

QUARTERLY STATEMENT

OF THE

DEALERS ASSURANCE COMPANY

of **UPPER ARLINGTON**

in the state of **OHIO**

TO THE

Insurance Department

OF THE

STATE OF

FOR THE QUARTER ENDED

September 30, 2012

PROPERTY AND CASUALTY

2012



16705201220100103

QUARTERLY STATEMENT

**AS OF SEPTEMBER 30, 2012
OF THE CONDITION AND AFFAIRS OF THE**

Dealers Assurance Company

NAIC Group Code	0000 (Current Period)	0000 (Prior Period)	NAIC Company Code	16705	Employer's ID Number	34-6513705
Organized under the Laws of Country of Domicile	Ohio US		State of Domicile or Port of Entry Ohio			
Incorporated/Organized Statutory Home Office	August 2, 1935 3518 Riverside Drive (Street and Number)			Commenced Business August 2, 1935 Upper Arlington, OH 43221 (City or Town, State and Zip Code)		
Main Administrative Office	3518 Riverside Drive (Street and Number)			Upper Arlington, OH 43221 (City or Town, State and Zip Code)		
				800-282-8913 (Area Code) (Telephone Number)		
Mail Address	3518 Riverside Drive (Street and Number or P.O. Box)			Upper Arlington, OH 43221 (City or Town, State and Zip Code)		
Primary Location of Books and Records	3518 Riverside Drive (Street and Number)			Upper Arlington, OH 43221 (City or Town, State and Zip Code)		
Internet Website Address	www.dealersassurance.com					
Statutory Statement Contact	Daniel George (Name)			800-282-8913-208 (Area Code) (Telephone Number) (Extension)		
	dgeorge@dealersassurance.com (E-Mail Address)			614-459-2665 (Fax Number)		

OFFICERS

	Name	Title
1.	Kirk Alan Borchardt	CEO/President
2.	Daniel Eric George	CFO/Secretary
3.	Sharon Mae Spohn	Treasurer

VICE-PRESIDENTS

State of Ohio

County of Franklin ss

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

(Signature)
Kirk Alan Borchardt
(Printed Name)
1.
CEO/President
(Title)

(Signature)
Daniel Eric George
(Printed Name)
2.
CFO/Secretary
(Title)

Is this an original filing? Yes No

o: 1. State the amendment number
2. Date filed
3. Number of pages attached

Subscribed and sworn to before me this
12th day of November , 2012

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	57,325,704		57,325,704	57,592,110
2. Stocks:				
2.1 Preferred stocks	3,991,838		3,991,838	3,430,747
2.2 Common stocks				
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$ 0 encumbrances)				
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ 6,023,652), cash equivalents (\$ 0), and short-term investments (\$ 5,638,628)	11,662,280		11,662,280	10,591,583
6. Contract loans (including \$ 0 premium notes)				
7. Derivatives				
8. Other invested assets				
9. Receivables for securities				
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	72,979,822		72,979,822	71,614,440
13. Title plants less \$ 0 charged off (for Title insurers only)	427,095		427,095	540,953
14. Investment income due and accrued				
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	1,385,494		1,385,494	2,941,331
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums)				
15.3 Accrued retrospective premiums				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers				
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				177,553
18.2 Net deferred tax asset	433,375		433,375	607,353
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets (\$ 0)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	1,140,147	1,140,147		
24. Health care (\$ 0) and other amounts receivable				
25. Aggregate write-ins for other than invested assets	483,827	7,524	476,303	538,859
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	76,849,760	1,147,671	75,702,089	76,420,489
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	76,849,760	1,147,671	75,702,089	76,420,489

DETAILS OF WRITE-IN LINES				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501. Accounts Receivable	476,303		476,303	532,449
2502. Prepaid Expenses	7,524	7,524		
2503. Dividend Receivable				6,410
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	483,827	7,524	476,303	538,859

NONE

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 0)	32,641	429,981
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses	2,079	1,691
4. Commissions payable, contingent commissions and other similar charges	356,596	457,398
5. Other expenses (excluding taxes, licenses and fees)	466,574	507,642
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	354,934	669,391
7.1. Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))	749,948	
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 \$ 158,266,110 and including warranty reserves of \$ 168,895,097 and accrued accident and health experience rating refunds including \$ 0 for medical loss ratio rebate per the Public Health Service Act)	14,211,665	13,674,209
10. Advance premium		
11. Dividends declared and unpaid:		
11.1. Stockholders		
11.2. Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	2,870,251	1,205,678
13. Funds held by company under reinsurance treaties	3,877,808	4,433,303
14. Amounts withheld or retained by company for account of others	5,029,014	6,867,634
15. Remittances and items not allocated		
16. Provision for reinsurance		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates		
20. Derivatives		
21. Payable for securities	3,142	4,017,882
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		
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	27,954,652	32,264,809
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	27,954,652	32,264,809
29. Aggregate write-ins for special surplus funds		
30. Common capital stock	4,200,990	4,200,990
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds		
33. Surplus notes	3,000,000	3,000,000
34. Gross paid in and contributed surplus	9,232,810	9,232,810
35. Unassigned funds (surplus)	31,313,637	27,721,880
36. Less treasury stock, at cost:		
36.1. 0 shares common (value included in Line 30 \$ 0)		
36.2. 0 shares preferred (value included in Line 31 \$ 0)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	47,747,437	44,155,680
38. Totals (Page 2, Line 28, Col. 3)	75,702,089	76,420,489

DETAILS OF WRITE-IN LINES			
2501.			
2502.			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page			
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)			
2901.			
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page			
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)			
3201.			
3202.			
3203.			
3298. Summary of remaining write-ins for Line 32 from overflow page			
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)			

STATEMENT OF INCOME

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 99,662,191)	70,310,256	55,920,083	9,179,007
1.2 Assumed (written \$ 6,864,719)	1,905,194	422	
1.3 Ceded (written \$ 97,945,868)	64,173,525	49,468,078	
1.4 Net (written \$ 8,581,042)	8,041,925	6,452,427	9,179,007
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 0):			
2.1 Direct	44,416,367	36,905,780	860,740
2.2 Assumed	572,885	(29,545)	
2.3 Ceded	44,590,662	36,169,773	
2.4 Net	398,590	706,462	860,740
3. Loss adjustment expenses incurred	309,101	216,045	378,132
4. Other underwriting expenses incurred	3,112,549	2,569,400	3,455,525
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)	3,820,240	3,491,907	4,694,397
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	4,221,685	2,960,520	4,484,610
INVESTMENT INCOME			
9. Net investment income earned	889,578	888,013	1,218,831
10. Net realized capital gains (losses) less capital gains tax of \$ 0	197	127,910	752,910
11. Net investment gain (loss) (Lines 9 + 10)	889,775	1,015,923	1,971,741
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 0 amount charged off \$ 0)			
13. Finance and service charges not included in premiums	40,691	22,608	28,307
14. Aggregate write-ins for miscellaneous income	40,691	22,608	28,307
15. Total other income (Lines 12 through 14)	5,152,151	3,999,051	6,484,658
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)			
17. Dividends to policyholders			
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	5,152,151	3,999,051	6,484,658
19. Federal and foreign income taxes incurred	1,959,654	1,412,027	2,024,233
20. Net income (Line 18 minus Line 19) (to Line 22)	3,192,497	2,587,024	4,460,425
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	44,155,680	39,586,091	39,586,091
22. Net income (from Line 20)	3,192,497	2,587,024	4,460,425
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 0	473,743	(354,313)	(288,241)
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax	(173,978)	17,989	(235,259)
27. Change in nonadmitted assets	99,495	358,374	358,664
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			
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus			
38. Change in surplus as regards policyholders (Lines 22 through 37)	3,591,757	2,609,074	4,569,589
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	47,747,437	42,195,165	44,155,680

