



## QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2012

OF THE CONDITION AND AFFAIRS OF THE

### Old Guard Insurance Company

NAIC Group Code 0228 (Current Period) 0228 (Prior Period) NAIC Company Code 17558 Employer's ID Number 23-0929640

Organized under the Laws of Ohio, State of Domicile or Port of Entry Ohio

Country of Domicile US

Incorporated/Organized December 9, 1896 Commenced Business December 9, 1896

Statutory Home Office One Park Circle, Westfield Center, Ohio 44251-5001  
(Street and Number, City or Town, State and Zip Code)

Main Administrative Office One Park Circle, Westfield Center, Ohio 44251-5001  
(Street and Number, City or Town, State and Zip Code) 330-887-0101  
(Area Code) (Telephone Number)

Mail Address P.O. Box 5001, Westfield Center, Ohio 44251-5001  
(Street and Number or P.O. Box, City or Town, State and Zip Code)

Primary Location of Books and Records One Park Circle, Westfield Center, Ohio 44251-5001  
(Street and Number, City or Town, State and Zip Code)  
330-887-0101  
(Area Code) (Telephone Number)

Internet Website Address www.westfieldgrp.com

Statutory Statement Contact Bambi Ann Beshire  
(Name) 330-887-0101  
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(Fax Number)

### OFFICERS

Edward James Largent (Westfield Insurance Leader & President)  
Joseph Christian Kohmann (Group Finance Leader & Treasurer)  
Frank Anthony Carrino (Group Legal Leader & Secretary)

### OTHER OFFICERS

James Robert Clay# (Chairman & CEO)  
Dennis Paul Baus# (National Surety Leader)  
Bambi Ann Beshire (Group Finance & Accounting Leader)  
Stephen Edward Lehecka (Group Actuarial Leader)  
Heidi Storch Mack (National UW & Product Leader)  
Martha Haskins Oakes (National Middle Market Leader)  
Christopher Michael Paterakis (Group HR Leader)  
David Campbell Peterson (National PL & SBA Leader)  
Michael Joseph Prandi (National Claims Leader)  
Stuart Wayne Rosenberg (Group Administration Leader)  
Peter Robert Schwanke (Group Risk Management Leader)  
Stephen John Tien (Group IT Leader)  
George Krieg Wiswesser (Group Investment Leader)

### DIRECTORS OR TRUSTEES

Michael John Bernaski  
Cheryl Carlisle#  
James Robert Clay  
Fariborz Ghadar  
Gary Dean Hallman  
Susan Jane Insley  
Edward James Largent#  
Deborah Denine Pryce  
John Lewis Watson  
Thomas Eldon Workman

State of Ohio  
County of Medina } 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.

Edward James Largent  
Westfield Insurance Leader & President

Joseph Christian Kohmann  
Group Finance Leader & Treasurer

Frank Anthony Carrino  
Group Legal Leader & Secretary

Subscribed and sworn to before me this  
15th day of October, 2012

a. Is this an original filing? Yes (X) No ( )

b. If no: 1. State the amendment number 0

2. Date filed \_\_\_\_\_

3. Number of pages attached 0

## ASSETS

|   | Current Statement Date |                            |  | 4<br>December 31<br>Prior Year Net<br>Admitted Assets |
|---|------------------------|----------------------------|--|---|
|   | 1<br>Assets            | 2<br>Nonadmitted<br>Assets | 3<br>Net Admitted<br>Assets (Col. 1<br>minus Col. 2) |   |
| 1. Bonds .....  | 209,050,873            | 0                          | 209,050,873  | 208,641,412   |
| 2. Stocks:  |                        |                            |  |   |
| 2.1 Preferred stocks .....  | 0                      | 0                          | 0  | 0   |
| 2.2 Common stocks .....   | 84,671,655             | 0                          | 84,671,655   | 71,251,133  |
| 3. Mortgage loans on real estate:   |                        |                            |  |   |
| 3.1 First liens .....   | 0                      | 0                          | 0  | 0   |
| 3.2 Other than first liens .....  | 0                      | 0                          | 0  | 0   |
| 4. Real estate:   |                        |                            |  |   |
| 4.1 Properties occupied by the company (less \$ 0 encumbrances) .....   | 0                      | 0                          | 0  | 0   |
| 4.2 Properties held for the production of income (less \$ 0 encumbrances) .....   | 0                      | 0                          | 0  | 0   |
| 4.3 Properties held for sale (less \$ 0 encumbrances) .....   | 0                      | 0                          | 0  | 0   |
| 5. Cash (\$ 0 ), cash equivalents (\$ 0 ) and short-term investments (\$ 57,282 ) .....   | 57,282                 | 0                          | 57,282   | 470,465   |
| 6. Contract loans (including \$ 0 premium notes) .....  | 0                      | 0                          | 0  | 0   |
| 7. Derivatives .....  | 0                      | 0                          | 0  | 0   |
| 8. Other invested assets .....  | 3,431,500              | 0                          | 3,431,500  | 3,357,170   |
| 9. Receivables for securities .....   | 0                      | 0                          | 0  | 3,315   |
| 10. Securities lending reinvested collateral assets .....   | 0                      | 0                          | 0  | 0   |
| 11. Aggregate write-ins for invested assets .....   | 0                      | 0                          | 0  | 0   |
| 12. Subtotals, cash and invested assets (Line 1 to Line 11) .....   | 297,211,310            | 0                          | 297,211,310  | 283,723,495   |
| 13. Title plants less \$ 0 charged off (for Title insurers only) .....  | 0                      | 0                          | 0  | 0   |
| 14. Investment income due and accrued .....   | 2,762,572              | 0                          | 2,762,572  | 2,783,729   |
| 15. Premiums and considerations:  |                        |                            |  |   |
| 15.1 Uncollected premiums and agents' balances in the course of collection .....  | 8,741,894              | 849,509                    | 7,892,385  | 6,948,427   |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums) ..... | 46,341,298             | 0                          | 46,341,298   | 41,779,189  |
| 15.3 Accrued retrospective premiums .....   | 0                      | 0                          | 0  | 0   |
| 16. Reinsurance:  |                        |                            |  |   |
| 16.1 Amounts recoverable from reinsurers .....  | 0                      | 0                          | 0  | 0   |
| 16.2 Funds held by or deposited with reinsured companies .....  | 0                      | 0                          | 0  | 0   |
| 16.3 Other amounts receivable under reinsurance contracts .....   | 0                      | 0                          | 0  | 0   |
| 17. Amounts receivable relating to uninsured plans .....  | 0                      | 0                          | 0  | 0   |
| 18.1 Current federal and foreign income tax recoverable and interest thereon .....  | 0                      | 0                          | 0  | 0   |
| 18.2 Net deferred tax asset .....   | 2,105,387              | 0                          | 2,105,387  | 2,034,944   |
| 19. Guaranty funds receivable or on deposit .....   | 0                      | 0                          | 0  | 0   |
| 20. Electronic data processing equipment and software .....   | 0                      | 0                          | 0  | 0   |
| 21. Furniture and equipment, including health care delivery assets (\$ 0 ) .....  | 0                      | 0                          | 0  | 0   |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates .....  | 0                      | 0                          | 0  | 0   |
| 23. Receivables from parent, subsidiaries and affiliates .....  | 0                      | 0                          | 0  | 0   |
| 24. Health care (\$ 0 ) and other amounts receivable .....  | 0                      | 0                          | 0  | 0   |
| 25. Aggregate write-ins for other than invested assets .....  | 0                      | 0                          | 0  | 0   |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Line 12 to Line 25) .....                          | 357,162,461            | 849,509                    | 356,312,952  | 337,269,784   |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....   | 0                      | 0                          | 0  | 0   |
| 28. Totals (Line 26 and Line 27) .....  | 357,162,461            | 849,509                    | 356,312,952  | 337,269,784   |
| <b>DETAILS OF WRITE-INS</b>   |                        |                            |  |   |
| 1101 .....  | 0                      | 0                          | 0  | 0   |
| 1102 .....  | 0                      | 0                          | 0  | 0   |
| 1103 .....  | 0                      | 0                          | 0  | 0   |
| 1198. Summary of remaining write-ins for Line 11 from overflow page .....   | 0                      | 0                          | 0  | 0   |
| 1199. Totals (Line 1001 through Line 1103 plus Line 1198) (Line 11 above) .....   | 0                      | 0                          | 0  | 0   |
| 2501 .....  | 0                      | 0                          | 0  | 0   |
| 2502 .....  | 0                      | 0                          | 0  | 0   |
| 2503 .....  | 0                      | 0                          | 0  | 0   |
| 2598. Summary of remaining write-ins for Line 25 from overflow page .....   | 0                      | 0                          | 0  | 0   |
| 2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above) .....   | 0                      | 0                          | 0  | 0   |

**LIABILITIES, SURPLUS AND OTHER FUNDS**

|   | 1<br>Current<br>Statement Date | 2<br>December 31,<br>Prior Year |
|---|--------------------------------|---------------------------------|
| 1. Losses (current accident year \$ 37,677,622 )  | 104,782,030                    | 106,817,538                     |
| 2. Reinsurance payable on paid losses and loss adjustment expenses  | 0                              | 0                               |
| 3. Loss adjustment expenses   | 30,747,901                     | 29,567,900                      |
| 4. Commissions payable, contingent commissions and other similar charges  | 8,490,206                      | 8,048,192                       |
| 5. Other expenses (excluding taxes, licenses and fees)  | 4,173,468                      | 3,992,409                       |
| 6. Taxes, licenses and fees (excluding federal and foreign income taxes)  | 1,822,895                      | 2,213,009                       |
| 7.1 Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))  | 144,259                        | 165,833                         |
| 7.2 Net deferred tax liability  | 0                              | 0                               |
| 8. Borrowed money \$ 0 and interest thereon \$ 0  | 0                              | 0                               |
| 9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 0 and including warranty reserves of \$ 0 and accrued accident and health experience rating refunds including \$ 0 for medical loss ratio rebate per the Public Health Service Act) | 72,244,180                     | 66,650,773                      |
| 10. Advance premium   | 0                              | 0                               |
| 11. Dividends declared and unpaid:  |                                |                                 |
| 11.1 Stockholders   | 0                              | 0                               |
| 11.2 Policyholders  | 0                              | 0                               |
| 12. Ceded reinsurance premiums payable (net of ceding commissions)  | 421,641                        | 695,403                         |
| 13. Funds held by company under reinsurance treaties  | 0                              | 0                               |
| 14. Amounts withheld or retained by company for account of others   | 0                              | 0                               |
| 15. Remittances and items not allocated   | 0                              | 0                               |
| 16. Provision for reinsurance   | 0                              | 0                               |
| 17. Net adjustments in assets and liabilities due to foreign exchange rates   | 0                              | 0                               |
| 18. Drafts outstanding  | 0                              | 0                               |
| 19. Payable to parent, subsidiaries and affiliates  | 1,272,855                      | 955,677                         |
| 20. Derivatives   | 0                              | 0                               |
| 21. Payable for securities  | 0                              | 0                               |
| 22. Payable for securities lending  | 0                              | 0                               |
| 23. Liability for amounts held under uninsured plans  | 0                              | 0                               |
| 24. Capital notes \$ 0 and interest thereon \$ 0  | 0                              | 0                               |
| 25. Aggregate write-ins for liabilities   | 0                              | 0                               |
| 26. Total liabilities excluding protected cell liabilities (Line 1 through Line 25)   | 224,099,435                    | 219,106,734                     |
| 27. Protected cell liabilities  | 0                              | 0                               |
| 28. Total liabilities (Line 26 and Line 27)   | 224,099,435                    | 219,106,734                     |
| 29. Aggregate write-ins for special surplus funds   | 24,868,787                     | 19,623,908                      |
| 30. Common capital stock  | 2,500,000                      | 2,500,000                       |
| 31. Preferred capital stock   | 0                              | 0                               |
| 32. Aggregate write-ins for other than special surplus funds  | 0                              | 1,019,559                       |
| 33. Surplus notes   | 0                              | 0                               |
| 34. Gross paid in and contributed surplus   | 31,870,941                     | 31,870,940                      |
| 35. Unassigned funds (surplus)  | 72,973,789                     | 63,148,643                      |
| 36. Less treasury stock, at cost:   |                                |                                 |
| 36.1 0 shares common (value included in Line 30 \$ 0 )  | 0                              | 0                               |
| 36.2 0 shares preferred (value included in Line 31 \$ 0 )   | 0                              | 0                               |
| 37. Surplus as regards policyholders (Line 29 through Line 35, less Line 36)  | 132,213,517                    | 118,163,050                     |
| 38. Totals (Page 2, Line 28, Column 3)  | 356,312,952                    | 337,269,784                     |
| <b>DETAILS OF WRITE-INS</b>   |                                |                                 |
| 2501  | 0                              | 0                               |
| 2502  | 0                              | 0                               |
| 2503  | 0                              | 0                               |
| 2598. Summary of remaining write-ins for Line 25 from overflow page   | 0                              | 0                               |
| 2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above)   | 0                              | 0                               |
| 2901. General voluntary reserve   | 24,868,787                     | 19,623,908                      |
| 2902  | 0                              | 0                               |
| 2903  | 0                              | 0                               |
| 2998. Summary of remaining write-ins for Line 29 from overflow page   | 0                              | 0                               |
| 2999. Totals (Line 2901 through Line 2903 plus Line 2998) (Line 29 above)   | 24,868,787                     | 19,623,908                      |
| 3201. Increased amount of surplus due to SSAP 10R, paragraph 10.e.  | 0                              | 1,019,559                       |
| 3202  | 0                              | 0                               |
| 3203  | 0                              | 0                               |
| 3298. Summary of remaining write-ins for Line 32 from overflow page   | 0                              | 0                               |
| 3299. Totals (Line 3201 through Line 3203 plus Line 3298) (Line 32 above)   | 0                              | 1,019,559                       |

