



ANNUAL STATEMENT

For the Year Ended December 31, 2012
of the Condition and Affairs of the

National Interstate Insurance Company of Hawaii, Inc

NAIC Group Code.....84, 84 (Current Period) (Prior Period)	NAIC Company Code..... 11051	Employer's ID Number..... 99-0345306
Organized under the Laws of Ohio	State of Domicile or Port of Entry Ohio	Country of Domicile US
Incorporated/Organized..... September 20, 1999	Commenced Business..... July 28, 2000	
Statutory Home Office	3250 Interstate Drive..... Richfield OH 44286 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	
Main Administrative Office	3250 Interstate Drive..... Richfield OH 44286 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	330-659-8900 <i>(Area Code) (Telephone Number)</i>
Mail Address	3250 Interstate Drive..... Richfield OH 44286 <i>(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)</i>	
Primary Location of Books and Records	3250 Interstate Drive..... Richfield OH 44286 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	330-659-8900 <i>(Area Code) (Telephone Number)</i>
Internet Web Site Address	www.nationalinterstate.com	
Statutory Statement Contact	Robert Paul Brooks <i>(Name)</i> rob.brooks@nationalinterstate.com <i>(E-Mail Address)</i>	330-659-8900 -1204 <i>(Area Code) (Telephone Number) (Extension)</i> 330-659-8904 <i>(Fax Number)</i>

OFFICERS

Name	Title	Name	Title
1. David Warner Michelson	President	2. Arthur Jeffrey Gonzales	VP, General Counsel & Secretary
3. Julie Ann McGraw	VP, CFO & Treasurer	4. Terry Eugene Phillips	Senior Vice President

OTHER

Gary Norman Monda	VP, CIO & Assistant Treasurer	John Lloyd Woods	Vice President
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DIRECTORS OR TRUSTEES

David Warner Michelson	Alan Robert Spachman	Julie Ann McGraw	Terry Eugene Phillips
Tanya Marie Inama	Arthur Jeffrey Gonzales	Gary Norman Monda	

State of..... Ohio
County of..... Summit

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

_____ (Signature) David Warner Michelson	_____ (Signature) Arthur Jeffrey Gonzales	_____ (Signature) Julie Ann McGraw
1. (Printed Name) President	2. (Printed Name) VP, General Counsel & Secretary	3. (Printed Name) VP, CFO & Treasurer
_____ (Title)	_____ (Title)	_____ (Title)

Subscribed and sworn to before me
This 15th day of February 2013

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

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	26,014,658		26,014,658	27,875,274
2. Stocks (Schedule D):				
2.1 Preferred stocks.....			.0	
2.2 Common stocks.....			.0	
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			.0	
3.2 Other than first liens.....			.0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			.0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			.0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			.0	
5. Cash (\$.....0, Schedule E-Part 1), cash equivalents (\$.....0, Schedule E-Part 2) and short-term investments (\$.....1,670,970, Schedule DA).....	1,670,970		1,670,970	104,033
6. Contract loans (including \$.....0 premium notes).....			.0	
7. Derivatives (Schedule DB).....			.0	
8. Other invested assets (Schedule BA).....			.0	
9. Receivables for securities.....			.0	
10. Securities lending reinvested collateral assets (Schedule DL).....			.0	
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	27,685,627	0	27,685,627	27,979,307
13. Title plants less \$.....0 charged off (for Title insurers only).....			.0	
14. Investment income due and accrued.....	241,000		241,000	276,064
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	619,011	54,533	564,478	782,442
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	6,671,164		6,671,164	3,227,661
15.3 Accrued retrospective premiums.....			.0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	466,549		466,549	204,686
16.2 Funds held by or deposited with reinsured companies.....	21,416		21,416	(18,370)
16.3 Other amounts receivable under reinsurance contracts.....			.0	
17. Amounts receivable relating to uninsured plans.....			.0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....			.0	
18.2 Net deferred tax asset.....	615,780	94,868	520,912	478,478
19. Guaranty funds receivable or on deposit.....			.0	
20. Electronic data processing equipment and software.....			.0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....			.0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0	
23. Receivables from parent, subsidiaries and affiliates.....	2,834		2,834	1,542,101
24. Health care (\$.....0) and other amounts receivable.....			.0	
25. Aggregate write-ins for other than invested assets.....	95,599	10,704	84,895	65,010
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	36,418,980	160,105	36,258,875	34,537,380
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
28. TOTALS (Lines 26 and 27).....	36,418,980	160,105	36,258,875	34,537,380

DETAILS OF WRITE-INS

1101.....			.0	
1102.....			.0	
1103.....			.0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	.0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	0	0	.0	0
2501. Receivable from insured for deductible payments.....	44,320		44,320	18,900
2502. Commission receivable.....	40,576		40,576	46,111
2503. Prepays.....	10,704	10,704	.0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	.0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	95,599	10,704	84,895	65,010

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	7,606,058	7,675,229
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6).....		
3. Loss adjustment expenses (Part 2A, Line 35, Column 9).....	1,739,619	1,816,194
4. Commissions payable, contingent commissions and other similar charges.....	252,023	222,093
5. Other expenses (excluding taxes, licenses and fees).....	188,501	255,233
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	150,442	117,452
7.1 Current federal and foreign income taxes (including \$.....60,465 on realized capital gains (losses)).....	417,075	612,238
7.2 Net deferred tax liability.....		
8. Borrowed money \$.....0 and interest thereon \$.....0.....		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$.....10,665,206 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).....	3,481,351	3,201,546
10. Advance premium.....	16,915	17,495
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	626,159	1,114,530
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19).....	8,264,424	7,484,453
14. Amounts withheld or retained by company for account of others.....	442,029	166,147
15. Remittances and items not allocated.....		
16. Provision for reinsurance (including \$.....0 certified) (Schedule F, Part 8).....	803,508	251,000
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	1,345,449	145,813
20. Derivatives.....		
21. Payable for securities.....		
22. Payable for securities lending.....		
23. Liability for amounts held under uninsured plans.....		
24. Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	25,333,551	23,079,424
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	25,333,551	23,079,424
29. Aggregate write-ins for special surplus funds.....	0	87,900
30. Common capital stock.....	3,500,000	3,500,000
31. Preferred capital stock.....		
32. Aggregate write-ins for other than special surplus funds.....	0	0
33. Surplus notes.....		
34. Gross paid in and contributed surplus.....	3,141,936	3,141,936
35. Unassigned funds (surplus).....	4,283,388	4,728,121
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 30 \$.....0).....		
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0).....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39).....	10,925,324	11,457,957
38. TOTALS (Page 2, Line 28, Col. 3).....	36,258,875	34,537,380

DETAILS OF WRITE-INS

2501.		
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	0	0
2901. Additional admitted deferred taxes assets - SSAP 10R.....		87,900
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	0	87,900
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 thru 3203 plus 3298) (Line 32 above).....	0	0

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4).....	7,169,181	7,016,312
DEDUCTIONS		
2. Losses incurred (Part 2, Line 35, Column 7).....	3,670,596	3,670,847
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	792,085	793,079
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	2,099,986	2,132,863
5. Aggregate write-ins for underwriting deductions.....	0	0
6. Total underwriting deductions (Lines 2 through 5).....	6,562,667	6,596,789
7. Net income of protected cells.....		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	606,515	419,522
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	782,227	768,701
10. Net realized capital gains (losses) less capital gains tax of \$.....60,465 (Exhibit of Capital Gains (Losses)).....	112,292	108,386
11. Net investment gain (loss) (Lines 9 + 10).....	894,519	877,087
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0).....	0	0
13. Finance and service charges not included in premiums.....	39,505	43,020
14. Aggregate write-ins for miscellaneous income.....	(123,252)	(130,937)
15. Total other income (Lines 12 through 14).....	(83,747)	(87,917)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	1,417,286	1,208,693
17. Dividends to policyholders.....		
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17).....	1,417,286	1,208,693
19. Federal and foreign income taxes incurred.....	356,610	553,876
20. Net income (Line 18 minus Line 19) (to Line 22).....	1,060,676	654,816
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	11,457,957	12,039,656
22. Net income (from Line 20).....	1,060,676	654,816
23. Net transfers (to) from Protected Cell accounts.....		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0.....		
25. Change in net unrealized foreign exchange capital gain (loss).....		
26. Change in net deferred income tax.....	49,402	265,178
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3).....	9,797	(102,288)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....	(552,508)	(251,000)
29. Change in surplus notes.....		
30. Surplus (contributed to) withdrawn from protected cells.....		
31. Cumulative effect of changes in accounting principles.....		
32. Capital changes:		
32.1 Paid in.....		
32.2 Transferred from surplus (Stock Dividend).....		
32.3 Transferred to surplus.....		
33. Surplus adjustments:		
33.1 Paid in.....		
33.2 Transferred to capital (Stock Dividend).....		
33.3. Transferred from capital.....		
34. Net remittances from or (to) Home Office.....		
35. Dividends to stockholders.....	(1,100,000)	(1,200,000)
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1).....		
37. Aggregate write-ins for gains and losses in surplus.....	0	51,595
38. Change in surplus as regards policyholders for the year (Lines 22 through 37).....	(532,633)	(581,699)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	10,925,324	11,457,957
DETAILS OF WRITE-INS		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	0	0
1401. Roadside assistance fees.....	18,540	15,955
1402. Interest from funds held.....	(141,792)	(146,893)
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	(123,252)	(130,937)
3701. Change in nonadmitted assets - additional admitted deferred taxes assets - SSAP 10R.....		51,595
3702.		
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	0	51,595

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	3,760,647	8,228,938
2. Net investment income.....	1,133,502	900,535
3. Miscellaneous income.....	(83,747)	(87,917)
4. Total (Lines 1 through 3).....	4,810,402	9,041,556
5. Benefit and loss related payments.....	4,041,416	(927,193)
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	2,972,459	2,027,363
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) net of \$.....60,465 tax on capital gains (losses).....	612,238	271,667
10. Total (Lines 5 through 9).....	7,626,113	1,371,837
11. Net cash from operations (Line 4 minus Line 10).....	(2,815,711)	7,669,718
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	4,883,920	14,488,064
12.2 Stocks.....		
12.3 Mortgage loans.....		
12.4 Real estate.....		
12.5 Other invested assets.....		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....		
12.7 Miscellaneous proceeds.....		
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	4,883,920	14,488,064
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	3,166,756	21,130,655
13.2 Stocks.....		
13.3 Mortgage loans.....		
13.4 Real estate.....		
13.5 Other invested assets.....		
13.6 Miscellaneous applications.....		
13.7 Total investments acquired (Lines 13.1 to 13.6).....	3,166,756	21,130,655
14. Net increase (decrease) in contract loans and premium notes.....		
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	1,717,163	(6,642,591)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....		
16.2 Capital and paid in surplus, less treasury stock.....		
16.3 Borrowed funds.....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....	1,100,000	1,200,000
16.6 Other cash provided (applied).....	3,765,485	(12,970)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	2,665,484	(1,212,970)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	1,566,936	(185,842)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	104,034	289,876
19.2 End of year (Line 18 plus Line 19.1).....	1,670,970	104,034

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

20.0001		
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UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business		1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums December 31 Prior Year- per Col. 3, Last Year's Part 1	3 Unearned Premiums December 31 Current Year- per Col. 5, Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire.....	1,157	380	692	845
2.	Allied lines.....	2,198	1,681	1,872	2,007
3.	Farmowners multiple peril.....				.0
4.	Homeowners multiple peril.....				.0
5.	Commercial multiple peril.....	38,404	16,380	18,188	36,596
6.	Mortgage guaranty.....				.0
8.	Ocean marine.....	989			989
9.	Inland marine.....	88,781	42,084	44,197	86,668
10.	Financial guaranty.....				.0
11.1	Medical professional liability - occurrence.....				.0
11.2	Medical professional liability - claims-made.....				.0
12.	Earthquake.....	252	.88	132	208
13.	Group accident and health.....				.0
14.	Credit accident and health (group and individual).....				.0
15.	Other accident and health.....	15,034	3,706	4,931	13,809
16.	Workers' compensation.....	1,858,984	598,138	843,727	1,613,395
17.1	Other liability - occurrence.....	374,331	206,871	189,424	391,778
17.2	Other liability - claims-made.....	9,351	3,415	3,733	9,033
17.3	Excess workers' compensation.....				.0
18.1	Products liability - occurrence.....				.0
18.2	Products liability - claims-made.....				.0
19.1, 19.2	Private passenger auto liability.....	117,645	62,317	55,578	124,384
19.3, 19.4	Commercial auto liability.....	3,561,926	1,581,084	1,668,124	3,474,886
21.	Auto physical damage.....	1,377,546	684,302	649,207	1,412,641
22.	Aircraft (all perils).....				.0
23.	Fidelity.....	42	292	237	97
24.	Surety.....	1,418	861	898	1,381
26.	Burglary and theft.....	909	193	407	695
27.	Boiler and machinery.....	22	(246)	5	(229)
28.	Credit.....				.0
29.	International.....				.0
30.	Warranty.....				.0
31.	Reinsurance - nonproportional assumed property.....				.0
32.	Reinsurance - nonproportional assumed liability.....				.0
33.	Reinsurance - nonproportional assumed financial lines.....				.0
34.	Aggregate write-ins for other lines of business.....	.0	.0	.0	.0
35.	TOTALS.....	7,448,986	3,201,546	3,481,351	7,169,181