DETAILS OF WRITE-IN LINES			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 05 from overflow page	NONE		
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 05 above)			
1401. Misc. Income	32,598	290	11,104
1402. Roadside Commission	7,893	11,338	16,813
1403. Transfer Fee Income	200	10,980	390
1498. Summary of remaining write-ins for Line 14 from overflow page	NONE		
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	40,691	22,608	28,307
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page	NONE		
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)			

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	11,799,791	6,876,292	9,212,305
2. Net investment income	1,440,261	1,152,370	1,393,936
3. Miscellaneous income	40,691	22,608	28,307
4. Total (Lines 1 to 3)	13,280,743	8,051,270	10,634,548
5. Benefit and loss related payments	795,930	303,877	445,536
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	3,837,503	2,933,090	3,660,869
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	1,032,153	1,940,000	2,395,433
10. Total (Lines 5 through 9)	5,665,586	5,176,967	6,501,838
11. Net cash from operations (Line 4 minus Line 10)	7,615,157	2,874,303	4,132,710
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	10,664,008	11,143,376	29,224,657
12.2 Stocks	885,471	838,399	2,911,844
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	473,743		(288,241)
12.7 Miscellaneous proceeds		1,000,993	4,594,131
12.8 Total investment proceeds (Lines 12.1 to 12.7)	12,023,222	12,982,768	36,442,391
13. Cost of investments acquired (long-term only):			
13.1 Bonds	10,874,508	12,776,430	32,976,754
13.2 Stocks	972,627	822,943	2,910,435
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets			
13.6 Miscellaneous applications	4,962,226	761	
13.7 Total investments acquired (Lines 13.1 to 13.6)	16,809,361	13,600,134	35,887,189
14. Net increase (or decrease) in contract loans and premium notes			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(4,786,139)	(617,366)	555,202
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			
16.6 Other cash provided (applied)	(1,758,321)	496,809	1,801,179
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(1,758,321)	496,809	1,801,179
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	1,070,697	2,753,746	6,489,091
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	10,591,583	4,102,492	4,102,492
19.2 End of period (Line 18 plus Line 19.1)	11,662,280	6,856,238	10,591,583

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

20.0001			
20.0002			
20.0003			

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

a. Accounting Practices

The accompanying financial statements of Dealers Assurance Company have been prepared in conformity with accounting practices prescribed or permitted by the National Association of Insurance Commissioners and the State of Ohio. The company adopted codification as of 01/01/01.

1b. – 5c. No changes to note

5d. Loan-Backed Securities

1. Bloomberg is used as a source for the prepayment factors.
2. – 4. Not applicable, no permanently impaired bonds.
5. No impairments exist other than interest rate related declines classified as temporary.

5e.-8. No changes to note

9. Income Taxes

A. The components of the net deferred tax assets/(liability) at September 30, 2012 are as follows:

1.

	9/30/12			12/31/2011			Change		
	Ordinary	Capital	2012 Total	Ordinary	Capital	2011 Total	Ordinary	Capital	Total
a Gross Deferred Assets	993,171	215,677	1,208,848	975,305	248,697	1,224,002	17,866	(33,020)	(15,154)
b Statutory valuation allowance adjustment									
c Adjusted Gross Deferred tax Asset	993,171	215,877	1,208,848	975,305	248,697	1,224,002	17,866	(33,020)	(15,154)
d Deferred tax liabilities	(147,318)	0	(147,318)	(12,249)	0	(12,249)	(135,069)		(135,069)
e Subtotal (Net Deferred tax Assets)	845,853	215,677	1,061,530	963,056	248,697	1,211,753	(117,203)	(33,020)	(150,223)
f Deferred Tax Assets Nonadmitted	628,155	0	628,155	604,400	0	604,400	23,756	0	23,755
g Net Admitted Deferred Tax Asset	217,698	215,677	433,375	358,656	248,697	607,353	(140,958)	(33,020)	(173,978)

4.

	9/30/12			12/31/2011			Change		
	Ordinary	Capital	2012 Total	Ordinary	Capital	2011 Total	Ordinary	Capital	Total

Admission calculation Components

SSAP No 101

a Federal Income taxes Paid in Prior years Recoverable through Loss Carrybacks	0	0	0	0	0	0	0	0	0
b Adjusted Gross Deferred Tax assets Expected to be Realized (Excluding the amount of Deferred Tax Assets from 2 (a) 1 and 2 (b) 2 below)	365,016	215,677	580,693	975,305	248,697	1,224,002	(610,289)	(33,020)	(643,309)
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet	365,016	215,677	580,693	975,305	248,697	1,224,002	(610,289)	(33,020)	(643,309)
2. Adjusted Gross Deferred Tax Assets Allowed per the Threshold Limitation	XXX	XXX	7,097,109	XXX	XXX	6,532,249	XXX	XXX	564,860
c Adjusted Gross Deferred Tax Assets (Excluding the Amount of Deferred Tax Assets from 2 (a) and 2 (b) above) Offset by Gross Deferred Tax Liabilities	(147,318)	0	(147,318)	(616,649)	0	(616,649)	469,331	0	469,331
d Deferred Tax Assets Admitted as the result of application of SSAP 101 Total (2 (a) + 2 (b) +2 (c))	217,698	215,677	433,375	358,656	248,697	607,353	(140,958)	(33,020)	(173,978)
m ExDTA ACL RBC Ratio or the Adjusted Gross DTA/Adjusted Capital and Surplus Ratio, as applicable	XXX	XXX	15%	XXX	XXX	15%	XXX	XXX	0
n Amount of Adjusted Capital and Surplus used to Determine the Percentage Threshold Limitation	XXX	XXX	47,314,062	XXX	XXXX	43,548,327	XXX	XXX	3,765,735

NOTES TO FINANCIAL STATEMENTS

5.

	9/30/12			12/31/2011			Change		
	Ordinary	Capital	2012 Total	Ordinary	Capital	2011 Total	Ordinary	Capital	Total
Impact of Tax Planning Strategies									
a Adjusted Gross DTA's (% of Total Adjusted Gross DTA's)	0%	17.84%	17.84%	0%	20.32%	20.32%	0%	(2.48%)	(2.48%)
b Net Admitted Adjusted Gross DTA's (% of Total Admitted Adjusted Gross DTA's)	0%	49.77%	49.77%	0%	40.95%	40.95%	0%	8.82%	8.82%

6.

	9/30/12			12/31/2011			Change		
	Ordinary	Capital	2012 Total	Ordinary	Capital	2011 Total	Ordinary	Capital	Total
SSAP No 10R Paragraphs 10a, 10b, and 10c									
a Admitted Deferred Tax Asset	0	0	0	358,656	0	358,656			
b Admitted Assets			0			76,420,489			
c Adjusted Statutory Surplus	0	0	0			44,155,680			
d Total Adjusted Capital from DTA's	0	0	0			358,656			
Increases due to SSAP 10R Paragraph 10e									
e Admitted Deferred Assets	0	0	0		248,697	248,697			
f Admitted Assets			0			76,420,489			
g Statutory Surplus			0			44,155,680			
h Total Adjusted Capital from DTAs						248,697			

B Deferred tax liabilities are not recognized for the following amounts:

The Company did not have any deferred tax liabilities that were not recognized.