## STATEMENT OF INCOME

|  | 1<br>Current Year<br>to Date | 2<br>Prior Year<br>to Date | 3<br>Prior Year Ended<br>December 31 |
|--|------------------------------|----------------------------|--------------------------------------|
| <b>UNDERWRITING INCOME</b>   |                              |                            |                                      |
| 1. Premiums earned:  |                              |                            |                                      |
| 1.1 Direct (written \$ (2,002))  | (2,002)                      | 14,519                     | 14,758                               |
| 1.2 Assumed (written \$ 111,561,001)   | 105,967,594                  | 100,883,273                | 135,680,788                          |
| 1.3 Ceded (written \$ (2,003))   | (2,003)                      | 24,016                     | 24,255                               |
| 1.4 Net (written \$ 111,561,002)   | 105,967,595                  | 100,873,776                | 135,671,291                          |
| DEDUCTIONS:  |                              |                            |                                      |
| 2. Losses incurred (current accident year \$ 67,809,134):  |                              |                            |                                      |
| 2.1 Direct   | (593,763)                    | 260,992                    | 399,215                              |
| 2.2 Assumed  | 57,358,698                   | 71,262,459                 | 91,493,056                           |
| 2.3 Ceded  | (603,447)                    | 248,152                    | 372,976                              |
| 2.4 Net  | 57,368,382                   | 71,275,299                 | 91,519,295                           |
| 3. Loss adjustment expenses incurred   | 12,160,278                   | 11,554,794                 | 16,015,662                           |
| 4. Other underwriting expenses incurred  | 37,418,716                   | 33,807,433                 | 44,819,073                           |
| 5. Aggregate write-ins for underwriting deductions   | 0                            | 0                          | 0                                    |
| 6. Total underwriting deductions (Line 2 through Line 5)   | 106,947,376                  | 116,637,526                | 152,354,030                          |
| 7. Net income of protected cells   | 0                            | 0                          | 0                                    |
| 8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)  | (979,781)                    | (15,763,750)               | (16,682,739)                         |
| <b>INVESTMENT INCOME</b>   |                              |                            |                                      |
| 9. Net investment income earned  | 8,486,983                    | 8,643,597                  | 11,654,538                           |
| 10. Net realized capital gains (losses) less capital gains tax of \$ 1,872,436   | 3,482,691                    | 1,349,940                  | 1,627,510                            |
| 11. Net investment gain (loss) (Line 9 plus Line 10)   | 11,969,674                   | 9,993,537                  | 13,282,048                           |
| <b>OTHER INCOME</b>  |                              |                            |                                      |
| 12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ 546,156)  | (172,149)                    | (150,778)                  | (202,255)                            |
| 13. Finance and service charges not included in premiums   | 0                            | 0                          | 0                                    |
| 14. Aggregate write-ins for miscellaneous income   | 7,000                        | 12,135                     | 12,135                               |
| 15. Total other income (Line 12 through Line 14)   | (165,149)                    | (138,643)                  | (190,120)                            |
| 16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 8 plus Line 11 plus Line 15) | 10,824,744                   | (5,908,856)                | (3,590,811)                          |
| 17. Dividends to policyholders   | 0                            | 0                          | 0                                    |
| 18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)            | 10,824,744                   | (5,908,856)                | (3,590,811)                          |
| 19. Federal and foreign income taxes incurred  | 2,026,974                    | (2,702,154)                | (2,270,145)                          |
| 20. Net income (Line 18 minus Line 19) (to Line 22)  | 8,797,770                    | (3,206,702)                | (1,320,666)                          |
| <b>CAPITAL AND SURPLUS ACCOUNT</b>   |                              |                            |                                      |
| 21. Surplus as regards policyholders, December 31 prior year   | 118,163,050                  | 121,887,972                | 121,887,972                          |
| 22. Net income (from Line 20)  | 8,797,770                    | (3,206,702)                | (1,320,666)                          |
| 23. Net transfers (to) from Protected Cell accounts  | 0                            | 0                          | 0                                    |
| 24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 1,837,566  | 3,407,313                    | (5,225,343)                | (377,759)                            |
| 25. Change in net unrealized foreign exchange capital gain (loss)  | 0                            | 0                          | 0                                    |
| 26. Change in net deferred income tax  | 45,817                       | 3,112                      | (142,740)                            |
| 27. Change in nonadmitted assets   | 1,799,567                    | (2,036,504)                | (1,883,757)                          |
| 28. Change in provision for reinsurance  | 0                            | 0                          | 0                                    |
| 29. Change in surplus notes  | 0                            | 0                          | 0                                    |
| 30. Surplus (contributed to) withdrawn from protected cells  | 0                            | 0                          | 0                                    |
| 31. Cumulative effect of changes in accounting principles  | 0                            | 0                          | 0                                    |
| 32. Capital changes:   |                              |                            |                                      |
| 32.1 Paid in   | 0                            | 0                          | 0                                    |
| 32.2 Transferred from surplus (Stock Dividend)   | 0                            | 0                          | 0                                    |
| 32.3 Transferred to surplus  | 0                            | 0                          | 0                                    |
| 33. Surplus adjustments:   |                              |                            |                                      |
| 33.1 Paid in   | 0                            | 0                          | 0                                    |
| 33.2 Transferred to capital (Stock Dividend)   | 0                            | 0                          | 0                                    |
| 33.3 Transferred from capital  | 0                            | 0                          | 0                                    |
| 34. Net remittances from or (to) Home Office   | 0                            | 0                          | 0                                    |
| 35. Dividends to stockholders  | 0                            | 0                          | 0                                    |
| 36. Change in treasury stock   | 0                            | 0                          | 0                                    |
| 37. Aggregate write-ins for gains and losses in surplus  | 0                            | 0                          | 0                                    |
| 38. Change in surplus as regards policyholders (Line 22 through Line 37)   | 14,050,467                   | (10,465,437)               | (3,724,922)                          |
| 39. Surplus as regards policyholders, as of statement date (Line 21 plus Line 38)  | 132,213,517                  | 111,422,535                | 118,163,050                          |
| <b>DETAILS OF WRITE-INS</b>  |                              |                            |                                      |
| 0501.  | 0                            | 0                          | 0                                    |
| 0502.  | 0                            | 0                          | 0                                    |
| 0503.  | 0                            | 0                          | 0                                    |
| 0598. Summary of remaining write-ins for Line 5 from overflow page   | 0                            | 0                          | 0                                    |
| 0599. TOTALS (Line 0501 through Line 0503 plus Line 0598) (Line 5 above)   | 0                            | 0                          | 0                                    |
| 1401. Net other interest income  | 7,000                        | 12,135                     | 12,135                               |
| 1402.  | 0                            | 0                          | 0                                    |
| 1403.  | 0                            | 0                          | 0                                    |
| 1498. Summary of remaining write-ins for Line 14 from overflow page  | 0                            | 0                          | 0                                    |
| 1499. TOTALS (Line 1401 through Line 1403 plus Line 1498) (Line 14 above)  | 7,000                        | 12,135                     | 12,135                               |
| 3701. Increased amount of nonadmitted asset reported on line 27, due to SSAP 10R, paragraph 10.e.  | 0                            | 262,388                    | 308,426                              |
| 3702. Decreased amount of surplus due to SSAP 10R, paragraph 10.e.   | 0                            | (262,388)                  | (308,426)                            |
| 3703.  | 0                            | 0                          | 0                                    |
| 3798. Summary of remaining write-ins for Line 37 from overflow page  | 0                            | 0                          | 0                                    |
| 3799. TOTALS (Line 3701 through Line 3703 plus Line 3798) (Line 37 above)  | 0                            | 0                          | 0                                    |

## CASH FLOW

|  | 1<br>Current Year<br>To Date | 2<br>Prior Year<br>To Date | 3<br>Prior Year Ended<br>December 31 |
|--|------------------------------|----------------------------|--------------------------------------|
| <b>Cash from Operations</b>  |                              |                            |                                      |
| 1. Premiums collected net of reinsurance .....   | 105,718,549                  | 99,941,764                 | 136,358,998                          |
| 2. Net investment income .....   | 10,415,214                   | 10,453,906                 | 13,647,894                           |
| 3. Miscellaneous income .....  | (165,149)                    | (138,643)                  | (190,119)                            |
| 4. Total (Line 1 through Line 3) .....   | 115,968,614                  | 110,257,027                | 149,816,773                          |
| 5. Benefit and loss related payments .....   | 59,403,891                   | 59,538,549                 | 82,642,024                           |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....                             | 0                            | 0                          | 0                                    |
| 7. Commissions, expenses paid and aggregate write-ins for deductions .....   | 48,137,115                   | 45,236,167                 | 58,293,939                           |
| 8. Dividends paid to policyholders .....   | 0                            | 0                          | 0                                    |
| 9. Federal and foreign income taxes paid (recovered) net of \$ 1,872,436 tax on capital gains (losses) .....             | 3,920,984                    | (2,615,470)                | (981,658)                            |
| 10. Total (Line 5 through Line9) .....   | 111,461,990                  | 102,159,246                | 139,954,305                          |
| 11. Net cash from operations (Line 4 minus Line 10) .....  | 4,506,624                    | 8,097,781                  | 9,862,468                            |
| <b>Cash from Investments</b>   |                              |                            |                                      |
| 12. Proceeds from investments sold, matured or repaid:   |                              |                            |                                      |
| 12.1 Bonds .....   | 30,013,827                   | 34,425,154                 | 43,933,117                           |
| 12.2 Stocks .....  | 11,198,033                   | 4,264,872                  | 5,359,723                            |
| 12.3 Mortgage loans .....  | 0                            | 0                          | 0                                    |
| 12.4 Real estate .....   | 0                            | 0                          | 0                                    |
| 12.5 Other invested assets .....   | 0                            | 1,743,006                  | 1,743,006                            |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....                                    | 0                            | 0                          | 0                                    |
| 12.7 Miscellaneous proceeds .....  | 3,315                        | 0                          | 0                                    |
| 12.8 Total investment proceeds (Line 12.1 through Line 12.7) .....   | 41,215,175                   | 40,433,032                 | 51,035,846                           |
| 13. Cost of investments acquired (long-term only):   |                              |                            |                                      |
| 13.1 Bonds .....   | 29,810,903                   | 36,004,884                 | 54,735,643                           |
| 13.2 Stocks .....  | 16,641,258                   | 6,822,175                  | 7,917,027                            |
| 13.3 Mortgage loans .....  | 0                            | 0                          | 0                                    |
| 13.4 Real estate .....   | 0                            | 0                          | 0                                    |
| 13.5 Other invested assets .....   | 0                            | 0                          | 0                                    |
| 13.6 Miscellaneous applications .....  | 0                            | 0                          | 3,315                                |
| 13.7 Total investments acquired (Line 13.1 through Line 13.6) .....  | 46,452,161                   | 42,827,059                 | 62,655,985                           |
| 14. Net increase or (decrease) in contract loans and premium notes .....   | 0                            | 0                          | 0                                    |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....  | (5,236,986)                  | (2,394,027)                | (11,620,139)                         |
| <b>Cash from Financing and Miscellaneous Sources</b>   |                              |                            |                                      |
| 16. Cash provided (applied):   |                              |                            |                                      |
| 16.1 Surplus notes, capital notes .....  | 0                            | 0                          | 0                                    |
| 16.2 Capital and paid in surplus, less treasury stock .....  | 0                            | 0                          | 0                                    |
| 16.3 Borrowed funds .....  | 0                            | 0                          | 0                                    |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities .....  | 0                            | 0                          | 0                                    |
| 16.5 Dividends to stockholders .....   | 0                            | 0                          | 0                                    |
| 16.6 Other cash provided (applied) .....   | 317,179                      | 564,198                    | 1,104,640                            |
| 17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) ..... | 317,179                      | 564,198                    | 1,104,640                            |
| <b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>   |                              |                            |                                      |
| 18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17) .....            | (413,183)                    | 6,267,952                  | (653,031)                            |
| 19. Cash, cash equivalents and short-term investments:   |                              |                            |                                      |
| 19.1 Beginning of year .....   | 470,465                      | 1,123,496                  | 1,123,496                            |
| 19.2 End of period (Line 18 plus Line 19.1) .....  | 57,282                       | 7,391,448                  | 470,465                              |

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

|               |   |   |   |
|---------------|---|---|---|
| 20.0001 ..... | 0 | 0 | 0 |
| 20.0002 ..... | 0 | 0 | 0 |
| 20.0003 ..... | 0 | 0 | 0 |
| 20.0004 ..... | 0 | 0 | 0 |
| 20.0005 ..... | 0 | 0 | 0 |
| 20.0006 ..... | 0 | 0 | 0 |
| 20.0007 ..... | 0 | 0 | 0 |
| 20.0008 ..... | 0 | 0 | 0 |
| 20.0009 ..... | 0 | 0 | 0 |
| 20.0010 ..... | 0 | 0 | 0 |

## NOTES TO FINANCIAL STATEMENTS

## General Notes

## 1. Summary of Significant Accounting Policies-

## A. Accounting Practices

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

The Ohio Department of Insurance recognizes only statutory accounting practices (SAP) prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company for determining its solvency under the Ohio Insurance law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* (NAIC SAP) was adopted as a component of prescribed or permitted practices by the State of Ohio.

The Company has no prescribed or permitted accounting practices by the State of Ohio that differ from those found in NAIC SAP.

## B. Use of Estimates in the Preparation of the Financial Statements- No significant change

## C. Accounting Policy- No significant change

## 2. Accounting Changes and Corrections of Errors- No significant change

## 3. Business Combinations and Goodwill- Not applicable

## 4. Discontinued Operations- Not applicable

## 5. Investments-

## A. through C.- No significant change

## D. Loan-Backed Securities

(1) Prepayment assumptions for single class and multi class mortgage-backed/asset-backed securities were obtained from broker dealer survey values or internal estimates. The Company used Interactive Data Corp. in determining the market value of its loan-backed securities.

(2-3) No other-than-temporary impairments have been recognized on loan-backed securities.

(4) The Company held no loan-backed securities or structured securities in an unrealized loss position at September 30, 2012.

