 30, 2012, the Company reported net admitted premiums and agents' balances in course of collection of \$11,640,162. Of this amount there were no premiums due from a controlled or controlling person as defined in Florida statute 625.012 (5).
22. Events Subsequent
- The Company was not impacted by any subsequent events. Subsequent events have been considered through November 9, 2012 for the statutory statement that was available for issuance by November 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 decreased by \$309,000 in 2012, which is 1.5% of the total prior year net unpaid losses and LAE of \$21,117,697. The decrease is primarily due to commercial auto business loss reserves developing favorably as a result of originally anticipated severity decreasing 3.1% for accident year 2011, partially offset by an increase in originally anticipated severity of .6% for private passenger auto liability. The Company's defense and cost containment reserves experienced unfavorable development in 2012.

Statement for September 30, 2012 of the **PROGRESSIVE EXPRESS INSURANCE COMPANY**
NOTES TO FINANCIAL STATEMENTS

- 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

PROGRESSIVE EXPRESS INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [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). 6/29/2009.....
- 6.4 By what department or departments?
FLORIDA

- 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]

PROGRESSIVE EXPRESS INSURANCE COMPANY
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 [X]

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

PART 1 - INVESTMENT

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

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

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

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

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

14.2 If yes, please complete the following:

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

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [] No [X]

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

16. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No []

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

1 Name of Custodian(s)	2 Custodian Address
CITIBANK, N.A.	338 GREENWICH STREET NEW YORK, NY 10013

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

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
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 [X]

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

1 Old Custodian	2 New Custodian	3 Date of Change	4 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 Central Registration Depository	2 Name(s)	3 Address
NONE		

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

17.2 If no, list exceptions:

PROGRESSIVE EXPRESS 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 [] N/A [X]
 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
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

PROGRESSIVE EXPRESS INSURANCE COMPANY
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 EXPRESS 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	N.....					
3. Arizona.....	.AZ	N.....					
4. Arkansas.....	.AR	N.....					
5. California.....	.CA	L.....	11,490,783	11,135,018	4,606,866	3,680,463	5,864,047
6. Colorado.....	.CO	N.....					
7. Connecticut.....	.CT	N.....					
8. Delaware.....	.DE	N.....					
9. District of Columbia.....	.DC	N.....					
10. Florida.....	.FL	L.....	252,109,498	225,099,020	132,074,393	138,398,629	170,574,505
11. Georgia.....	.GA	L.....	(3)	(1,184)	1,098,813	200,894	1,223,490
12. Hawaii.....	.HI	N.....					
13. Idaho.....	.ID	N.....					
14. Illinois.....	.IL	N.....					
15. Indiana.....	.IN	N.....					
16. Iowa.....	.IA	N.....					
17. Kansas.....	.KS	N.....					
18. Kentucky.....	.KY	N.....					
19. Louisiana.....	.LA	N.....					
20. Maine.....	.ME	N.....					
21. Maryland.....	.MD	N.....					
22. Massachusetts.....	.MA	N.....					
23. Michigan.....	.MI	N.....					
24. Minnesota.....	.MN	N.....					
25. Mississippi.....	.MS	N.....					
26. Missouri.....	.MO	N.....					
27. Montana.....	.MT	N.....					
28. Nebraska.....	.NE	N.....					
29. Nevada.....	.NV	N.....					
30. New Hampshire.....	.NH	N.....					
31. New Jersey.....	.NJ	N.....					
32. New Mexico.....	.NM	N.....					
33. New York.....	.NY	N.....					
34. North Carolina.....	.NC	N.....					
35. North Dakota.....	.ND	N.....					
36. Ohio.....	.OH	L.....					
37. Oklahoma.....	.OK	N.....					
38. Oregon.....	.OR	N.....					
39. Pennsylvania.....	.PA	N.....					
40. Rhode Island.....	.RI	N.....					
41. South Carolina.....	.SC	N.....					
42. South Dakota.....	.SD	N.....					
43. Tennessee.....	.TN	N.....					
44. Texas.....	.TX	N.....					
45. Utah.....	.UT	N.....					
46. Vermont.....	.VT	N.....					
47. Virginia.....	.VA	N.....					
48. Washington.....	.WA	N.....					
49. West Virginia.....	.WV	N.....					
50. Wisconsin.....	.WI	N.....					
51. Wyoming.....	.WY	N.....					
52. American Samoa.....	.AS	N.....					
53. Guam.....	.GU	N.....					
54. Puerto Rico.....	.PR	N.....					
55. US Virgin Islands.....	.VI	N.....					
56. Northern Mariana Islands.....	.MP	N.....					
57. Canada.....	.CN	N.....					
58. Aggregate Other Alien.....	OT	XXX.....	0	0	0	0	0
59. Totals.....		(a).....4	263,600,278	236,232,854	137,780,072	142,279,986	177,662,042
							179,148,122