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

	2012	2011
Federal	\$ 1,959,654	\$2,024,233
Foreign	0	0
Current income taxes incurred	\$ 1,959,654	\$2,024,233

The main components of the 2012 deferred tax amounts are as follows:

	9/30/2012	12/31/2011
DTA's		
Change in unearned premium reserves	966,393	929,846
Reserve Discount	6,385	6,113
Accrued Vacation	20,393	20,393
Capital Loss Carry Forward	215,677	248,697
Unrealized Capital Losses	-	18,953
Total DTA's	1,208,848	1,224,002
DTA's Nonadmitted	628,155	604,400
Admitted Deferred Tax Assets	580,693	619,602
DTL's		
Unrealized Capital gains	142,120	-
Discounted Bonds	5,198	12,249
Total DTL's	147,318	12,249
Net Admitted Deferred Tax Asset	433,375	607,353

The changes in main components of DTA's and DTL's are as follows:

	2012	2011	Change
DTA's resulting from book/tax differences in			
Reserves	966,393	929,846	36,547
Reserve Discount	6,385	6,113	272
Accrued Vacation	20,393	20,393	-
Capital Loss Carry Forward	215,677	248,697	(33,020)
Unrealized Capital Losses	-	18,953	(18,953)
Total DTA's	1,208,848	1,224,002	(15,154)
DTA's Nonadmitted	628,155	604,400	23,755
DTL's resulting from book/tax differences in			
Unrealized Capital Gains	142,120	-	142,120
Discount on Bonds	5,198	12,249	(7,051)
Total DTL's	147,318	12,249	135,069

NOTES TO FINANCIAL STATEMENTS

D. Among the more significant book to tax adjustments were the following:

	Amount	Tax Effect
Income before taxes	5,137,317	1,746,688
Book over tax reserves	107,491	36,547
Dividends received deduction	(46,731)	(15,889)
Accrued Vacation	-	-
Discounting on Bonds	20,737	7,051
Other	7,811	2,656
Capital loss carry forward	-	-
Total adjustments	89,308	30,365
Total Income	5,226,625	1,777,053

E. 1. At December 31, 2011, the Company had \$0 of operating loss carry forward.
 2. The following are income taxes incurred in the current and prior year that will be available for recoupment in the event of future net losses
 2012 \$1,959,654
 2011 \$2,024,233
 3. The Company had no protective tax deposits as admitted assets under Section 6603 of the Internal Revenue Service Code as of December 31, 2011 or September 30, 2012.

F. Dealers Assurance Company federal income tax return is consolidated with Dealers Alliance Corporation and DAC Insurance Agency, Inc. A written agreement exists setting forth the manner in which the federal income tax is allocated to each entity. The federal income tax allocated to this company is based on its portion of the net consolidated income.

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

A.- F. No changes to Note

G. The parent company, Dealers Alliance Corporation, is a non-insurance entity. The Company had no transactions other than cost allocation with its parent company. Through 09/30/10 (and prior years) Dealers Assurance Company provided funds for federal income tax deposits (on a consolidated basis). In prior years other companies included in consolidated tax return reimbursed their portion of federal income tax deposits on a quarterly basis. However, at September 30, 2012, there was approximately \$1.1M receivable that had not been reimbursed by Dealers Alliance Corporation. Dealers Assurance Company has reflected that receivable on Asset line 23 – Receivables from parent, subsidiaries and affiliates. The Company has listed this receivable as a non admitted asset.

H-L Dealers Assurance Company holds no investments in its parent company or affiliates.

11. – 16.

No changes to note.

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

The Company does not have any sales or transfers to report.

18. – 19.

No changes to note.

20. Fair Value Measurements

A.

(1) Assets Measured at Fair Value on a Recurring Basis

(1)	(2)	(3) (Level 2)	(4) (Level 3)	(5) Total
	Description	(Level 1)		
a. Assets at fair value				
Preferred Stock				
Bonds				
Common Stock (Ind & Misc)	\$ 3,991,838			\$ 3,991,838
Derivative assets				
Separate account assets				
Total assets at fair value	\$ 3,991,838	-	-	\$ 3,991,838
b. Liabilities at fair value	\$			\$
Total liabilities at fair value	\$			\$

(2) There have been no significant transfers between level 1 and 2.

(3-4) Assets measured at Fair Value on a recurring basis with significant unobservable inputs (level 3)
 NONE

21. – 24.

No changes to note.

25. Change in Incurred Losses and Loss Adjustment Expenses

Reserves as of December 31, 2011 were \$431,672. As of September 30, 2012 \$422,879 was paid for incurred losses and loss adjustment expenses attributable to insured events of prior years. Reserves for prior year are now \$1,330. There was no re-estimation of unpaid claims and claim adjustment expenses. There has been a \$7,464 prior year development. Business written by DAC is related to service contracts issued on an assortment of consumer goods, but primarily, automobile service contracts. Historically, losses on this coverage are settled within 90 days of incurred date (98.7%); and the balance is settled within 180 days of incurred date.

NOTES TO FINANCIAL STATEMENTS

26. – 35. No changes to note.

36. Financial Guaranty Insurance

The company does not write financial guaranty insurance.

GENERAL INTERROGATORIES

PART 1 – COMMON INTERROGATORIES

GENERAL

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]

1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []

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

2.2 If yes, date of change: _____

3. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]
If yes, complete the Schedule Y – Part 1 – organizational chart.

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

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

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [] N/A [X]
If yes, attach an explanation.

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

6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2009

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 02/15/2011

6.4 By what department or departments?
Ohio Department of Insurance
.....
.....

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

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

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]

GENERAL INTERROGATORIES

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

.....

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

Yes [] No [X]

8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC
.....

9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

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

Yes [X] No []

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

.....

9.2 Has the code of ethics for senior managers been amended?

Yes [] No [X]

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

.....

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

Yes [] No [X]

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

.....

FINANCIAL

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

Yes [] No [X]

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

\$ _____

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:

\$ _____

GENERAL INTERROGATORIES

13. Amount of real estate and mortgages held in short-term investments:	\$ _____																								
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:																									
<table border="0" style="width: 100%;"> <tr> <td style="width: 15%; text-align: right;">1</td> <td style="width: 15%; text-align: right;">2</td> </tr> <tr> <td style="text-align: right;">Prior Year-End</td> <td style="text-align: right;">Current Quarter</td> </tr> <tr> <td style="text-align: right;">Book/Adjusted</td> <td style="text-align: right;">Book/Adjusted</td> </tr> <tr> <td style="text-align: right;">Carrying Value</td> <td style="text-align: right;">Carrying Value</td> </tr> </table>	1	2	Prior Year-End	Current Quarter	Book/Adjusted	Book/Adjusted	Carrying Value	Carrying Value																	
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Book/Adjusted	Book/Adjusted																								
Carrying Value	Carrying Value																								
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14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$ _____	\$ _____																							
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:																									
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; text-align: center;">1 Name of Custodian(s)</th> <th style="width: 50%; text-align: center;">2 Custodian Address</th> </tr> </thead> <tbody> <tr> <td>Fifth Third Bank</td> <td>Cincinnati, Ohio</td> </tr> <tr> <td>US Bank</td> <td>Winston Salem, NC</td> </tr> <tr> <td>Sun Trust</td> <td>Richmond, VA</td> </tr> <tr> <td>First National Bankers Bank</td> <td>Little Rock, AR</td> </tr> <tr> <td>Citibank, NA</td> <td>NY, NY</td> </tr> <tr> <td>Century Bank</td> <td>Sante Fe, NM</td> </tr> <tr> <td>Merrill Lynch</td> <td>Charlotte, NC</td> </tr> <tr> <td>RBS Citizens, NA</td> <td>Providence, RI</td> </tr> </tbody> </table>		1 Name of Custodian(s)	2 Custodian Address	Fifth Third Bank	Cincinnati, Ohio	US Bank	Winston Salem, NC	Sun Trust	Richmond, VA	First National Bankers Bank	Little Rock, AR	Citibank, NA	NY, NY	Century Bank	Sante Fe, NM	Merrill Lynch	Charlotte, NC	RBS Citizens, NA	Providence, RI						
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RBS Citizens, NA	Providence, RI																								
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:																									
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1 Name(s)	2 Location(s)	3 Complete Explanation(s)																							
.....																							
16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?																									
Yes [X] No []																									
16.4 If yes, give full and complete information relating thereto:																									
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GENERAL INTERROGATORIES

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
104650 5198	Fifth Third Bank Merrill Lynch	Cincinnati, Ohio Charlotte, NC

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:

.....