(5) In concluding that the impairments are not other-than-temporary, the Company has considered the following general categories of information:

- Length of time and extent to which the fair value has been less than cost
- Issuer credit quality
- Industry sector considerations
- General interest rate environment
- Probability of collecting future cash flows

## E. through G.- No significant change

## 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. The net deferred tax asset/ (liability) and the change from the prior year are comprised of the following components:

|   | 9/30/2012    |                |               | 12/31/2011     |                |                |
|---|--------------|----------------|---------------|----------------|----------------|----------------|
|   | Ordinary     | Capital        | Total         | Ordinary       | Capital        | Total          |
| Gross deferred tax assets                   | \$ 9,286,562 | \$ 2,572,704   | \$ 11,859,266 | \$ 9,280,352   | \$ 2,476,748   | \$ 11,757,100  |
| Statutory valuation allowance               | 0            | 0              | 0             | 0              | 0              | 0              |
| Adjusted gross deferred tax assets          | \$ 9,286,562 | \$ 2,572,704   | \$ 11,859,266 | \$ 9,280,352   | \$ 2,476,748   | \$ 11,757,100  |
| Deferred tax liabilities                    | 348,546      | 9,405,333      | 9,753,879     | 371,130        | 7,488,834      | 7,859,964      |
| Net deferred tax asset (liability)          | \$ 8,938,016 | \$ (6,832,629) | \$ 2,105,387  | \$ 8,909,222   | \$ (5,012,086) | \$ 3,897,136   |
| Deferred tax assets nonadmitted             | 0            | 0              | 0             | 1,862,192      | 0              | 1,862,192      |
| Net admitted deferred tax asset (liability) | \$ 8,938,016 | \$ (6,832,629) | \$ 2,105,387  | \$ 7,047,030   | \$ (5,012,086) | \$ 2,034,944   |
| (Increase) decrease in nonadmitted asset    | \$ 1,862,192 | \$ 0           | \$ 1,862,192  | \$ (1,862,192) | \$ 0           | \$ (1,862,192) |

The change in deferred income taxes reported in surplus before consideration of nonadmitted assets is comprised of the following components:

|  | 9/30/2012     | 12/31/2011    | Change         |
|--|---------------|---------------|----------------|
| Net deferred tax asset (liability)                 | \$ 2,105,387  | \$ 3,897,136  | \$ (1,791,749) |
| Tax-effect of unrealized gains and losses          | (8,694,138)   | (6,856,572)   | (1,837,566)    |
| Net tax effect without unrealized gains and losses | \$ 10,799,525 | \$ 10,753,708 | \$ 45,817      |
| Change in deferred income tax                      |               |               | \$ 45,817      |

## B. Admission calculation components SSAP No. 101, Paragraph 11:

|  | 9/30/2012      |              |               | 12/31/2011     |              |              |
|--|----------------|--------------|---------------|----------------|--------------|--------------|
|  | Ordinary       | Capital      | Total         | Ordinary       | Capital      | Total        |
| a. Federal Income taxes paid in prior years recoverable through loss carrybacks .                  | \$ 5,782,094   | \$ 951,727   | \$ 6,733,821  | \$ 1,435,265   | \$ 881,231   | \$ 2,316,496 |
| b. Adjusted gross DTA expected to be realized. (Lessor of b.i and b.ii below)                      | 3,397,880      | 585,080      | 3,982,960     | 5,611,765      | 550,975      | 6,162,740    |
| i. Adjusted gross DTA expected to be realized following BS date.                                   | 3,397,880      | 585,080      | 3,982,960     | 7,801,176      | 550,975      | 8,352,151    |
| ii. Adjusted gross DTA allowed per limitation threshold  | 7,072,548      | 951,727      | 8,024,275     | 5,611,765      | 881,231      | 6,492,996    |
| c. Adjusted gross DTA excluding the amount of DTA from a. and b. above offset by gross DTL.        | 106,588        | 1,035,897    | 1,142,485     | 371,131        | 1,044,541    | 1,415,672    |
| Deferred tax assets admitted as the result of application of SSAP No. 101. Total (a+b+c)           | \$ 9,286,562   | \$ 2,572,704 | \$ 11,859,266 | \$ 7,418,161   | \$ 2,476,747 | \$ 9,894,908 |
| Ratio % used to determine recovery period and threshold limitation.                                | 9/30/2012      |              |               | 12/31/2011     |              |              |
|  | 716.1%         |              |               | 716.1%         |              |              |
| Amount of adjusted capital and surplus used to determine recovery period and threshold limitation. | \$ 125,212,948 |              |               | \$ 106,746,305 |              |              |

## NOTES TO FINANCIAL STATEMENTS

## C. Impact of tax planning strategies:

|   | 9/30/2012  |           |         | 12/31/2011 |           |         |
|---|------------|-----------|---------|------------|-----------|---------|
|   | Ordinary % | Capital % | Total % | Ordinary % | Capital % | Total % |
| Adjusted Gross DTA                            |            |           |         |            |           |         |
| (% of total adjusted gross DTAs)              | 0.0%       | 0.0%      | 0.0%    | 0.0%       | 0.0%      | 0.0%    |
| Net Admitted Adjusted Gross DTAs              |            |           |         |            |           |         |
| (% of total net admitted adjusted gross DTAs) | 0.0%       | 0.0%      | 0.0%    | 0.0%       | 0.0%      | 0.0%    |

## D. Unrecognized deferred tax liabilities

There are no temporary differences for which deferred tax liabilities are not recognized.

## E. Current income taxes incurred consist of the following major components:

|   | 9/30/2012    | 12/31/2011     |
|---|--------------|----------------|
| 1 Current year federal tax expense (benefit)                                      | \$ 3,987,522 | \$ (1,195,990) |
| 2 Prior year adjustments  | (92,199)     | (209,726)      |
| 3 Other   | 4,087        | 11,923         |
| 4 Federal and foreign income taxes incurred, gross of capital gains tax (benefit) | \$ 3,899,410 | \$ (1,393,793) |
| 5 Less: realized capital gains (tax) /benefit                                     | (1,872,436)  | (876,352)      |
| 6 Federal and foreign income taxes incurred, net of capital gains tax (benefit)   | \$ 2,026,974 | \$ (2,270,145) |

## F. Deferred tax assets:

|   | 9/30/2012    | 12/31/2011   | Change       |
|---|--------------|--------------|--------------|
| a. Ordinary deferred tax assets:            |              |              |              |
| 1 Loss reserve discounting                  | \$ 2,269,022 | \$ 2,288,750 | \$ (19,728)  |
| 2 Unearned premium reserve                  | 4,441,992    | 4,372,837    | 69,155       |
| 3 Investments                               | 5,391        | 6,488        | (1,097)      |
| 4 Guarantee fund accrual                    | 0            | 0            | 0            |
| 5 Salvage and subrogation                   | 1,217,931    | 1,251,894    | (33,963)     |
| 6 Fixed assets                              | 144,996      | 144,996      | 0            |
| 7 Deferred compensation                     | 0            | 1,194,503    | (1,194,503)  |
| 8 Pension accrual                           | 0            | 0            | 0            |
| 9 Other assets                              | 1,207,230    | 20,884       | 1,186,346    |
| 10 Total ordinary deferred tax assets       | \$ 9,286,562 | \$ 9,280,352 | \$ 6,210     |
| 11 Nonadmitted ordinary deferred tax assets | 0            | 1,862,192    | (1,862,192)  |
| 12 Admitted ordinary deferred tax assets    | \$ 9,286,562 | \$ 7,418,160 | \$ 1,868,402 |

## b. Capital deferred tax assets:

|   |              |              |           |
|---|--------------|--------------|-----------|
| 1 Investments                             | \$ 2,342,231 | \$ 2,277,035 | \$ 65,196 |
| 2 Net capital loss carry-forward          | 0            | 0            | 0         |
| 3 Fixed assets                            | 0            | 0            | 0         |
| 4 Other expenses                          | 230,473      | 199,713      | 30,760    |
| 5 Total capital deferred tax assets       | 2,572,704    | 2,476,748    | 95,956    |
| 6 Nonadmitted capital deferred tax assets | 0            | 0            | 0         |
| 7 Admitted capital deferred tax assets    | \$ 2,572,704 | \$ 2,476,748 | \$ 95,956 |

## Admitted deferred tax assets

|               |              |              |
|---------------|--------------|--------------|
| \$ 11,859,266 | \$ 9,894,908 | \$ 1,964,358 |
|---------------|--------------|--------------|

## Deferred tax liabilities:

|   |            |            |             |
|---|------------|------------|-------------|
| a. Ordinary deferred tax liabilities      |            |            |             |
| 1 Investments                             | \$ 40,756  | \$ 44,351  | \$ (3,595)  |
| 2 Fixed assets                            | 3,020      | 3,020      | 0           |
| 3 Deferred and uncollected premiums       | 0          | 25,855     | (25,855)    |
| 4 Deferred compensation                   | 0          | 262,401    | (262,401)   |
| 5 Other                                   | 304,770    | 35,503     | 269,267     |
| 6 Total ordinary deferred tax liabilities | \$ 348,546 | \$ 371,130 | \$ (22,584) |

## b. Capital deferred tax liabilities

|                             |              |              |              |
|-----------------------------|--------------|--------------|--------------|
| 1 Unrealized gain/ (losses) | \$ 8,694,138 | \$ 6,856,572 | \$ 1,837,566 |
| 2 Investments               | 711,195      | 632,262      | 78,933       |
| 3 Real estate               | 0            | 0            | 0            |
| 4 Other                     | 0            | 0            | 0            |

## 5 Total capital deferred tax liabilities

|              |              |              |
|--------------|--------------|--------------|
| \$ 9,405,333 | \$ 7,488,834 | \$ 1,916,499 |
|--------------|--------------|--------------|

## Deferred tax liabilities

|              |              |              |
|--------------|--------------|--------------|
| \$ 9,753,879 | \$ 7,859,964 | \$ 1,893,915 |
|--------------|--------------|--------------|

## c. Net admitted deferred tax asset (liability)

|              |              |           |
|--------------|--------------|-----------|
| \$ 2,105,387 | \$ 2,034,944 | \$ 70,443 |
|--------------|--------------|-----------|

## G. The Company's income tax incurred and change in deferred income tax differs from the amount obtained by applying the federal statutory rate of 35% to income before income taxes as follows:

|  | 9/30/2012     | 12/31/2011     |
|--|---------------|----------------|
| 1 Income taxes incurred, gross of capital gains tax (benefit)                | \$ 3,899,410  | \$ (1,393,793) |
| 2 Change in deferred income tax (without tax on unrealized gains and losses) | (45,816)      | 142,740        |
| 3 Total income tax reported  | \$ 3,853,594  | \$ (1,251,053) |
| 4 Statutory income before taxes, gross of capital gains tax (benefit)        | \$ 12,697,180 | \$ (2,714,460) |
| 5 Expected income tax expense (benefit) at 35% statutory rate                | 35%           | 35%            |
|  | \$ 4,444,013  | \$ (950,061)   |
| 6 Increase (decrease) in actual tax reported resulting from:                 |               |                |
| a. Dividend received deduction   | (387,538)     | (462,497)      |
| b. Nondeductible expenses for meals, penalties, and lobbying                 | 34,202        | 53,631         |
| c. Tax exempt income   | (314,594)     | (119,830)      |
| d. Prior period adjustment   | 4,615         | (6,966)        |
| e. Deferred tax benefit (expense) on nonadmitted assets                      | (30,759)      | 147,065        |
| f. Appreciation on donated property  | 0             | 0              |
| g. IRC 832(b) (5) adjustment   | 105,320       | 87,349         |
| h. Other   | (1,665)       | 258            |
| 7 Total federal income tax reported  | \$ 3,853,594  | \$ (1,251,053) |

**NOTES TO FINANCIAL STATEMENTS**

## H. Operating loss carryforward

- 1 As of the end of the current period, there are no operating loss or tax credit carryforwards available for tax purposes.
- 2 The amount of federal income taxes incurred that are available for recoupment in the event of future net losses are:

|      | Ordinary     | Capital      | Total        |
|------|--------------|--------------|--------------|
| 2012 | \$ 2,115,086 | \$ 1,872,436 | \$ 3,118,926 |
| 2011 | \$ 0         | \$ 876,352   | \$ 876,352   |
| 2010 | \$ 0         | \$ 809,571   | \$ 809,571   |

3 The Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

## I. Consolidated Federal Income Tax Return

- 1 The Company's federal income tax return is consolidated with its affiliates. Ohio Farmers Insurance Company (OFIC) is the parent company of the consolidated return. The following subsidiaries will be included in the consolidated federal income tax return.

|                                      |                                  |
|--------------------------------------|----------------------------------|
| Westfield Insurance Company          | Westfield Services, Incorporated |
| Westfield National Insurance Company | Westfield Bancorp                |
| American Select Insurance Company    | Westfield Bank, FSB              |
| Old Guard Insurance Company          | Westfield Credit Corporation     |
| Westfield Management Company         |                                  |

- 2 Each company in the consolidation has agreed to share any tax or recovery of tax based on their individual taxable income or loss. Each company's current taxable income or loss will be adjusted by any prior taxable income or loss which can be carried forward to the current year.

## 10. Information Concerning Parent, Subsidiaries, and Affiliates-

A. The Company is owned and operated by its parent company, Ohio Farmers Insurance Company.

B. and C. - No significant change

D. Affiliated Balances due from Old Guard Insurance Company at 9/30/2012 and 12/31/2011 respectively were:

|                                | 9/30/2012    | 12/31/2011 |
|--------------------------------|--------------|------------|
| Ohio Farmers Insurance Company | \$ 1,272,855 | \$ 955,677 |
| Affiliated Payable             | \$ 1,272,855 | \$ 955,677 |

Every ninety (90) days the affiliated balances are reviewed and settled in either cash or the transfer of securities.

