



ANNUAL STATEMENT

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

American Commerce Insurance Company

NAIC Group Code.....0411, 0411 (Current Period) (Prior Period)	NAIC Company Code..... 19941	Employer's ID Number..... 31-4361173
Organized under the Laws of OHIO	State of Domicile or Port of Entry OHIO	Country of Domicile US
Incorporated/Organized..... September 18, 1946	Commenced Business..... March 19, 1947	
Statutory Home Office	3590 TWIN CREEKS DRIVE..... COLUMBUS OH US 43218-2579 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	
Main Administrative Office	211 MAIN STREET..... WEBSTER MA US..... 01570 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	508-943-9000 <i>(Area Code) (Telephone Number)</i>
Mail Address	211 MAIN STREET..... WEBSTER MA US 01570 <i>(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)</i>	
Primary Location of Books and Records	211 MAIN STREET..... WEBSTER MA US 01570 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	508-943-9000 <i>(Area Code) (Telephone Number)</i>
Internet Web Site Address	www.acilink.com	
Statutory Statement Contact	CHRISTINE M GIBSON <i>(Name)</i> chgibson@mapfreusa.com <i>(E-Mail Address)</i>	508-943-9000-14622 <i>(Area Code) (Telephone Number) (Extension)</i> 508-949-4246 <i>(Fax Number)</i>

OFFICERS

Name	Title	Name	Title
1. JAIME TAMAYO	PRESIDENT & CEO	2. DANIEL PATRICK OLOHAN	SECRETARY, GENERAL COUNSEL, & SVP
3. ROBERT EDWARD MCKENNA	TREASURER, CAO, & SVP	4. RANDALL VAUGHN BECKER	EXECUTIVE VICE PRESIDENT & CFO

DIRECTORS OR TRUSTEES

RANDALL VAUGHN BECKER	DAVID HILL COCHRANE	DENNIS JOHN CROSSLEY	GERALD FELS
FREDERICK LAWRENCE GRUEL	KIRK RICHARD NELSON	JOHN DAVID PORTER	MARK ALLEN SHAW
MARK HARRY SHAW	JAIME TAMAYO		

State of..... MASSACHUSETTS
County of..... WORCESTER

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) JAIME TAMAYO	_____ (Signature) DANIEL PATRICK OLOHAN	_____ (Signature) ROBERT EDWARD MCKENNA
_____ 1. (Printed Name) PRESIDENT & CEO	_____ 2. (Printed Name) SECRETARY, GENERAL COUNSEL, & SVP	_____ 3. (Printed Name) TREASURER, CAO, & SVP
_____ (Title)	_____ (Title)	_____ (Title)

Subscribed and sworn to before me
This _____ day of _____ 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).....	166,711,272		166,711,272	173,889,211
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	2,398,755		2,398,755	6,193,655
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).....	1,724,127		1,724,127	1,850,907
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 (\$.....6,515,990, Schedule E-Part 1), cash equivalents (\$.....0, Schedule E-Part 2) and short-term investments (\$.....0, Schedule DA).....	6,515,990		6,515,990	11,857,266
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).....	177,350,144	0	177,350,144	193,791,039
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	1,861,950	150,008	1,711,942	1,905,592
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	45,263,362		45,263,362	36,555,534
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			0	
15.3 Accrued retrospective premiums.....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	27,302,650		27,302,650	54,874,585
16.2 Funds held by or deposited with reinsured companies.....			0	
16.3 Other amounts receivable under reinsurance contracts.....			0	24,237,239
17. Amounts receivable relating to uninsured plans.....			0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0	653,918
18.2 Net deferred tax asset.....	6,533,694		6,533,694	5,595,120
19. Guaranty funds receivable or on deposit.....			0	
20. Electronic data processing equipment and software.....	1,199,252		1,199,252	1,658,970
21. Furniture and equipment, including health care delivery assets (\$.....0).....	1,155,028	1,155,028	0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....			0	
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other than invested assets.....	55,344,060	1,926,435	53,417,625	47,219,548
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	316,010,140	3,231,471	312,778,669	366,491,545
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. TOTALS (Lines 26 and 27).....	316,010,140	3,231,471	312,778,669	366,491,545

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. PRE PAID EXPENSES.....	487,722	487,722	0	
2502. EQUITY IN POOLS AND ASSOCIATIONS.....	52,441,297		52,441,297	45,811,462
2503. ARIZONA RENEWAL BUSINESS.....	1,438,713	1,438,713	0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	976,328	0	976,328	1,408,086
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	55,344,060	1,926,435	53,417,625	47,219,548

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	53,198,460	46,892,915
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6).....	10,073,697	31,389,926
3. Loss adjustment expenses (Part 2A, Line 35, Column 9).....	14,400,154	12,596,450
4. Commissions payable, contingent commissions and other similar charges.....	4,188,789	4,186,196
5. Other expenses (excluding taxes, licenses and fees).....	4,025,932	2,944,225
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	995,563	530,047
7.1 Current federal and foreign income taxes (including \$.....(183,378) on realized capital gains (losses)).....	183,378	
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 \$.....150,842,869 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).....	79,298,057	74,468,342
10. Advance premium.....	3,469,011	3,410,625
11. Dividends declared and unpaid:		
11.1 Stockholders.....	12,876,826	13,616,103
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	10,178,990	43,691,629
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19).....		
14. Amounts withheld or retained by company for account of others.....		
15. Remittances and items not allocated.....		
16. Provision for reinsurance (including \$.....0 certified) (Schedule F, Part 8).....		
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	935,508	3,505,936
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.....	803,143	490,894
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	194,627,508	237,723,288
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	194,627,508	237,723,288
29. Aggregate write-ins for special surplus funds.....	0	702,358
30. Common capital stock.....	3,226,140	3,226,140
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.....	26,188,147	26,188,147
35. Unassigned funds (surplus).....	88,736,873	98,651,612
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).....	118,151,160	128,768,257
38. TOTALS (Page 2, Line 28, Col. 3).....	312,778,669	366,491,545

DETAILS OF WRITE-INS

2501. UNCLAIMED PROPERTY.....	803,143	490,894
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).....	803,143	490,894
2901. ADDITIONAL ADMITTED DEFERRED TAX ASSETS UNDER SSAP10R, par.10e.....		702,358
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	702,358
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