GENERAL INTERROGATORIES

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 Discount 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										

5. Operating Percentages:

5.1. A&H loss percent %

5.2. A&H cost containment percent %

5.3. A&H expense percent excluding cost containment expenses %

6.1 Do you act as a custodian for health savings accounts? Yes No X

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

6.3 Do you act as an administrator for health savings accounts? Yes No X

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

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

1	2	3	4	5
NAIC Company Code	Federal ID Number	Name of Reinsurer	Domiciliary Jurisdiction	Is Insurer Authorized? (Yes or No)
		All Other Insurers		
00000	AA-0053172	Westgate Auto Group RIC	TC	NO
00000	AA-0052953	NWMS Holdings RIC	TC	NO
00000	AA-0053533	Warrchest Reinsurance Ltd I	TC	NO
00000	00-0000000	Warrchest Reinsurance Ltd II	TC	NO
00000	AA-0053533	Auto Block	TC	NO
00000	AA-0053540	Deacon I	TC	NO
00000	AA-0053547	Deacon II	TC	NO
00000	AA-0052886	Randy Grant	TC	NO
00000	AA-0054761	Laurie RIC	TC	NO
00000	AA-0052974	Baja RIC	TC	NO
00000	AA-0051583	Arklatex Reinsurance Co, Ltd	TC	NO
00000	AA-0054186	Auto Tex Reinsurance Co, Ltd	TC	NO
00000	AA-0054661	Auto Tex Reinsurance Co I, Ltd	TC	NO
00000	AA-0054662	Auto Tex Reinsurance Co II, Ltd	TC	NO
00000	AA-6900146	B.B.D. Reinsurance Limited	SC	NO
00000	00-0000000	BPH Performance Limited	SC	NO
00000	AA-0053661	Chaps Reinsurance Co, Ltd	TC	NO
00000	AA-0052400	EKD Reinsurance Company, Ltd	TC	NO
00000	AA-0052313	GMAY Reinsurance Company	TC	NO
00000	AA-6900103	G.R.J Association Limited	SC	NO
00000	AA-0052117	Honday Reinsurance Company, Ltd	TC	NO
00000	AA-0052518	KRFS Reinsurance Co, Ltd	TC	NO
00000	AA-0053683	Nel-Ford Reinsurance Co, Ltd	TC	NO
00000	AA-0053662	Norma Reinsurance Co, Ltd	TC	NO
00000	AA-0052515	NTN Reinsurance Co, Ltd	TC	NO
00000	AA-0053703	CEEM Reinsurance Co, Ltd	TC	NO
00000	AA-0053778	Thirteen Twenty Reinsurance Co, Ltd	TC	NO
00000	AA-0053682	TPKW Reinsurance Co, Ltd	TC	NO
00000	AA-0052396	Chevalier Reinsurance Co, Ltd	TC	NO
00000	AA-0052398	JOAC reinsurance Co, Ltd	TC	NO
00000	AA-0053729	WRP-3 Reinsurance Co, Ltd	TC	NO
00000	AA-0050007	Victoria Reinsurance, Ltd	TC	NO
00000	AA-0053051	JTM Reinsurance, Ltd	TC	NO
00000	00-0000000	Kingheart	TC	NO
00000	00-0000000	Orr Automotive, Ltd	TC	NO

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	L	2,257,296	2,281,905	1,219,986	1,225,155	68,530
2. Alaska	AK	L					61,098
3. Arizona	AZ	L	687,963	355,772	270,568	102,251	9,983
4. Arkansas	AR	L	1,841,058	1,639,679	824,220	615,426	36,881
5. California	CA	L	10,165,363	11,432,577	3,821,239	3,551,825	334,450
6. Colorado	CO	L	14,170,189	17,957,218	3,895,983	2,613,090	190,489
7. Connecticut	CT	L	1,213,864	1,001,143	843,047	562,300	33,494
8. Delaware	DE	L	330,269	385,629	141,940	137,506	14,466
9. District of Columbia	DC	L					5,386
10. Florida	FL	L	6,028,214	2,577,959	2,264,226	1,903,739	133,088
11. Georgia	GA	L	4,853,116	1,954,843	2,513,258	1,451,243	121,769
12. Hawaii	HI	N					8,187
13. Idaho	ID	L	497	2,253		591	26
14. Illinois	IL	L	629,515	320,105	332,689	121,038	13,563
15. Indiana	IN	L	363,390	190,996	134,662	74,641	4,235
16. Iowa	IA	L	162,966	175,496	88,323	71,721	4,191
17. Kansas	KS	L	158,845	184,780	85,312	85,753	4,720
18. Kentucky	KY	L	370,792	195,184	133,638	103,203	6,136
19. Louisiana	LA	L	1,295,871	1,601,279	932,406	917,387	51,896
20. Maine	ME	L	269,311	379,075	209,556	180,330	10,246
21. Maryland	MD	L	1,115,570	877,009	642,626	481,392	27,735
22. Massachusetts	MA	L	898,147	548,198	453,865	178,857	11,129
23. Michigan	MI	L	4,816,407	4,236,999	5,312,014	4,156,622	249,295
24. Minnesota	MN	L	456,774	467,991	363,917	287,722	15,906
25. Mississippi	MS	L	2,035,148	2,068,654	989,640	836,304	46,591
26. Missouri	MO	L	1,121,804	1,749,150	742,482	844,898	45,233
27. Montana	MT	L	318,383	221,366	143,667	56,553	3,940
28. Nebraska	NE	L	152,931	225,582	325,330	613,345	27,515
29. Nevada	NV	L	253,794	339,902	238,663	216,583	12,898
30. New Hampshire	NH	L	265,333	136,788	107,044	55,338	3,154
31. New Jersey	NJ	L	781,443	639,781	345,282	363,784	21,048
32. New Mexico	NM	L	2,552,821	2,471,992	212,009	165,542	10,410
33. New York	NY	L	2,956,592	2,846,229	3,008,001	2,675,234	157,171
34. North Carolina	NC	L	2,946,656	923,051	708,086	404,823	45,663
35. North Dakota	ND	L	82,320	45,312	47,387	11,977	764
36. Ohio	OH	L	1,955,373	2,064,081	1,471,664	784,307	34,388
37. Oklahoma	OK	L	321,430	338,805	223,353	173,088	9,696
38. Oregon	OR	L	109,304	54,707	28,867	36,126	5,462
39. Pennsylvania	PA	L	2,746,963	2,092,474	1,028,371	649,968	47,948
40. Rhode Island	RI	L	29,155	12,410	8,252		361
41. South Carolina	SC	L	249,344	38,614	71,556	18,921	3,240
42. South Dakota	SD	L	9,458	35,397	11,323	21,084	1,032
43. Tennessee	TN	L	1,789,047	1,721,510	856,984	919,771	54,937
44. Texas	TX	L	15,330,833	7,760,016	5,629,932	4,743,204	358,391
45. Utah	UT	L	8,270	26,409	2,707	2,426	186
46. Vermont	VT	L	246,058	181,463	150,200	99,836	5,451
47. Virginia	VA	L	935,645	1,025,150	501,978	515,841	29,034
48. Washington	WA	L	9,548,392	8,278,931	3,076,564	3,225,392	209,287
49. West Virginia	WV	L	308,956	305,347	145,873	132,170	7,258
50. Wisconsin	WI	L	380,791	305,855	182,034	123,851	6,993
51. Wyoming	WY	L	140,531	122,862	72,856	30,013	1,812
52. American Samoa	AS	N					
53. Guam	GU	N					
54. Puerto Rico	PR	N					
55. U.S. Virgin Islands	VI	N					
56. Northern Mariana Islands	MP	N					
57. Canada	CN	N					
58. Aggregate Other Alien	OT	XXX					
59. Totals	(a) 50		99,662,192	84,797,928	44,813,580	36,542,171	2,492,091
							2,253,787