DETAILS OF WRITE-INS

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business		1	2	3	4	5
		Amount Unearned (Running One Year or Less from Date of Policy) (a)	Amount Unearned (Running More Than One Year from Date of Policy) (a)	Earned But Unbilled Premium	Reserve for Rate Credits and Retrospective Adjustments Based on Experience	Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire.....	692				692
2.	Allied lines.....	1,872				1,872
3.	Farmowners multiple peril.....					0
4.	Homeowners multiple peril.....					0
5.	Commercial multiple peril.....	18,188				18,188
6.	Mortgage guaranty.....					0
8.	Ocean marine.....					0
9.	Inland marine.....	44,197				44,197
10.	Financial guaranty.....					0
11.1	Medical professional liability - occurrence.....					0
11.2	Medical professional liability - claims-made.....					0
12.	Earthquake.....	132				132
13.	Group accident and health.....					0
14.	Credit accident and health (group and individual).....					0
15.	Other accident and health.....	4,931				4,931
16.	Workers' compensation.....	843,727				843,727
17.1	Other liability - occurrence.....	189,424				189,424
17.2	Other liability - claims-made.....	3,733				3,733
17.3	Excess workers' compensation.....					0
18.1	Products liability - occurrence.....					0
18.2	Products liability - claims-made.....					0
19.1, 19.2	Private passenger auto liability.....	55,578				55,578
19.3, 19.4	Commercial auto liability.....	1,668,124				1,668,124
21.	Auto physical damage.....	649,207				649,207
22.	Aircraft (all perils).....					0
23.	Fidelity.....	237				237
24.	Surety.....	898				898
26.	Burglary and theft.....	407				407
27.	Boiler and machinery.....	5				5
28.	Credit.....					0
29.	International.....					0
30.	Warranty.....					0
31.	Reinsurance - nonproportional assumed property.....					0
32.	Reinsurance - nonproportional assumed liability.....					0
33.	Reinsurance - nonproportional assumed financial lines.....					0
34.	Aggregate write-ins for other lines of business.....	0	0	0	0	0
35.	TOTALS.....	3,481,351	0	0	0	3,481,351
36.	Accrued retrospective premiums based on experience.....					0
37.	Earned but unbilled premiums.....					0
38.	Balance (sum of Lines 35 through 37).....					3,481,351

DETAILS OF WRITE-INS

		1	2	3	4	5
3401.	.....					0
3402.	.....					0
3403.	.....					0
3498.	Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0
3499.	Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	0	0	0	0

(a) State here basis of computation used in each case: Daily Pro Rata

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire.....		1,157				1,157
2. Allied lines.....		2,198				2,198
3. Farmowners multiple peril.....						.0
4. Homeowners multiple peril.....						.0
5. Commercial multiple peril.....	157,308	38,404		90,608	66,700	38,404
6. Mortgage guaranty.....						.0
8. Ocean marine.....		989				989
9. Inland marine.....	97,183	88,781		77,838	19,346	88,781
10. Financial guaranty.....						.0
11.1 Medical professional liability - occurrence.....						.0
11.2 Medical professional liability - claims-made.....						.0
12. Earthquake.....	1,609	252		735	874	252
13. Group accident and health.....						.0
14. Credit accident and health (group and individual).....						.0
15. Other accident and health.....		15,034				15,034
16. Workers' compensation.....	5,820,728	1,858,984	537,479	5,312,639	1,045,568	1,858,984
17.1 Other liability - occurrence.....	1,215,938	374,331		757,050	458,888	374,331
17.2 Other liability - claims-made.....	7,496	9,351		6,444	1,052	9,351
17.3 Excess workers' compensation.....						.0
18.1 Products liability - occurrence.....						.0
18.2 Products liability - claims-made.....						.0
19.1, 19.2 Private passenger auto liability.....	655,946	117,645		541,056	114,890	117,645
19.3, 19.4 Commercial auto liability.....	10,702,891	3,561,926	52,061	9,910,058	844,893	3,561,926
21. Auto physical damage.....	4,081,934	1,377,546	1,937	3,920,260	163,611	1,377,546
22. Aircraft (all perils).....						.0
23. Fidelity.....		42				42
24. Surety.....		1,418				1,418
26. Burglary and theft.....	3,967	909		3,967		909
27. Boiler and machinery.....	2,736	22		(1,423)	4,159	22
28. Credit.....						.0
29. International.....						.0
30. Warranty.....						.0
31. Reinsurance - nonproportional assumed property.....	XXX					.0
32. Reinsurance - nonproportional assumed liability.....	XXX					.0
33. Reinsurance - nonproportional assumed financial lines.....	XXX					.0
34. Aggregate write-ins for other lines of business.....	.0	.0	.0	.0	.0	.0
35. TOTALS.....	22,747,737	7,448,986	591,476	20,619,232	2,719,981	7,448,986

DETAILS OF WRITE-INS

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

(a) Does the company's direct premiums written include premiums recorded on an installment basis? Yes [] No [X]

If yes: 1. The amount of such installment premiums \$.0.

2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$.0.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

	Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
		1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1.	Fire.....				.0	10	10	1.2	
2.	Allied lines.....				.0		.0		
3.	Farmowners multiple peril.....				.0		.0		
4.	Homeowners multiple peril.....				.0		.0		
5.	Commercial multiple peril.....	3,285	12,125	3,285	12,125	17,582	20,412	9,295	25.4
6.	Mortgage guaranty.....				.0			.0	
8.	Ocean marine.....		(242)		(242)	1,872	3,755	(2,125)	(215.0)
9.	Inland marine.....	92,129	22,647	92,129	22,647	48,819	43,821	27,645	31.9
10.	Financial guaranty.....				.0			.0	
11.1	Medical professional liability - occurrence.....				.0			.0	
11.2	Medical professional liability - claims-made.....				.0			.0	
12.	Earthquake.....				.0	39	9	30	14.4
13.	Group accident and health.....				.0			.0	
14.	Credit accident and health (group and individual).....				.0			.0	
15.	Other accident and health.....		144		144	9,471	6,369	3,246	23.5
16.	Workers' compensation.....	2,673,066	918,677	2,787,302	804,441	2,648,627	2,605,268	847,800	52.5
17.1	Other liability - occurrence.....	251,950	119,694	251,950	119,694	323,205	323,154	119,746	30.6
17.2	Other liability - claims-made.....		(844)		(844)	10,308	14,647	(5,183)	(57.4)
17.3	Excess workers' compensation.....				.0			.0	
18.1	Products liability - occurrence.....				.0			.0	
18.2	Products liability - claims-made.....				.0			.0	
19.1, 19.2	Private passenger auto liability.....	271,561	112,522	271,561	112,522	100,903	115,456	97,969	78.8
19.3, 19.4	Commercial auto liability.....	6,712,183	1,813,885	6,756,815	1,769,253	4,209,726	4,302,089	1,676,890	48.3
21.	Auto physical damage.....	3,905,760	900,740	3,906,473	900,027	235,344	240,223	895,148	63.4
22.	Aircraft (all perils).....				.0			.0	
23.	Fidelity.....				.0			.0	
24.	Surety.....				.0			.0	
26.	Burglary and theft.....				.0	152	27	126	18.1
27.	Boiler and machinery.....				.0			.0	
28.	Credit.....				.0			.0	
29.	International.....				.0			.0	
30.	Warranty.....				.0			.0	
31.	Reinsurance - nonproportional assumed property.....	XXX			.0			.0	
32.	Reinsurance - nonproportional assumed liability.....	XXX			.0			.0	
33.	Reinsurance - nonproportional assumed financial lines.....	XXX			.0			.0	
34.	Aggregate write-ins for other lines of business.....	0	0	0	.0		.0	.0	
35.	TOTALS	13,909,934	3,899,348	14,069,515	3,739,767	7,606,058	7,675,229	3,670,596	51.2

DETAILS OF WRITE-INS

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses				Incurred But Not Reported			8 Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	9 Net Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	4 Net Losses Excluding Incurred but not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire.....		10		10				10	
2. Allied lines.....				0				0	
3. Farmowners multiple peril.....				0				0	
4. Homeowners multiple peril.....				0				0	
5. Commercial multiple peril.....	5,900	4,365	5,900	4,365	45,278	13,217	45,278	17,582	5,212
6. Mortgage guaranty.....				0				0	
8. Ocean marine.....		1		1		1,871		1,872	222
9. Inland marine.....	3,101	18,108	3,101	18,108	(60,325)	30,711	(60,325)	48,819	11,207
10. Financial guaranty.....				0				0	
11.1 Medical professional liability - occurrence.....				0				0	
11.2 Medical professional liability - claims-made.....				0				0	
12. Earthquake.....				0	262	39	262	39	9
13. Group accident and health.....				0				(a) 0	
14. Credit accident and health (group and individual).....				0				(a) 0	
15. Other accident and health.....		75		75		9,396		(a) 9,471	3,799
16. Workers' compensation.....	2,470,238	1,112,521	2,699,114	883,645	3,043,367	2,011,710	3,290,095	2,648,627	475,705
17.1 Other liability - occurrence.....	896,811	95,601	896,811	95,601	993,461	227,604	993,461	323,205	92,537
17.2 Other liability - claims-made.....	5,001	3,990	5,001	3,990	28,040	6,318	28,040	10,308	2,886
17.3 Excess workers' compensation.....				0				0	
18.1 Products liability - occurrence.....				0				0	
18.2 Products liability - claims-made.....				0				0	
19.1, 19.2 Private passenger auto liability.....	186,746	54,391	186,746	54,391	85,399	46,512	85,399	100,903	24,261
19.3, 19.4 Commercial auto liability.....	8,156,181	1,951,781	8,196,719	1,911,243	5,160,403	2,325,392	5,187,312	4,209,726	1,065,373
21. Auto physical damage.....	1,358,836	152,114	1,358,786	152,164	232,783	83,126	232,729	235,344	58,378
22. Aircraft (all perils).....				0				0	
23. Fidelity.....				0				0	
24. Surety.....				0				0	
26. Burglary and theft.....		10		10	1,091	142	1,091	152	30
27. Boiler and machinery.....				0				0	
28. Credit.....				0				0	
29. International.....				0				0	
30. Warranty.....				0				0	
31. Reinsurance - nonproportional assumed property.....	XXX			0	XXX			0	
32. Reinsurance - nonproportional assumed liability.....	XXX			0	XXX			0	
33. Reinsurance - nonproportional assumed financial lines.....	XXX			0	XXX			0	
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0	0
35. TOTALS.....	13,082,814	3,392,967	13,352,178	3,123,603	9,529,759	4,756,038	9,803,342	7,606,058	1,739,619
DETAILS OF WRITE-INS									
3401.				0				0	
3402.				0				0	
3403.				0				0	
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0	0	0	0

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(a) Including \$.....0 for present value of life indemnity claims.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct.....	3,475,426			3,475,426
1.2 Reinsurance assumed.....	510,047			510,047
1.3 Reinsurance ceded.....	3,479,318			3,479,318
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	506,156	0	0	506,156
2. Commission and brokerage:				
2.1 Direct, excluding contingent.....		2,103,945		2,103,945
2.2 Reinsurance assumed, excluding contingent.....		1,004,669		1,004,669
2.3 Reinsurance ceded, excluding contingent.....		2,298,340		2,298,340
2.4 Contingent - direct.....				0
2.5 Contingent - reinsurance assumed.....		9,098		9,098
2.6 Contingent - reinsurance ceded.....				0
2.7 Policy and membership fees.....		25		25
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7).....	0	819,396	0	819,396
3. Allowances to manager and agents.....	15	539		555
4. Advertising.....	108	6,925	24	7,058
5. Boards, bureaus and associations.....	2,862	49,758		52,620
6. Surveys and underwriting reports.....	293	28,208		28,502
7. Audit of assureds' records.....		11,314		11,314
8. Salary and related items:				
8.1 Salaries.....	202,944	494,249	6,575	703,768
8.2 Payroll taxes.....	14,859	34,786	598	50,242
9. Employee relations and welfare.....	22,416	62,266	501	85,183
10. Insurance.....	599	5,260		5,858
11. Directors' fees.....		130		130
12. Travel and travel items.....	898	39,329	155	40,383
13. Rent and rent items.....	2,061	25,990		28,051
14. Equipment.....	11	404		415
15. Cost or depreciation of EDP equipment and software.....	4,114	49,754	1,647	55,515
16. Printing and stationery.....	2,596	14,875	46	17,517
17. Postage, telephone and telegraph, exchange and express.....	1,438	15,794	14	17,246
18. Legal and auditing.....	3,876	60,107	44,272	108,255
19. Totals (Lines 3 to 18).....	259,091	899,689	53,831	1,212,612
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....0.....		243,489		243,489
20.2 Insurance department licenses and fees.....	884	13,296	27	14,207
20.3 Gross guaranty association assessments.....	1,580	80,633		82,213
20.4 All other (excluding federal and foreign income and real estate).....	27	2,969		2,995
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	2,491	340,386	27	342,904
21. Real estate expenses.....	22,104	31,806	89	53,999
22. Real estate taxes.....				0
23. Reimbursements by uninsured plans.....				0
24. Aggregate write-ins for miscellaneous expenses.....	2,243	8,709	0	10,952
25. Total expenses incurred.....	792,085	2,099,986	53,947	(a) 2,946,018
26. Less unpaid expenses - current year.....	1,739,619	590,965		2,330,584
27. Add unpaid expenses - prior year.....	1,816,194	594,778		2,410,972
28. Amounts receivable relating to uninsured plans, prior year.....				0
29. Amounts receivable relating to uninsured plans, current year.....				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29).....	868,660	2,103,799	53,947	3,026,406