E. through L. - No significant change

## 11. Debt- Not applicable

## 12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans-

A. Defined Benefit Pension Plan and Postretirement Benefit Plans

OFIC sponsors a non-contributory defined benefit pension plan covering U. S. employees. As of September 30, 2012, there was accrued, in accordance with actuarially determined amounts with an offset to the pension cost accrual for the incremental asset amortization, amounts representing the present value of future benefit obligations. The following data is an update of certain information related to the Net Periodic Benefit Cost. There was no significant change in other data associated with this footnote:

| Calendar year comparison           | Pension Benefits |              | Other Postretirement Benefits |              |
|------------------------------------|------------------|--------------|-------------------------------|--------------|
|                                    | 2012             | 2011         | 2012                          | 2011         |
| Eligibility cost                   | \$ 8,015,780     | \$ 7,132,070 | \$ 1,068,381                  | \$ 1,297,254 |
| Interest cost                      | 11,079,205       | 10,983,723   | 962,746                       | 1,158,755    |
| Expected return on plan assets     | (15,428,672)     | (14,792,532) | (1,626,366)                   | (1,950,998)  |
| Amortization of prior service cost | 750,606          | 742,559      | (323,838)                     | (366,938)    |
| Amortization of net (gain) / loss  | 3,971,222        | 2,829,043    | 265,873                       | 218,195      |
| Net periodic benefit cost          | \$ 8,388,141     | \$ 6,894,863 | \$ 346,796                    | \$ 356,268   |

OFIC contributed \$8.9 million to its pension plan in March 2012. OFIC does not expect to make any additional contributions during the remainder of fiscal 2012.

The Other Postretirement Benefits expense reflects the receipt of the government subsidy during the period that OFIC's plan benefits are expected to be considered actuarially equivalent to those provided by Medicare Part D.

B. Defined Contribution Plan- No significant change

C. Multiemployer Plans- Not applicable

D. Consolidated/Holding Company Plans- Not applicable

E. Post-employment Benefits and Compensated Absences- Not applicable

F. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17) - No significant change

## 13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations- No significant change

## 14. Contingencies- No significant change

## 15. Leases- Not applicable

## 16. Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk- No significant change

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

A. Transfer of Receivables Reported as Sales- No significant change

B. Transfer and Servicing of Financial Assets- Not applicable

C. Wash Sales

The Company did not have any wash sales involving transactions for securities with a NAIC designation of 3 or below.

## NOTES TO FINANCIAL STATEMENTS

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans- Not applicable

19. Direct Premium Written / Produced by Managing General Agents / Third Party Administrators- Not applicable

20. Fair Value Measurements-

A. For assets that are measured and reported at fair value in the statement of financial position after initial recognition, the valuation techniques and the inputs used to develop those measurements are as follows:

Level 1 - Values are unadjusted quoted prices for identical assets and liabilities in active markets accessible at the measurement date.

Level 2 - Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads and yield curves.

Level 3 - Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the Company's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

The Company has no liabilities that are measured at fair value in the statement of financial position.

(1) Fair Value Measurements at September 30, 2012

| Description   | (1)           | (2)<br>(Level 1) | (3)<br>(Level 2) | (4)<br>(Level 3) | (5)<br>Total  |
|---|---------------|------------------|------------------|------------------|---------------|
| Assets at Fair Value:                                       |               |                  |                  |                  |               |
| Common Stock  |               |                  |                  |                  |               |
| Industrial and Miscellaneous                                | \$ 84,671,655 | \$ 0             | \$ 0             | \$ 0             | \$ 84,671,655 |
| Total Common Stocks   | \$ 84,671,655 | \$ 0             | \$ 0             | \$ 0             | \$ 84,671,655 |
| Other Invested Assets                                       |               |                  |                  |                  |               |
| Joint Venture, Ptr or LLC, char. of Com Stks - Unaffiliated | \$ 3,431,500  | \$ 0             | \$ 0             | \$ 0             | \$ 3,431,500  |
| Total Other Invested Assets                                 | \$ 3,431,500  | \$ 0             | \$ 0             | \$ 0             | \$ 3,431,500  |
| Total Assets at Fair Value                                  | \$ 88,103,155 | \$ 0             | \$ 0             | \$ 0             | \$ 88,103,155 |

(2) At September 30, 2012, the Company held no investments in assets or liabilities measured and reported at fair value that were classified as Level 3.

(3) The Company's policy for determining when transfers between levels is required is based upon change in the inputs used to determine fair value measurement. If an input changes, the Company evaluates the new input(s) and makes the determination whether or not a transfer between levels is appropriate. If an asset or liability is transferred between levels, it is the Company's policy to record the transfer as of the beginning of the quarter in which the transfer occurs. The Company held no assets or liabilities categorized as Level 1 or 2 during the reporting period that were transferred into or out of the level categorization held at January 1, 2012.

(4) As of September 30, 2012, the Company held no investments in assets or liabilities measured and reported at fair value that were classified as Level 2 or Level 3. Historically, fair values in the Level 2 category are provided by independent pricing services. Where independent pricing services provide fair values, the Company has obtained an understanding of the methods, models, and inputs used in pricing and has controls in place to validate that amounts provided represent current fair values. Estimated fair values of investments categorized as Level 3 generally include inputs for which no readily observable inputs are available and require management judgment.

(5) As of September 30, 2012, the Company had no holdings classified as either a derivative asset or liability.

B. Combining Fair Value Information- Not required

C. The method(s) and significant assumptions used to estimate the fair value of financial instruments are as follows:

*Investment Securities* - Fair values for bonds, are based on the values prescribed by an independent pricing service or from brokers. For bonds that are not actively traded, estimated fair values are based on values of bonds of comparable yield and credit quality. The fair values for common stocks are based on quoted market prices, where available, which are provided to the Company by an independent pricing service.

*Short-term investments, Uncollected premiums and agents' balances in the course of collection, Deferred premiums, Agents' balances and installments booked but deferred and not yet due* - The carrying amounts reported as admitted assets or liabilities for these financial instruments approximate their fair values due to the short-term nature of these financial instruments.

*Other Invested Assets* - The estimated fair value of publicly traded limited partnerships is based on the values prescribed by an independent pricing service.

| Type of Financial Instrument   | Aggregate Fair Value | Admitted Assets | (Level 1)     | (Level 2)      | (Level 3) | Not Practicable (Carrying Value) |
|--|----------------------|-----------------|---------------|----------------|-----------|----------------------------------|
| a. Financial Assets:   |                      |                 |               |                |           |                                  |
| Bonds  | \$ 240,412,760       | \$ 209,050,873  | \$ 33,773,737 | \$ 206,584,329 | \$ 54,694 | \$ 0                             |
| Common stocks  | 84,671,655           | 84,671,655      | 84,671,655    | 0              | 0         | 0                                |
| Short-term investments   | 57,282               | 57,282          | 0             | 57,282         | 0         | 0                                |
| Other invested assets  | 3,431,500            | 3,431,500       | 3,431,500     | 0              | 0         | 0                                |
| Uncollected premiums and agents' balances in the course of collection                    | 7,892,385            | 7,892,385       | 0             | 7,892,385      | 0         | 0                                |
| Deferred premiums, agents' balances and installments booked but deferred and not yet due | 46,341,298           | 46,341,298      | 0             | 46,341,298     | 0         | 0                                |

b. Financial Liabilities: Not applicable

D. Fair Value Estimating- Not applicable

21. Other Items- No significant change

22. Events Subsequent-

Subsequent events have been considered through October 25, 2012 for the statutory statements issued as of September 30, 2012. No events or transactions have occurred that would give rise to a Type I or Type II subsequent event.

**P & C Specific Notes**

23. Reinsurance- No significant change

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination- Not applicable

**NOTES TO FINANCIAL STATEMENTS**

## 25. Changes in Incurred Losses and Loss Adjustment Expenses-

Reserves as of December 31, 2011 were \$136.4 million. In calendar year 2012, \$38.9 million has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$90.3 million. Therefore, there has been a \$7.2 million favorable prior-year development from December 31, 2011 to September 30, 2012. The favorable development is principally from decreases in the estimates of loss and loss adjustment expenses for the following lines of business: commercial multiple peril, other liability and private passenger auto. This change is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims. The estimates are not affected by prior year loss development on retrospectively rated policies as the Company does not write this type of policy.

## 26. Intercompany Pooling Arrangements-

A. through F. - No significant change

G. Affiliated Balances due from Old Guard Insurance Company at 9/30/2012 and 12/31/2011 respectively were:

|                                 | 9/30/2012          | 12/31/2011       |
|---------------------------------|--------------------|------------------|
| Ohio Farmers Insurance Company* | \$ 1,272,855       | \$ 955,677       |
| Affiliated Payable              | <hr/> \$ 1,272,855 | <hr/> \$ 955,677 |

\*Ohio Farmers Insurance Company is included in the intercompany pooling arrangement.

## 27. Structured Settlements- No significant change

## 28. Health Care Receivables- Not applicable

## 29. Participating Policies- Not applicable

## 30. Premium Deficiency Reserves- No significant change

## 31. High Deductibles- Not applicable

## 32. Discounting of Liabilities for Unpaid Losses and Unpaid Loss Adjustment Expenses- No significant change

## 33. Asbestos/Environmental Reserves- No significant change

## 34. Subscriber Savings Accounts- Not applicable

## 35. Multiple Peril Crop Insurance- Not applicable

## 36. Financial Guaranty Insurance- Not applicable

**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)

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<br>Name of Entity | 2<br>NAIC Company Code | 3<br>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)

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). 08/07/2008

6.4 By what department or departments?  
Ohio  
.....

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

6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes ( ) 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? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.) 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 (X) No ( )

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.  
Ohio Farmers Insurance Company is a thrift holding company  
.....

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes (X) No ( )

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<br>Affiliate Name            | 2<br>Location<br>(City, State) | 3<br>FRB | 4<br>OCC | 5<br>FDIC | 6<br>SEC |
|--------------------------------|--------------------------------|----------|----------|-----------|----------|
| Ohio Farmers Insurance Company | Westfield Center, Ohio         | Y        | N        | N         | N        |
| Westfield Insurance Company    | Westfield Center, Ohio         | Y        | N        | N         | N        |
| Westfield Bancorp              | Westfield Center, Ohio         | Y        | N        | N         | N        |

**GENERAL INTERROGATORIES (continued)****PART 1 - COMMON INTERROGATORIES****GENERAL**

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

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

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

.....

9.2 Has the code of ethics for senior managers been amended? Yes ( ) No (X)

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

.....

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

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

.....

**FINANCIAL**

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

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

**INVESTMENT**

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

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

.....

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

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

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

14.2 If yes, please complete the following:

|   | 1<br>Prior Year-End Book/<br>Adjusted Carrying Value | 2<br>Current Quarter Book/<br>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 Line 14.21 to Line 14.26) ..... | \$ ..... 0   | \$ ..... 0  |
| 14.28 Total Investment in Parent included in Line 14.21 to Line 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.

**GENERAL INTERROGATORIES (continued)****PART 1 - COMMON INTERROGATORIES****INVESTMENT**

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 Consideration, 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<br>Name of Custodian(s) | 2<br>Custodian Address  |
|---------------------------|---|
| JPMorgan Chase .....      | 1 Chase Manhattan Plaza - 19th Floor New York, NY 10005 ..... |
| .....                     | .....   |
| .....                     | .....   |

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<br>Name(s) | 2<br>Location(s) | 3<br>Complete Explanation(s) |
|--------------|------------------|------------------------------|
| .....        | .....            | .....                        |
| .....        | .....            | .....                        |
| .....        | .....            | .....                        |

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

Yes ( ) No (X)

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

| 1<br>Old Custodian | 2<br>New Custodian | 3<br>Date of Change | 4<br>Reason |
|--------------------|--------------------|---------------------|-------------|
| .....              | .....              | .....               | .....       |
| .....              | .....              | .....               | .....       |
| .....              | .....              | .....               | .....       |

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

| 1<br>Central Registration Depository | 2<br>Name(s) | 3<br>Address |
|--------------------------------------|--------------|--------------|
| .....                                | .....        | .....        |
| .....                                | .....        | .....        |
| .....                                | .....        | .....        |

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

Yes (X) No ( )

17.2 If no, list exceptions:

.....

**GENERAL INTERROGATORIES - Line 4.2 (Continued)**

If response to 4.1 is yes, provide the name of entity, NAIC Company Code, and the 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<br>Name of Entity | 2<br>NAIC Company Code | 3<br>State of Domicile |
|---------------------|------------------------|------------------------|

**GENERAL INTERROGATORIES - Line 8.4 (Continued)**

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<br>Affiliate Name | 2<br>Location (City, State) | 3<br>FRB | 4<br>OCC | 5<br>FDIC | 6<br>SEC |
|---------------------|-----------------------------|----------|----------|-----------|----------|
|---------------------|-----------------------------|----------|----------|-----------|----------|

Westfield Bank, FSB ..... Westfield Center, Ohio ..... N ..... Y ..... N ..... N .....

**GENERAL INTERROGATORIES - Line 16.1 (continued)**

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

|                           |                        |
|---------------------------|------------------------|
| 1<br>Name of Custodian(s) | 2<br>Custodian Address |
|---------------------------|------------------------|

**GENERAL INTERROGATORIES - Line 16.2 (continued)**

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<br>Name(s) | 2<br>Location(s) | 3<br>Complete Explanation(s) |
|--------------|------------------|------------------------------|
|--------------|------------------|------------------------------|

**GENERAL INTERROGATORIES - Line 16.4 (continued)**

If response to 16.3 is yes, give full and complete information relating thereto:

| 1<br>Old Custodian | 2<br>New Custodian | 3<br>Date of Change | 4<br>Reason |
|--------------------|--------------------|---------------------|-------------|
|--------------------|--------------------|---------------------|-------------|

**GENERAL INTERROGATORIES - Line 16.5 (continued)**

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<br>Central Registration<br>Depository | 2<br>Name(s) | 3<br>Address |
|---|--------------|--------------|

**GENERAL INTERROGATORIES (continued)****PART 2****PROPERTY AND CASUALTY INTERROGATORIES**

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? Yes ( ) No (X) N/A ( )  
If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? Yes ( ) No (X)  
If yes, attach an explanation.