Annual Statement for the year 2012 of the **American Commerce Insurance Company**
STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4).....	163,445,328	147,461,016
DEDUCTIONS		
2. Losses incurred (Part 2, Line 35, Column 7).....	102,779,652	101,734,109
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	19,828,366	17,971,149
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	44,662,386	40,327,405
5. Aggregate write-ins for underwriting deductions.....	(109,655)	(154,170)
6. Total underwriting deductions (Lines 2 through 5).....	167,160,749	159,878,493
7. Net income of protected cells.....		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	(3,715,421)	(12,417,477)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	8,523,484	9,859,836
10. Net realized capital gains (losses) less capital gains tax of \$.....(1,248,310) (Exhibit of Capital Gains (Losses)).....	2,259,989	3,678,828
11. Net investment gain (loss) (Lines 9 + 10).....	10,783,473	13,538,664
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0).....	0	
13. Finance and service charges not included in premiums.....	1,645,013	1,793,133
14. Aggregate write-ins for miscellaneous income.....	57,650	48,230
15. Total other income (Lines 12 through 14).....	1,702,663	1,841,363
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	8,770,715	2,962,550
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).....	8,770,715	2,962,550
19. Federal and foreign income taxes incurred.....	2,028,729	(756,476)
20. Net income (Line 18 minus Line 19) (to Line 22).....	6,741,986	3,719,026
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	128,768,257	136,161,032
22. Net income (from Line 20).....	6,741,986	3,719,026
23. Net transfers (to) from Protected Cell accounts.....		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....178,083.....	330,723	273,012
25. Change in net unrealized foreign exchange capital gain (loss).....		
26. Change in net deferred income tax.....	(920,986)	(3,132,791)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3).....	1,870,061	3,801,733
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....		
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.....	(12,876,826)	(13,616,103)
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.....	(5,762,055)	1,562,348
38. Change in surplus as regards policyholders for the year (Lines 22 through 37).....	(10,617,097)	(7,392,775)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	118,151,160	128,768,257
DETAILS OF WRITE-INS		
0501. LAD PROGRAM INCOME.....	(109,655)	(154,170)
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).....	(109,655)	(154,170)
1401. Miscellaneous Income.....	19,396	20,759
1402. GAIN ON SALE OF FIXED ASSETS.....	5,834	27,471
1403. OTHER TECHNICAL INCOME (OTHER REINSURER).....	32,420	
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).....	57,650	48,230
3701. ADDITIONAL ADMITTED DEFERRED TAX ASSETS UNDER SSAP10R, par 10e.....		702,358
3702. RECLASSIFICATION OF ADDITIONAL ADMITTED DEFERRED TAX ASSETS TO SPECIAL SURPLUS FUNDS.....		(702,358)
3703. STAUTORY ADJUSTMENT FOR TAX SETTLEMENT.....		308,213
3798. Summary of remaining write-ins for Line 37 from overflow page.....	(5,762,055)	1,254,135
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	(5,762,055)	1,562,348

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	126,112,962	149,716,314
2. Net investment income.....	8,892,062	10,194,197
3. Miscellaneous income.....	1,702,664	1,841,363
4. Total (Lines 1 through 3).....	136,707,688	161,751,874
5. Benefit and loss related payments.....	65,981,162	107,109,488
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	61,027,577	59,869,805
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) net of \$.....(56,878) tax on capital gains (losses).....	(56,877)	2,251,025
10. Total (Lines 5 through 9).....	126,951,862	169,230,318
11. Net cash from operations (Line 4 minus Line 10).....	9,755,827	(7,478,444)
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	51,934,183	87,336,922
12.2 Stocks.....	4,000,000	3,211,900
12.3 Mortgage loans.....		
12.4 Real estate.....		328,824
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).....	55,934,183	90,877,646
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	43,480,281	73,391,128
13.2 Stocks.....		6,019,900
13.3 Mortgage loans.....		
13.4 Real estate.....	8,725	501,529
13.5 Other invested assets.....		
13.6 Miscellaneous applications.....		
13.7 Total investments acquired (Lines 13.1 to 13.6).....	43,489,006	79,912,557
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).....	12,445,177	10,965,089
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.....	13,616,103	
16.6 Other cash provided (applied).....	(13,926,175)	1,979,252
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(27,542,278)	1,979,252
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).....	(5,341,275)	5,465,897
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	11,857,266	6,391,369
19.2 End of year (Line 18 plus Line 19.1).....	6,515,991	11,857,266

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

	1	2	3	4
Line of Business	Net Premiums Written per Column 6, Part 1B	Unearned Premiums December 31 Prior Year- per Col. 3, Last Year's Part 1	Unearned Premiums December 31 Current Year- per Col. 5, Part 1A	Premiums Earned During Year (Cols. 1 + 2 - 3)
1. Fire.....	964,537	706,211	615,017	1,055,731
2. Allied lines.....	28,883	37,388	29,861	36,411
3. Farmowners multiple peril.....				.0
4. Homeowners multiple peril.....	18,674,424	12,723,575	11,701,365	19,696,634
5. Commercial multiple peril.....	2,364,613	1,537,739	1,402,656	2,499,696
6. Mortgage guaranty.....				.0
8. Ocean marine.....	2,893			2,893
9. Inland marine.....	406,825	304,553	256,796	454,582
10. Financial guaranty.....				.0
11.1 Medical professional liability - occurrence.....				.0
11.2 Medical professional liability - claims-made.....				.0
12. Earthquake.....				.0
13. Group accident and health.....				.0
14. Credit accident and health (group and individual).....				.0
15. Other accident and health.....				.0
16. Workers' compensation.....				.0
17.1 Other liability - occurrence.....	460,794	764,444	986,234	239,004
17.2 Other liability - claims-made.....				.0
17.3 Excess workers' compensation.....				.0
18.1 Products liability - occurrence.....	7,116	5,751	9,432	3,435
18.2 Products liability - claims-made.....				.0
19.1, 19.2 Private passenger auto liability.....	81,415,800	33,202,179	35,864,209	78,753,770
19.3, 19.4 Commercial auto liability.....	6,563,163	2,606,002	3,169,884	5,999,282
21. Auto physical damage.....	57,385,997	22,580,500	25,262,605	54,703,892
22. Aircraft (all perils).....				.0
23. Fidelity.....				.0
24. Surety.....				.0
26. Burglary and theft.....				.0
27. Boiler and machinery.....				.0
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.....	168,275,043	74,468,342	79,298,057	163,445,328

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

	1	2	3	4	5
Line of Business	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.....	615,017				615,017
2. Allied lines.....	29,861				29,861
3. Farmowners multiple peril.....	-				0
4. Homeowners multiple peril.....	11,701,365				11,701,365
5. Commercial multiple peril.....	1,402,656				1,402,656
6. Mortgage guaranty.....	-				0
8. Ocean marine.....	-				0
9. Inland marine.....	256,796				256,796
10. Financial guaranty.....	-				0
11.1 Medical professional liability - occurrence.....	-				0
11.2 Medical professional liability - claims-made.....	-				0
12. Earthquake.....	-				0
13. Group accident and health.....	-				0
14. Credit accident and health (group and individual).....	-				0
15. Other accident and health.....	-				0
16. Workers' compensation.....	-				0
17.1 Other liability - occurrence.....	986,234				986,234
17.2 Other liability - claims-made.....	-				0
17.3 Excess workers' compensation.....	-				0
18.1 Products liability - occurrence.....	9,432				9,432
18.2 Products liability - claims-made.....	-				0
19.1, 19.2 Private passenger auto liability.....	35,864,209				35,864,209
19.3, 19.4 Commercial auto liability.....	3,169,884				3,169,884
21. Auto physical damage.....	25,262,605				25,262,605
22. Aircraft (all perils).....	-				0
23. Fidelity.....	-				0
24. Surety.....	-				0
26. Burglary and theft.....	-				0
27. Boiler and machinery.....	-				0
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.....	79,298,057	0	0	0	79,298,057
36. Accrued retrospective premiums based on experience.....					0
37. Earned but unbilled premiums.....					0
38. Balance (sum of Lines 35 through 37).....					79,298,057