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

NONE

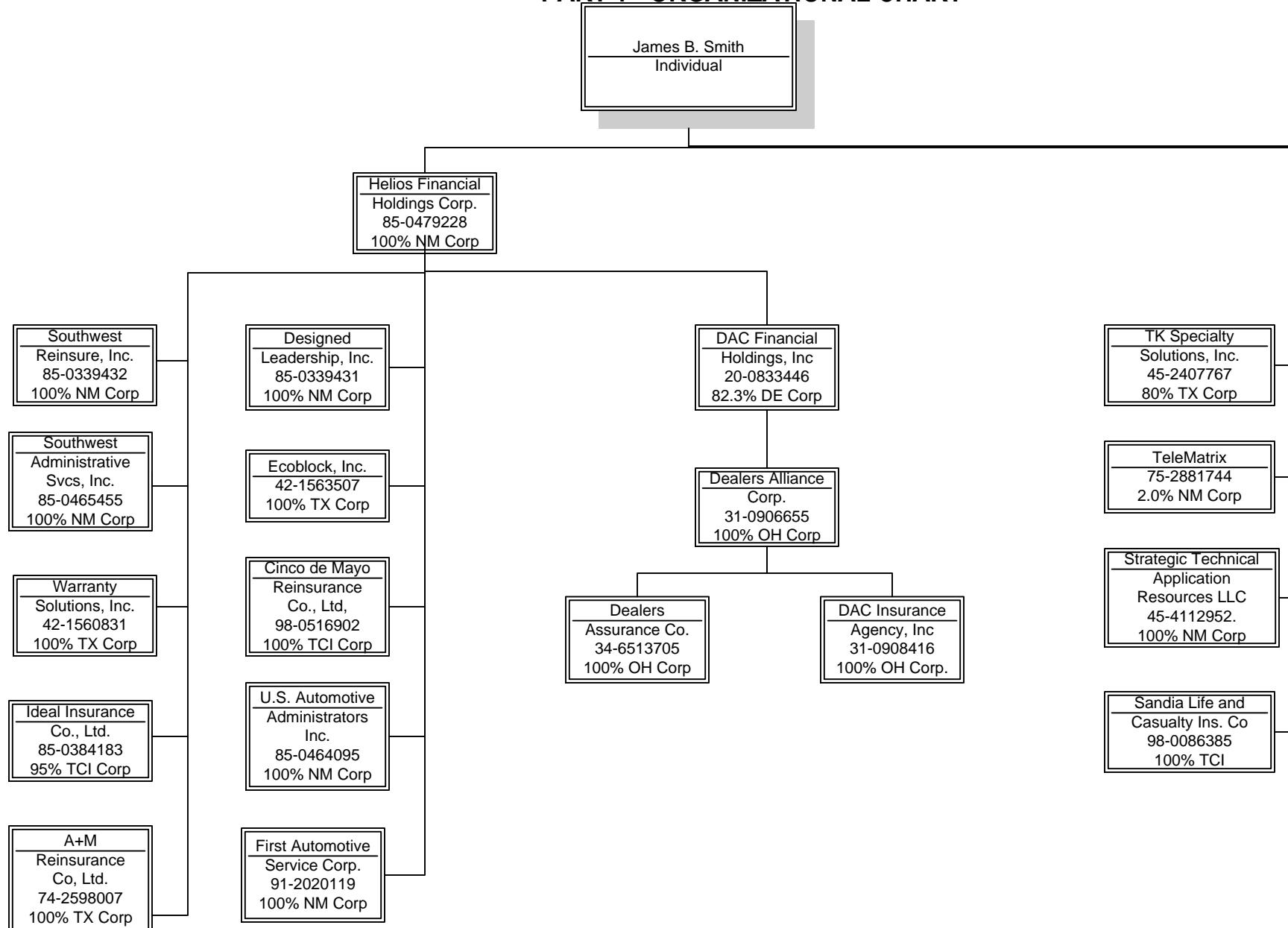
(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG: (R) Registered - Non-domiciled RRGs: (Q) Qualified - Qualified or Accredited Reinsurer:

(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



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)	*
12		00000	85-0479228	0	0		Helios Financial Holdings, Inc	NM	UIP	James B. Smith	Ownership	100.0	James B. Smith	
		00000	20-0833446	0	0		DAC Financial Holdings, Inc	DE	UIP	Helios Financial Holdings, Inc	Ownership	100.0	James B. Smith	
		00000	31-0906655	0	0		Dealers Alliance Corp	OH	UDP	DAC Financial Holdings, Inc	Ownership	100.0	James B. Smith	
		16705	34-6513705	0	0		Dealers Assurance Company	OH	IA	Dealers Alliance Corp.	Ownership	100.0	James B. Smith	
		00000	31-0908416	0	0		DAC Insurance Agency, Inc	OH	IA	Dealers Alliance Corp.	Ownership	100.0	James B. Smith	
		00000	85-0339432	0	0		Southwest Reinsure, Inc	NM	NIA	Helios Financial Holdings, Inc	Ownership	100.0	James B. Smith	
		00000	85-0465455	0	0		Southwest Administrative Svcs, Inc	NM	NIA	Helios Financial Holdings, Inc	Ownership	100.0	James B. Smith	
		00000	42-1560831	0	0		Warranty Solutions, Inc	TX	NIA	Helios Financial Holdings, Inc	Ownership	100.0	James B. Smith	
		00000	85-0384183	0	0		Ideal Insurance Co., LTD	TCI	IA	Helios Financial Holdings, Inc	Ownership	100.0	James B. Smith	
		00000	74-2598007	0	0		A+M Reinsurance Co., LTD	TX	IA	Helios Financial Holdings, Inc	Ownership	100.0	James B. Smith	
		00000	85-0339431	0	0		Design Leadership, Inc	NM	NIA	Helios Financial Holdings, Inc	Ownership	100.0	James B. Smith	
		00000	42-1563507	0	0		Ecoblock, Inc	TX	NIA	Helios Financial Holdings, Inc	Ownership	100.0	James B. Smith	
		00000	98-0516902	0	0		Cinco de Mayo Reinsurance Co., LTD	TCI	IA	Helios Financial Holdings, Inc	Ownership	100.0	James B. Smith	
		00000	850464095	0	0		US Automotive Administrators Inc	NM	NIA	Helios Financial Holdings, Inc	Ownership	100.0	James B. Smith	
		00000	91-2020119	0	0		First Automotive Service Corp	NM	NIA	Helios Financial Holdings, Inc	Ownership	100.0	James B. Smith	
		00000	98-0086385	0	0		Sandia Life and Casualty Co	TCI	IA	James B. Smith	Ownership	100.0	James B. Smith	
		00000	45-2407767	0	0		TK Specialty Solutions, Inc	TX	NIA	James B. Smith	Ownership	80.0	James B. Smith	
		00000	75-2881744	0	0		TeleMatrix	TX	NIA	James B. Smith	Ownership	2.0	James B. Smith	
		00000	45-4112952	0	0		Strategic Technical Application Resources, LLC	NM	NIA	James B. Smith	Ownership	100.0	James B. Smith	