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes ( ) No (X)

3.2 If yes, give full and complete information thereto  
.....  
.....

4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see Annual Statement Instructions pertaining to disclosure of discounting for definition of "tabular reserves") discounted at a rate of interest greater than zero? Yes ( ) No (X)

4.2 If yes, complete the Discount Schedule.

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 balance of the funds administered as of the reporting date. \$ ..... 0

**SCHEDULE F - CEDED REINSURANCE**

Showing all new reinsurers - Current Year to Date

| 1<br>NAIC<br>Company<br>Code | 2<br>Federal<br>ID<br>Number | 3<br>Name of Reinsurer | 4<br>Domiciliary<br>Jurisdiction | 5<br>Is Insurer<br>Authorized?<br>(Yes or No) |
|------------------------------|------------------------------|------------------------|----------------------------------|---|
|------------------------------|------------------------------|------------------------|----------------------------------|---|

0199999 - Affiliates

U. S. Insurers  
 10348 ..... 06-1430254 ..... Arch Reinsurance Co ..... NJ ..... Yes .....  
 0299999 - U. S. Insurers

0399999 - Pools and Associations

All Other Insurers  
 00000 ..... AA-1127861 ..... Lloyd's of London Syndicate #1861 ..... GB ..... Yes .....  
 0499999 - All Other Insurers

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

Current Year to Date - Allocated by States and Territories

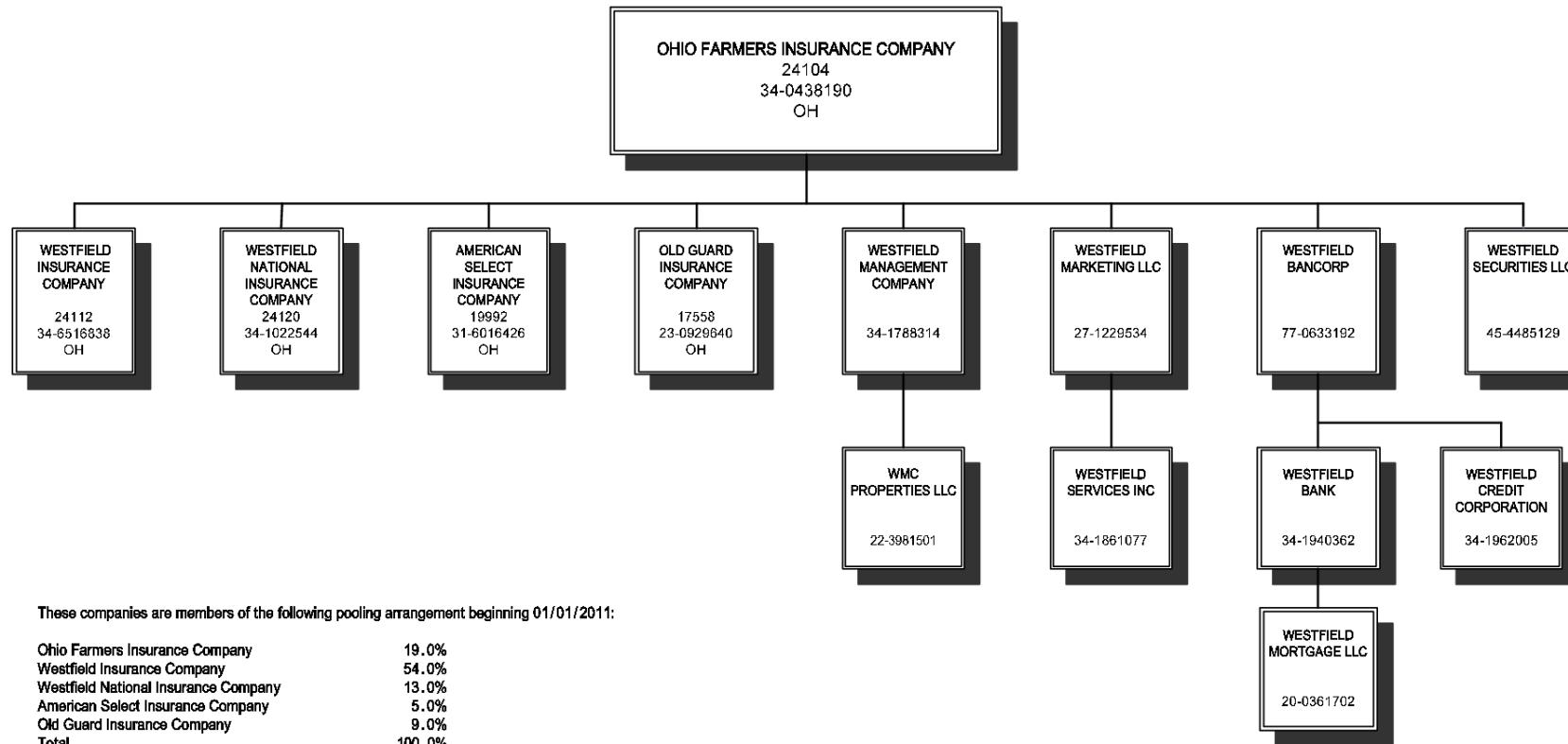
| States, etc.  | 1<br>Active<br>Status | Direct Premiums Written      |                            | Direct Losses Paid<br>(Deducting Salvage) |                            | Direct Losses Unpaid         |                            |
|---|-----------------------|------------------------------|----------------------------|---|----------------------------|------------------------------|----------------------------|
|   |                       | 2<br>Current Year<br>To Date | 3<br>Prior Year<br>To Date | 4<br>Current Year<br>To Date              | 5<br>Prior Year<br>To Date | 6<br>Current Year<br>To Date | 7<br>Prior Year<br>To Date |
| 1. Alabama  | AL N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 2. Alaska   | AK N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 3. Arizona  | AZ N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 4. Arkansas   | AR N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 5. California   | CA N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 6. Colorado   | CO N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 7. Connecticut  | CT N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 8. Delaware   | DE L                  | 0                            | 0                          | 154,933                                   | 861,004                    | 1,742,097                    | 2,014,220                  |
| 9. District of Columbia   | DC N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 10. Florida   | FL N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 11. Georgia   | GA N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 12. Hawaii  | HI N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 13. Idaho   | ID N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 14. Illinois  | IL N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 15. Indiana   | IN L                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 16. Iowa  | IA L                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 17. Kansas  | KS N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 18. Kentucky  | KY L                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 19. Louisiana   | LA N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 20. Maine   | ME N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 21. Maryland  | MD L                  | 0                            | 0                          | (623)                                     | 0                          | 97,099                       | 103,500                    |
| 22. Massachusetts   | MA N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 23. Michigan  | MI N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 24. Minnesota   | MN N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 25. Mississippi   | MS N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 26. Missouri  | MO N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 27. Montana   | MT N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 28. Nebraska  | NE N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 29. Nevada  | NV N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 30. New Hampshire   | NH N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 31. New Jersey  | NJ N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 32. New Mexico  | NM N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 33. New York  | NY N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 34. North Carolina  | NC N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 35. North Dakota  | ND L                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 36. Ohio  | OH L                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 37. Oklahoma  | OK N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 38. Oregon  | OR E                  | (2,002)                      | 14,519                     | 0   | 0                          | 0                            | 0                          |
| 39. Pennsylvania  | PA L                  | 0                            | 0                          | 43,644                                    | 184,239                    | 3,789,717                    | 4,813,989                  |
| 40. Rhode Island  | RI N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 41. South Carolina  | SC N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 42. South Dakota  | SD L                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 43. Tennessee   | TN N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 44. Texas   | TX N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 45. Utah  | UT N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 46. Vermont   | VT N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 47. Virginia  | VA L                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 48. Washington  | WA N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 49. West Virginia   | WV L                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 50. Wisconsin   | WI N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 51. Wyoming   | WY N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 52. American Samoa  | AS N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 53. Guam  | GU N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 54. Puerto Rico   | PR N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 55. U.S. Virgin Islands   | VI N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 56. Northern Mariana Islands  | MP N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 57. Canada  | CN N                  | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 58. Aggregate Other Alien   | OT XXX                | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 59. Totals  | (a) 11                | (2,002)                      | 14,519                     | 197,954                                   | 1,045,243                  | 5,628,913                    | 6,931,709                  |
| <b>DETAILS OF WRITE-INS</b>   |                       |                              |                            |   |                            |                              |                            |
| 5801  | XXX                   | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 5802  | XXX                   | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 5803  | XXX                   | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 5898. Summary of remaining write-ins for Line 58 from overflow page       | XXX                   | 0                            | 0                          | 0   | 0                          | 0                            | 0                          |
| 5899. TOTALS (Line 5801 through Line 5803 plus 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**



## SCHEDULE Y

## PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

| 1<br>Group<br>Code | 2<br>Group Name                | 3<br>NAIC<br>Company<br>Code | 4<br>Federal<br>ID<br>Number | 5<br>Federal<br>RSSD | 6<br>CIK | 7<br>Name of Securities Exchange<br>if Publicly Traded<br>(U.S. or International) | 8<br>Names of Parent, Subsidiaries or<br>Affiliates | 9<br>Domiciliary<br>Location | 10<br>Relationship<br>to Reporting<br>Entity | 11<br>Directly Controlled by<br>(Name of Entity/Person) | 12<br>Type of Control<br>(Ownership,<br>Board,<br>Management,<br>Attorney-in-Fact,<br>Influence, Other) | 13<br>If Control is<br>Ownership<br>Provide<br>Percentage | 14<br>Ultimate Controlling<br>Entity(ies) /Person(s) | 15<br>* |
|--------------------|--------------------------------|------------------------------|------------------------------|----------------------|----------|---|---|------------------------------|--|---|---|---|--|---------|
| 0228               | Ohio Farmers Insurance Company | 24104                        | 34-0438190                   |                      |          | Ohio Farmers Insurance Company  | OH  | UDP                          | NA   | NA  | NA  | 0.000   | NA   | *       |
| 0228               | Ohio Farmers Insurance Company | 24112                        | 34-6516838                   |                      |          | Westfield Insurance Company   | OH  | IA                           | Ohio Farmers Insurance Company               | Ownership   | 100.000   | Ohio Farmers Insurance Company                            |  |         |
| 0228               | Ohio Farmers Insurance Company | 24120                        | 34-1022544                   |                      |          | Westfield National Insurance Company  | OH  | IA                           | Ohio Farmers Insurance Company               | Ownership   | 100.000   | Ohio Farmers Insurance Company                            |  |         |
| 0228               | Ohio Farmers Insurance Company | 19992                        | 31-6016426                   |                      |          | American Select Insurance Company   | OH  | IA                           | Ohio Farmers Insurance Company               | Ownership   | 100.000   | Ohio Farmers Insurance Company                            |  |         |
| 0228               | Ohio Farmers Insurance Company | 17558                        | 23-0929640                   |                      |          | Old Guard Insurance Company   | OH  |                              | Ohio Farmers Insurance Company               | Ownership   | 100.000   | Ohio Farmers Insurance Company                            |  |         |
|                    |                                | 00000                        | 34-1788314                   |                      |          | Westfield Management Company  | OH  | NIA                          | Ohio Farmers Insurance Company               | Ownership   | 85.000  | Ohio Farmers Insurance Company                            |  |         |
|                    |                                | 00000                        | 22-3981501                   |                      |          | WMC Properties LLC  | OH  | NIA                          | Westfield Management Company                 | Ownership   | 100.000   | Ohio Farmers Insurance Company                            |  |         |
|                    |                                | 00000                        | 27-1229534                   |                      |          | Westfield Marketing LLC   | OH  | NIA                          | Ohio Farmers Insurance Company               | Ownership   | 100.000   | Ohio Farmers Insurance Company                            |  |         |
|                    |                                | 00000                        | 34-1861077                   |                      |          | Westfield Services Inc  | OH  | NIA                          | Westfield Marketing LLC                      | Ownership   | 100.000   | Ohio Farmers Insurance Company                            |  |         |
|                    |                                | 00000                        | 77-0633192                   |                      |          | Westfield Bancorp   | OH  | NIA                          | Ohio Farmers Insurance Company               | Ownership   | 100.000   | Ohio Farmers Insurance Company                            |  |         |
|                    |                                | 00000                        | 34-1962005                   |                      |          | Westfield Credit Corporation  | OH  | NIA                          | Westfield Bancorp                            | Ownership   | 100.000   | Ohio Farmers Insurance Company                            |  |         |
|                    |                                | 00000                        | 34-1940362                   |                      |          | Westfield Bank  | OH  | NIA                          | Westfield Bancorp                            | Ownership   | 100.000   | Ohio Farmers Insurance Company                            |  |         |
|                    |                                | 00000                        | 20-0361702                   |                      |          | Westfield Mortgage Company LLC  | OH  | NIA                          | Westfield Bank                               | Ownership   | 100.000   | Ohio Farmers Insurance Company                            |  |         |
|                    |                                | 00000                        | 45-4485129                   |                      |          | Westfield Securities LLC  | OH  | NIA                          | Ohio Farmers Insurance Company               | Ownership   | 100.000   | Ohio Farmers Insurance Company                            |  |         |

|          |             |
|----------|-------------|
| Asterisk | Explanation |
|----------|-------------|