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
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	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
	Direct Business (a)	2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire.....	2,638,160	964,537		2,638,160		964,537
2. Allied lines.....	71,162	28,883		71,162		28,883
3. Farmowners multiple peril.....	-	-		-		0
4. Homeowners multiple peril.....	74,487,645	18,674,424		74,487,645		18,674,424
5. Commercial multiple peril.....	-	2,364,613		-		2,364,613
6. Mortgage guaranty.....	-	-		-		0
8. Ocean marine.....	-	2,893		-		2,893
9. Inland marine.....	68,424	406,825		68,424		406,825
10. Financial guaranty.....	-	-		-		0
11.1 Medical professional liability - occurrence.....	-	-		-		0
11.2 Medical professional liability - claims-made.....	-	-		-		0
12. Earthquake.....	-	-		-		0
13. Group accident and health.....	-	-		-		0
14. Credit accident and health (group and individual).....	-	-		-		0
15. Other accident and health.....	-	-		-		0
16. Workers' compensation.....	-	-		-		0
17.1 Other liability - occurrence.....	10,411,354	460,794		10,411,354		460,794
17.2 Other liability - claims-made.....	-	-		-		0
17.3 Excess workers' compensation.....	-	-		-		0
18.1 Products liability - occurrence.....	-	7,116		-		7,116
18.2 Products liability - claims-made.....	-	-		-		0
19.1, 19.2 Private passenger auto liability.....	105,708,581	81,415,800		105,708,581		81,415,800
19.3, 19.4 Commercial auto liability.....	-	6,563,163		-		6,563,163
21. Auto physical damage.....	53,319,024	57,385,997		53,319,024		57,385,997
22. Aircraft (all perils).....	10,276,151	-		10,276,151		0
23. Fidelity.....	-	-		-		0
24. Surety.....	-	-		-		0
26. Burglary and theft.....	-	-		-		0
27. Boiler and machinery.....	-	-		-		0
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.....	256,980,500	168,275,043	0	256,980,500	0	168,275,043

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 \$.00

2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$.00

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.....	1,026,221	506,537	1,026,221	506,537	226,199	354,224	378,511	35.9
2. Allied lines.....	38,006	8,368	38,006	8,368	3,462	7,544	4,285	11.8
3. Farmowners multiple peril.....	-	-	-	0	-	-	0	-
4. Homeowners multiple peril.....	50,510,855	11,873,942	50,510,855	11,873,942	4,189,092	5,435,742	10,627,292	54.0
5. Commercial multiple peril.....	-	896,943	-	896,943	606,967	430,138	1,073,772	43.0
6. Mortgage guaranty.....	-	-	-	0	-	-	0	-
8. Ocean marine.....	-	(126,905)	-	(126,905)	101,520	-	(25,385)	(877.5)
9. Inland marine.....	27,176	165,751	27,176	165,751	45,009	31,194	179,566	39.5
10. Financial guaranty.....	-	-	-	0	-	-	0	-
11.1 Medical professional liability - occurrence.....	-	-	-	0	-	-	0	-
11.2 Medical professional liability - claims-made.....	-	-	-	0	-	-	0	-
12. Earthquake.....	-	-	-	0	-	-	0	-
13. Group accident and health.....	-	(82,031)	-	(82,031)	78,865	-	(3,166)	-
14. Credit accident and health (group and individual).....	-	-	-	0	-	-	0	-
15. Other accident and health.....	-	-	-	0	-	-	0	-
16. Workers' compensation.....	-	(277)	-	(277)	3,402	3,231	(105)	-
17.1 Other liability - occurrence.....	8,529	(37,660)	8,529	(37,660)	232,242	195,117	(535)	(0.2)
17.2 Other liability - claims-made.....	-	-	-	0	-	-	0	-
17.3 Excess workers' compensation.....	-	-	-	0	-	-	0	-
18.1 Products liability - occurrence.....	-	2,440	-	2,440	2,685	2,390	2,735	79.6
18.2 Products liability - claims-made.....	-	-	-	0	-	-	0	-
19.1, 19.2 Private passenger auto liability.....	83,245,479	48,385,849	83,245,479	48,385,849	44,339,244	38,734,731	53,990,362	68.6
19.3, 19.4 Commercial auto liability.....	-	2,836,206	-	2,836,206	3,830,831	3,296,819	3,370,218	56.2
21. Auto physical damage.....	39,606,599	32,138,739	39,606,599	32,138,739	(563,669)	(1,598,215)	33,173,285	60.6
22. Aircraft (all perils).....	2,054,680	-	2,054,680	0	0	0	0	-
23. Fidelity.....	-	-	-	0	-	-	0	-
24. Surety.....	-	(82,474)	-	(82,474)	96,206	-	13,732	-
26. Burglary and theft.....	-	-	-	0	-	-	0	-
27. Boiler and machinery.....	-	-	-	0	-	-	0	-
28. Credit.....	-	-	-	0	-	-	0	-
29. International.....	-	-	-	0	-	-	0	-
30. Warranty.....	-	-	-	0	-	-	0	-
31. Reinsurance - nonproportional assumed property.....	XXX	(11,322)	-	(11,322)	6,406	-	(4,916)	-
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	0	-
35. TOTALS.....	176,517,545	96,474,107	176,517,545	96,474,107	53,198,460	46,892,915	102,779,652	62.9

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.....	205,958	299,107	205,958	299,107	242,887	(72,908)	242,887	226,199	49,267
2. Allied lines.....	18,040	3,462	18,040	3,462	-	-	-	3,462	240
3. Farmowners multiple peril.....	-	-	-	0	-	-	-	0	-
4. Homeowners multiple peril.....	18,333,324	5,647,446	18,333,324	5,647,446	5,417,743	(1,458,354)	5,417,743	4,189,092	1,450,083
5. Commercial multiple peril.....	-	664,236	-	664,236	-	(57,269)	-	606,967	583,657
6. Mortgage guaranty.....	-	-	-	0	-	-	-	0	-
8. Ocean marine.....	-	67,925	-	67,925	-	33,595	-	101,520	36,326
9. Inland marine.....	-	20,481	-	20,481	-	24,528	-	45,009	2,498
10. Financial guaranty.....	-	-	-	0	-	-	-	0	-
11.1 Medical professional liability - occurrence.....	-	-	-	0	-	-	-	0	-
11.2 Medical professional liability - claims-made.....	-	-	-	0	-	-	-	0	-
12. Earthquake.....	-	-	-	0	-	-	-	0	-
13. Group accident and health.....	-	78,865	-	78,865	-	-	-	(a) 78,865	-
14. Credit accident and health (group and individual).....	-	-	-	0	-	-	-	0	-
15. Other accident and health.....	-	-	-	0	-	-	-	(a) 0	-
16. Workers' compensation.....	-	3,402	-	3,402	-	-	-	3,402	-
17.1 Other liability - occurrence.....	1,984,963	118,949	1,984,963	118,949	-	113,293	-	232,242	139,944
17.2 Other liability - claims-made.....	-	-	-	0	-	-	-	0	-
17.3 Excess workers' compensation.....	-	-	-	0	-	-	-	0	-
18.1 Products liability - occurrence.....	-	2,685	-	2,685	-	-	-	2,685	-
18.2 Products liability - claims-made.....	-	-	-	0	-	-	-	0	-
19.1, 19.2 Private passenger auto liability.....	100,222,867	42,456,295	100,222,867	42,456,295	(16,537,065)	1,882,949	(16,537,065)	44,339,244	10,293,352
19.3, 19.4 Commercial auto liability.....	-	2,907,217	-	2,907,217	-	923,614	-	3,830,831	761,598
21. Auto physical damage.....	(6,615,468)	(4,281,401)	(6,615,468)	(4,281,401)	12,379,119	3,717,732	12,379,119	(563,669)	1,083,189
22. Aircraft (all perils).....	5,446,470	0	5,446,470	0	2,638,456	0	2,638,456	0	0
23. Fidelity.....	-	-	-	0	-	-	-	0	-
24. Surety.....	-	96,206	-	96,206	-	-	-	96,206	0
26. Burglary and theft.....	-	-	-	0	-	-	-	0	-
27. Boiler and machinery.....	-	-	-	0	-	-	-	0	-
28. Credit.....	-	-	-	0	-	-	-	0	-
29. International.....	-	-	-	0	-	-	-	0	-
30. Warranty.....	-	-	-	0	-	-	-	0	-
31. Reinsurance - nonproportional assumed property.....	XXX	6,406	-	6,406	XXX	-	-	6,406	-
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.....	119,596,154	48,091,280	119,596,154	48,091,280	4,141,140	5,107,180	4,141,140	53,198,460	14,400,154
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