DETAILS OF WRITE-INS

2401. Miscellaneous Expenses.....	2,243	8,709		10,952
2402.				0
2403.				0
2498. Summary of remaining write-ins for Line 24 from overflow page.....	0	0	0	0
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above).....	2,243	8,709	0	10,952

(a) Includes management fees of \$.....2,490,249 to affiliates and \$.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....46,506	.....46,920
1.1 Bonds exempt from U.S. tax.....	(a).....422,417	.....377,048
1.2 Other bonds (unaffiliated).....	(a).....402,366	.....411,969
1.3 Bonds of affiliates.....	(a).....	.....
2.1 Preferred stocks (unaffiliated).....	(b).....	.....
2.11 Preferred stocks of affiliates.....	(b).....	.....
2.2 Common stocks (unaffiliated).....	.....	.....
2.21 Common stocks of affiliates.....	.....	.....
3. Mortgage loans.....	(c).....	.....
4. Real estate.....	(d).....	.....
5. Contract loans.....	.....	.....
6. Cash, cash equivalents and short-term investments.....	(e).....230	.....238
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....	.....
9. Aggregate write-ins for investment income.....	.....0	.....0
10. Total gross investment income.....	.....871,519	.....836,175
11. Investment expenses.....	.....	(g).....53,920
12. Investment taxes, licenses and fees, excluding federal income taxes.....	.....	(g).....27
13. Interest expense.....	.....	(h).....
14. Depreciation on real estate and other invested assets.....	.....	(i).....0
15. Aggregate write-ins for deductions from investment income.....	.....	.....0
16. Total deductions (Lines 11 through 15).....	.....	.....53,947
17. Net investment income (Line 10 minus Line 16).....	.....	.....782,228

DETAILS OF WRITE-INS

0901. ....	.....	.....
0902. ....	.....	.....
0903. ....	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....0	.....0
1501. ....	.....	.....
1502. ....	.....	.....
1503. ....	.....	.....
1598. Summary of remaining write-ins for Line 15 from overflow page.....	.....	.....0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above).....	.....	.....0

- (a) Includes \$.....9,236 accrual of discount less \$.....325,447 amortization of premium and less \$.....13,761 paid for accrued interest on purchases.
- (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
- (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to Segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. government bonds.....0	.....	.....
1.1 Bonds exempt from U.S. tax.....0	.....	.....
1.2 Other bonds (unaffiliated).....	.....172,757	.....	.....172,757	.....	.....
1.3 Bonds of affiliates.....0	.....	.....
2.1 Preferred stocks (unaffiliated).....0	.....	.....
2.11 Preferred stocks of affiliates.....0	.....	.....
2.2 Common stocks (unaffiliated).....0	.....	.....
2.21 Common stocks of affiliates.....0	.....	.....
3. Mortgage loans.....0	.....	.....
4. Real estate.....0	.....	.....
5. Contract loans.....0	.....	.....
6. Cash, cash equivalents and short-term investments.....0	.....	.....
7. Derivative instruments.....0	.....	.....
8. Other invested assets.....0	.....	.....
9. Aggregate write-ins for capital gains (losses).....	.....0	.....0	.....0	.....0	.....0
10. Total capital gains (losses).....	.....172,757	.....0	.....172,757	.....0	.....0

DETAILS OF WRITE-INS

0901. ....	.....	.....	.....0	.....	.....
0902. ....	.....	.....	.....0	.....	.....
0903. ....	.....	.....	.....0	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page..	.....0	.....0	.....0	.....0	.....0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....0	.....0	.....0	.....0	.....0

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....			.0
2. Stocks (Schedule D):			
2.1 Preferred stocks.....			.0
2.2 Common stocks.....			.0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....			.0
3.2 Other than first liens.....			.0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....			.0
4.2 Properties held for the production of income.....			.0
4.3 Properties held for sale.....			.0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....			.0
6. Contract loans.....			.0
7. Derivatives (Schedule DB).....			.0
8. Other invested assets (Schedule BA).....			.0
9. Receivables for securities.....			.0
10. Securities lending reinvested collateral assets (Schedule DL).....			.0
11. Aggregate write-ins for invested assets.....	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	.0	.0	.0
13. Title plants (for Title insurers only).....			.0
14. Investment income due and accrued.....			.0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	54,533	76,397	21,864
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....		4,287	4,287
15.3 Accrued retrospective premiums.....			.0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers.....			.0
16.2 Funds held by or deposited with reinsured companies.....			.0
16.3 Other amounts receivable under reinsurance contracts.....			.0
17. Amounts receivable relating to uninsured plans.....			.0
18.1 Current federal and foreign income tax recoverable and interest thereon.....			.0
18.2 Net deferred tax asset.....	94,868	87,900	(6,968)
19. Guaranty funds receivable or on deposit.....			.0
20. Electronic data processing equipment and software.....			.0
21. Furniture and equipment, including health care delivery assets.....			.0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0
23. Receivables from parent, subsidiaries and affiliates.....			.0
24. Health care and other amounts receivable.....			.0
25. Aggregate write-ins for other than invested assets.....	10,704	1,319	(9,385)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	160,105	169,903	9,797
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0
28. TOTALS (Lines 26 and 27).....	160,105	169,903	9,797

DETAILS OF WRITE-INS

1101.....			.0
1102.....			.0
1103.....			.0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	.0	.0	.0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	.0	.0	.0
2501. Receivable from insured for deductible payments.....			.0
2502. Commission Receivable.....			.0
2503. Prepays.....	10,704	1,319	(9,385)
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.0	.0	.0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	10,704	1,319	(9,385)

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies**A. Accounting Practices**

The Annual Statement of National Interstate Insurance Company of Hawaii (Company) has been prepared on the basis of accounting practices prescribed or permitted by the State of Ohio Department of Insurance. The Ohio Department of Insurance requires insurance companies domiciled in the state of Ohio to prepare their statutory financial statements in accordance with the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* subject to any deviations prescribed or permitted by the Ohio Department of Insurance. There are no deviations prescribed or permitted by the Ohio Department of Insurance utilized in the Company's financial statements as shown below:

	State of Domicile	2012	2011
1. Net income state basis	Ohio	\$ 1,060,676	\$ 654,816
2. Effect of state prescribed practices		-	-
3. Effect of state permitted practices		-	-
4. Net income, NAIC SAP		<u>\$ 1,060,676</u>	<u>\$ 654,816</u>
5. Statutory surplus state basis	Ohio	\$ 10,925,324	\$ 11,457,957
6. Effect of state prescribed practices		-	-
7. Effect of state permitted practices		-	-
8. Statutory surplus, NAIC SAP		<u>\$ 10,925,324</u>	<u>\$ 11,457,957</u>

B. Use of Estimates

The preparation of financial statements in accordance with the NAIC *Accounting Practices and Procedures Manual* requires management to make estimates and assumptions that affect amounts reported in these financial statements and notes. Actual results could differ from the estimates and assumptions used.

C. Accounting Policies

Premiums that are written, assumed and ceded under the Company's insurance policies and reinsurance contracts are earned over the terms of the related policies and contracts on a pro rata basis. Unearned reserves are liabilities established, as the portion of premiums written that have not yet been earned.

Unlike the recognition of premiums revenue, expenses incurred while producing new insurance business such as commissions and premium taxes are charged to operations as incurred and ceding allowances received or receivable are credited to operations through reductions in expenses incurred.

In addition, the Company uses the following accounting policies:

- Short-term investments are stated at cost.
- Investment grade bonds are stated at amortized cost using the interest method. Non-investment grade bonds with NAIC designations of 3 through 6 are stated at the lower of amortized value or fair value.
- Not applicable as the Company does not have any investments in common stocks.
- Redeemable preferred stocks with an NAIC designation of 1 or 2 are carried at amortized cost. Perpetual preferred stocks with an NAIC designation of 1 or 2 are carried at market. All other preferred stocks are carried at the lower of cost, amortized cost, or fair value.
- Not applicable as the Company investment portfolio does not include any mortgage loans.
- Investment grade loan-backed securities are stated at amortized value. The prospective adjustment method is used to value all loan-backed securities. Non-investment grade loan-backed securities are stated at the lower of amortized value or fair value.
- Not applicable as the Company does not have any investments in subsidiaries, controlled or affiliated companies.
- Not applicable as the Company does not have any investments in joint ventures, partnerships or limited liability companies.
- Not applicable as the Company does not invest in derivative instruments.
- The Company does not anticipate investment income when evaluating the need for premium deficiency reserves.

NOTES TO FINANCIAL STATEMENTS

11. Unpaid losses and loss adjustment expense reserves represent the estimated ultimate net cost of all reported and unreported losses incurred. The Company does not discount loss and loss adjustment expense reserves. The reserves for unpaid losses and loss adjustment expenses include an amount determined using individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Those estimates are subject to the effects of trends in loss severity and frequency. Although considerable variability is inherent in such estimates and the ultimate liability may be in excess of or less than the amounts provided, management believes that the reserves for losses and loss adjustment expenses are adequate. The estimates are continually reviewed and adjusted as necessary as experience develops or new information becomes known; such adjustments are reflected in the period determined.
12. The Company has a capitalization policy for prepaid expenses and purchases of items such as office equipment, software/hardware, furniture, vehicles, and other equipment and leasehold improvements. The predefined capitalization thresholds under this policy have not changed from those of the prior year.
13. Not applicable as the Company is a property and casualty insurance company only and does not write major medical and/or prescription drug coverage.

Note 2 – Accounting Changes and Correction of Errors

A. Accounting Changes Other than Codification and Correction of Errors

Effective January 1, 2012, the Company adopted Statement of Statutory Accounting Principles No. 101, Income Taxes, A Replacement of SSAP No. 10R and SSAP No. 10 (SSAP 101). SSAP 101 amends the deferred tax asset admittance test set forth in SSAP 10R, by limiting the admissibility thresholds based on current period risk-based capital levels and modifying the disclosure requirements. The adoption of SSAP 101 did not have an impact on the Company's financial statements.

Note 3 – Business Combinations and Goodwill

A. Statutory Purchase Method

Not applicable as the Company has never entered into any business combinations.

B. Statutory Mergers

Not applicable

C. Impairment Loss

Not applicable

Note 4 – Discontinued Operations

A. Not applicable

Note 5 – Investments

A. Mortgage Loans

Not applicable

B. Troubled Debt Restructuring for Creditors

Not applicable

C. Reversed Mortgages

Not applicable

D. Loan-Backed Securities

1. The Company uses dealer-modeled prepayment assumptions for mortgage-backed and asset-backed securities at the date of purchase to determine effective yields; significant changes in estimated cash flows from the original purchase assumptions are accounted for on a prospective basis.
2. The Company does not have any loan-backed securities with an other-than-temporary impairment for which it has the intent to sell or the inability or lack of intent to retain the investment in the security.
3. The Company does not have any loan-backed securities with an other-than-temporary ("OTTI") impairment recognized in 2012.

NOTES TO FINANCIAL STATEMENTS

4. The following table shows all loan-backed securities with an unrealized loss:

a. The aggregate amount of unrealized losses:		
1. Less than 12 months	\$	(3,009)
2. 12 months or longer		-
b. The aggregate related fair value of securities with unrealized losses:		
1. Less than 12 months		\$1,134,555
2. 12 months or longer		-

5. Based on cash flow projections received from external sources (which reflect loan to collateral values, subordination, vintage and geographic concentration), implied cash flows inherent in security ratings and analysis of historical payment data, management believes that the Company will recover its cost basis in all securities with unrealized losses at December 31, 2012. The Company has the intent to hold such securities until they recover in value or mature.