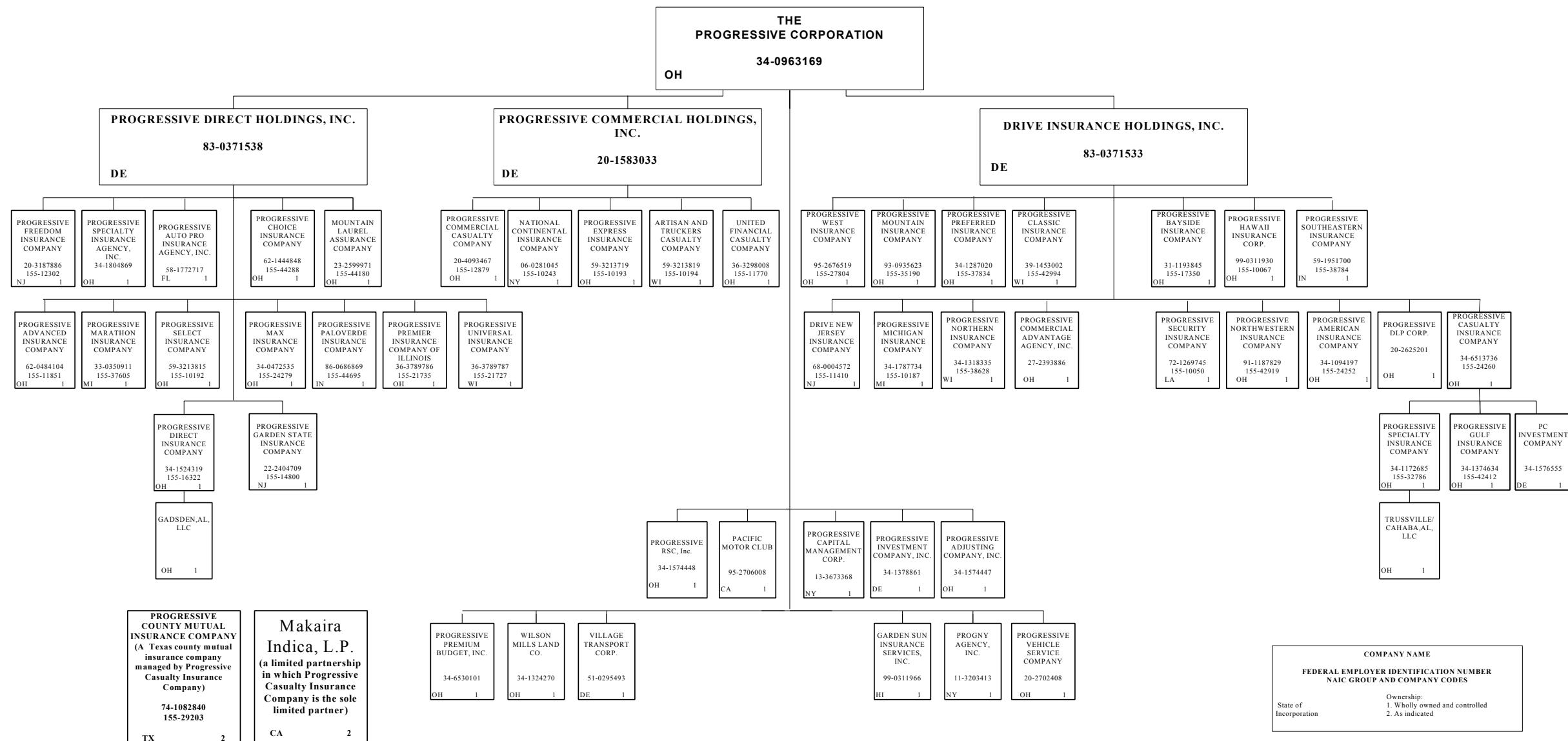
DETAILS OF WRITE-INS

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**

AS OF 09/30/12

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.....	NIA.....	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.....	IA.....	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.....	UDP.....	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.....	.....	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.....

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.....	
0155...	The Progressive Insurance Group...	00000.....					Makaira Indica, LP.....	CA.....	NIA.....	Progressive Casualty Insurance Company.....	Other.....			The Progressive Corporation.	1, 3, 4...

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.
4	Makaira Indica, LP is a limited partnership in which Progressive Casualty Insurance Company is the sole limited partner.