(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.....	21,942,401			21,942,401
1.2 Reinsurance assumed.....	5,777,234			5,777,234
1.3 Reinsurance ceded.....	21,942,401			21,942,401
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	5,777,234	0	0	5,777,234
2. Commission and brokerage:				
2.1 Direct, excluding contingent.....		37,710,636		37,710,636
2.2 Reinsurance assumed, excluding contingent.....		24,137,349		24,137,349
2.3 Reinsurance ceded, excluding contingent.....		37,710,636		37,710,636
2.4 Contingent - direct.....		890,632		890,632
2.5 Contingent - reinsurance assumed.....		1,541,517		1,541,517
2.6 Contingent - reinsurance ceded.....		890,632		890,632
2.7 Policy and membership fees.....				0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7).....	0	25,678,866	0	25,678,866
3. Allowances to manager and agents.....				0
4. Advertising.....	1,506	449,393		450,899
5. Boards, bureaus and associations.....	4,583	597,556		602,139
6. Surveys and underwriting reports.....	1,172	882,353		883,525
7. Audit of assureds' records.....				0
8. Salary and related items:				
8.1 Salaries.....	7,942,682	6,065,465		14,008,147
8.2 Payroll taxes.....	636,659	469,280		1,105,939
9. Employee relations and welfare.....	1,812,767	1,328,366		3,141,133
10. Insurance.....	78,510	48,420		126,930
11. Directors' fees.....	10,555	12,013		22,568
12. Travel and travel items.....	223,878	194,563		418,441
13. Rent and rent items.....	280,703	554,410		835,113
14. Equipment.....	261,995	221,540		483,535
15. Cost or depreciation of EDP equipment and software.....	963,240	753,967	1,304	1,718,511
16. Printing and stationery.....	124,737	152,957		277,694
17. Postage, telephone and telegraph, exchange and express.....	651,758	435,083		1,086,841
18. Legal and auditing.....	259,213	167,504		426,717
19. Totals (Lines 3 to 18).....	13,253,958	12,332,870	1,304	25,588,132
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....0.....		3,964,722		3,964,722
20.2 Insurance department licenses and fees.....	28,634	575,400		604,034
20.3 Gross guaranty association assessments.....		73,720		73,720
20.4 All other (excluding federal and foreign income and real estate).....	2,385	13,064	(2,729)	12,720
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	31,019	4,626,906	(2,729)	4,655,196
21. Real estate expenses.....			505,747	505,747
22. Real estate taxes.....				0
23. Reimbursements by uninsured plans.....				0
24. Aggregate write-ins for miscellaneous expenses.....	766,155	2,023,744	296,694	3,086,593
25. Total expenses incurred.....	19,828,366	44,662,386	801,016	(a) 65,291,768
26. Less unpaid expenses - current year.....	14,400,154	9,210,284		23,610,438
27. Add unpaid expenses - prior year.....	12,596,450	7,660,468		20,256,918
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).....	18,024,662	43,112,570	801,016	61,938,248

DETAILS OF WRITE-INS

2401. MANAGEMENT FEES.....	(146,487)	141,239	287,173	281,925
2402. COMPUTER SERVICES.....	718,862	1,437,623		2,156,485
2403. OTHER LICENSES AND FEES.....	193,780	444,882	9,521	648,183
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).....	766,155	2,023,744	296,694	3,086,593

(a) Includes management fees of \$.....281,925 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).....597,945	.....656,836
1.1 Bonds exempt from U.S. tax.....	(a).....2,153,364	.....2,079,328
1.2 Other bonds (unaffiliated).....	(a).....5,577,868	.....5,406,524
1.3 Bonds of affiliates.....	(a).....	.....
2.1 Preferred stocks (unaffiliated).....	(b).....200,783	.....193,622
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).....500,540	.....500,540
5. Contract loans.....	.....	.....
6. Cash, cash equivalents and short-term investments.....	(e).....605	.....605
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....	.....
9. Aggregate write-ins for investment income.....	.....622,550	.....622,550
10. Total gross investment income.....	.....9,653,655	.....9,460,005
11. Investment expenses.....	.....	(g).....803,745
12. Investment taxes, licenses and fees, excluding federal income taxes.....	.....	(g).....(2,729)
13. Interest expense.....	.....	(h).....
14. Depreciation on real estate and other invested assets.....	.....	(i).....135,505
15. Aggregate write-ins for deductions from investment income.....	.....	.....0
16. Total deductions (Lines 11 through 15).....	.....	.....936,521
17. Net investment income (Line 10 minus Line 16).....	.....	.....8,523,484

DETAILS OF WRITE-INS

0901. FAIR PLAN.....	.....32,755	.....32,755
0902. ANIPP.....	.....589,795	.....589,795
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).....	.....622,550	.....622,550
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 \$.....743,489 accrual of discount less \$.....784,113 amortization of premium and less \$.....253,267 paid for accrued interest on purchases.
- (b) Includes \$.....1,664 accrual of discount less \$.....463 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 \$.....500,540 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 \$.....135,505 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.....	154,087	.....	154,087	.....	.....
1.1 Bonds exempt from U.S. tax.....	107,657	.....	107,657	.....	.....
1.2 Other bonds (unaffiliated).....	1,240,110	(487,775)	752,335	302,507	.....
1.3 Bonds of affiliates.....	.....	.....	0	.....	.....
2.1 Preferred stocks (unaffiliated).....	(2,400)	.....	(2,400)	206,300	.....
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).....	1,499,454	(487,775)	1,011,679	508,807	0

DETAILS OF WRITE-INS

0901. ....	.....0	.....	.....0	.....	.....0
0902. ....	.....0	.....	.....0	.....	.....0
0903. ....	.....0	.....	.....0	.....	.....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.....	150,008	150,008	.0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....			.0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....			.0
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.....		2,037,644	2,037,644
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.....	1,155,028	938,199	(216,829)
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.....	1,926,436	1,975,682	49,246
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	3,231,472	5,101,533	1,870,061
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0
28. TOTALS (Lines 26 and 27).....	3,231,472	5,101,533	1,870,061

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. PRE PAID RENT.....		5,200	5,200
2502. PRE PAID EXPENSES.....	487,723	274,089	(213,634)
2503. ARIZONA RENEWAL BUSINESS.....	1,438,713	1,696,393	257,680
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).....	1,926,436	1,975,682	49,246

NOTES TO FINANCIAL STATEMENTS**Note 1 - Summary of Significant Accounting Policies****A. Accounting Practices, Impact of NAIC/State Differences**

The accompanying financial statements of the American Commerce Insurance Company (the Company) have been prepared in conformity with accounting practices prescribed or permitted by the National Association of Insurance Commissioners (NAIC) and the State of Ohio. The NAIC Accounting Practices and Procedures manual, version effective January 1, 2001 (NAIC SAP), has been adopted as a component of prescribed or permitted practices by the State of Ohio. Certain prior year account balances have been reclassified to conform to the 2011 presentation.