E. Repurchase Agreements and/or Securities Lending Transactions

Not applicable

F. Writedowns for Impairments of Real Estate, Real Estate Sales, Retail Land Sales Operations and Real Estate with Participating Mortgage Loan Features

Not applicable

G. Low Income Housing Tax Credits

Not applicable

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

A. Detail for Those Greater than 10% of Admitted Assets

Not applicable

B. Writedowns for Impairment of Joint Ventures, Partnerships and LLCs

Not applicable

Note 7 – Investment Income

A. Accrued Investment Income

The Company does not admit investment income due and accrued if amounts are over 90 days past due.

B. Amounts Nonadmitted

Not applicable as the Company's due and accrued investment income is current and therefore, none is excluded.

Note 8 – Derivative Instruments

A - F. Not applicable as the Company does not invest in derivative instruments.

Note 9 – Income Taxes

A. Deferred Tax Asset/(Liability)

1. Components of Net Deferred Tax Assets (Liability)

	2012			2011			Change		
	(1) Ordinary	(2) Capital	(3) (Col 1+2) Total	(1) Ordinary	(2) Capital	(3) (Col 1+2) Total	(1) Ordinary	(2) Capital	(3) (Col 1+2) Total
(a) Gross Deferred Tax Assets	615,780	-	615,780	566,378	-	566,378	49,402	-	49,402
(b) Statutory Valuation Allowance Adjustment	-	-	-	-	-	-	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a-1b)	615,780	-	615,780	566,378	-	566,378	49,402	-	49,402
(d) Deferred Tax Assets Nonadmitted	94,868	-	94,868	87,900	-	87,900	6,968	-	6,968
(e) Subtotal (Net Deferred Tax Assets) (1c-1d)	520,912	-	520,912	478,478	-	478,478	42,434	-	42,434
(f) Deferred Tax Liabilities	-	-	-	-	-	-	-	-	-
(g) Net Admitted Deferred Tax Assets (1e-1f)	520,912	-	520,912	478,478	-	478,478	42,434	-	42,434

NOTES TO FINANCIAL STATEMENTS

2. Admission Calculation Components:

	2012			2011			Change		
	(1) Ordinary	(2) Capital	(3) (Col 1+2) Total	(4) Ordinary	(5) Capital	(6) (Col 4+5) Total	(7) (Col 1-4) Ordinary	(8) (Col 2-5) Capital	(9) Col 7+8 Total
A. Federal income taxes paid in prior years recoverable through loss carrybacks	473,478	-	473,478	390,578	-	390,578	82,900	-	82,900
B. Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (The lesser of 2(b)1 and 2(b)2 below:	47,434	-	47,434	87,900	-	87,900	(40,466)	-	(40,466)
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	47,434	-	47,434	87,900	-	87,900	(40,466)	-	(40,466)
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	1,560,662	XXX	XXX	1,190,996	XXX	XXX	369,666
C. Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	-	-	-	-	-	-	-	-	-
D. Deferred tax assets admitted as the result of application of SSAP 101. Total 2(a)+2(b)+2(c)	520,912	-	520,912	478,478	-	478,478	42,434	-	42,434

3. Other Admissibility Criteria:

	2012	2011
a. Ratio percentage used to determine recovery period and threshold limitation amount	1057%	1183%
b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 10,404,412	\$ 10,979,479

4. Impact of Tax Planning Strategies

	2012			2011			Change		
	Ordinary	Capital	Total %	Ordinary	Capital	Total %	Ordinary	Capital	Total %
a. Adjusted Gross DTAs (% of Total Adjusted Gross DTAs)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
b. Net Admitted Adjusted Gross DTAs (% of Total Net Admitted Adjusted Gross DTAs)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

c. Does the company's tax-planning strategies include the use of reinsurance? Yes [] No [X]

B. Unrecognized Deferred Tax Liabilities

Not Applicable

NOTES TO FINANCIAL STATEMENTS

C. Current Tax and Change in Deferred Tax

The provisions for income taxes incurred on earnings for the years ended December 31 are:

	(1) 2012	(2) 2011	(3) (Col 1-2) Change
(a) Federal	356,610	553,876	(197,266)
(b) Foreign	-	-	-
(c) Subtotal	356,610	553,876	(197,266)
(d) Federal income tax on net capital gains	60,465	58,362	2,103
(e) Utilization of capital loss carry-forwards	-	-	-
(f) Other	-	-	-
(g) Federal and Foreign income taxes incurred	417,075	612,238	(195,163)

2.

Deferred Tax Assets:	(1) 2012	(2) 2011	(3) (Col 1-2) Change
(a) Ordinary:			
(1) Discounting of unpaid losses	316,228	293,000	23,228
(2) Unearned premium reserve	244,879	225,333	19,546
(3) Policyholder reserves	-	-	-
(4) Investments	-	-	-
(5) Deferred acquisition costs	-	-	-
(6) Policyholder dividends accrual	-	-	-
(7) Fixed assets	-	-	-
(8) Compensation and benefits accrual	16,332	14,400	1,932
(9) Pension accrual	-	-	-
(10) Receivables - nonadmitted	-	-	-
(11) Net operating loss carry-forward	-	-	-
(12) Tax credit carry-forward	-	-	-
(13) Other (including items <5% of total ordinary tax assets)	38,341	33,645	4,696
(14) Other assets – nonadmitted	-	-	-
(99) Subtotal	615,780	566,378	49,402
(b) Statutory valuation allowance adjustment	-	-	-
(c) Nonadmitted	94,868	87,900	6,968
(d) Admitted ordinary deferred tax assets (2a99-2b-2c)	520,912	478,478	42,434
(e) Capital:			
(1) Investments	-	-	-
(2) Net capital loss carry-forward	-	-	-
(3) Real estate	-	-	-
(4) Other (including items <5% of total capital tax assets)	-	-	-
(99) Subtotal	-	-	-
(f) Statutory valuation allowance adjustment	-	-	-
(g) Nonadmitted	-	-	-
(h) Admitted capital deferred tax assets (2e99-2f-2g)	-	-	-
(i) Admitted deferred tax assets (2d+2h)	520,912	478,478	42,434

NOTES TO FINANCIAL STATEMENTS

3.

Deferred Tax Liabilities:		2012	2011	Change
(a)	Ordinary:			
(1)	Investments	\$ -	\$ -	\$ -
(2)	Fixed assets	-	-	-
(3)	Deferred and uncollected premium	-	-	-
(4)	Policyholder reserves	-	-	-
(5)	Other (including items <5% of total ordinary tax assets)	-	-	-
(6)	Additional acquisition costs-installment premiums	-	-	-
(7)	Discount of accrued salvage and subrogation	-	-	-
(8)	Guaranty funds receivable	-	-	-
(99)	Subtotal	-	-	-
(b)	Capital:			
(1)	Investments	-	-	-
(2)	Real estate	-	-	-
(3)	Other (including items <5% of total capital tax assets)	-	-	-
(99)	Subtotal	-	-	-
(c)	Deferred tax liabilities (3a99+3b99)	\$ -	\$ -	\$ -

4. Net Deferred Tax Assets/Liabilities (2i-3c) \$ 520,912 \$ 478,478 \$ 42,434

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

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

	2012	
	Amount In Thousands	Effective Tax Rate (%)
Provision computed at statutory rate	517,213	35.0
Tax exempt income deduction	(123,262)	(8.3)
Unearned premium reserve haircut	19,546	1.3
Loss Reserves	(4,673)	(0.3)
Other	8,250	0.6
Totals	417,074	28.2
Federal and foreign income taxes incurred	356,610	24.1
Realized capital gains tax	60,465	4.1
Total statutory income taxes	417,074	28.2

E. Operating Loss and Tax Credit Carryforwards

- At December 31, 2012, the Company did not have any unused operating loss carryforwards available to offset against future taxable income.
- The amount of federal income taxes incurred and available for recoupment in the event of future net losses:

Year	Amount
2012	387,959
2011	599,140
2010	18,958

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

F. Consolidated Federal Income Tax Return

- The Company's federal income tax return is consolidated with the Corporation (see Note 10) and the Corporation's other wholly owned subsidiaries.

NOTES TO FINANCIAL STATEMENTS

2. The method of allocation among companies is subject to a written agreement approved by the Board of Directors, whereby allocation of income taxes to companies in the group is based on taxable income or loss.

G. Federal or Foreign Federal Income Tax Loss Contingencies

The Company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

Note 10 – Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

A. Nature of Relationships

The Company's parent company, National Interstate Insurance Company (NIIC) is a wholly owned subsidiary of National Interstate Corporation (the Corporation), a publicly traded (Nasdaq: NATL) insurance holding company. NIIC also owns 100% of Triumpher Casualty Company (TCC) and Vanliner Insurance Company (VIC). Other subsidiaries of the Corporation include Hudson Indemnity Limited (HIL), National Interstate Insurance Agency, Inc. (NIIA), Explorer RV Insurance Agency, Inc., American Highways Insurance Agency, Inc., Safety, Claims and Litigation Services, LLC, Hudson Management Group, Ltd., TransProtection Service Company, Vanliner Group, Inc. and Vanliner Reinsurance Ltd.

As of December 31, 2012, Great American Insurance Company (GAIC), a wholly owned subsidiary of American Financial Group, Inc. (NYSE: AFG), owned 51.9% of the outstanding shares of the Corporation.

B. Detail of Transactions Greater than ½% of Admitted Assets

The Company paid the following dividends to NIIC during 2012:

<u>Date</u>	<u>Amount</u>	<u>Type</u>
12/20/2012	\$ 1,100,000	Ordinary

C. Change in Terms of Intercompany Arrangements

Not applicable

D. Amounts Due to or from Related Parties

The Company had the following inter-company receivables (payables) at December 31,

	<u>2012</u>	<u>2011</u>
National Interstate Insurance Company	\$ (1,154,437)	\$ 1,539,039
National Interstate Corporation	(145,647)	(117,196)
National Interstate Insurance Agency, Inc.	2,834	3,062
Hudson Management Group, Ltd.	(43,597)	(25,599)
American Highways Insurance Agency, Inc.	(1,098)	(1,661)
Explorer RV Insurance Agency, Inc.	(669)	(1,357)
Totals	<u>\$ (1,342,614)</u>	<u>\$ 1,396,288</u>

These arrangements are subject to written agreements which require that intercompany balances be settled quarterly.

E. Guarantees or Contingencies for Related Parties

Not applicable (See Note 14A)

F. Management, Service Contracts, Cost Sharing Arrangements

The Company is party with some of its affiliate companies to a Cash Management Agreement dated September 1, 2000 under which NIIC manages all cash accounts for the other parties to the Agreement. Expenses incurred and fees charged to the participants are allocated among the parties at cost.

The Company has a cost sharing agreement with some of its affiliates under which costs are allocated between companies to reflect the actual costs to operate each company. Allocated expenses paid in 2012 related to these agreements amounted to \$2,490,249.

NOTES TO FINANCIAL STATEMENTS

G. Nature of Relationships that Could Affect Operations

All outstanding shares of the Company are owned by NIIC (see Note 10A).

H. Amount Deducted for Investment in Upstream Company

Not applicable

I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets

Not applicable

J. Writedowns for Impairment of Investments in Affiliates

Not applicable

K. Foreign Insurance Subsidiary Valued Using CARVM

Not applicable

L. Downstream Holding Company Valued Using Look-Through Method

Not applicable

Note 11 – Debt

A. Not applicable as the Company has no debt.

B. Funding Agreements with Federal Home Loan Bank (FHLB)

Not applicable

Note 12 – Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

A – F. Not applicable

Note 13 – Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

A. Outstanding Shares

The Company has 500,000 Common shares with a par value of \$7 a share, authorized, issued and outstanding at December 31, 2012.

B. Dividend Rate of Preferred Stock

Not applicable as no preferred shares are authorized.

C, D, E and F. Dividends

The payment of dividends by Ohio domiciled insurance companies, without the prior approval of the Superintendent of Insurance, is limited to the greater of 10% of statutory surplus as of the most recent year end or the net income for the prior year. The Ohio Insurance Holding Company law requires an insurance company's surplus to be reasonable in relation to its liabilities and adequate for its financial needs following any dividend that it may pay to its parent. The maximum dividend payment that may be made without prior approval in 2013 is \$1,092,532.

An ordinary dividend in the amount of \$1,100,000 was paid by the Company on December 20, 2012.

G. Mutual Surplus Advances

Not applicable

H. Company Stock Held for Special Purposes

Not applicable

I. Changes in Special Surplus Funds

Changes in balances special surplus funds from the prior year are due to the implementation of SSAP 101, "Income Taxes, A Replacement of SSAP No. 10R and SSAP No. 10."

J. Changes in Unassigned Funds

Not applicable as the Company had no unrealized gains or losses at December 31, 2012.