1 No Entity(ies) or Person(s) has control of Ohio Farmers Insurance Company

**PART 1 - LOSS EXPERIENCE**

| Line of Business  | Current Year to Date           |                                |                                | 4<br>Prior Year to Date<br>Direct Loss<br>Percentage |
|---|--------------------------------|--------------------------------|--------------------------------|--|
|   | 1<br>Direct Premiums<br>Earned | 2<br>Direct Losses<br>Incurred | 3<br>Direct<br>Loss Percentage |  |
| 1. Fire .....   | 0                              | (1,496)                        | 0.0                            | 0.0  |
| 2. Allied lines .....   | 0                              | (725)                          | 0.0                            | 0.0  |
| 3. Farmowners multiple peril .....  | 0                              | (38,619)                       | 0.0                            | 0.0  |
| 4. Homeowners multiple peril .....  | 0                              | 2,914                          | 0.0                            | 0.0  |
| 5. Commercial multiple peril .....  | (1,945)                        | (94,568)                       | 4,862.1                        | (472.2)  |
| 6. Mortgage guaranty .....  | 0                              | 0                              | 0.0                            | 0.0  |
| 8. Ocean marine .....   | 0                              | 0                              | 0.0                            | 0.0  |
| 9. Inland marine .....  | 0                              | 0                              | 0.0                            | 0.0  |
| 10. Financial guaranty .....  | 0                              | 0                              | 0.0                            | 0.0  |
| 11.1 Medical professional liability-occurrence .....                      | 0                              | 0                              | 0.0                            | 0.0  |
| 11.2 Medical professional liability-claims made .....                     | 0                              | 0                              | 0.0                            | 0.0  |
| 12. Earthquake .....  | (43)                           | 0                              | 0.0                            | 0.0  |
| 13. Group accident and health .....                                       | 0                              | 0                              | 0.0                            | 0.0  |
| 14. Credit accident and health .....                                      | 0                              | 0                              | 0.0                            | 0.0  |
| 15. Other accident and health .....                                       | 0                              | 0                              | 0.0                            | 0.0  |
| 16. Workers' compensation .....   | 0                              | (269,915)                      | 0.0                            | 0.0  |
| 17.1 Other liability-occurrence .....                                     | 0                              | (123,831)                      | 0.0                            | 0.0  |
| 17.2 Other liability-claims made .....                                    | 0                              | 0                              | 0.0                            | 0.0  |
| 17.3 Excess Workers' Compensation .....                                   | 0                              | 0                              | 0.0                            | 0.0  |
| 18.1 Products liability-occurrence .....                                  | 0                              | (850)                          | 0.0                            | 0.0  |
| 18.2 Products liability-claims made .....                                 | 0                              | 0                              | 0.0                            | 0.0  |
| 19.1, 19.2 Private passenger auto liability .....                         | 0                              | (34,451)                       | 0.0                            | 0.0  |
| 19.3, 19.4 Commercial auto liability .....                                | (14)                           | (28,324)                       | 202,314.3                      | (8,402.0)  |
| 21. Auto physical damage .....  | 0                              | (3,897)                        | 0.0                            | 0.0  |
| 22. Aircraft (all perils) .....   | 0                              | 0                              | 0.0                            | 0.0  |
| 23. Fidelity .....  | 0                              | (1)                            | 0.0                            | 0.0  |
| 24. Surety .....  | 0                              | 0                              | 0.0                            | 0.0  |
| 26. Burglary and theft .....  | 0                              | 0                              | 0.0                            | 0.0  |
| 27. Boiler and machinery .....  | 0                              | 0                              | 0.0                            | 0.0  |
| 28. Credit .....  | 0                              | 0                              | 0.0                            | 0.0  |
| 29. International .....   | 0                              | 0                              | 0.0                            | 0.0  |
| 30. Warranty .....  | 0                              | 0                              | 0.0                            | 0.0  |
| 31. Reinsurance-Nonproportional Assumed Property .....                    | XXX                            | XXX                            | XXX                            | XXX  |
| 32. Reinsurance-Nonproportional Assumed Liability .....                   | XXX                            | XXX                            | XXX                            | XXX  |
| 33. Reinsurance-Nonproportional Assumed Financial Lines .....             | XXX                            | XXX                            | XXX                            | XXX  |
| 34. Aggregate write-ins for other lines of business .....                 | 0                              | 0                              | 0.0                            | 0.0  |
| 35. TOTALS .....  | (2,002)                        | (593,763)                      | 29,658.5                       | 1,797.6  |
| <b>DETAILS OF WRITE-INS</b>   |                                |                                |                                |  |
| 3401 .....  | 0                              | 0                              | 0.0                            | 0.0  |
| 3402 .....  | 0                              | 0                              | 0.0                            | 0.0  |
| 3403 .....  | 0                              | 0                              | 0.0                            | 0.0  |
| 3498. Summary of remaining write-ins for Line 34 from overflow page ..... | 0                              | 0                              | 0.0                            | 0.0  |
| 3499. Totals (Line 3401 through Line 3403 plus Line 3498) (Line 34) ..... | 0                              | 0                              | 0.0                            | 0.0  |

**PART 2 - DIRECT PREMIUMS WRITTEN**

| Line of Business  | 1<br>Current<br>Quarter | 2<br>Current<br>Year to Date | 3<br>Prior<br>Year to Date |
|---|-------------------------|------------------------------|----------------------------|
| 1. Fire .....   | 0                       | 0                            | 0                          |
| 2. Allied lines .....   | 0                       | 0                            | 0                          |
| 3. Farmowners multiple peril .....  | 0                       | 0                            | 0                          |
| 4. Homeowners multiple peril .....  | 0                       | 0                            | 0                          |
| 5. Commercial multiple peril .....  | 0                       | (1,945)                      | 13,930                     |
| 6. Mortgage guaranty .....  | 0                       | 0                            | 0                          |
| 8. Ocean marine .....   | 0                       | 0                            | 0                          |
| 9. Inland marine .....  | 0                       | 0                            | 0                          |
| 10. Financial guaranty .....  | 0                       | 0                            | 0                          |
| 11.1 Medical professional liability-occurrence .....                      | 0                       | 0                            | 0                          |
| 11.2 Medical professional liability-claims made .....                     | 0                       | 0                            | 0                          |
| 12. Earthquake .....  | 0                       | (43)                         | 347                        |
| 13. Group accident and health .....                                       | 0                       | 0                            | 0                          |
| 14. Credit accident and health .....                                      | 0                       | 0                            | 0                          |
| 15. Other accident and health .....                                       | 0                       | 0                            | 0                          |
| 16. Workers' compensation .....   | 0                       | 0                            | 0                          |
| 17.1 Other liability-occurrence .....                                     | 0                       | 0                            | 0                          |
| 17.2 Other liability-claims made .....                                    | 0                       | 0                            | 0                          |
| 17.3 Excess Workers' Compensation .....                                   | 0                       | 0                            | 0                          |
| 18.1 Products liability-occurrence .....                                  | 0                       | 0                            | 0                          |
| 18.2 Products liability-claims made .....                                 | 0                       | 0                            | 0                          |
| 19.1, 19.2 Private passenger auto liability .....                         | 0                       | 0                            | 0                          |
| 19.3, 19.4 Commercial auto liability .....                                | 0                       | (14)                         | 242                        |
| 21. Auto physical damage .....  | 0                       | 0                            | 0                          |
| 22. Aircraft (all perils) .....   | 0                       | 0                            | 0                          |
| 23. Fidelity .....  | 0                       | 0                            | 0                          |
| 24. Surety .....  | 0                       | 0                            | 0                          |
| 26. Burglary and theft .....  | 0                       | 0                            | 0                          |
| 27. Boiler and machinery .....  | 0                       | 0                            | 0                          |
| 28. Credit .....  | 0                       | 0                            | 0                          |
| 29. International .....   | 0                       | 0                            | 0                          |
| 30. Warranty .....  | 0                       | 0                            | 0                          |
| 31. Reinsurance-Nonproportional Assumed Property .....                    | XXX                     | XXX                          | XXX                        |
| 32. Reinsurance-Nonproportional Assumed Liability .....                   | XXX                     | XXX                          | XXX                        |
| 33. Reinsurance-Nonproportional Assumed Financial Lines .....             | XXX                     | XXX                          | XXX                        |
| 34. Aggregate write-ins for other lines of business .....                 | 0                       | 0                            | 0                          |
| 35. TOTALS .....  | 0                       | (2,002)                      | 14,519                     |
| <b>DETAILS OF WRITE-INS</b>   |                         |                              |                            |
| 3401 .....  | 0                       | 0                            | 0                          |
| 3402 .....  | 0                       | 0                            | 0                          |
| 3403 .....  | 0                       | 0                            | 0                          |
| 3498. Summary of remaining write-ins for Line 34 from overflow page ..... | 0                       | 0                            | 0                          |
| 3499. Totals (Line 3401 through Line 3403 plus Line 3498) (Line 34) ..... | 0                       | 0                            | 0                          |

STATEMENT AS OF SEPTEMBER 30, 2012 OF THE Old Guard Insurance Company

**PART 3 (000 Omitted)**

**LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE**

| Years in Which Losses Occurred                      | 1<br>Prior Year-End Known Case Loss and LAE Reserves | 2<br>Prior Year-End IBNR Loss and LAE Reserves | 3<br>Total Prior Year-End Loss and LAE Reserves<br>(Column 1 plus Column 2) | 4<br>2012 Loss and LAE Payments on Claims Reported as of Prior Year-End | 5<br>2012 Loss and LAE Payments on Claims Unreported as of Prior Year-End | 6<br>Total 2012 Loss and LAE Payments<br>(Column 4 plus Column 5) | 7<br>Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End | 8<br>Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End | 9<br>Q.S. Date IBNR Loss and LAE Reserves | 10<br>Total Q.S. Loss and LAE Reserves<br>(Column 7 plus Column 8 plus Column 9) | 11<br>Prior Year-End Known Case Loss and LAE Reserves | 12<br>Prior Year-End IBNR Loss and LAE Reserves Developed (Savings) / Deficiency (Column 5 plus Column 8 plus Column 7 minus Column 1) | 13<br>Prior Year-End Total Loss and LAE Reserve Developed (Savings) / Deficiency (Column 11 plus Column 12) |
|---|--|--|---|---|---|---|--|---|---|--|---|--|---|
| 1. 2009 + Prior                                     | 26,428   | 23,651   | 50,079  | 8,175   | 2,123   | 10,298  | 18,014   | 1,094   | 17,259                                    | 36,367   | (239)   | (3,175)  | (3,414)   |
| 2. 2010   | 16,802   | 11,179   | 27,981  | 5,340   | 1,536   | 6,876   | 10,993   | 1,107   | 7,492                                     | 19,592   | (469)   | (1,044)  | (1,513)   |
| 3. Subtotals 2010 + prior                           | 43,230   | 34,830   | 78,060  | 13,515  | 3,659   | 17,174  | 29,007   | 2,201   | 24,751                                    | 55,959   | (708)   | (4,219)  | (4,927)   |
| 4. 2011   | 30,948   | 27,378   | 58,326  | 13,426  | 8,288   | 21,714  | 18,683   | 2,540   | 13,111                                    | 34,334   | 1,161   | (3,439)  | (2,278)   |
| 5. Subtotals 2011 + prior                           | 74,178   | 62,208   | 136,386   | 26,941  | 11,947  | 38,888  | 47,690   | 4,741   | 37,862                                    | 90,293   | 453   | (7,658)  | (7,205)   |
| 6. 2012   | XXX  | XXX  | XXX   | XXX   | 31,496  | 31,496  | XXX  | 19,267  | 25,971                                    | 45,238   | XXX   | XXX  | XXX   |
| 7. Totals   | 74,178   | 62,208   | 136,386   | 26,941  | 43,443  | 70,384  | 47,690   | 24,008  | 63,833                                    | 135,531  | 453   | (7,658)  | (7,205)   |
| 8. Prior Year-End Surplus As Regards Policy-holders | 118,163  |  |   |   |   |   |  |   |   |  | Column 11, Line 7 As % of Column 1, Line 7            | Column 12, Line 7 As % of Column 2, Line 7   | Column 13, Line 7 As % of Column 3, Line 7  |
|   |  |  |   |   |   |   |  |   |   |  | 1. 0.6 %.   | 2. (12.3) %.   | 3. (5.3) %  |
|   |  |  |   |   |   |   |  |   |   |  | Line 8  |  |   |
|   |  |  |   |   |   |   |  |   |   |  | 4. (6.1) %  |  |   |

## 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.

### Responses

1. Will the Trusted Surplus Statement be filed with the state of domicile and the NAIC with this statement?

NO

EXPLANATION:

BARCODE:

Document Identifier 490:



2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?

NO

EXPLANATION:

BARCODE:

Document Identifier 455:



3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

NO

EXPLANATION:

BARCODE:

Document Identifier 365:



4. Will the Director and Officer Supplement be filed with the state of domicile and the NAIC with this statement?

NO

EXPLANATION:

BARCODE:

Document Identifier 505:



**SCHEDULE A - VERIFICATION**

## Real Estate

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

**NONE****SCHEDULE B - VERIFICATION**

## Mortgage Loans

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

**SCHEDULE BA - VERIFICATION**

## Other Long-Term Invested Assets

|  | 1<br>Year To Date | 2<br>Prior Year Ended<br>December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year   | 3,357,170         | 4,712,702                            |
| 2. Cost of acquired:   | 0                 | 0                                    |
| 2.1 Actual cost at time of acquisition   | 0                 | 0                                    |
| 2.2 Additional investment made after acquisition   | 0                 | 0                                    |
| 3. Capitalized deferred interest and other   | 0                 | 0                                    |
| 4. Accrual of discount   | 0                 | 0                                    |
| 5. Unrealized valuation increase (decrease)  | 74,330            | 401,279                              |
| 6. Total gain (loss) on disposals  | 0                 | (13,805)                             |
| 7. Deduct amounts received on disposals  | 0                 | 1,743,006                            |
| 8. Deduct amortization of premium and depreciation   | 0                 | 0                                    |
| 9. Total foreign exchange change in book/adjusted carrying value   | 0                 | 0                                    |
| 10. Deduct current year's other than temporary impairment recognized                                       | 0                 | 0                                    |
| 11. Book/adjusted carrying value at end of current period (Line 1 plus Line 2 plus Line 3 plus Line 4 plus | 3,431,500         | 3,357,170                            |
| Line 5 plus Line 6 minus Line 7 minus Line 8 plus Line 9 minus Line 10)                                    | 3,431,500         | 3,357,170                            |
| 12. Deduct total nonadmitted amounts   | 0                 | 0                                    |
| 13. Statement value at end of current period (Line 11 minus Line 12)                                       | 3,431,500         | 3,357,170                            |

**SCHEDULE D - VERIFICATION**

## Bonds and Stocks

|  | 1<br>Year To Date | 2<br>Prior Year Ended<br>December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year                             | 279,892,545       | 266,993,350                          |
| 2. Cost of bonds and stocks acquired   | 46,452,160        | 62,652,670                           |
| 3. Accrual of discount   | 15,206            | 13,122                               |
| 4. Unrealized valuation increase (decrease)  | 5,170,550         | (1,000,596)                          |
| 5. Total gain (loss) on disposals  | 5,902,093         | 2,658,162                            |
| 6. Deduct consideration for bonds and stocks disposed of   | 41,211,859        | 49,292,840                           |
| 7. Deduct amortization of premium  | 1,951,201         | 1,990,830                            |
| 8. Total foreign exchange change in book/adjusted carrying value   | 0                 | 0                                    |
| 9. Deduct current year's other than temporary impairment recognized  | 546,966           | 140,493                              |
| 10. Book/adjusted carrying value at end of current period (Line 1 plus Line 2 plus Line 3 plus Line 4 plus | 293,722,528       | 279,892,545                          |
| Line 5 minus Line 6 minus Line 7 plus Line 8 minus Line 9)   | 293,722,528       | 279,892,545                          |
| 11. Deduct total nonadmitted amounts   | 0                 | 0                                    |
| 12. Statement value at end of current period (Line 10 minus Line 11)                                       | 293,722,528       | 279,892,545                          |