There are no differences between Ohio prescribed practices and NAIC statutory accounting practices (NAIC SAP) as noted below:

Description	State	2012	2011
1. Net income, state basis	OH	\$ 6,741,986	\$ 3,719,026
2. Effect of state prescribed practices		-	-
3. Effect of state permitted practices		-	-
4. Net income, NAIC SAP basis		\$ 6,741,986	\$ 3,719,026
Description		2012	2011
5. Policyholders' surplus, state basis	OH	\$ 118,151,160	\$ 128,768,257
6. Effect of state prescribed practices		-	-
7. Effect of state permitted practices		-	-
8. Policyholders' surplus, NAIC SAP basis		\$ 118,151,160	\$ 128,768,257

B. Use of Estimates

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policies

Premiums are recognized as income ratably over the terms of the related insurance policies. Unearned premiums reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct business.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

Net investment income earned consists primarily of interest, dividends and rent income less investment related expenses. Interest is recognized on an accrual basis and dividends are recognized on an ex-dividend basis. Rent income includes an imputed rent for the Company's occupancy of its own building. Net realized capital gains (losses) are recognized on a specific identification basis when securities are sold, redeemed or otherwise disposed. Realized capital losses include write downs for impairments considered to be other than temporary.

In addition, the Company adheres to the following accounting policies:

- (1) Short-term investments are accounted for in the same manner as similar long-term investments in accordance with SSAP No. 2.
- (2) Bonds, excluding loan-backed and structured securities are accounted for in accordance with SSAP No. 26. Amortized cost is calculated using the scientific interest method. Bonds containing call provisions are amortized to either the call or maturity value date whichever produces the lowest asset value (yield to worst). Investment grade bonds are stated at amortized cost. Non-investment grade bonds are stated at the lower of amortized cost or fair value. Bonds whose decline has been determined to be other than temporary are written down to a new cost basis and the write down amount is accounted for as a realized loss.
- (3) Common stocks of unaffiliated entities are stated at fair value and accounted for in accordance SSAP No. 30.
- (4) Preferred stocks of unaffiliated entities are accounted for in accordance with SSAP No. 32. Investment grade redeemable preferred stocks are stated at amortized cost. Investment grade perpetual preferred stocks are stated at fair value. Non-Investment grade preferred stocks are stated at the lower of book value or fair value. Preferred stocks whose decline has been determined to be other than temporary are written down to a new cost basis and the write down amount is accounted for as a realized loss.
- (5) The Company does not have mortgage loans.
- (6) Loan-backed and Structured Securities are accounted for in accordance with SSAP No. 43R. Amortized cost is calculated retrospectively using the scientific interest method. The carrying value and NAIC Designation for non-agency loan-backed and structured securities is determined using a two-step NAIC process. Those bonds assigned a NAIC designation of 1 or 2 in the first step are stated at amortized cost. Those bonds assigned a 3 through 6 designation are stated at the lower of amortized cost or fair value. The NAIC designation assigned under the second step of the process is reported for these securities in Schedule D and is used in the risk-based capital calculation. Investment grade bonds not subject to the above prescribed process are stated at amortized cost and the non-investment grade bonds are stated at the lower of amortized cost or fair value. Bonds whose decline has been determined to be other than temporary are written down to a new cost basis and the write down amount is accounted for as a realized loss.
- (7) The Company does not have investments in Subsidiary, Controlled and Affiliated Entities.
- (8) The Company does not have investments in Joint Ventures, Partnerships or Limited Liability Companies.
- (9) The Company does not have derivatives.
- (10) The Company anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53, Property-Casualty Contracts - Premiums.
- (11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined. On a direct basis, the Company has environmental and mold claims. On a pooled basis, the Company shares claims for lead paint, oil and mold as well.
- (12) The company has a written capitalization policy for purchases of items such as electronic data processing equipment, software, furniture, vehicles, other equipment and leasehold improvements. The predefined capitalization thresholds under this policy have not changed from those of the prior year.
- (13) The company does not have any pharmaceutical rebate receivables.

Note 2 - Accounting Changes and Corrections of Errors**A. Accounting Changes Other than Codification and Corrections of Errors**

None

NOTES TO FINANCIAL STATEMENTS**Note 3 - Business Combinations and Goodwill**

A. Statutory Purchase Method

None

B. Statutory Merger

None

C. Writedowns for Impairments of Investments in Affiliates

None

Note 4 - Discontinued Operations

A. None

Note 5 - Investments

A. Mortgage Loans, Including Mezzanine Real Estate Loans

None

B. Troubled Debt Restructuring for Creditors

None

C. Reverse Mortgages

None

D. Loan-backed Securities

1. Prepayment assumptions are obtained from broker-dealer surveys, internal estimates or Bloomberg.
2. During 2012, The Company recognized \$0 in Other-Than-Temporary Impairment on Loan-Backed and Structured Securities.

	Amortized Cost Before OTTI	OTTI Recognized in Loss	Fair Value
OTTI Recognized 1st Qtr			
a. Intent to Sell	\$ -	\$ -	\$ -
b. Inability or Lack of Intent to Hold	\$ -	\$ -	\$ -
c. Total OTTI 1st Qtr	\$ -	\$ -	\$ -
OTTI Recognized 2nd Qtr			
d. Intent to Sell	\$ -	\$ -	\$ -
e. Inability or Lack of Intent to Hold	\$ -	\$ -	\$ -
f. Total OTTI 2nd Qtr	\$ -	\$ -	\$ -
OTTI Recognized 3rd Qtr			
g. Intent to Sell	\$ -	\$ -	\$ -
h. Inability or Lack of Intent to Hold	\$ -	\$ -	\$ -
i. Total OTTI 3rd Qtr	\$ -	\$ -	\$ -
OTTI Recognized 4th Qtr			
j. Intent to Sell	\$ -	\$ -	\$ -
k. Inability or Lack of Intent to Hold	\$ -	\$ -	\$ -
l. Total OTTI 4th Qtr	\$ -	\$ -	\$ -
m. Totals for 2012		\$ -	

3. Currently held loan-backed and structured securities with recognized OTTI:

CUSIP	Book/Adj Carrying Amortized Cost Before Current Period OTTI	Present Value of Projected Cashflows	OTTI Recognized	Amortized Cost After OTTI	Fair Value at time of OTTI	Date of Financial Stmt Where Reported
29078PAA8 EMBARCADERO AIRCRAFT	\$ 823,612	\$ 552,254	\$ 271,358	\$ 552,254	\$ 297,992	3/31/2012
29078PAA8 EMBARCADERO AIRCRAFT	\$ 513,786	\$ 297,369	\$ 216,417	\$ 297,369	\$ 271,499	9/30/2012
Totals			\$ 487,775			

NOTES TO FINANCIAL STATEMENTS

4. Impaired loan-backed and structured securities for which an OTTI has not been recognized:

A1. The aggregate amount of unrealized losses – Less than 12 months:	\$ 58,378
A2. The aggregate amount of unrealized losses – 12 months or longer:	\$ 455,230
B1. The aggregate related fair value of securities with unrealized losses – Less than 12 months:	\$ 5,853,684
B2. The aggregate related fair value of securities with unrealized losses – 12 months or longer:	\$ 924,251

5. The general categories of information considered in reaching the conclusion that the impairments are not other-than-temporary include:

- Probability of collecting all amounts due according to the contractual terms in effect at the time of acquisition.
- Intent to sell: Is there intent to sell the security before recovery.
- The length of time and the extent to which fair value has been less than amortized cost.
- The financial conditions and short term prospects of the issuer.
- Intent and Ability to hold: Is there a lack of ability to hold, where cash and working capital requirements and contractual or regulatory obligations indicate that the investment may need to be sold before the forecasted recovery occurs.