NOTES TO FINANCIAL STATEMENTS

K. Surplus Notes

Not applicable

L and M. Quasi Reorganizations

Not applicable

Note 14 – Contingencies

A. Contingent Commitments

The Company has no commitments or contingent commitments to affiliates or other entities. The Company has made no guarantees on behalf of its affiliates or on indebtedness of others.

B. Guaranty Fund and Other Assessments

The Company is subject to guaranty fund and other assessments by the states in which it writes business. Guaranty fund assessments should be accrued at the time of the insolvencies. Other assessments should be accrued either at the time the assessments are levied or in the case of premium-based assessments, at the time the premiums are written, or, in the case of loss-based assessments, at the time the losses are incurred.

The Company has accrued a liability for guaranty fund and other assessments of \$109,545 and \$96,127, for the current and prior year, respectively. The liability is included in the taxes, licenses and fees liability. The amounts represent management's best estimates based on information received from the states in which the pooled group (refer to Note 26) writes business and may change due to many factors including the Company's share of the ultimate cost of current insolvencies.

C. Gain Contingencies

Not applicable

D. Extra Contractual Obligation and Bad Faith Losses

Not applicable

E. Product Warranties

Not applicable

F. Other Contingencies and Writedowns for Impairment

Lawsuits arise against the Company in the normal course of business. Contingent liabilities from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company.

There were no charges to income due to other-than-temporary impairments in the Company's bond portfolio in 2012 or 2011. Considerations the Company used in the impairment evaluation process included, but were not limited to, whether the issuer is experiencing significant financial difficulties, the economic stability of an entire industry sector or subsection, and the extent to which the unrealized loss is credit-driven or a result of changes in market interest rates.

Note 15 – Leases

A. Lessee Leasing Arrangements

Not applicable as the Company has no lease obligations nor has it entered into any leaseback arrangements.

B. Lessor Leasing Arrangements

Not applicable

Note 16 – Information About Financial Instruments with Off-Balance Sheet Risk

Not applicable as the Company does not invest in these types of financial instruments.

Note 17 – Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. Transfers of Receivables Reported as Sales

Not applicable

B. Transfers and Servicing of Financial Assets

Not applicable

NOTES TO FINANCIAL STATEMENTS

C. Wash Sales

Not applicable

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

A. Administrative Services Only (ASO) Plans

Not applicable

B. Administrative Services Contract (ASC) Plans

Not applicable

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contracts

Not applicable

Note 19 – Direct Premiums Written / Produced by Managing General Agents / Third Party Administrators

A. The Company does not use managing general agents or third party administrators to write or administer their insurance products.

Note 20 – Fair Value Measurements

A - C. Fair Value Measurements

Not applicable as there were no assets or liabilities stated at fair value as of December 31, 2012.

Note 21 – Other Items

A. Extraordinary Items

Not applicable

B. Troubled Debt Restructuring for Debtors

Not applicable

C. Other Disclosures

Investments carried at \$2,522,681 and \$2,602,535 at December 31, 2012 and 2011, respectively, were on deposit with government authorities or trustees as required by law.

D. Uncollectible Premiums Receivable

At the end of the current and prior year, the Company had admitted assets of \$7,235,642 and \$4,010,103, respectively in premiums due from policyholders, agents and ceding insurers. The Company routinely assesses the collectability of these receivables. Based upon Company experience, any uncollectable premiums receivable as of the end of the current year are not expected to exceed the nonadmitted amounts totaling \$54,533 and therefore, no additional provision for uncollectible amounts has been recorded. The potential for any additional loss is not believed to be material to the Company's financial position.

E. Business Interruption Insurance Recoveries

Not applicable

F. State Tax Credits

Not applicable

G. Subprime Mortgage-Related Exposure

1. Subprime Mortgage Exposures

The Company invests in mortgage-backed securities that could potentially be adversely affected by subprime mortgage exposure. The Company believes that its greatest exposure is to unrealized losses from declines in asset values versus realized losses resulting from defaults or foreclosures. Conservative investment practices limit the Company's exposure to such losses.

2. Direct Exposure – Mortgage Loans

None

3. Direct Exposure – Other Investment Classes

Not applicable

NOTES TO FINANCIAL STATEMENTS

4. Underwriting Exposure

Not applicable

Note 22 – Events Subsequent

None

Note 23 – Reinsurance

A. Unsecured Reinsurance Recoverables

The Company has the following unsecured aggregate reinsurance recoverable for paid and unpaid losses including IBNR, loss adjustment expenses and unearned premiums from an individual reinsurer, authorized or unauthorized, that exceeds 3% of policyholders' surplus.

NAIC Code	Federal ID #	Name of Reinsurer	Amount
32620	34-1607395	National Interstate Insurance Co	\$ 23,404,715
12303	88-0510281	Nations Builders Insurance Co	717,022
10357	52-1952955	Platinum Underwriters Reinsurance Co	530,604
25364	13-1675535	Swiss Reinsurance America Corp	489,465
30058	75-1444207	Scor Reinsurance Corp	332,304

B. Reinsurance Recoverables in Dispute

The Company does not have reinsurance recoverables in dispute for paid losses and loss adjustment expenses that exceed 5% of policyholders' surplus for an individual reinsurer or 10% of policyholders' surplus in aggregate.

C. Reinsurance Assumed and Ceded and Protected Cells

1. The following table summarizes ceded and assumed unearned premiums and the related commission equity at the end of the current year.

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
Affiliates	\$ 3,481,351	\$ 378,689	\$ 9,656,523	\$ 938,890	\$ (6,175,172)	\$ (560,201)
All Other	236,441	77,184	1,008,683	130,152	(772,242)	(52,968)
Total	<u>\$ 3,717,792</u>	<u>\$ 455,873</u>	<u>\$ 10,665,206</u>	<u>\$ 1,069,042</u>	<u>\$ (6,947,414)</u>	<u>\$ (613,169)</u>

Direct Unearned Premium Reserve \$10,428,765

2. Amounts accrued at the end of the current year for additional or return on commission resulting from existing contractual arrangements are as follows:

	Direct	Assumed	Ceded	Net
Contingent Commission	\$ -	\$ 26,953	\$ -	\$ 26,953
Sliding Scale Adjustments	-	-	-	-
Other Profit Commission Arrangements	-	-	-	-
TOTAL	<u>\$ -</u>	<u>\$ 26,953</u>	<u>\$ -</u>	<u>\$ 26,953</u>

3. The Company does not use protected cells as an alternative to traditional reinsurance.

D. Uncollectible Reinsurance

The Company has no reinsurance in dispute nor does it deem any of its reinsurance recoverables to be uncollectible.

NOTES TO FINANCIAL STATEMENTS

E. Commutation of Ceded Reinsurance

During 2012 the Company commuted its treaty with a captive reinsurer, Trax Insurance, Ltd, for the 2008-2009 underwriting year. The Company recognized the amounts received from the reinsurer, of \$ 56,119, as a reduction of losses and loss adjustment expenses paid (thereby reducing losses and loss adjustment expenses incurred) in the current year. The Company also increased its loss and loss adjustment expense reserves by the same amount (thereby increasing losses and loss adjustment expense incurred) to recognize the effect of releasing the reinsurer from its obligation under the treaty. The net effect of the commutation was \$0.

F. Retroactive Reinsurance

Not applicable as the Company does not have any retroactive reinsurance agreements.

G. Reinsurance Accounted for as a Deposit

Not applicable as the Company does not have any reinsurance contracts that are accounted for as a deposit.

H. Run-off Agreements

Not applicable as the Company did not have any run-off agreements in the current year.

I. Certified Reinsurance Downgraded or Status Subject to Revocation

Not Applicable

Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination

A - E. Not applicable as the Company has not entered any contracts that are retrospectively rated or subject to redetermination.

Note 25 – Losses and Loss Adjustment Expenses

The following table provides a reconciliation of the beginning and ending reserve balances for losses and loss adjustment expenses (LAE), net of reinsurance recoverables, for 2012 and 2011:

	December 31	
	2012	2011
Outstanding losses and LAE, net of reinsurance recoverables, at beginning of year	\$ 9,491,423	\$ 4,067,771
Effect of initial reserve establishment for pooling	-	5,712,437
Add provision for claims, net of reinsurance occurring in:		
Current year	4,799,000	4,720,000
Prior years	(336,319)	(256,074)
Net incurred losses during the current year	4,462,681	4,463,926
Deduct payments for claims, net of reinsurance, occurring in:		
Current year	1,530,000	1,819,000
Prior years	3,078,427	2,933,711
Net claim payments during the current year	4,608,427	4,752,711
Outstanding losses and LAE, net of reinsurance recoverables, at end of year	<u>\$ 9,345,677</u>	<u>\$ 9,491,423</u>

The foregoing reconciliation shows that a \$336,319 favorable development in the December 31, 2011 balances emerged in 2012 and a \$256,074 favorable development in the December 31, 2010 balances emerged in 2011. The favorable development in 2012 and 2011 resulted from the combination of settling cases and adjusting current estimates of case and incurred but not reported losses (IBNR) for amounts less than the case and IBNR estimates carried at the end of the prior year. During 2011, the effect of the initial reserve establishment for pooling of \$5,712,437 represents the net amount received by the Company from VIC for the assumption of the initial reserves effective with the amended intercompany reinsurance pooling arrangement with the Company, its parent and affiliate, TCC. Management of the Company evaluates case and IBNR estimates based on data from a variety of sources including the Company's historical experience, knowledge of various factors, and industry data extrapolated from other insurers writing similar lines of business.

NOTES TO FINANCIAL STATEMENTS

Note 26 – Intercompany Pooling Arrangements

Effective January 1, 2011, the Company entered into an amended pooling agreement with its parent, NIIC and NIIC's two insurance subsidiaries, TCC and VIC. The following summarizes the participation percentages:

Name of Insurer	NAIC Code	% Participation
Triumphe Casualty Company	41106	2%
National Interstate Insurance Company of Hawaii, Inc.	11051	2%
Vanliner Insurance Company	21172	26%
National Interstate Insurance Company (Lead)	32620	70%

Prior to the pooling of business, each participating company makes cessions, primarily excess of loss arrangements, to various other affiliated and non-affiliated reinsurers under terms of other reinsurance agreements. Each participant records its own Provision for Reinsurance based on its pre-pooling reinsurance activity. These liabilities are not shared with the other pooled participants. In the event that a reinsurance balance becomes uncollectible, the uncollectible balance will be shared by the pooled members in accordance to the pooling participation schedule. As of December 31, 2012 the Company had an \$116,147 receivable due from NIIC, the lead company. NIIC had a \$1,564,589 payable to TCC and had a \$5,437,110 payable due to VIC.

Note 27 – Structured Settlements

A. Reserves Released Due to Purchase of Annuities

Not applicable as the Company does not have any structured settlements.

B. Annuity Insurers with Balances Due Greater than 1% of Policyholders' Surplus

None.

Note 28 – Health Care Receivables

A - B. Not applicable as the Company does not write pharmaceutical or shared risk health insurance coverage.

Note 29 – Participating Policies

Not applicable as the Company does not have participating policies.

Note 30 – Premium Deficiency Reserves

As of December 31, 2012, the Company does not have any premium deficiency reserves.

Liability carried for premium deficiency reserves	\$	-
Date of the most recent evaluation of this liability		1/26/2013
Was anticipated investment income utilized in the calculation?	Yes [] No [X]	

Note 31 – High Deductibles

Not applicable

Note 32 – Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

A - C. Not applicable as the Company does not discount its liabilities for unpaid loss and loss adjustment expenses.

Note 33 – Asbestos/Environmental Reserves

A - F. Not applicable as the Company does not have on the books, nor has it ever written an insured for which it has identified a potential for the existence of a liability due to asbestos or environmental losses.

Note 34 – Subscriber Savings Accounts

Not applicable

Note 35 – Multiple Peril Crop Insurance

Not applicable

Note 36 – Financial Guaranty Insurance

A - B. Not applicable

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [] N/A []
- 1.3 State regulating? Ohio
- 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: _____
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2010
- 3.2 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. 12/31/2010
- 3.3 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). 10/18/2011
- 3.4 By what department or departments?
Ohio Department of Insurance

- 3.5 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]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [] N/A [X]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [] No [X]
- 4.12 renewals? Yes [] No [X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [] No [X]
- 4.22 renewals? Yes [] No [X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 6.2 If yes, give full information:

- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No [X]
- 7.2 If yes,
- 7.21 State the percentage of foreign control%
- 7.22 State the nationality(ies) of the foreign person(s) or entity(ies); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(ies) (e.g., individual, corporation, government, manager or attorney-in-fact)

1 Nationality	2 Type of Entity

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
- 8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young LLP
1300 Huntington Building, 925 Euclid Ave, Cleveland, OH 44115-1405
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:

- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []
- 10.6 If the answer to 10.5 is no or n/a, please explain.