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

Asterik	Explanation
12.1	NONE

PART 1 – LOSS EXPERIENCE

Lines of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire				
2. Allied lines				
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril				
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine				
10. Financial guaranty				
11.1 Medical professional liability-occurrence				
11.2 Medical professional liability-claims made				
12. Earthquake				
13. Group accident and health				
14. Credit accident and health				
15. Other accident and health				
16. Workers' compensation				
17.1 Other liability-occurrence	525,605	18,849	3.6	
17.2 Other liability-claims made				
17.3 Excess Workers' Compensation				
18.1 Products liability-occurrence				
18.2 Products liability-claims made				
19.1. 19.2 Private passenger auto liability				
19.3. 19.4 Commercial auto liability				
21. Auto physical damage				
22. Aircraft (all perils)				
23. Fidelity				
24. Surety				
26. Burglary and theft				
27. Boiler and machinery				
28. Credit	479,120	234,557	49.0	
29. International				
30. Warranty	69,305,531	44,162,957	63.7	66.5
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				
35. TOTALS	70,310,256	44,416,363	63.2	66.0

DETAILS OF WRITE-INS			
3401.			
3402.			
3403.			
3498. Summary of remaining write-ins for Line 34 from overflow page	NONE		
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)			

PART 2 – DIRECT PREMIUMS WRITTEN

	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire			
2. Allied lines			
3. Farmowners multiple peril			
4. Homeowners multiple peril			
5. Commercial multiple peril			
6. Mortgage guaranty			
8. Ocean marine			
9. Inland marine			
10. Financial guaranty			
11.1 Medical professional liability-occurrence			
11.2 Medical professional liability-claims made			
12. Earthquake			
13. Group accident and health			
14. Credit accident and health			
15. Other accident and health			
16. Workers' compensation			
17.1 Other liability-occurrence	179,960	830,369	471,433
17.2 Other liability-claims made			
17.3 Excess Workers' Compensation			
18.1 Products liability-occurrence			
18.2 Products liability-claims made			
19.1. 19.2 Private passenger auto liability			
19.3. 19.4 Commercial auto liability			
21. Auto physical damage			
22. Aircraft (all perils)			
23. Fidelity			
24. Surety			
26. Burglary and theft			
27. Boiler and machinery			
28. Credit	409,375	1,305,421	
29. International			
30. Warranty	33,052,892	97,526,401	84,326,488
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			
35. TOTALS	33,642,227	99,662,191	84,797,921

DETAILS OF WRITE-INS			
3401.			
3402.			
3403.			
3498. Summary of remaining write-ins for Line 34 from overflow page	NONE		
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)			

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 & 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 - 1)	12 Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 - 2)	13 Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2009 + prior													
2. 2010													
3. Subtotals 2010 + prior													
4. 2011	413	18	431	411	12	423					(2)	(6)	(8)
5. Subtotals 2011 + prior	413	18	431	411	12	423					(2)	(6)	(8)
6. 2012	XXX	XXX	XXX	XXX	682	682	XXX	15	20	35	XXX	XXX	XXX
7. Totals	413	18	431	411	694	1,105		15	20	35	(2)	(6)	(8)

8. Prior Year-End Surplus As

Regards Policyholders	44,156	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
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1. -0.484 2. -33.333 3. -1.856

Col. 13, Line 7

Line 8

4. -0.018

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.

	<u>Response</u>
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:

Question 1: Not Applicable

Question 2: Not Applicable

Question 3: Not Applicable

Question 4: Not Applicable

Bar Code:



16705201249000030



16705201245500030



16705301336500030



16705301350500030

OVERFLOW PAGE FOR WRITE-INS

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		
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 the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)		

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		
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)		
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)		
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)		

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		
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)		
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)		

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	61,022,847	57,041,208
2. Cost of bonds and stocks acquired	11,847,131	35,887,188
3. Accrual of discount	15,289	32,464
4. Unrealized valuation increase (decrease)	473,743	(288,241)
5. Total gain (loss) on disposals	197	850,029
6. Deduct consideration for bonds and stocks disposed of	11,549,478	32,136,499
7. Deduct amortization of premium	492,188	266,182
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		97,120
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	61,317,541	61,022,847
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	61,317,541	61,022,847

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)	59,358,197	10,957,332	10,367,138	(225,035)	58,869,670	59,358,197	59,723,356	63,053,106
2. Class 2 (a)	3,748,191		500,000	(7,212)	3,755,335	3,748,191	3,240,979	2,676,461
3. Class 3 (a)								
4. Class 4 (a)								
5. Class 5 (a)								
6. Class 6 (a)								
7. Total Bonds	63,106,388	10,957,332	10,867,138	(232,247)	62,625,005	63,106,388	62,964,335	65,729,567
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	63,106,388	10,957,332	10,867,138	(232,247)	62,625,005	63,106,388	62,964,335	65,729,567

(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 \$ 408,638; 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	5,638,629	XXX	5,638,629	1,196	

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	8,137,458	2,928,765
2. Cost of short-term investments acquired	15,858,621	14,992,192
3. Accrual of discount	59	22
4. Unrealized valuation increase (decrease)		(20)
5. Total gain (loss) on disposals		20
6. Deduct consideration received on disposals	18,357,510	9,783,368
7. Deduct amortization of premium		153
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)	5,638,628	8,137,458
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	5,638,628	8,137,458

- NONE Schedule DB - Part A and B Verification**
- NONE Schedule DB - Part C - Section 1**
- NONE Schedule DB - Part C - Section 2**
- NONE Schedule DB - Verification**
- NONE Schedule E Verification**
- NONE Schedule A - Part 2 and 3**
- NONE Schedule B - Part 2 and 3**
- NONE Schedule BA - Part 2 and 3**