- E. Repurchase Agreements - New Disclosures

None

- F. Writedowns for Impairments of Real Estate/Real Estate Sales and Retail Land Sales

None

- G. Low Income Housing Tax Credits

None

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

None

Note 7 - Investment Income

- A. Accrued Investment Income

Investment income due and accrued with amounts over 90 days past due are non-admitted assets and excluded from Surplus.

- B. Amounts Non-admitted

The total amount excluded at 12/31/12 was \$150,008.

Note 8 - Derivative Instruments

None

NOTES TO FINANCIAL STATEMENTS**Note 9 Income Taxes**

	12/31/2012			12/31/2011			Change		
	1	2	3	4	5	6	7	8	9
The Components of the net deferred tax asset/liability at 12/31 are as follows:	Ordinary	Capital	(Col 1+2) Total	Ordinary	Capital	(Col 1+2) Total	Ordinary	Capital	(Col 1+2) Total
9A 1a. Gross deferred tax assets	\$ 6,637,460	\$ 342,609	\$ 6,980,069	\$ 5,930,548	\$ 2,398,069	\$ 8,328,617	\$ 706,912	\$ (2,055,460)	\$ (1,348,548)
1b. Statutory valuation allowance adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1c. Adjusted gross deferred tax assets (1a-1b)	\$ 6,637,460	\$ 342,609	\$ 6,980,069	\$ 5,930,548	\$ 2,398,069	\$ 8,328,617	\$ 706,912	\$ 2,055,460	\$ (1,348,548)
1d. Deferred tax liabilities	\$ 423,900	\$ 22,474	\$ 446,375	\$ 695,639	\$ 214	\$ 695,853	\$ (271,739)	\$ 22,260	\$ (249,478)
1e. Subtotal (net deferred tax assets) (1c-1d)	\$ 6,213,559	\$ 320,135	\$ 6,533,694	\$ 5,234,909	\$ 2,397,855	\$ 7,632,764	\$ 978,650	\$ (2,077,720)	\$ (1,099,070)
1f. Deferred tax liabilities	\$ -	\$ -	\$ -	\$ -	\$ 2,037,644	\$ 2,037,644	\$ -	\$ (2,037,644)	\$ (2,037,644)
1g. Net admitted deferred tax assets/(net deferred tax liability) (1e-1f)	\$ 6,213,559	\$ 320,135	\$ 6,533,694	\$ 5,234,909	\$ 360,211	\$ 5,595,120	\$ 978,650	\$ (40,076)	\$ 938,574

	12/31/2012			12/31/2011			Change		
	1	2	3	4	5	6	7	8	9
Admission Calculation Components - SSAP 101, paragraphs 11a, 11b, 11c	Ordinary	Capital	(Col 1+2) Total	Ordinary	Capital	(Col 4+5) Total	Ordinary	Capital	(Col 7+8) Total
9A 2a. Federal income taxes paid in prior years recoverable through loss carrybacks	\$ 952,213	\$ -	\$ 952,213	\$ 1,382,733	\$ -	\$ 1,382,733	\$ (430,520)	\$ -	\$ (430,520)
2b. Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2a (above) after application of the threshold limitation:	\$ 5,328,310	\$ 342,609	\$ 5,670,919	\$ 4,103,078	\$ 360,211	\$ 4,463,289	\$ 1,225,232	\$ 17,602	\$ 1,207,630
(1) Adjusted gross deferred tax assets expected to be realized	\$ 5,328,310	\$ 342,609	\$ 5,670,919	\$ 4,103,078	\$ 360,211	\$ 4,463,289	\$ 1,225,232	\$ 17,602	\$ 1,207,630
(2) Adjusted gross deferred tax assets allowed per limitation threshold	xxx	xxx	\$ 16,669,083	xxx	xxx	\$ 19,712,125	xxx	xxx	\$ (3,043,042)
2c. Adjusted gross tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above offset by gross deferred tax liabilities	\$ 356,937	\$ -	\$ 356,937	\$ 444,737	\$ 214	\$ 444,951	\$ (87,800)	\$ (214)	\$ (88,014)
2d. Deferred tax assets admitted as the result of application of SSAP 101	\$ 6,637,460	\$ 342,609	\$ 6,980,069	\$ 5,930,548	\$ 360,425	\$ 6,290,973	\$ 706,912	\$ (17,816)	\$ 689,096
Total 2(a)+ 2(b)+2c									

9A Realization Thresholds	2012	2011
3a. Ratio percentage used to determine recovery period and threshold limitation amount	1277%	1561%
3b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	15%	15%

	12/31/2012			12/31/2011			Change		
	1	2	3	4	5	6	7	8	9
Impact of Tax Planning Strategies	Ordinary	Capital	(Col 1+2) Total	Ordinary	Capital	(Col 4+5) Total	Ordinary	Capital	(Col 7+8) Total
9A 4a. Adjusted gross DTA's (% of total adjusted gross DTAs)	0%	0%	0%	0%	11.1%	3.2%	0.0%	-11.1%	-3.2%
4b. Net admitted adjusted gross DTAs (% of total net admitted adjusted gross DTAs)	0%	0%	0%	0%	73.6%	4.7%	0.0%	-73.6%	-4.7%
4c. Does this company's tax planning strategies include the use of reinsurance? Yes [] No [X]									

9B. There were no unrecognized deferred tax liabilities.

NOTES TO FINANCIAL STATEMENTS

		1	2	3
		2012	2011	(Col 1-2) Change
9C.	Current and Deferred Income Taxes			
1	Current Income Tax			
a.	Federal	\$ 2,028,729	\$ (756,476)	\$ 2,785,205
b.	Foreign	\$ -	\$ -	\$ -
c.	Subtotal	\$ 2,028,729	\$ (756,476)	\$ 2,785,205
d.	Federal income tax on net capital gains	\$ (1,248,310)	\$ 753,299	\$ (2,001,609)
e.	Utilization of capital loss carry-forwards	\$ -	\$ (1,637,604)	\$ 1,637,604
f.	Other	\$ -	\$ -	\$ -
g.	Federal and Foreign income taxes incurred	\$ 780,419	\$ (1,640,781)	\$ 2,421,200
2	Deferred Tax Assets			
a.	Ordinary			
(1)	Discounting of unpaid losses	\$ 1,444,655	\$ 1,278,268	\$ 166,387
(2)	Unearned premium reserve	\$ 2,320,870	\$ 2,442,195	\$ (121,325)
(3)	Policyholder reserve	\$ -	\$ -	\$ -
(4)	Investments	\$ -	\$ -	\$ -
(5)	Deferred acquisition costs	\$ -	\$ -	\$ -
(6)	Policyholder dividends accrual	\$ -	\$ -	\$ -
(7)	Fixed assets	\$ -	\$ -	\$ -
(8)	Compensation benefit accrual	\$ 335,278	\$ 316,461	\$ 18,817
(9)	Pension accrual	\$ -	\$ -	\$ -
(10)	Receivables - nonadmitted	\$ 70,000	\$ -	\$ 70,000
(11)	Net operating loss carry-forward	\$ -	\$ -	\$ -
(12)	Tax Credit carry-forward	\$ 1,194,874	\$ 760,639	\$ 434,235
(13)	Other	\$ 597,529	\$ 441,496	\$ 156,033
(14)	Other assets - admitted	\$ 674,253	\$ 691,489	\$ (17,236)
(99)	Subtotal	\$ 6,637,460	\$ 5,930,548	\$ 706,912
b.	Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
c.	Nonadmitted	\$ -	\$ -	\$ -
d.	Admitted ordinary deferred tax assets (2a99-2b-2c)	\$ 6,637,460	\$ 5,930,548	\$ 706,912
e.	Capital			
(1)	Investments	\$ 342,609	\$ 2,398,069	\$ (2,055,460)
(2)	Net capital loss carry forward	\$ -	\$ -	\$ -
(3)	Real estate	\$ -	\$ -	\$ -
(4)	Other	\$ -	\$ -	\$ -
(99)	Subtotal	\$ 342,609	\$ 2,398,069	\$ (2,055,460)
f.	Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
g.	Nonadmitted	\$ -	\$ 2,037,644	\$ (2,037,644)
h.	Admitted capital deferred tax assets (2e99-2f-2g)	\$ 342,609	\$ 360,425	\$ (17,816)
i.	Admitted deferred tax assets (2d+2h)	\$ 6,980,069	\$ 6,290,973	\$ 689,096
3	Deferred Tax Liabilities			
a.	Ordinary			
(1)	Investments	\$ 51,406	\$ 90,982	\$ (39,576)
(2)	Fixed assets	\$ 199,841	\$ -	\$ 199,841
(3)	Deferred and uncollected premium	\$ -	\$ -	\$ -
(4)	Policyholder reserves	\$ -	\$ -	\$ -
(5)	Other	\$ 172,654	\$ 604,657	\$ (432,003)
(99)	Subtotal	\$ 423,900	\$ 695,639	\$ (271,739)
b.	Capital			
(1)	Investments	\$ 22,474	\$ 214	\$ 22,260
(2)	Real estate	\$ -	\$ -	\$ -
(3)	Other	\$ -	\$ -	\$ -
(99)	Subtotal	\$ 22,474	\$ 214	\$ 22,260
c.	Deferred tax liabilities (3a99+3b99)	\$ 446,375	\$ 695,853	\$ (249,478)
4	Net Deferred Tax Assets (2i-3c)	\$ 6,533,694	\$ 5,595,120	\$ 938,574