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
John L. Doellman, VP and Actuary
Great American Insurance Company 301 East 4th Street, Cincinnati, OH 45202

GENERAL INTERROGATORIES

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]

12.11 Name of real estate holding company

12.12 Number of parcels involved

12.13 Total book/adjusted carrying value

12.2 If yes, provide explanation.

13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []

14.1 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.

14.11 If the response to 14.1 is no, please explain:

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

14.21 If the response to 14.2 is yes, provide information related to amendment(s).

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

14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [] No [X]

15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount

PART 1 - COMMON INTERROGATORIES - BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof? Yes [X] No []

17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes [X] No []

18. Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No []

PART 1 - COMMON INTERROGATORIES - FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers \$.....0

20.12 To stockholders not officers \$.....0

20.13 Trustees, supreme or grand (Fraternal only) \$.....0

20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21 To directors or other officers \$.....0

20.22 To stockholders not officers \$.....0

20.23 Trustees, supreme or grand (Fraternal only) \$.....0

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]

21.2 If yes, state the amount thereof at December 31 of the current year:

21.21 Rented from others

21.22 Borrowed from others

21.23 Leased from others

21.24 Other

22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [] No [X]

22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment

22.22 Amount paid as expenses

22.23 Other amounts paid

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

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

PART 1 - COMMON INTERROGATORIES - INVESTMENT

24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date (other than securities lending programs addressed in 24.03)? Yes [X] No []

24.02 If no, give full and complete information relating thereto.

PART 1 - COMMON INTERROGATORIES - INVESTMENT

24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet (an alternative is to reference Note 17 where this information is also provided).

24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [] No [] N/A [X]

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs.

24.06 If answer to 24.04 is no, report amount of collateral for other programs.

24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] N/A [X]

24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] N/A [X]

24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes [] No [] N/A [X]

24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.

24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.

24.103 Total payable for securities lending reported on the liability page.

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03) Yes [X] No []

25.2 If yes, state the amount thereof at December 31 of the current year:

25.21 Subject to repurchase agreements \$.....0

25.22 Subject to reverse repurchase agreements \$.....0

25.23 Subject to dollar repurchase agreements \$.....0

25.24 Subject to reverse dollar repurchase agreements \$.....0

25.25 Pledged as collateral \$.....0

25.26 Placed under option agreements \$.....0

25.27 Letter stock or securities restricted as to sale \$.....0

25.28 On deposit with state or other regulatory body \$.....2,522,681

25.29 Other \$.....0

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]

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

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]

27.2 If yes, state the amount thereof at December 31 of the current year:

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

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

1 Name of Custodian(s)	2 Custodian's Address
First Hawaiian Bank	PO Box 3708 Honolulu, HI 96847
Key Bank	PO Box 6717 Cleveland, OH 44101

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

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [] No [X]

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

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

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

1 Central Registration Depository Number(s)	2 Name	3 Address
161853	American Money Management Corporation	301 East Fourth Street, Cincinnati OH 45202

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D-Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])? Yes [] No [X]

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adj. Carrying Value
29.2999. TOTAL		0

29.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from the above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to Holding	4 Date of Valuation

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds.....	27,685,628	29,037,413	1,351,785
30.2 Preferred stocks.....			0
30.3 Totals.....	27,685,628	29,037,413	1,351,785

30.4 Describe the sources or methods utilized in determining the fair values:

The source used to determine the fair value is primarily from pricing services and to a lesser extent broker quotes when necessary.

PART 1 - COMMON INTERROGATORIES - INVESTMENT

- 31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [] No [X]
- 31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [] No []
- 31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D.
-
- 32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes [X] No []
- 32.2 If no, list exceptions:
-

PART 1 - COMMON INTERROGATORIES - OTHER

- 33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$.....896
- 33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
COMPENSATION ADVISORY ORGANIZATION OF MICHIGAN	527
NCCI HOLDINGS, INC.	369

- 34.1 Amount of payments for legal expenses, if any? \$.....0
- 34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid

- 35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$.....0
- 35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
- 1.2 If yes, indicate premium earned on U.S. business only.
- 1.3 What portion of item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?
- 1.31 Reason for excluding:

- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance.
- 1.6 Individual policies:
 - Most current three years:
 - 1.61 Total premium earned
 - 1.62 Total incurred claims
 - 1.63 Number of covered lives
 - All years prior to most current three years:
 - 1.64 Total premium earned
 - 1.65 Total incurred claims
 - 1.66 Number of covered lives
- 1.7 Group policies:
 - Most current three years:
 - 1.71 Total premium earned
 - 1.72 Total incurred claims
 - 1.73 Number of covered lives
 - All years prior to most current three years:
 - 1.74 Total premium earned
 - 1.75 Total incurred claims
 - 1.76 Number of covered lives

2. Health test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator.....	\$.....0	\$.....0
2.2 Premium Denominator.....	\$.....7,169,181	\$.....7,016,312
2.3 Premium Ratio (2.1/2.2).....	.....0.0	.....0.0
2.4 Reserve Numerator.....	\$.....18,201	\$.....12,627
2.5 Reserve Denominator.....	\$.....12,827,028	\$.....12,692,969
2.6 Reserve Ratio (2.4/2.5).....	.....0.1	.....0.1

- 3.1 Does the reporting entity issue both participating and non-participating policies? Yes [] No [X]
- 3.2 If yes, state the amount of calendar year premiums written on:
 - 3.21 Participating policies
 - 3.22 Non-participating policies

4. FOR MUTUAL REPORTING ENTITIES AND RECIPROCAL EXCHANGES ONLY:

- 4.1 Does the reporting entity issue assessable policies? Yes [] No []
- 4.2 Does the reporting entity issue non-assessable policies? Yes [] No []
- 4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders?
- 4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.

5. FOR RECIPROCAL EXCHANGES ONLY:

- 5.1 Does the exchange appoint local agents? Yes [] No []
- 5.2 If yes, is the commission paid:
 - 5.21 Out of Attorney's-in-fact compensation Yes [] No [] N/A [X]
 - 5.22 As a direct expense of the exchange Yes [] No [] N/A [X]
- 5.3 What expenses of the exchange are not paid out of the compensation of the Attorney-in-fact?

- 5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? Yes [] No [X]
- 5.5 If yes, give full information:

- 6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?
The Company is a party to intercompany pooling agreements where as it retains no more than \$94,000 per occurrence. In addition, the pool purchases up to 20M per person WC coverage & up to 30M multiple person WC coverage subject to a 10M maximum any one life.

- 6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:
The Company uses InStrat Analysis from Guy Carpenter using RMS Risklink model to identify locations and concentrations. It also limits its writing of property insurance and reinsures under catastrophic reinsurance losses in excess of \$500,000 in Hawaii and select property from products on the mainland and \$750,000 elsewhere.

- 6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?
The Company has a 5%/95% Property quota share agreement for risks up to 5M and purchased a 9.5M x 500K excess of loss for catastrophe. The CAT retention will vary depending on the product.

- 6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? Yes [X] No []

- 6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss:

- 7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)? Yes [X] No []
- 7.2 If yes, indicate the number of reinsurance contracts containing such provisions.26
- 7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)? Yes [X] No []

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

- 8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured? Yes [] No [X]
- 8.2 If yes, give full information:
-
- 9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
- (a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;
- (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
- (c) Aggregate stop loss reinsurance coverage;
- (d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
- (e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
- (f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity? Yes [X] No []
- 9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:
- (a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
- (b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract? Yes [] No [X]
- 9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:
- (a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;
- (b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
- (c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.
- 9.4 Except for transactions meeting the requirements of paragraph 31 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
- (a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
- (b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? Yes [] No [X]
- 9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.
- 9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
- (a) The entity does not utilize reinsurance; or Yes [] No [X]
- (b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or Yes [] No [X]
- (c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. Yes [] No [X]
10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurance a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes [X] No [] N/A []
- 11.1 Has this reporting entity guaranteed policies issued by any other reporting entity and now in force? Yes [] No [X]
- 11.2 If yes, give full information:
-
- 12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the assets schedule, Page 2, state the amount of corresponding liabilities recorded for:
- 12.1 Unpaid losses \$.....0
- 12.1 Unpaid underwriting expenses (including loss adjustment expenses) \$.....0
- 12.2 Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds: \$.....0
- 12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes [] No [X] N/A []
- 12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
- 12.4 From%
- 12.4 To%
- 12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? Yes [X] No []
- 12.6 If yes, state the amount thereof at December 31 of current year:
- 12.6 Letters of credit \$.....0
- 12.6 Collateral and other funds \$.....71,674
- 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$.....94,000
- 13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes [] No [X]
- 13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount.3

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

14.1 Is the company a cedant in a multiple cedant reinsurance contract? Yes [X] No []
 14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:
The allocation would be based on the percentage of the individual company's claim to the total of all claims.

14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes [X] No []
 14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? Yes [] No []
 14.5 If the answer to 14.4 is no, please explain:

15.1 Has the reporting entity guaranteed any financed premium accounts? Yes [] No [X]
 15.2 If yes, give full information:

16.1 Does the reporting entity write any warranty business? Yes [] No [X]
 If yes, disclose the following information for each of the following types of warranty coverage:

	1 Direct Losses Incurred	2 Direct Losses Unpaid	3 Direct Written Premium	4 Direct Premium Unearned	5 Direct Premium Earned
16.11 Home.....
16.12 Products.....
16.13 Automobile.....
16.14 Other*.....

* Disclose type of coverage:

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F-Part 3 that it excludes from Schedule F-Part 5? Yes [] No [X]
 Incurred but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from inclusion in Schedule F-Part 5.
 Provide the following information for this exemption:

- 17.11 Gross amount of unauthorized reinsurance in Schedule F-Part 3 excluded from Schedule F-Part 5
 - 17.12 Unfunded portion of Interrogatory 17.11
 - 17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11
 - 17.14 Case reserves portion of Interrogatory 17.11
 - 17.15 Incurred but not reported portion of Interrogatory 17.11
 - 17.16 Unearned premium portion of Interrogatory 17.11
 - 17.17 Contingent commission portion of Interrogatory 17.11
- Provide the following information for all other amounts included in Schedule F-Part 3 and excluded from Schedule F-Part 5, not included above:
- 17.18 Gross amount of unauthorized reinsurance in Schedule F-Part 3 excluded from Schedule F-Part 5
 - 17.19 Unfunded portion of Interrogatory 17.18
 - 17.20 Paid losses and loss adjustment expenses portion of Interrogatory 17.18
 - 17.21 Case reserves portion of Interrogatory 17.18
 - 17.22 Incurred but not reported portion of Interrogatory 17.18
 - 17.23 Unearned premium portion of Interrogatory 17.18
 - 17.24 Contingent commission portion of Interrogatory 17.18

18.1 Do you act as a custodian for health savings account? Yes [] No [X]
 18.2 If yes, please provide the amount of custodial funds held as of the reporting date.
 18.3 Do you act as an administrator for health savings accounts? Yes [] No [X]
 18.4 If yes, please provide the balance of the funds administered as of the reporting date.

FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e. 17.6.