PROGRESSIVE EXPRESS 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.....	17,244,000	6,477,918	37.6	29.8
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.....	4,690,768	605,835	12.9	5.8
17.2 Other liability-claims made.....				0.0
17.3 Excess workers' compensation.....				0.0
18.1 Products liability-occurrence.....				0.0
18.2 Products liability-claims made.....				0.0
19.1, 19.2 Private passenger auto liability.....	35,735,735	22,466,540	62.9	51.5
19.3, 19.4 Commercial auto liability.....	135,046,250	84,045,659	62.2	51.0
21. Auto physical damage.....	49,623,756	27,325,279	55.1	53.2
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	0.0
35. Totals.....	242,340,509	140,921,231	58.2	48.8

DETAILS OF WRITE-INS

3401.			0.0	
3402.			0.0	
3403.			0.0	
3498. Sum. of remaining write-ins for Line 34 from overflow page.....	0	0	0.0	XXX
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34).....	0	0	0.0	

PART 2 - DIRECT PREMIUMS WRITTEN

Lines of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire.....			
2. Allied lines.....			
3. Farmowners multiple peril.....			
4. Homeowners multiple peril.....			
5. Commercial multiple peril.....			
6. Mortgage guaranty.....			
8. Ocean marine.....			
9. Inland marine.....	5,345,790	17,544,749	19,067,830
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.....	1,397,550	4,679,296	5,254,452
17.2 Other liability-claims made.....			
17.3 Excess workers' compensation.....			
18.1 Products liability-occurrence.....			
18.2 Products liability-claims made.....			
19.1, 19.2 Private passenger auto liability.....	11,128,793	34,580,815	41,055,721
19.3, 19.4 Commercial auto liability.....	51,403,236	154,348,864	120,838,845
21. Auto physical damage.....	16,948,641	52,446,554	50,016,005
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.....	86,224,010	263,600,278	236,232,853

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

Years in Which Losses Occurred	1 Prior Year-End Known Case Loss and LAE Reserves	2 Prior Year-End IBNR Loss and LAE Reserves	3 Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	4 2012 Loss and LAE Payments on Claims Reported as of Prior Year-End	5 2012 Loss and LAE Payments on Claims Unreported as of Prior Year-End	6 Total 2012 Loss and LAE Payments (Cols. 4 + 5)	7 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	8 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	9 Q.S. Date IBNR Loss and LAE Reserves	10 Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	11 Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1)	12 Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	13 Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2009 + Prior.....	5,021	1,184	6,206	1,786	253	2,038	2,935	514	.647	4,097	(300)	.230	(71)
2. 2010.....	4,085	.985	5,070	1,947	287	2,233	2,049	415	.614	3,078	(89)	.331	.241
3. Subtotals 2010 + Prior.....	9,107	2,169	11,276	3,733	539	4,272	4,984	929	1,261	7,175	(390)	.560	.171
4. 2011.....	7,157	2,685	9,842	3,344	.713	4,057	3,290	806	1,209	5,305	(523)	.44	(480)
5. Subtotals 2011 + Prior.....	16,264	4,854	21,117	7,077	1,252	8,329	8,274	1,735	2,470	12,479	(913)	.604	(309)
6. 2012.....	XXX.....	XXX.....	XXX.....	XXX.....	8,156	8,156	XXX.....	6,496	2,735	9,230	XXX.....	XXX.....	XXX.....
7. Totals.....	16,264	4,854	21,117	7,077	9,408	16,485	8,274	8,231	5,205	21,710	(913)	.604	(309)
8. Prior Year-End's Surplus As Regards Policyholders											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. .....(5.6)%	2. .....12.4 %	3. .....(1.5)%
												Col. 13, Line 7 Line 8	
													4. .....(0.8)%

**PROGRESSIVE EXPRESS 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:

PROGRESSIVE EXPRESS INSURANCE COMPANY
Overflow Page for Write-Ins

Additional Write-ins for Liabilities:

	1 Current Statement Date	2 December 31, Prior Year
2504. PREMIUM REFUND LIABILITY.....	35	40,685
2597. Summary of remaining write-ins for Line 25.....	35	40,685

Additional Write-ins for Statement of Income:

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1404. FINANCE & SERVICE CHARGE REVENUE CEDED.....	(1,899,160)	(1,942,973)	(2,561,385)
1497. Summary of remaining write-ins for Line 14.....	(1,899,160)	(1,942,973)	(2,561,385)

PROGRESSIVE EXPRESS 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.....	22,415,060	20,451,986
2. Cost of bonds and stocks acquired.....	18,949,414	16,294,306
3. Accrual of discount.....	10,627	38,839
4. Unrealized valuation increase (decrease).....	(12,430)	704,595
5. Total gain (loss) on disposals.....	17,074,392	14,919,476
6. Deduct consideration for bonds and stocks disposed of.....	126,238	155,190
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).....	24,162,041	22,415,060
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	24,162,041	22,415,060