NOTES TO FINANCIAL STATEMENTS**9D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate**

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

	2012	
	Amount in Thousands	Effective Tax Rate (%)
Provision computed at statutory rate	\$ 2,632,842	35.0%
Tax preferred investments	(632,934)	-8.4%
Nondeductible expenses	27,641	0.4%
Tax on change in non-admitted assets	(58,654)	-0.8%
Annualization Adjustment	-	0.0%
Other Adjustments to Surplus	(226,470)	-3.0%
Other	(41,020)	-0.5%
Total tax	\$ 1,701,405	22.6%
Reconciliation		
Federal and foreign income taxes incurred	\$ 2,028,729	27.0%
Realized capital gains (losses) tax	\$ 1,248,310	-16.6%
Change in deferred tax	\$ 920,986	12.2%
Total tax	\$ 1,701,405	22.6%

9E. Operating Loss and Tax Credit Carryforwards

- As of 12/31/2012, the Company had no net operating losses to offset future taxable income. The Company had \$940,783 in capital loss carryforwards to offset future capital gain income.
The company has \$1,194,874 of Alternative Minimum Tax (AMT) Credits available to offset future tax.

Capital losses expire after 5 years. Capital losses were generated and expire as follows:

Year Generated	Carryover Remaining	Year of Expiration
2009	\$ 778,336	2014
2012	\$ 162,447	2017
	\$ 940,783	

AMT Credits never expire. The Company's remaining credits were generated as follows:

Year Generated	Carryover Remaining
2009	\$ 465,169
2010	\$ 601,430
2012	\$ 128,275
	\$ 1,194,874

- The following is income tax expense that is available for recoupment in the event of future net losses:

Year	Ordinary	Capital	Total
2012	\$ 952,213	\$ -	\$ 952,213
2011	\$ -	\$ -	\$ -
2010	\$ -	\$ -	\$ -
	\$ 952,213	\$ -	\$ 952,213

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

NOTES TO FINANCIAL STATEMENTS**9F. Consolidated Federal Income Tax Return**

1. For the period ending December 31, 2012, the Company will file as a part of the consolidated federal income tax return with its ultimate U.S. parent, MAPFRE USA Corp and its subsidiaries;

The Commerce Insurance Company
 Citation Insurance Company
 Commerce West Insurance Company
 MAPFRE Insurance Company of New York
 MAPFRE Insurance Company
 MAPFRE Insurance Company of Florida
 ACIC Holding Company
 Bay Finance Holding Company
 MAPFRE Intermediaries (said parties constituting an "Affiliated Group," as defined in and for the purposes of IRC 1504 (a))

2. Each affiliate is jointly and severally liable for federal income taxes of the Affiliated Group, and has entered into a written tax sharing agreement. Under this agreement, allocation is made primarily on a separate return basis, with current payment for losses and other tax items utilized in the consolidated return.

9G. Federal or foreign Federal Income Tax Loss Contingencies

The Company has no 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 Relationship**

All outstanding shares of the Company are owned by ACIC Holding Company, Inc. (AHC), an insurance holding company domiciled in Rhode Island. 94.88% of the common stock of AHC is owned by MAPFRE U.S.A. Corp. (MUSA) MAPFRE U.S.A. Corp was previously known as Commerce Group, Inc. (CGI). CGI changed its name to MAPFRE U.S.A. Corp on January 1, 2010. The remaining 5.12% of the common stock is owned by AAA Southern New England (AAA SNE), AAA Oregon/Idaho, and the Ohio Automobile Club.

B. Detail of Transaction Greater than 1/2% of Admitted Assets

The Company declared a common stock dividend of \$12,876,826 and \$13,616,103 to its parent company in December of 2012 and 2011, respectively.

C. Change in Terms of Intercompany Arrangements

None

D. Amounts Due To or from Related Parties

	2012	2011
	Due From (To)	
Commerce Insurance Company	\$ (13,855,645)	\$ (3,561,554)
Commerce West Insurance Company	574,350	348,204
American Commerce Holding Company	(12,876,826)	(13,616,103)
MAPFRE Insurance Company of New York	(96,139)	(337,881)
MAPFRE Insurance Company of Florida	10,634	(65,699)
MAPFRE Insurance Company	56,562	110,997
	\$ (26,187,064)	\$ (17,122,036)

E. Guarantees or Contingencies for Related Parties

None

F. Management, Service Contracts, Cost Sharing Arrangements

The "Management Cost Allocation Agreement" provides that the Company is charged or reimbursed for services rendered by the Company or its insurance affiliates and entails 1) investment related and 2) non-investment related services. Costs pertaining to investment related services are actual costs borne by the Company which, per agreement, were determined to be the total rate of 15 basis points per annum times the investment balance at each regular calendar quarter. The non-investment related charges are costs borne by the Company and or its affiliates for functions supporting the affiliated companies. The fee shall be based upon recorded time spent by the Company and its affiliates in supporting the affiliated companies.

G. Nature of Relationships that Could Affect Operations

The outstanding shares of the Company are 100% owned by AHC and AHC is 5% owned by AAA of Southern New England, which is a producing agent of the Company.

H. Amount Deducted for Investment in Upstream Company

None

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

None

J. Writedown for Impairments of Investments in Affiliates

None

NOTES TO FINANCIAL STATEMENTS

K. Foreign Insurance Subsidiary Valued Using CARVM

None

L. Downstream Holding Company Valued Using Look-Through Method

None

Note 11 - Debt

A. Amount, Interest, Maturities, Collateral, Covenants

None

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

A. Defined Benefit Plans

None

B. Defined Contribution Plans

The Company's ultimate parent company, MUSA, sponsors a 401(k) retirement plan feature for which substantially all employees are eligible. See Note 12D.