	1 2012	2 2011	3 2010	4 2009	5 2008
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	24,914,775	23,056,931	18,473,931	14,829,010	16,684,634
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	5,657,472	6,078,384	5,801,138	6,701,689	8,042,006
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	199,459	123,863	8,696	12,118	41,791
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	16,494	11,371	7,232	8,057	259
5. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
6. Total (Line 35).....	30,788,199	29,270,549	24,290,997	21,550,874	24,768,690
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	5,922,236	6,310,344	3,406,055	2,913,298	2,985,352
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	1,470,842	1,637,560	1,376,494	1,342,393	990,036
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	39,415	47,733	8,696	12,118	41,791
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	16,494	11,371	7,232	8,057	259
11. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
12. Total (Line 35).....	7,448,986	8,007,009	4,798,477	4,275,866	4,017,439
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8).....	606,515	419,522	290,423	692,394	539,207
14. Net investment gain (loss) (Line 11).....	894,519	877,087	739,323	580,830	622,574
15. Total other income (Line 15).....	(83,747)	(87,917)	(52,547)	(23,023)	(18,601)
16. Dividends to policyholders (Line 17).....					
17. Federal and foreign income taxes incurred (Line 19).....	356,610	553,876	251,560	350,881	303,967
18. Net income (Line 20).....	1,060,676	654,816	725,639	899,319	839,214
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3).....	36,258,875	34,537,380	27,843,620	25,665,123	23,575,678
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 15.1).....	564,478	782,442	1,333,647	790,443	573,918
20.2 Deferred and not yet due (Line 15.2).....	6,671,164	3,227,661	3,188,216	2,288,543	2,184,619
20.3 Accrued retrospective premiums (Line 15.3).....					
21. Total liabilities excluding protected cell business (Page 3, Line 26).....	25,333,551	23,079,424	15,803,965	14,370,295	13,178,792
22. Losses (Page 3, Line 1).....	7,606,058	7,675,229	3,096,880	2,648,672	2,613,329
23. Loss adjustment expenses (Page 3, Line 3).....	1,739,619	1,816,194	970,891	895,924	892,266
24. Unearned premiums (Page 3, Line 9).....	3,481,351	3,201,546	2,210,849	1,956,156	2,019,095
25. Capital paid up (Page 3, Lines 30 & 31).....	3,500,000	3,500,000	3,500,000	3,000,000	3,000,000
26. Surplus as regards policyholders (Page 3, Line 37).....	10,925,324	11,457,957	12,039,656	11,294,828	10,396,886
Cash Flow (Page 5)					
27. Net cash from operations (Line 11).....	(2,815,711)	7,669,718	945,733	671,948	1,795,888
Risk-Based Capital Analysis					
28. Total adjusted capital.....	10,925,324	11,457,957	12,039,656	11,294,828	10,396,886
29. Authorized control level risk-based capital.....	983,938	936,011	670,989	597,111	470,268
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1).....	94.0	99.6	98.7	98.1	82.7
31. Stocks (Lines 2.1 & 2.2).....					
32. Mortgage loans on real estate (Lines 3.1 & 3.2).....					
33. Real estate (Lines 4.1, 4.2 & 4.3).....					
34. Cash, cash equivalents and short-term investments (Line 5).....	6.0	0.4	1.3	1.9	17.3
35. Contract loans (Line 6).....					
36. Derivatives (Line 7).....				XXX	XXX
37. Other invested assets (Line 8).....					
38. Receivable for securities (Line 9).....					
39. Securities lending reinvested collateral assets (Line 10).....				XXX	XXX
40. Aggregate write-ins for invested assets (Line 11).....					
41. Cash, cash equivalents and invested assets (Line 12).....	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds (Sch. D, Summary, Line 12, Col. 1).....					
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1).....					
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1).....					
45. Affiliated short-term investments (subtotals included in Schedule DA, Verification, Column 5, Line 10).....					
46. Affiliated mortgage loans on real estate.....					
47. All other affiliated.....					
48. Total of above lines 42 to 47.....	0	0	0	0	0
49. Total investment in parent included in Lines 42 to 47 above.....					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0).....	0.0				

FIVE-YEAR HISTORICAL DATA

(Continued)

	1	2	3	4	5
	2012	2011	2010	2009	2008
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24).....					
52. Dividends to stockholders (Line 35).....	(1,100,000)	(1,200,000)			
53. Change in surplus as regards policyholders for the year (Line 38).....	(532,633)	(581,699)	744,828	897,941	782,654
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)...	12,872,694	4,170,733	4,921,095	3,585,217	(35,786)
55. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	4,921,276	4,733,840	3,685,824	3,319,493	2,605,795
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	15,168	4,451	1,661	6,311	11,583
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	144	429	373		
58. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
59. Total (Line 35).....	17,809,282	8,909,453	8,608,953	6,911,021	2,581,592
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)...	2,805,066	(1,935,612)	1,074,749	1,081,746	(146,811)
61. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	922,674	1,042,730	762,448	792,919	815,270
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	11,883	(15,049)	1,661	6,311	11,583
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	144	429	373		
64. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
65. Total (Line 35).....	3,739,767	(907,502)	1,839,231	1,880,976	680,042
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1).....	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2).....	51.2	52.3	50.3	44.2	48.5
68. Loss expenses incurred (Line 3).....	11.0	11.3	10.3	8.9	10.8
69. Other underwriting expenses incurred (Line 4).....	29.3	30.4	33.0	31.0	28.6
70. Net underwriting gain (loss) (Line 8).....	8.5	6.0	6.4	16.0	12.0
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0).....	29.3	27.7	32.3	32.0	32.4
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	62.2	63.6	60.6	53.1	59.4
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35, divided by Page 3, Line 37, Col. 1 x 100.0).....	68.2	69.9	39.9	37.9	38.6
One Year Loss Development (000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11).....	(230)	(187)	(94)	(9)	(13)
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100).....	(2.0)	(1.6)	(0.8)	(0.1)	(0.1)
Two Year Loss Development (000 omitted)					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12).....	(618)	(615)	(160)	(44)	(112)
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0).....	(5.1)	(5.4)	(1.5)	(0.5)	(1.3)

If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors?

Yes [] No []

If no, please explain:

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported-Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	XXX	XXX	XXX	16		7		2			25	XXX
2. 2003.....	5,280	726	4,554	2,540	296	242		251		75	2,737	XXX
3. 2004.....	6,076	727	5,349	2,928	300	351	1	285		100	3,263	XXX
4. 2005.....	6,489	445	6,044	3,058	158	357		339		102	3,596	XXX
5. 2006.....	10,041	3,435	6,606	4,033	1,094	470	122	394		121	3,680	XXX
6. 2007.....	16,483	9,556	6,927	5,671	2,472	814	400	403		126	4,016	XXX
7. 2008.....	13,809	6,343	7,466	7,257	3,514	3,290	2,850	459		129	4,642	XXX
8. 2009.....	13,229	5,854	7,375	5,367	2,202	919	597	459		100	3,946	XXX
9. 2010.....	13,255	5,992	7,263	5,571	2,482	724	448	421		109	3,786	XXX
10. 2011.....	14,657	7,641	7,016	6,104	3,654	536	377	354		88	2,963	XXX
11. 2012.....	14,240	7,072	7,168	3,638	2,351	187	132	188		40	1,530	XXX
12. Totals.....	XXX	XXX	XXX	46,183	18,523	7,897	4,927	3,555	0	990	34,184	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding-Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. Prior.....	55		71		3		1					130	XXX
2. 2003.....	12		43		2		3		3			63	XXX
3. 2004.....	23		60		4		4		7			98	XXX
4. 2005.....	54		45		2		6		8			115	XXX
5. 2006.....	60		71		2		11		9			153	XXX
6. 2007.....	764	639	90	4	23	15	26		16			261	XXX
7. 2008.....	1,289	1,073	277	81	238	216	45	20	26		2	485	XXX
8. 2009.....	918	538	599	160	110	67	93	29	54		19	980	XXX
9. 2010.....	1,842	1,189	1,153	349	230	155	197	71	101		20	1,759	XXX
10. 2011.....	2,082	1,343	1,677	825	265	201	370	180	189		33	2,034	XXX
11. 2012.....	3,374	2,566	3,594	1,780	180	127	715	328	207		59	3,269	XXX
12. Totals.....	10,473	7,348	7,680	3,199	1,059	781	1,471	628	620	0	133	9,347	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves after Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior..	XXX	XXX	XXX	XXX	XXX	XXX			XXX	126	4
2. 2003.	3,096	296	2,800	58.6	40.8	61.5			2.00	55	8
3. 2004.	3,662	301	3,361	60.3	41.4	62.8			2.00	83	15
4. 2005.	3,869	158	3,711	59.6	35.5	61.4			2.00	99	16
5. 2006.	5,050	1,217	3,833	50.3	35.4	58.0			2.00	131	22
6. 2007.	7,807	3,530	4,277	47.4	36.9	61.7			2.00	211	50
7. 2008.	12,881	7,754	5,127	93.3	122.2	68.7			2.00	412	73
8. 2009.	8,519	3,593	4,926	64.4	61.4	66.8			2.00	819	161
9. 2010.	10,239	4,694	5,545	77.2	78.3	76.3			2.00	1,457	302
10. 2011.	11,577	6,580	4,997	79.0	86.1	71.2			2.00	1,591	443
11. 2012.	12,083	7,284	4,799	84.9	103.0	67.0			2.00	2,622	647
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	7,606	1,741

Note: Parts 2 and 4 are gross of all discounting, including tabular discounting. Part 1 is gross of only nontabular discounting, which is reported in Columns 32 and 33 of Part 1. The tabular discount, if any, is reported in the Notes to Financial Statements, which will reconcile Part 1 with Parts 2 and 4.

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	Incurred Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	One Year	Two Year
1. Prior.....	2,111	2,290	2,255	2,304	2,289	2,291	2,271	2,183	2,185	2,189	4	6
2. 2003.....	2,797	2,714	2,732	2,658	2,644	2,607	2,546	2,551	2,545	2,546	1	(5)
3. 2004.....	XXX	3,465	3,367	3,285	3,242	3,168	3,127	3,078	3,068	3,069	1	(9)
4. 2005.....	XXX	XXX	4,068	3,881	3,701	3,568	3,473	3,436	3,424	3,364	(60)	(72)
5. 2006.....	XXX	XXX	XXX	4,439	4,044	3,752	3,595	3,539	3,525	3,430	(95)	(109)
6. 2007.....	XXX	XXX	XXX	XXX	4,608	4,150	3,961	3,913	3,957	3,858	(99)	(55)
7. 2008.....	XXX	XXX	XXX	XXX	XXX	5,131	4,918	4,766	4,728	4,642	(86)	(124)
8. 2009.....	XXX	XXX	XXX	XXX	XXX	XXX	4,831	4,742	4,675	4,413	(262)	(329)
9. 2010.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,944	4,858	5,023	165	79
10. 2011.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,253	4,454	201	XXX
11. 2012.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,404	XXX	XXX
12. Totals.....											(230)	(618)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	Cumulative Paid Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012		
1. Prior.....	.000	.821	1,389	1,658	1,849	1,915	2,000	2,019	2,036	2,059	XXX	XXX
2. 2003.....	.877	1,530	1,936	2,185	2,329	2,403	2,447	2,463	2,474	2,486	XXX	XXX
3. 2004.....	XXX	1,024	1,765	2,278	2,621	2,803	2,879	2,925	2,946	2,978	XXX	XXX
4. 2005.....	XXX	XXX	1,063	2,010	2,530	2,873	3,079	3,176	3,230	3,257	XXX	XXX
5. 2006.....	XXX	XXX	XXX	1,197	2,022	2,526	2,865	3,097	3,203	3,286	XXX	XXX
6. 2007.....	XXX	XXX	XXX	XXX	1,310	2,222	2,761	3,205	3,445	3,613	XXX	XXX
7. 2008.....	XXX	XXX	XXX	XXX	XXX	1,514	2,664	3,359	3,898	4,183	XXX	XXX
8. 2009.....	XXX	XXX	XXX	XXX	XXX	XXX	1,379	2,377	2,992	3,487	XXX	XXX
9. 2010.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,490	2,645	3,365	XXX	XXX
10. 2011.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,577	2,609	XXX	XXX
11. 2012.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,342	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	Bulk and IBNR Reserves on Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)									
	1	2	3	4	5	6	7	8	9	10
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
1. Prior.....	799	454	278	206	188	194	143	72	74	72
2. 2003.....	1,235	605	352	179	152	112	56	53	45	46
3. 2004.....	XXX	1,624	859	476	326	207	131	87	74	64
4. 2005.....	XXX	XXX	1,960	1,178	663	368	185	129	122	51
5. 2006.....	XXX	XXX	XXX	2,224	1,275	622	321	233	194	82
6. 2007.....	XXX	XXX	XXX	XXX	2,368	1,176	590	320	275	112
7. 2008.....	XXX	XXX	XXX	XXX	XXX	2,341	1,206	681	438	221
8. 2009.....	XXX	XXX	XXX	XXX	XXX	XXX	2,297	1,505	1,094	503
9. 2010.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,312	1,438	930
10. 2011.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,810	1,042
11. 2012.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,201

National Interstate Insurance Company of Hawaii, Inc

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.	1 Active Status	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Incl. in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama.....AL	N								
2. Alaska.....AK	N								
3. Arizona.....AZ	N								
4. Arkansas.....AR	N								
5. California.....CA	N								
6. Colorado.....CO	N								
7. Connecticut.....CT	N								
8. Delaware.....DE	N								
9. District of Columbia.....DC	N								
10. Florida.....FL	N								
11. Georgia.....GA	N								
12. Hawaii.....HI	L	1,942,208	2,000,582		569,150	680,346	1,316,927	225	
13. Idaho.....ID	N								
14. Illinois.....IL	N								
15. Indiana.....IN	N								
16. Iowa.....IA	N								
17. Kansas.....KS	N								
18. Kentucky.....KY	N								
19. Louisiana.....LA	N								
20. Maine.....ME	N								
21. Maryland.....MD	N								
22. Massachusetts.....MA	N								
23. Michigan.....MI	L	5,538,813	4,811,151		1,954,721	1,723,148	2,606,968	12,275	631,655
24. Minnesota.....MN	N								
25. Mississippi.....MS	N								
26. Missouri.....MO	N								
27. Montana.....MT	N								
28. Nebraska.....NE	N								
29. Nevada.....NV	N								
30. New Hampshire.....NH	N								
31. New Jersey.....NJ	L	15,266,716	13,745,646		11,386,063	15,481,620	18,688,677	27,005	678,509
32. New Mexico.....NM	N								
33. New York.....NY	N								
34. North Carolina.....NC	N								
35. North Dakota.....ND	N								
36. Ohio.....OH	L								
37. Oklahoma.....OK	N								
38. Oregon.....OR	N								
39. Pennsylvania.....PA	N								
40. Rhode Island.....RI	N								
41. South Carolina.....SC	N								
42. South Dakota.....SD	N								
43. Tennessee.....TN	N								
44. Texas.....TX	N								
45. Utah.....UT	N								
46. Vermont.....VT	N								
47. Virginia.....VA	N								
48. Washington.....WA	N								
49. West Virginia.....WV	N								
50. Wisconsin.....WI	N								
51. Wyoming.....WY	N								
52. American Samoa.....AS	N								
53. Guam.....GU	N								
54. Puerto Rico.....PR	N								
55. US Virgin Islands.....VI	N								
56. Northern Mariana Islands.....MP	N								
57. Canada.....CAN	N								
58. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0	0	0
59. Totals.....(a).....4		22,747,737	20,557,380	0	13,909,934	17,885,114	22,612,572	39,505	1,310,164

DETAILS OF WRITE-INS

58001.....	XXX								
58002.....	XXX								
58003.....	XXX								
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 thru 58003+ Line 58998) (Line 58 above)	XXX	0	0	0	0	0	0	0	0

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

(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.