## 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<br>Book/Adjusted<br>Carrying Value<br>Beginning of<br>Current Quarter | 2<br>Acquisitions<br>During<br>Current Quarter | 3<br>Dispositions<br>During<br>Current Quarter | 4<br>Non-Trading<br>Activity During<br>Current Quarter | 5<br>Book/Adjusted<br>Carrying Value<br>End of<br>First Quarter | 6<br>Book/Adjusted<br>Carrying Value<br>End of<br>Second Quarter | 7<br>Book/Adjusted<br>Carrying Value<br>End of<br>Third Quarter | 8<br>Book/Adjusted<br>Carrying Value<br>December 31<br>Prior Year |
|---|---|--|--|--|---|--|---|---|
| <b>BONDS</b>                              |   |  |  |  |   |  |   |   |
| 1. Class 1 (a) .....                      | 211,092,718   | 14,321,973                                     | 17,751,114                                     | (734,341)  | 211,957,334   | 211,092,718  | 206,929,236   | 206,902,683   |
| 2. Class 2 (a) .....                      | 2,189,097   | 0  | 0  | (10,178)   | 2,199,222   | 2,189,097  | 2,178,919   | 2,209,193   |
| 3. Class 3 (a) .....                      | 0   | 0  | 0  | 0  | 0   | 0  | 0   | 0   |
| 4. Class 4 (a) .....                      | 0   | 0  | 0  | 0  | 0   | 0  | 0   | 0   |
| 5. Class 5 (a) .....                      | 0   | 0  | 0  | 0  | 0   | 0  | 0   | 0   |
| 6. Class 6 (a) .....                      | 0   | 0  | 0  | 0  | 0   | 0  | 0   | 0   |
| 7. Total Bonds .....                      | 213,281,815   | 14,321,973                                     | 17,751,114                                     | (744,519)  | 214,156,556   | 213,281,815  | 209,108,155   | 209,111,876   |
| <b>PREFERRED STOCK</b>                    |   |  |  |  |   |  |   |   |
| 8. Class 1 .....                          | 0   | 0  | 0  | 0  | 0   | 0  | 0   | 0   |
| 9. Class 2 .....                          | 0   | 0  | 0  | 0  | 0   | 0  | 0   | 0   |
| 10. Class 3 .....                         | 0   | 0  | 0  | 0  | 0   | 0  | 0   | 0   |
| 11. Class 4 .....                         | 0   | 0  | 0  | 0  | 0   | 0  | 0   | 0   |
| 12. Class 5 .....                         | 0   | 0  | 0  | 0  | 0   | 0  | 0   | 0   |
| 13. Class 6 .....                         | 0   | 0  | 0  | 0  | 0   | 0  | 0   | 0   |
| 14. Total Preferred Stock .....           | 0   | 0  | 0  | 0  | 0   | 0  | 0   | 0   |
| 15. Total Bonds and Preferred Stock ..... | 213,281,815   | 14,321,973                                     | 17,751,114                                     | (744,519)  | 214,156,556   | 213,281,815  | 209,108,155   | 209,111,876   |

(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 \$ ..... 57,282 ; NAIC 2 \$ ..... 0 ; NAIC 3 \$ ..... 0 ; NAIC 4 \$ ..... 0 ; NAIC 5 \$ ..... 0 ; NAIC 6 \$ ..... 0

**SCHEDULE DA - PART 1**

## Short-Term Investments

|                         | 1<br>Book/Adjusted<br>Carrying Value | 2<br>Par Value | 3<br>Actual<br>Cost | 4<br>Interest<br>Collected<br>Year To Date | 5<br>Paid for Accrued<br>Interest<br>Year To Date |
|-------------------------|--------------------------------------|----------------|---------------------|--|---|
| 9199999    Totals ..... | 57,282                               | XXX            | 57,282              | 0  | 0   |

**SCHEDULE DA - VERIFICATION**

## Short-Term Investments

|   | 1<br>Year To Date | 2<br>Prior Year Ended<br>December 31 |
|---|-------------------|--------------------------------------|
| 1. Book / adjusted carrying value, December 31 of prior year .....  | 470,465           | 1,123,496                            |
| 2. Cost of short-term investments acquired .....  | 12,806,006        | 10,371,204                           |
| 3. Accrual of discount .....  | 0                 | 0                                    |
| 4. Unrealized valuation increase (decrease) .....   | 0                 | 0                                    |
| 5. Total gain (loss) on disposals .....   | 0                 | 0                                    |
| 6. Deduct consideration received on disposals .....   | 13,219,189        | 11,024,235                           |
| 7. Deduct amortization of premium .....   | 0                 | 0                                    |
| 8. Total foreign exchange change in book/adjusted carrying value .....  | 0                 | 0                                    |
| 9. Deduct current year's other than temporary impairment recognized .....   | 0                 | 0                                    |
| 10. Book/adjusted carrying value at end of current period (Line 1 + Line 2 +<br>Line 3 + Line 4 + Line 5 - Line 6 - Line 7 + Line 8 - Line 9) ..... | 57,282            | 470,465                              |
| 11. Deduct total nonadmitted amounts .....  | 0                 | 0                                    |
| 12. Statement value at end of current period (Line 10 minus Line 11) .....  | 57,282            | 470,465                              |

**Page SI04**

Schedule DB, Part A, Verification  
**NONE**

Schedule DB, Part B, Verification  
**NONE**

**Page SI05**

Schedule DB, Pt. C, Section 1, Replicated (Synthetic Assets) Open  
**NONE**

**Page SI06**

Sch DB, Pt C, Sn 2, Replication (Syn Assets) Transactions Open  
**NONE**

**Page SI07**

Schedule DB, Verification  
**NONE**

**Page SI08**

Schedule E, Verification (Cash Equivalents)  
**NONE**

**Page E01**

Sch. A, Pt. 2, Real Estate Acquired  
**NONE**

Sch. A, Pt. 3, Real Estate Disposed  
**NONE**

**Page E02**

Schedule B, Part 2, Mortgage Loans Acquired  
**NONE**

Schedule B, Part 3, Mortgage Loans Disposed  
**NONE**

**Page E03**

Sch. BA, Pt. 2, Other Long-Term Invested Assets Acquired  
**NONE**

Sch. BA, Pt. 3, Other Long-Term Invested Assets Disposed  
**NONE**

## STATEMENT AS OF SEPTEMBER 30, 2012 OF THE Old Guard Insurance Company

## SCHEDULE D - PART 3

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

| 1<br>CUSIP<br>Identification   | 2<br>Description  | 3<br>Foreign | 4<br>Date<br>Acquired | 5<br>Name of Vendor         | 6<br>Number of Shares<br>of Stock | 7<br>Actual Cost | 8<br>Par Value | 9<br>Paid for Accrued<br>Interest and<br>Dividends | 10<br>NAIC Designation<br>or Market<br>Indicator (a) |
|--|---|--------------|-----------------------|-----------------------------|-----------------------------------|------------------|----------------|--|--|
| Bonds - U.S. Political Subdivisions of States, Territories and Possessions   |   |              |                       |                             |                                   |                  |                |  |  |
| 584002-QZ-5  | MECKLENBURG CNTY NC REF 5.250 12/01/24  |              | 09/13/2012            | RBC Dain Rauscher           | 2,716,193                         | 2,025,000.00     |                | 31,598   | 1FE  |
| 2499999  | Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions   |              |                       |                             | 2,716,193                         | 2,025,000.00     |                | 31,598   |  |
| Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions |   |              |                       |                             |                                   |                  |                |  |  |
| 662903-MS-9  | N TEXAS ST MUNI WTR REV 5.250% 09/01/19   |              | 07/18/2012            | RBC Dain Rauscher           | 3,795,570                         | 3,000,000.00     |                | 20,562   | 1FE  |
| 662903-MT-7  | N TEXAS ST MUNI WTR REV 5.250% 09/01/20   |              | 08/20/2012            | RBC Dain Rauscher           | 1,259,180                         | 1,000,000.00     |                | 9,917  | 1FE  |
| 3199999  | Subtotal - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions |              |                       |                             | 5,054,750                         | 4,000,000.00     |                | 30,479   |  |
| 8399997  | Subtotal - Bonds - Part 3   |              |                       |                             | 7,770,943                         | 6,025,000.00     |                | 62,077   |  |
| 8399999  | Subtotal - Bonds  |              |                       |                             | 7,770,943                         | 6,025,000.00     |                | 62,077   |  |
| Common Stocks - Industrial and Miscellaneous (Unaffiliated)  |   |              |                       |                             |                                   |                  |                |  |  |
| 191216-10-0  | COCA COLA CO  |              | 08/13/2012            | Stock Split                 | 16,000,000                        | 0                |                | 0  | L  |
| 278865-10-0  | ECOLAB INC  |              | 08/30/2012            | William Blair & Co          | 10,000,000                        | 645,530          |                | 0  | L  |
| 462846-10-6  | IRON MTN INC PA   |              | 08/29/2012            | William Blair & Co          | 18,600,000                        | 605,817          |                | 0  | L  |
| 637071-10-1  | NATIONAL OILWELL VARCO INC  |              | 08/06/2012            | Strategas Research Partners | 20,000,000                        | 1,520,700        |                | 0  | L  |
| 741441-10-8  | PRICE T ROWE GROUP INC  |              | 08/30/2012            | Strategas Research Partners | 10,000,000                        | 610,972          |                | 0  | L  |
| 747525-10-3  | QUALCOMM INC  |              | 08/29/2012            | Merrill Lynch               | 30,000,000                        | 1,858,952        |                | 0  | L  |
| 9099999  | Subtotal - Common Stocks - Industrial and Miscellaneous (Unaffiliated)  |              |                       |                             | 5,241,971                         |                  |                | 0  |  |
| 9799997  | Subtotal - Common Stocks - Part 3   |              |                       |                             | 5,241,971                         |                  |                | 0  |  |
| 9799999  | Subtotal - Common Stocks  |              |                       |                             | 5,241,971                         |                  |                | 0  |  |
| 9899999  | Subtotal - Preferred and Common Stocks  |              |                       |                             | 5,241,971                         |                  |                | 0  |  |
| 9999999  | TOTALS  |              |                       |                             | 13,012,914                        |                  |                | 62,077   |  |

EO4

(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  
by the Company During the Current Quarter