SCHEDULE D - PART 3

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

1 CUSIP Ident- ification	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)
21686C-AD-2	Cooperative Centrale Raiffeis Sr N	R	07/24/2012	Merrill Lynch	387,473	370,000.00		4,446	1FE
681919-AZ-9	OMNICOM GROUP INC SR NT		08/31/2012	BlackRock LC-C V/Merrill	420,976	400,000.00		5,357	1FE
10138M-AG-0	Pepsi Bottling Group Inc 5.5%		08/17/2012	Arkansas' Bankers Bank	121,146	105,000.00		2,246	1FE
92276M-AX-3	VENTAS RLTY LTD PARTNERSHIP SR NT		07/26/2012	Merrill Lynch	231,878	215,000.00		4,340	1FE
3899999	Total Bonds Industrial and Miscellaneous (Unaffiliated)				XXX	1,161,473	1,090,000.00	16,389	XXX
8399997	Total Bonds Part 3				XXX	1,161,473	1,090,000	16,389	XXX
8399998	Summary Item from Part 5 for Bonds				XXX	XXX	XXX	XXX	XXX
8399999	Total Bonds				XXX	1,161,473	1,090,000.00	16,389	XXX
00846U-10-1	Agilent Technologies Inc	R	09/10/2012	BlackRock LC-C V/Merrill	221,000	8,502			L
010199-30-5	Akzo Nobel N V	R	08/23/2012	MFS Int'l/Merrill Lynch	162,000	3,055			L
06738E-20-4	Barclays PLC	R	09/27/2012	MFS Int'l/Merrill Lynch	199,000	2,792			L
20828C-10-4	ConocoPhillips	R	09/18/2012	Delaware/Merrill Lynch	18,000	1,043			L
24872B-10-0	Denso	R	08/23/2012	MFS Int'l/Merrill Lynch	295,000	5,160			L
29285W-10-4	Engility Holdings Inc		07/17/2012	VARIOUS	26,667				L
302182-10-0	Express Scripts Inc Com		07/13/2012	VARIOUS	630,000	34,910			L
30231G-10-2	Exxon Mobil Corp Com		07/13/2012	VARIOUS	285,000	23,910			L
36160B-10-5	GDF Suez	R	07/22/2012	MFS Int'l/Merrill Lynch	355,000	7,732			L
38259P-50-8	Google Inc Cl A		08/13/2012	BlackRock LC-C V/Merrill	25,000	16,433			L
425883-10-5	Hennes and Mauritz AB	R	08/15/2012	MFS Int'l/Merrill Lynch	904,000	6,671			L
438128-30-8	Honda Motor	R	09/27/2012	MFS Int'l/Merrill Lynch	242,000	7,934			L
448415-20-8	Hutchison Whampoa	R	09/27/2012	MFS Int'l/Merrill Lynch	258,000	4,764			L
482480-10-0	KLA Tencor Corp		08/27/2012	BlackRock LC-C V/Merrill	455,000	24,206			L
767204-10-0	Rio Tinto PLC	R	09/27/2012	MFS Int'l/Merrill Lynch	134,000	6,295			L
9099999	Total Common Stock Industrial and Miscellaneous (Unaffiliated)				XXX	153,407	XXX		XXX
9799997	Total Common Stock Part 3				XXX	153,407	XXX		XXX
9799998	Summary Item from Part 5 for Common Stocks				XXX	XXX	XXX	XXX	XXX
9799999	Total Common Stock				XXX	153,407	XXX		XXX
9899999	Total Preferred and Common Stock				XXX	153,407	XXX		XXX
9999999	Totals				XXX	1,314,880	XXX	16,389	XXX

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

SCHEDULE D - PART 4

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

1 CUSIP Ident- ification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consid- eration	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 (Amort- ization)/ 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.								
912828-NQ-9	US Treasury Note .625%		07/31/2012	MATURITY		85,000	85,000.00	85,226	85,078		(78)		(78)		85,000					531	07/31/2012	1FE
912828-PH-7	US Treasury Nt .375%		08/31/2012	MATURITY		700,000	700,000.00	698,592	699,489		511		511		700,000					2,625	08/31/2012	1FE
912828-LH-1	US Treasury Nt 1.75%		08/15/2012	MATURITY		625,000	625,000.00	631,462	626,467		(1,467)		(1,467)		625,000					10,938	08/15/2012	1FE
912828-AJ-9	US Treasury Nt 4.375%		08/15/2012	MATURITY		500,000	500,000.00	503,418	500,470		(470)		(470)		500,000					21,875	08/15/2012	1FE
0599999	Total - Bonds - U.S. Governments				XXX	1,910,000	1,910,000.00	1,918,698	1,911,504		(1,504)		(1,504)		1,910,000					35,969	XXX	XXX
31331K-UU-2	Federal Farm Credit Bank 1%		08/17/2012	CALLED @ 100.000000		105,000	105,000.00	105,000	105,000						105,000					1,050	08/17/2015	1FE
3133XY-WB-7	Federal Home Ln Bk .875%		08/22/2012	MATURITY		500,000	500,000.00	502,715	500,989		(989)		(989)		500,000					4,375	08/22/2012	1FE
312945-ZD-3	FHLMC A9 740 4.0% 2041		09/15/2012	PRINCIPAL RECEIPT		104,533	104,533.12	110,215	110,301		(5,768)		(5,768)		104,533					2,786	02/01/2041	1FE
3128M7-4G-8	FHLMC G0 5923 05.50% 2040		09/15/2012	PRINCIPAL RECEIPT		66,029	66,029.24	71,885	71,923		(5,894)		(5,894)		66,029					2,324	01/01/2040	1FE
31368H-M4-2	FNMA P190379 05 50%2037		09/25/2012	PRINCIPAL RECEIPT		10,299	10,299.06	11,030	11,030		(731)		(731)		10,299					377	05/01/2037	1FE
31385W-SB-6	FNMA P555014 5.50% 2017		09/15/2012	PRINCIPAL RECEIPT		36,035	36,035.40	39,290	39,344		(3,308)		(3,308)		36,035					1,300	01/01/2017	1FE
31402C-PL-0	FNMA P725027 05%2033		09/25/2012	PRINCIPAL RECEIPT		63,575	63,575.33	68,508	68,491		(4,915)		(4,915)		63,575					2,140	11/01/2033	1FE
31403D-DX-4	FNMA P745418 05 50%2036		09/25/2012	PRINCIPAL RECEIPT		95,359	95,358.66	103,843	103,820		(8,461)		(8,461)		95,359					3,492	04/01/2036	1FE
31410F-VW-2	FNMA P888129 05 50%2037		09/25/2012	PRINCIPAL RECEIPT		10,253	10,253.46	10,981	10,980		(727)		(727)		10,253					375	02/01/2037	1FE
31410K-JY-1	FNMA P8889579 06%2038		09/25/2012	PRINCIPAL RECEIPT		60,177	60,176.84	66,068	66,055		(5,878)		(5,878)		60,177					2,403	05/01/2038	1FE
31412P-RQ-6	FNMA P931195 04 50%2024		09/25/2012	PRINCIPAL RECEIPT		5,531	5,531.34	5,862	5,855		(324)		(324)		5,531					166	05/01/2024	1FE
31416B-TW-8	FNMA P995265 05 50%2024		09/25/2012	PRINCIPAL RECEIPT		4,823	4,823.01	5,238	5,226		(403)		(403)		4,823					176	01/01/2024	1FE
31417V-N6-6	FNMA PAC8512 4.50% 2039		09/15/2012	PRINCIPAL RECEIPT		6,091	6,090.84	6,456	6,459		(368)		(368)		6,091					169	11/25/2039	1FE
31418N-YK-0	FNMA PAD1613 04.50% 2025		09/15/2012	PRINCIPAL RECEIPT		42,873	42,872.85	45,928	45,950		(3,077)		(3,077)		42,873					1,280	05/01/2025	1FE
31418R-GS-4	FNMA PAD3808 04 50%2040		09/25/2012	PRINCIPAL RECEIPT		20,402	20,402.46	21,378	21,371		(968)		(968)		20,402					616	04/01/2040	1FE
3138A4-Y5-8	FNMA PAH3431 03.50% 2026		09/15/2012	PRINCIPAL RECEIPT		33,692	33,692.05	35,292	35,303		(1,611)		(1,611)		33,692					797	05/01/2026	1FE
3138AM-UJ-2	FNMA PAI7784 4.50% 2041		09/15/2012	PRINCIPAL RECEIPT		71,652	71,651.95	76,354	76,382		(4,730)		(4,730)		71,652					2,126	01/01/2041	1FE
31368H-MY-6	FNMA Pool #190375		09/25/2012	PRINCIPAL RECEIPT		65,880	65,879.82	72,077			(6,197)		(6,197)		65,880					1,509	11/01/2036	1
31403C-6L-0	FNMA Pool #745275		09/25/2012	PRINCIPAL RECEIPT		55,913	55,913.12	60,578			(4,665)		(4,665)		55,913					1,168	02/01/2036	1
31416B-QD-3	FNMA Pool #995152		09/25/2012	PRINCIPAL RECEIPT		41,639	41,639.42	45,543			(3,904)		(3,904)		41,639					947	01/01/2021	1
3138EG-FA-7	FNMA Pool #AL0160		09/25/2012	PRINCIPAL RECEIPT		36,278	36,277.75	38,738			(2,460)		(2,460)		36,278					697	05/01/2041	1
3199999	U.S. Total - Bonds - Special Revenue and Special Assessment Non-Guaranteed Obl				XXX	1,436,034	1,436,035.72	1,502,979	1,284,479		(65,378)		(65,378)		1,436,034					30,273	XXX	XXX
060505-DK-7	Bank of America Corp 5.375		09/11/2012	MATURITY		500,000	500,000.00	501,115	500,211		(211)		(211)		500,000					26,875	09/11/2012	1FE
172967-BP-5	Citigroup Inc Sub Nt 5.625%		08/27/2012	MATURITY		500,000	500,000.00	498,465	499,778		222		222		500,000					28,125	08/27/2012	2FE
38141G-CG-7	Goldman Sachs Group Inc Sen Nt 5.7		09/01/2012	MATURITY		400,000	400,000.00	397,472	399,683		317		317		400,000					22,800	09/01/2012	1FE
3899999	Total - Bonds - Industrial and Miscellaneous (Unaffiliated)				XXX	1,400,000	1,400,000.00	1,397,052	1,399,672		328		328		1,400,000					77,800	XXX	XXX