Explanation of Basis of Allocation of Premiums by States, etc.

Allied Lines - Location of Property

Commercial multiperil - Location of Property

Inland Marine - Location of Property

Other Accident and Health - Individual, by personal residence

Workers' Compensation - Location of risk

Other Liability - Location of risk

Auto Liability - Location of primary garage

Auto Physical - Location of primary garage

Surety - location of contractor

Boiler and machinery - Location of property

**Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group
Part 1 - Organizational Chart**

	Domiciliary Location	FEIN	NAIC Co. Code
American Financial Group, Inc.	OH	31-1544320	
American Financial Capital Trust II	DE	31-6549738	
American Financial Capital Trust III	DE	16-6543606	
American Financial Capital Trust IV	DE	16-6543609	
American Financial Enterprises, Inc.	CT	31-0996797	
American Money Management Corporation	OH	31-0828578	
American Real Estate Capital Company, LLC (80%)	OH	27-1577326	
MidMarket Capital Partners, LLC (65%)	DE	27-2829629	
APU Holding Company	OH	41-2112001	
American Premier Underwriters, Inc.	PA	23-6000765	
The Associates of the Jersey Company	NJ	23-6297584	
Cal Coal, Inc.	IL	37-1094159	
Great Southwest Corporation	DE	95-2802826	
The Indianapolis Union Railway Company	IN	35-6001691	
Lehigh Valley Railroad Company	PA	13-6400464	
Pennsylvania Lehigh Oil & Gas Holdings LLC	PA	46-1665396	
Magnolia Alabama Holdings, Inc.	DE	20-1548213	
Magnolia Alabama Holdings LLC	AL	20-1574094	
Michigan Oil & Gas Holdings, LLC	MI	46-1852532	
Ohio Oil & Gas Holdings, LLC	OH	46-1480078	
The Owasco River Railway, Inc.	NY	13-6021353	
PCC Real Estate, Inc.	NY	31-1236926	
PCC Technical Industries, Inc.	DE	76-0080537	
PCC Maryland Realty Corp.	MD	31-1388401	
Penn Central Energy Management Company	DE	06-1209709	
Penn Towers, Inc.	PA	23-1537928	
Pennsylvania-Reading Seashore Lines (66.67%)	NJ	23-6000766	
Pittsburgh and Cross Creek Railroad Company (83%)	PA	23-6207599	
Terminal Realty Penn Co.	DC	23-1707450	
Waynesburg Southern Railroad Company	PA	23-1675796	
GAI Insurance Company, Ltd. *	BMU		
Hangar Acquisition Corp.	OH	31-1446308	
Lease & Loan Insurance Services Limited	GBR		
Premier Lease & Loan Services Insurance Agency, Inc.	WA	91-1242743	
Premier Lease & Loan Services of Canada, Inc.	WA	91-1508644	
Republic Indemnity Company of America *	CA	95-2801326	22179
Republic Indemnity Company of California *	CA	31-1054123	43753
Risico Management Corporation	DE	31-1262960	
Dixie Terminal Corporation	OH	31-0823725	
Flextech Holding Co., Inc.	OH	31-1733037	
GAI Holding Bermuda Ltd.	BMU	98-0606803	
GAI Indemnity, Ltd. #	GBR	98-0556144	
Marketform Group Limited	GBR		
Marketform Holdings Limited	GBR		
Caduceus Underwriting Limited	GBR		
Lavenham Underwriting Limited #	GBR	98-0412245	
Marketform Limited	GBR		
Gabinete Marketform SL	ESP		
Marketform Australia Pty Limited	AUS		
Studio Marketform SRL	ITA		
Marketform Management Services Limited	GBR		
Marketform Managing Agency Limited	GBR		
Sampford Underwriting Limited #	GBR	98-0431601	
Marketform Trust Company Limited	GBR		

* Denotes insurer

@ Company affiliated but not owned

Participant in Lloyd's Syndicate 2468

Subsidiaries 100% owned by respective parent unless otherwise stated

^ Total percentage owned by respective parent and other affiliated companies

**Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group
Part 1 - Organizational Chart**

	Domiciliary Location	FEIN	NAIC Co. Code
American Financial Group, Inc.	OH	31-1544320	
└─ Great American Financial Resources, Inc. ^	DE	06-1356481	
└─ AAG Holding Company, Inc.	OH	31-1475936	
└─ Great American Financial Statutory Trust IV	CT	58-646032	
└─ Great American Life Insurance Company *	OH	13-1935920	63312
└─ Aerielle IP Holdings, LLC ^	OH	45-2969767	
└─ Aerielle, LLC ^	DE	26-4391696	
└─ Annuity Investors Life Insurance Company *	OH	31-1021738	93661
└─ Bay Bridge Marina Hemingway's Restaurant, LLC (85%)	MD	27-4078277	
└─ Bay Bridge Marina Management, LLC (85%)	MD	27-0513333	
└─ Brothers Management, LLC (99%)	FL	20-1246122	
└─ FT Liquidation, LLC	OH	45-3988240	
└─ GALIC - Bay Bridge Marina, LLC	MD	20-4604276	
└─ GALIC - Sorrento, LLC ^	FL		
└─ GALIC - Stoneleigh, LLC	FL	45-3829557	
└─ GALIC Brothers, Inc. (80%)	OH	31-1391777	
└─ GALIC Pointe, LLC ^	FL	45-1144095	
└─ Manhattan National Holding Corporation	OH	26-3260520	
└─ Manhattan National Life Insurance Company *	IL	45-0252531	67083
└─ Skipjack Marina Corp.	MD	52-2179330	
└─ United Teacher Associates, Ltd. ^	TX	74-2180806	
└─ United Teacher Associates Insurance Company *	TX	58-0869673	63479
└─ AAG Insurance Agency, Inc.	KY	31-1422717	
└─ Ceres Group, Inc.	DE	34-1017531	
└─ Ceres Administrators, L.L.C.	DE	34-1880408	
└─ Ceres Sales, LLC	DE	34-1947043	
└─ HealthMark Sales, LLC	DE	34-1920479	
└─ Continental General Corporation	NE	47-0717079	
└─ Continental General Insurance Company *	OH	47-0463747	71404
└─ Continental Print & Photo Co.	NE	47-0562685	
└─ QQAgency of Texas, Inc.	TX	34-1947042	
└─ Great American Advisors, Inc.	OH	31-1395344	
└─ Great American Holding, Inc.	OH	42-1575938	
└─ Agricultural Services, LLC	OH	27-3062314	
└─ United States Commodities Producers, LLC (75%)	MT	45-4110027	
└─ United States Livestock Producers, LLC (75%)	NV	27-2354685	
└─ Livestock Market Enhancement Risk Retention Group * ^	NV	27-4395897	14084
└─ American Empire Surplus Lines Insurance Company *	DE	31-0912199	35351
└─ American Empire Insurance Company *	OH	31-0973761	37990
└─ American Empire Underwriters, Inc.	TX	59-1671722	
└─ GAI Australia Pty Ltd	AUS		
└─ Great American International Insurance Limited *	IRL		
└─ Mid-Continent Casualty Company *	OH	73-0556513	23418
└─ Mid-Continent Assurance Company *	OH	73-1406844	15380
└─ Mid-Continent Excess and Surplus Insurance Company *	DE	38-3803661	13794
└─ Mid-Continent Specialty Insurance Services, Inc.	OK	30-0571535	
└─ Oklahoma Surety Company *	OH	73-0773259	23426
└─ Premier International Insurance Company *	TCA	98-0627464	

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**Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group
Part 1 - Organizational Chart**

	Domiciliary Location	FEIN	NAIC Co. Code
American Financial Group, Inc.	OH	31-1544320	
Great American Insurance Company *	OH	31-0501234	16691
American Signature Underwriters, Inc.	OH	31-1463075	
Brothers Property Corporation (80%)	OH	59-2840291	
Brothers Le Pavillon, LLC	DE	20-5173494	
Brothers Le Pavillon (SPE), LLC	DE	20-5173589	
Brothers Pennsylvanian Corporation	PA	25-1754638	
Brothers Property Management Corporation	OH	59-2840294	
Crescent Centre Apartments ^	OH	20-4498054	
Crop Managers Insurance Agency, Inc.	KS	31-1277904	
Dempsey & Siders Agency, Inc.	OH	31-0589001	
Eden Park Insurance Brokers, Inc.	CA	31-1341668	
El Aguila, Compañía de Seguros, S.A. de C.V. *	MEX		
Financiadora de Primas Condor, S.A. de C.V. (99%)	MEX		
Farmers Crop Insurance Alliance, Inc.	KS	39-1404033	
FCIA Management Company, Inc.	NY	13-3628555	
Foreign Credit Insurance Association @	NY		
GAI Warranty Company	OH	31-1753938	
GAI Warranty Company of Florida	FL	31-1765544	
GAI Warranty Company of Canada Inc.	CAN		
Global Premier Finance Company	OH	61-1329718	
Great American Agency of Texas, Inc.	TX	74-2693636	
Great American Alliance Insurance Company *	OH	95-1542353	26832
Great American Assurance Company *	OH	15-6020948	26344
Great American Casualty Insurance Company *	OH	61-0983091	39896
Great American Claims Services, Inc.	DE	31-1228726	
Great American Contemporary Insurance Company *	OH	36-4079497	10646
Great American E & S Insurance Company *	DE	31-0954439	37532
Great American Fidelity Insurance Company *	DE	31-1036473	41858
Great American Insurance Agency, Inc.	OH	31-1652643	
Great American Insurance Company of New York *	NY	13-5539046	22136
Great American Lloyd's Insurance Company * @	TX	31-0974853	38024
Great American Lloyd's, Inc.	TX	31-1073664	
Great American Management Services, Inc.	OH	31-0856644	
Great American Protection Insurance Company *	OH	31-1288778	38580
Great American Re Inc.	DE	31-0918893	
Great American Security Insurance Company *	OH	31-1209419	31135
Great American Spirit Insurance Company *	OH	31-1237970	33723
Insurance (GB) Limited *	GBR		
Key Largo Group, Inc.	FL	59-1263251	
National Interstate Corporation (51.9%)	OH	34-1607394	
American Highways Insurance Agency, Inc.	OH	34-1899058	
Explorer RV Insurance Agency, Inc.	OH	31-1548235	
Hudson Indemnity, Ltd.	CYM	98-0191335	
Hudson Management Group, Ltd.	VIR	66-0660039	
National Interstate Insurance Agency, Inc.	OH	34-1607396	
Commercial For Hire Transportation Purchasing Group @	SC	36-4670968	
National Interstate Insurance Company *	OH	34-1607395	32620
National Interstate Insurance Company of Hawaii, Inc. *	OH	99-0345306	11051
Triumphe Casualty Company *	OH	95-3623282	41106
Vanliner Group, Inc.	DE	43-1415856	
TransProtection Service Company	MO	43-1254631	
Vanliner Insurance Company *	MO	86-0114294	21172
Vanliner Reinsurance Limited *	BMU		
Safety Claims and Litigation Services, LLC	MT	20-5546054	
Penn Central U.K. Limited	GBR		
Pinecrest Place LLC	FL	27-2226948	
PLLS Canada Insurance Brokers Inc. ^	CAN	871850814	
Professional Risk Brokers, Inc.	IL	31-1293064	
Strategic Comp Holdings, L.L.C.	LA	72-1331800	
Strategic Comp Services, L.L.C.	LA	36-4517754	
Strategic Comp, L.L.C.	LA	32-0050970	
One East Fourth, Inc.	OH	31-0686194	
Pioneer Carpet Mills, Inc.	OH	31-0883227	
Superior NWVN of Ohio, Inc.	OH	31-1737792	
TEJ Holdings, Inc.	OH	31-1119320	
Three East Fourth, Inc.	OH	31-0728327	

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