| 1<br>CUSIP<br>Identifi-<br>cation   | 2<br>Description                      | 3<br>Foreign | 4<br>Disposal<br>Date | 5<br>Name of Purchaser | 6<br>Number<br>of Shares<br>of Stock | 7<br>Consideration | 8<br>Par Value | 9<br>Actual<br>Cost | 10<br>Prior<br>Year Book/<br>Adjusted<br>Carrying<br>Value | Change In Book/Adjusted Carrying Value                   |   |   |   |   | 16<br>Total<br>Change in<br>B./A.C.V.<br>(11+12-13) | 17<br>Total<br>Foreign<br>Exchange<br>Change in<br>B./A.C.V. | 18<br>Book/Adjusted<br>Carrying Value<br>at Disposal<br>Date | 19<br>Foreign<br>Exchange<br>Gain<br>(Loss) on<br>Disposal | 20<br>Realized<br>Gain<br>(Loss) on<br>Disposal | 21<br>Total<br>Gain<br>(Loss) on<br>Disposal | 22<br>Bond<br>Interest/<br>Stock<br>Dividends<br>Received<br>During Year | 21<br>Stated<br>Contractual<br>Maturity<br>Date | 22<br>NAIC<br>Designa-<br>tion or<br>Market<br>Indi-<br>cator<br>(a) |            |     |
|---|---------------------------------------|--------------|-----------------------|------------------------|--------------------------------------|--------------------|----------------|---------------------|--|--|---|---|---|---|---|--|--|--|---|--|--|---|--|------------|-----|
|   |                                       |              |                       |                        |                                      |                    |                |                     |  | 11<br>Unrealized<br>Valuation<br>Increase/<br>(Decrease) | 12<br>Current<br>Year's<br>(Amort-<br>ization) /<br>Accretion | 13<br>Current<br>Year's Other<br>Than Temporary<br>Impairment<br>Recognized | 14<br>Total<br>Change in<br>B./A.C.V.<br>(11+12-13) | 15<br>Total Foreign<br>Exchange<br>Change in<br>B./A.C.V. |   |  |  |  |   |  |  |   |  |            |     |
| <b>Bonds - U.S. Governments</b>   |                                       |              |                       |                        |                                      |                    |                |                     |  |  |   |   |   |   |   |  |  |  |   |  |  |   |  |            |     |
| 36202E-3J-6   | GNMA GTD PASS THRU POOL 004401 6.500% | 09/01/2012   | Paydown               |                        | 30,940                               | 30,940.00          | 32,690         | 32,648              |  | 0  | (1,708)   | 0   | (1,708)   | 0   | 30,940  | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 1,357  | 03/20/2039 | 1   |
| 36202E-5K-1   | GNMA GTD PASS THRU POOL 004450 6.500% | 09/01/2012   | Paydown               |                        | 32,535                               | 32,535.00          | 34,548         | 34,493              |  | 0  | (1,958)   | 0   | (1,958)   | 0   | 32,535  | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 1,344  | 05/20/2039 | 1   |
| 36202E-PC-7   | GNMA GTD PASS THRU POOL 004019 7.000% | 09/01/2012   | Paydown               |                        | 26,480                               | 26,480.00          | 27,506         | 27,476              |  | 0  | (996)   | 0   | (996)   | 0   | 26,480  | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 1,229  | 08/20/2037 | 1   |
| 36202E-PP-8   | GNMA GTD PASS THRU POOL 004030 7.000% | 09/01/2012   | Paydown               |                        | 26,059                               | 26,059.00          | 27,011         | 26,981              |  | 0  | (922)   | 0   | (922)   | 0   | 26,059  | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 1,217  | 09/20/2037 | 1   |
| 36202E-SD-2   | GNMA GTD PASS THRU POOL 004116 6.500% | 09/01/2012   | Paydown               |                        | 66,845                               | 66,845.00          | 69,707         | 69,642              |  | 0  | (2,797)   | 0   | (2,797)   | 0   | 66,845  | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 2,925  | 04/20/2038 | 1   |
| 36294S-DJ-3   | GNMA GTD PASS THRU POOL 658105 6.500% | 09/01/2012   | Paydown               |                        | 19,316                               | 19,316.00          | 19,787         | 19,775              |  | 0  | (459)   | 0   | (459)   | 0   | 19,316  | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 934  | 09/15/2036 | 1   |
| 36294S-EP-8   | GNMA GTD PASS THRU POOL 658142 7.000% | 09/01/2012   | Paydown               |                        | 81,978                               | 81,978.00          | 84,835         | 84,624              |  | 0  | (2,645)   | 0   | (2,645)   | 0   | 81,978  | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 4,272  | 10/15/2036 | 1   |
| 36295H-R9-3   | GNMA GTD PASS THRU POOL 671112 6.500% | 09/01/2012   | Paydown               |                        | 2,465                                | 2,465.00           | 2,547          | 2,545               |  | 0  | (80)  | 0   | (80)  | 0   | 2,465   | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 96   | 08/15/2037 | 1   |
| 36296U-NG-1   | GNMA GTD PASS THRU POOL 701591 6.500% | 09/01/2012   | Paydown               |                        | 20,149                               | 20,149.00          | 21,220         | 21,209              |  | 0  | (1,060)   | 0   | (1,060)   | 0   | 20,149  | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 889  | 01/15/2039 | 1   |
| 83162C-GN-7   | SMALL BUSINESS ADMIN PASSTHRU 6.375%  | 08/01/2012   | Paydown               |                        | 8,798                                | 8,798.00           | 8,798          | 8,798               |  | 0  | 0   | 0   | 0   | 0   | 8,798   | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 561  | 02/01/2016 | 1FE |
| 83162C-HH-9   | SMALL BUSINESS ADMIN PASSTHRU 7.150%  | 09/01/2012   | Paydown               |                        | 11,120                               | 11,120.00          | 11,120         | 11,120              |  | 0  | 0   | 0   | 0   | 0   | 11,120  | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 795  | 03/01/2017 | 1FE |
| 0599999 - Subtotal - Bonds - U.S. Governments   |                                       |              |                       |                        | 326,685                              | 326,685.00         | 339,769        | 339,311             |  | 0  | (12,625)  | 0   | (12,625)  | 0   | 326,685   | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 15,619   |            |     |
| <b>Bonds - U.S. Special Revenue and Special Assessment and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions</b>               |                                       |              |                       |                        |                                      |                    |                |                     |  |  |   |   |   |   |   |  |  |  |   |  |  |   |  |            |     |
| 31287N-CF-3   | FHLMC 30 YR GOLD PC GRP POOL 7.000%   | 09/01/2012   | Paydown               |                        | 6,330                                | 6,330.00           | 6,680          | 6,635               |  | 0  | (305)   | 0   | (305)   | 0   | 6,330   | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 296  | 01/01/2032 | 1   |
| 3128M4-AX-1   | FHLMC 30 YR GOLD PC GRP POOL 6.000%   | 09/01/2012   | Paydown               |                        | 102,698                              | 102,698.00         | 109,406        | 109,265             |  | 0  | (6,567)   | 0   | (6,567)   | 0   | 102,698   | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 4,083  | 12/01/2036 | 1   |
| 3133TL-V5-4   | FHLMC REMIC SER T-18 A3 SEQ. 7.790%   | 09/01/2012   | Paydown               |                        | 1,955                                | 1,955.00           | 1,955          | 1,955               |  | 0  | 0   | 0   | 0   | 0   | 1,955   | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 99   | 08/15/2029 | 1   |
| 31371K-L7-4   | FNMA PASS THRU POOL 254250 7.500%     | 09/01/2012   | Paydown               |                        | 8,555                                | 8,555.00           | 9,071          | 9,009               |  | 0  | (454)   | 0   | (454)   | 0   | 8,555   | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 429  | 03/01/2032 | 1   |
| 3138BT-Q6-3   | FNMA PASS THRU POOL 614377 7.000%     | 09/01/2012   | Paydown               |                        | 33,067                               | 33,067.00          | 34,834         | 34,606              |  | 0  | (1,539)   | 0   | (1,539)   | 0   | 33,067  | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 1,721  | 02/01/2032 | 1   |
| 31392M-HL-9   | FHLMC REMIC SER 2465 PG PAC 6.500%    | 09/01/2012   | Paydown               |                        | 51,712                               | 51,712.00          | 53,005         | 52,942              |  | 0  | (1,231)   | 0   | (1,231)   | 0   | 51,712  | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 2,244  | 06/15/2032 | 1   |
| 31406D-TA-8   | FNMA PASS THRU POOL 807389 6.500%     | 09/01/2012   | Paydown               |                        | 33,195                               | 33,195.00          | 34,253         | 34,119              |  | 0  | (923)   | 0   | (923)   | 0   | 33,195  | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 1,270  | 08/01/2032 | 1   |
| 31409A-X3-8   | FNMA PASS THRU POOL 865698 7.000%     | 09/01/2012   | Paydown               |                        | 3,340                                | 3,340.00           | 3,438          | 3,429               |  | 0  | (89)  | 0   | (89)  | 0   | 3,340   | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 156  | 02/01/2036 | 1   |
| 31410B-GT-5   | FNMA PASS THRU POOL 884110 7.000%     | 09/01/2012   | Paydown               |                        | 556                                  | 556.00             | 580            | 473                 |  | 0  | 83  | 0   | 83  | 0   | 556   | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 26   | 05/01/2036 | 1   |
| 31410G-KU-6   | FNMA PASS THRU POOL 888707 7.500%     | 09/01/2012   | Paydown               |                        | 74,729                               | 74,729.00          | 78,559         | 78,450              |  | 0  | (3,720)   | 0   | (3,720)   | 0   | 74,729  | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 3,778  | 10/01/2037 | 1   |
| 31410G-RK-1   | FNMA PASS THRU POOL 888890 6.500%     | 09/01/2012   | Paydown               |                        | 183,588                              | 183,588.00         | 189,985        | 189,777             |  | 0  | (6,189)   | 0   | (6,189)   | 0   | 183,588   | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 7,881  | 10/01/2037 | 1   |
| 31410K-CX-0   | FNMA PASS THRU POOL 889386 6.000%     | 09/01/2012   | Paydown               |                        | 79,181                               | 79,181.00          | 85,800         | 85,716              |  | 0  | (6,536)   | 0   | (6,536)   | 0   | 79,181  | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 3,141  | 03/01/2038 | 1   |
| 31410S-PW-1   | FNMA PASS THRU POOL 896037 7.000%     | 09/01/2012   | Paydown               |                        | 46,734                               | 46,734.00          | 48,158         | 48,040              |  | 0  | (1,306)   | 0   | (1,306)   | 0   | 46,734  | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 1,944  | 08/01/2036 | 1   |
| 31410X-B9-6   | FNMA PASS THRU POOL 900164 6.500%     | 09/01/2012   | Paydown               |                        | 66,247                               | 66,247.00          | 67,608         | 67,567              |  | 0  | (1,319)   | 0   | (1,319)   | 0   | 66,247  | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 2,845  | 08/01/2036 | 1   |
| 31412F-H4-8   | FNMA PASS THRU POOL 923751 7.000%     | 09/01/2012   | Paydown               |                        | 5,713                                | 5,713.00           | 5,870          | 5,867               |  | 0  | (154)   | 0   | (154)   | 0   | 5,713   | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 237  | 04/01/2037 | 1   |
| 31412M-A2-4   | FNMA PASS THRU POOL 928925 6.500%     | 09/01/2012   | Paydown               |                        | 130,111                              | 130,111.00         | 134,949        | 134,876             |  | 0  | (4,765)   | 0   | (4,765)   | 0   | 130,111   | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 5,594  | 12/01/2037 | 1   |
| 31413Q-U3-0   | FNMA PASS THRU POOL 952502 6.500%     | 09/01/2012   | Paydown               |                        | 102,988                              | 102,988.00         | 105,643        | 105,577             |  | 0  | (2,589)   | 0   | (2,589)   | 0   | 102,988   | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 4,586  | 09/01/2037 | 1   |
| 3199999 - Subtotal - Bonds - U.S. Special Revenue and Special Assessment and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions |                                       |              |                       |                        | 930,699                              | 930,699.00         | 969,794        | 968,303             |  | 0  | (37,603)  | 0   | (37,603)  | 0   | 930,699   | 0  | 0  | 0  | 0   | 0  | 0  | 0   | 40,330   |            |     |
| <b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>  |                                       |              |                       |                        |                                      |                    |                |                     |  |  |   |   |   |   |   |  |  |  |   |  |  |   |  |            |     |
| 589331-AD-9   | MERCK & CO INC DEB 6.400%             | 07/18/2012   | Sterne Agee           |                        | 4,204,620                            | 3,000,000.00       | 3,458,475      | 3,421,719           |  | 0  | (9,567)   | 0   | (9,567)   | 0   | 3,412,152   | 0  | 792,468  | 0  | 792,468   | 0  | 171,733  | 03/01/2028                                      | 1FE  |            |     |
| 694032-AT-0   | PACIFIC BELL DEB 7.125%               | 09/14/2012   | Various               |                        | 3,539,016                            | 2,650,000.00       | 2,992,119      | 2,912,836           |  | 0  | (6,668)   | 0   |   |   |   |  |  |  |   |  |  |   |  |            |     |

## STATEMENT AS OF SEPTEMBER 30, 2012 OF THE Old Guard Insurance Company

## SCHEDULE D - PART 4

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

| 1<br>CUSIP<br>Identifi-<br>cation                | 2<br>Description | 3<br>Foreign | 4<br>Disposal<br>Date | 5<br>Name of Purchaser | 6<br>Number<br>of Shares<br>of Stock | 7<br>Consideration | 8<br>Par Value | 9<br>Actual<br>Cost | 10<br>Prior<br>Year Book/<br>Adjusted<br>Carrying<br>Value | Change In Book/Adjusted Carrying Value                   |  |   |   |   | 16<br>Total<br>Change in<br>B./A.C.V.<br>(11+12-13) | 17<br>Total<br>Foreign<br>Exchange<br>Change in<br>B./A.C.V. | 18<br>Book/Adjusted<br>Carrying Value<br>at Disposal<br>Date | 19<br>Foreign<br>Exchange<br>Gain<br>(Loss) on<br>Disposal | 20<br>Realized<br>Gain<br>(Loss) on<br>Disposal | 21<br>Total<br>Gain<br>(Loss) on<br>Disposal | 22<br>Bond<br>Interest/<br>Stock<br>Dividends<br>Received<br>During Year | 21<br>Stated<br>Contractual<br>Maturity<br>Date | 22<br>NAIC<br>Designa-<br>tion or<br>Market<br>Indi-<br>cator<br>(a) |
|--|------------------|--------------|-----------------------|------------------------|--------------------------------------|--------------------|----------------|---------------------|--|--|--|---|---|---|---|--|--|--|---|--|--|---|--|
|  |                  |              |                       |                        |                                      |                    |                |                     |  | 11<br>Unrealized<br>Valuation<br>Increase/<br>(Decrease) | 12<br>Current<br>Year's<br>(Amort-<br>ization)/<br>Accretion | 13<br>Current<br>Year's Other<br>Than Temporary<br>Impairment<br>Recognized | 14<br>Total<br>Change in<br>B./A.C.V.<br>(11+12-13) | 15<br>Total Foreign<br>Exchange<br>Change in<br>B./A.C.V. |   |  |  |  |   |  |  |   |  |
| 9799997 - Subtotal - Common Stocks - Part 4      |                  |              |                       |                        | 2,707,882                            |                    | 1,177,598      | 2,099,560           | (921,963)  | 0  | 0  | (921,963)   | 0   | 0   | 1,177,598   | 0  | 1,530,284  | 1,530,284  | 34,950  |  |  |   |  |
| 9799999 - Subtotal - Common Stocks               |                  |              |                       |                        | 2,707,882                            |                    | 1,177,598      | 2,099,560           | (921,963)  | 0  | 0  | (921,963)   | 0   | 0   | 1,177,598   | 0  | 1,530,284  | 1,530,284  | 34,950  |  |  |   |  |
| 9899999 - Subtotal - Preferred and Common Stocks |                  |              |                       |                        | 2,707,882                            |                    | 1,177,598      | 2,099,560           | (921,963)  | 0  | 0  | (921,963)   | 0   | 0   | 1,177,598   | 0  | 1,530,284  | 1,530,284  | 34,950  |  |  |   |  |
| 9999999 - TOTALS                                 |                  |              |                       |                        | 11,708,902                           |                    | 8,937,755      | 9,741,729           | (921,963)  | (66,463)   | 0  | (988,426)   | 0   | 0   | 8,753,303   | 0  | 2,955,599  | 2,955,599  | 424,726   |  |  |   |  |

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Schedule DB, Part A, Section 1

**NONE**

Financial or Economic Impact of the Hedge

**NONE**

**Page E07**

Schedule DB, Part B, Section 1

**NONE**

Schedule DB, Part B, Section 1, Broker Name

**NONE**

Schedule DB, Part B, Financial or Economic Impact of the Hedge

**NONE**

**Page E08**

Schedule DB, Part D

**NONE**

**Page E09**

Schedule DL, Part 1

**NONE**

**Page E10**

Schedule DL, Part 2

**NONE**

**Page E11**

Schedule E, Part 1, Cash

**NONE**

**Page E12**

Schedule E, Part 2, Cash Equivalents

**NONE**