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

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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 Ident- ification	2 Description	3 F o r e i n g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consid- eration	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 (Amort- ization)/ 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.									
8399997	Total - Bonds - Part 4				XXX	4,746,034	4,746,036	4,818,729	4,595,655		(66,554)			(66,554)		4,746,034					144,042	XXX	XXX
8399998	Summary Item from Part 5 for Bonds				XXX	XXX	XXX	XXX	XXX													XXX	XXX
8399999	Total Bonds				XXX	4,746,034	4,746,035.72	4,818,729	4,595,655		(66,554)			(66,554)		4,746,034					144,042	XXX	XXX
00817Y-10-8	Aetna Inc New	R	09/10/2012	BlackRock LC-C V/Merr	224.00	8,647		9,053	9,451	(398)				(398)		9,053	(406)	(406)	118	L			
009126-20-2	Air Liquide	R	09/27/2012	MFS Int'l/Merrill Lynch	304.00	7,646		6,812	6,799	13				13		6,812	835	835	149	L			
03073E-10-5	Amerisourcebergen Corp		07/14/2012	BlackRock LC-C V/Merr	497.00	19,446		20,106	18,483	1,622				1,622		20,106	(660)	(660)	129	L			
071813-10-9	Baxter Internl Inc		07/13/2012	VARIOUS	486.00	26,147		28,403	24,047	4,356				4,356		28,403	(2,256)	(2,256)	488	L			
072743-20-6	Bayerische Motorenwerke A BMW SHS	R	08/23/2012	MFS Int'l/Merrill Lynch	424.00	10,773		9,303	9,426	(122)				(122)		9,303	1,470	1,470	304	L			
125269-10-0	CF Inds Hldgs Inc		08/13/2012	BlackRock LC-C V/Merr	87.00	18,083		16,226	12,613	3,612				3,612		16,226	1,857	1,857	70	L			
20825C-10-4	ConocoPhillips		07/12/2012	VARIOUS	224.00	12,060		13,641	12,269	1,372				1,372		13,641	(1,581)	(1,581)	148	L			
29274F-10-4	Enersis S A	R	07/20/2012	MFS Int'l/Merrill Lynch	267.00	5,142		6,054	4,707	1,347				1,347		6,054	(913)	(913)	105	L			
29285W-10-4	Engility Holdings Inc		08/01/2012	VARIOUS	26.67	394										394	394	394	L				
G6359F-10-3	Nabors Industries Ltd		08/27/2012	VARIOUS	534.00	8,158		11,524	9,260	2,264				2,264		11,524	(3,366)	(3,366)	L				
67066G-10-4	NVIDIA		08/27/2012	VARIOUS	1,079.00	15,574		21,401	14,955	6,446				6,446		21,401	(5,827)	(5,827)	L				
775781-20-6	Rolls Royce Grp	R	08/23/2012	MFS Int'l/Merrill Lynch	130.00	8,583		7,259	7,505	(246)				(246)		7,259	1,324	1,324	176	L			
874039-10-0	Taiwan S Mnfctring	R	07/14/2012	MFS Int'l/Merrill Lynch	139.00	1,784		1,772	1,794	(23)				(23)		1,772	12	12	L	L			
878546-20-9	Technip Sp Adr	R	07/21/2012	MFS Int'l/Merrill Lynch	171.00	4,626		3,877	4,036	(158)				(158)		3,877	749	749	95	L			
881575-30-2	Tesco PLC	R	08/15/2012	MFS Int'l/Merrill Lynch	409.00	6,416		8,985	7,706	1,279				1,279		8,985	(2,569)	(2,569)	305	L			
9099999	Total - Common Stock - Industrial and Miscellaneous (Unaffiliated)				XXX	153,479		164,416	143,051	21,364				21,364		164,416	(10,937)	(10,937)	2,087	XXX	XXX		
9799997	Total - Common Stock - Part 4				XXX	153,479	XXX	164,416	143,051	21,364				21,364		164,416	(10,937)	(10,937)	2,087	XXX	XXX		
9799998	Summary Item from Part 5 for Common Stocks				XXX	XXX	XXX	XXX	XXX	XXX													
9799999	Total Common Stocks				XXX	153,479	XXX	164,416	143,051	21,364				21,364		164,416	(10,937)	(10,937)	2,087	XXX	XXX		
9899999	Total Preferred and Common Stocks				XXX	153,479	XXX	164,416	143,051	21,364				21,364		164,416	(10,937)	(10,937)	2,087	XXX	XXX		
9999999	Totals					4,899,513	XXX	4,983,145	4,738,706	21,364	(66,554)			(45,190)		4,910,450	(10,937)	(10,937)	146,129	XXX	XXX		

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

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NONE Schedule DB - Part A - Section 1

NONE Schedule DB - Part B - Section 1

NONE Schedule DB - Part D

NONE Schedule DL - Part 1

NONE Schedule DL - Part 2

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								
Key Bank	Columbus, OH				213,506	499,947	666,262	
Bank of Oklahoma	Tulsa, OK	0.100	23		93,602	91,580	91,587	
Key Bank	Columbus, OH	0.150	4		4			
Key Bank	Columbus, OH	0.150	3		3			
Fifth Third	Cincinnati, OH				2,397,412	3,468,374	4,132,422	
Fifth Third	Cincinnati, OH				11,998	12,142	23,113	
Fifth Third	Cincinnati, OH	0.050	3		26,198	18,725	18,358	
Fifth Third	Cincinnati, OH	0.050	16		142,527	142,533	142,539	
Fifth Third	Cincinnati, OH				100,000	100,000	100,000	
Fifth Third	Cincinnati, OH	0.050	55		449,478	449,497	449,515	
Fifth Third	Cincinnati, OH	0.050	43		389,437	337,251	317,267	
Merrill Lynch	Charlotte, NC	0.100	19		64,966	72,754	82,289	
0199998 Deposits in (1) depositories that do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories	XXX	XXX						XXX
0199999 Total - Open Depositories	XXX	XXX	166		3,889,131	5,192,803	6,023,352	XXX
Suspended Depositories								
0299998 Deposits in (0) depositories that do not exceed the allowable limit in any one depository (see Instructions) - Suspended Depositories	XXX	XXX						XXX
0299999 Total Suspended Depositories	XXX	XXX						XXX
0399999 Total Cash on Deposit	XXX	XXX	166		3,889,131	5,192,803	6,023,352	XXX
0499999 Cash in Company's Office	XXX	XXX	XXX	XXX	300	300	300	XXX
0599999 Total	XXX	XXX	166		3,889,431	5,193,103	6,023,652	XXX

NONE Schedule E - Part 2