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity

During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a).....	27,260,031		3,063,362	(34,628)	19,941,113	27,260,031	24,162,041	22,915,059
2. Class 2 (a).....								
3. Class 3 (a).....								
4. Class 4 (a).....								
5. Class 5 (a).....								
6. Class 6 (a).....								
7. Total Bonds.....	27,260,031	0	3,063,362	(34,628)	19,941,113	27,260,031	24,162,041	22,915,059
PREFERRED STOCK								
8. Class 1.....								
9. Class 2.....								
10. Class 3.....								
11. Class 4.....								
12. Class 5.....								
13. Class 6.....								
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock.....	27,260,031	0	3,063,362	(34,628)	19,941,113	27,260,031	24,162,041	22,915,059

(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.

Sch. DA-Pt 1
NONE

Sch. DA-Verification
NONE

Sch. DB-Pt A-Verification
NONE

Sch. DB-Pt B-Verification
NONE

Sch. DB-Pt C-Sn 1
NONE

Sch. DB-Pt C-Sn 2
NONE

Sch. DB-Verification
NONE

PROGRESSIVE EXPRESS INSURANCE COMPANY
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.....	499,999	
2. Cost of cash equivalents acquired.....	299,930	1,499,989
3. Accrual of discount.....	.71	10
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		
6. Deduct consideration received on disposals.....	800,000	1,000,000
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).....	0	499,999
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	0	499,999

Sch. A-Pt 2
NONE

Sch. A-Pt 3
NONE

Sch. B-Pt 2
NONE

Sch. B-Pt 3
NONE

Sch. BA-Pt 2
NONE

Sch. BA-Pt 3
NONE

Sch. D-Pt 3
NONE

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 Desig- nation or Market Indicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Other Than Temporary Impairment	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 PE 4	US TREASURY NOTE 1.250% 10/31/15.....	09/26/2012	Barclays Capital.....		2,202,647	2,145,000	2,198,457			(9,512)		(9,512)		2,188,945		13,702	13,702	24,335	10/31/2015	1.....
0599999.	Total - Bonds - U.S. Government.....				2,202,647	2,145,000	2,198,457	0	0	(9,512)	0	(9,512)	0	2,188,945	0	13,702	13,702	24,335	XXX..	XXX..

Bonds - U.S. Special Revenue and Special Assessment

67886M CL 1	OKLAHOMA HSG FIN SF 5.800% 09/01/37.....	09/01/2012	Call 100.0000.....		120,000	120,000	129,300	127,379		(7,379)		(7,379)		120,000				0	6,960	09/01/2018	1FE....
708796 EW 3	PENNSYLVANIA HSG FIN 5.500% 10/01/32.....	07/10/2012	Call 100.0000.....		370,000	370,000	389,888	384,364		(14,364)		(14,364)		370,000				0	15,771	10/01/2015	1FE....
3199999.	Total - Bonds - U.S. Special Revenue & Assessment.....				490,000	490,000	519,188	511,743	0	(21,743)		0	(21,743)	0	490,000	0	0	0	22,731	XXX..	XXX..

Bonds - Industrial and Miscellaneous

65536H BC 1	NHELI 2005-HE1 M1 0.657% 09/25/35.....	09/25/2012	Paydown.....		84,417	84,417	76,397	83,006		1,411		1,411		84,417				0	.409	09/25/2035	1FM.....
3899999.	Total - Bonds - Industrial & Miscellaneous.....				84,417	84,417	76,397	83,006	0	1,411	0	1,411	0	84,417	0	0	0	0	.409	XXX..	XXX..
8399997.	Total - Bonds - Part 4.....				2,777,064	2,719,417	2,794,042	.594,749	0	(29,844)	0	(29,844)	0	2,763,362	0	13,702	13,702	47,475	XXX..	XXX..	
8399999.	Total - Bonds.....				2,777,064	2,719,417	2,794,042	.594,749	0	(29,844)	0	(29,844)	0	2,763,362	0	13,702	13,702	47,475	XXX..	XXX..	
9999999.	Total - Bonds, Preferred and Common Stocks.....				2,777,064	XXX..	2,794,042	.594,749	0	(29,844)	0	(29,844)	0	2,763,362	0	13,702	13,702	47,475	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

PROGRESSIVE EXPRESS INSURANCE COMPANY
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	XXX..
0399999_ Total Cash on Deposit.....	....XXX.....	....XXX.....	.....0	.....0	.....0	.....0	.....0	XXX..
0599999_ Total Cash.....	....XXX.....	....XXX.....	.....0	.....0	.....0	.....0	.....0	XXX..

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 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
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NONE