C. Multiemployer Plans

None

D. Consolidated/Holding Company Plans

In 2009, MUSA's Board of Directors extended its Incentive Award (IA) program to include additional officers and management personnel of subsidiary companies. IAs entitles recipients to cash payments over three years based upon MUSA's results. During 2012 and 2011, 305,771 and 355,183 units, respectively, were issued to American Commerce officers and management personnel, resulting in direct expense of \$706,000 and \$501,000 of expense during 2012 and 2011 respectively. The direct expense differs from the pooled expense for each applicable company.

Year Granted	Awards Outstanding	Net Value per Award 12/31/12	Net Accrued Bal per Award 12/31/12
2012	305,771	\$ 1.99	\$ 616,826
2011	328,945	1.37	446,795
2010	345,013	1.00	343,279

Eligible employees of the Company may participate in a Company-sponsored 401(k) retirement plan. This 401(k) plan includes a matching contribution from the Company of 50% of the first 6% of eligible compensation contributed by the participant to the Plan. In addition to the matching contribution, profit sharing contributions shall be made by the Company with respect to each Plan year in an amount equal to 3% of each eligible participant's covered compensation (or in such different amount as may be determined by the Company).

E. Postemployment Benefits and Compensated Absences

The Company has no obligations to current or former employees for benefits after their employment but before their retirement.

F. Impact of Medicare Modernization Act on Postretirement Benefits

None

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

A. Outstanding Shares

The Company has 1,000,000 common stock shares authorized, 107,538 shares issued and outstanding. AHC owns 100% of the Company. All shares are Class A.

B. Dividend Rate of Preferred Stock

The Company has no preferred stock outstanding.

C., D, E and F. Dividend Restrictions

The maximum amount of dividends that can be paid by State of Ohio insurance companies to shareholders or policyholders without prior approval of the Insurance Commissioner is subject to restrictions. Without prior approval from the commissioner, dividends can not exceed the greatest of 10% of surplus, or net income for the 12 month period ending the 31st day of December.

The Company declared a common stock dividend of \$12,876,826 and \$13,616,103 to its parent company in December of 2012 and 2011, respectively.

Payment for the 2012 declaration was made on January 7, 2013. The dividend was fully accrued at December 31, 2012.

Payment for the 2011 declaration was made on January 6, 2012.

G. Multiple Surplus Advances

There are no restrictions on unassigned surplus.

NOTES TO FINANCIAL STATEMENTS

H. Company Stock Held for Special Purposes

The Company did not hold any stock for special purposes.

I. Changes in Special Surplus funds

None

J. Changes in Unassigned Funds

The portion of unassigned funds (surplus) represented or reduced by each item below follows:

1. Unrealized gains (losses):	\$ 330,723
2. Non-admitted asset value:	1,870,061
3. Separate account balances:	
4. Asset valuation reserves:	
5. Provision for reinsurance:	

K. Surplus Notes

The Company did not issue any surplus debentures or similar obligations.

L and M. Impact of Quasi-reorganizations

None

Note 14 - Contingencies

A (1) Contingent Commitments

None

A(2) Information concerning guarantees

a) Nature of guarantee

None

b) Potential future payments

None

c) Recourse provisions

None

d) Carrying amount of liability for guarantor's obligations

None

A(3) Aggregate compilation of guarantee obligations

None

B. Assessments

The Company is subject to assessments by the states in which it writes business. These amounts are expensed when received. The Company anticipates that there will be additional assessments from time to time relating to various insolvencies.

C. Gain Contingencies

None

D. Claims Related Extra Contractual Obligation and Bad Faith Losses

None

E. Product Warranties

None

NOTES TO FINANCIAL STATEMENTS

F. All Other Contingencies

The Company is a defendant in various legal actions arising from the normal course of business. These proceedings are considered to be ordinary to operations or without foundation in fact. Management is of the opinion that these actions will not have a material adverse effect on the financial statements of the Company.

Note 15 - Leases

A. Lessee Leasing Arrangements

In 2010, ACIC entered into a lease for a branch location in Carmel, Indiana. The lease, effective February 2011, is for a five year term expiring January, 2016. In addition to the minimum lease payment, ACIC is required to pay its pro rata share of the building's operating expenses, as defined.

In 2012, ACIC entered into a lease for a branch location in Westlake OH. The lease, effective August 2012, is for a five year term expiring July, 2017. In addition to the minimum lease payment, ACIC is required to pay its pro rata share of the building's operating expenses, as defined.

Rent expense for 2012 and 2011 was \$52,000 and \$32,000, respectively. At December 31, 2012 future minimum lease payments under non-cancelable operating leases are as follows:

Year	Minimum Rent
2013	\$ 65,000
2014	66,000
2015	67,000
2016	32,000
2017	17,000
	\$ 247,000

B. Lessor Leasing Arrangements

None

Note 16 - Information about Financial Instruments with Off-Balance Sheet Risk

A. Face or Contracts Amounts

None

B. Nature and Terms

None

C. Exposure to Credit Related Losses

None

D. Collateral Policy

None

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

A. Transfers or Receivables Reported as Sales

None

B. Transfers and Servicing of Financial Assets

None

C. Wash Sales

None

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

A. Administrative Services Only (ASO) Plans

None

B. Administrative Services Contract (ASC) Plans

None

C. Medicare or Similarly Structured Cost Based Reimbursement Contracts

None

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

A. None

NOTES TO FINANCIAL STATEMENTS**Note 20 –Fair Value Measurement**

A1. Summary of Financial Assets Measured and Reported at Fair Value 12/31/2012:					
Description	Level 1	Level 2	Level 3	Total	
Preferred Stock	\$ -	\$ 1,617,800	\$ -	\$ 1,617,800	
Bonds		331,618		331,618	
Common Stock					
Totals	\$ -	\$ 1,949,418	\$ -	\$ 1,949,418	

A2. Fair Value Measurement in Level 3 of the Fair Value Hierarchy

Of the financial assets measured and reported at fair value the company did not have financial assets categorized as Level 3 in the fair value hierarchy

Description	Beginning Balance at 1/1/2012	Transfers into Level 3	Transfers out of Level 3	Total Gains (Losses) Included in Net Income	Total Gains (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/12
Preferred Stock	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bonds	-	297,992	(262,384)	11,028	(18,244)	-	-	(28,392)	-	-
Common Stock	-	-	-	-	-	-	-	-	-	-
Totals	\$ -	\$ 297,992	\$ (262,384)	\$ 11,028	\$ (18,244)	\$ -	\$ -	\$ (28,392)	\$ -	\$ -

A3. The Company's policy is to recognize "transfers into" and "transfers out of" the Fair Value Hierarchy Levels on the actual date of the event or change in circumstances that caused the transfer.

A4. Financial Assets included in Level 1 of the Fair Value Hierarchy include US Treasury securities and exchange traded common stock where prices are obtained directly from active markets.

Financial Assets included in Level 2 of the Fair Value Hierarchy are securities prices by the Company's custodial bank and based on observable market data.

Financial Assets included in Level 3 of the Fair Value Hierarchy are securities priced utilizing broker quotes.

A5. The Company does not hold derivative assets or liabilities.

B. Other Fair Value Disclosures

Not Applicable

C. Aggregate Fair Value of all Financial Instruments by Hierarchical Level

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable
Bonds	\$ 178,622,587	\$ 166,711,271	\$ 6,407,648	\$ 172,214,940	\$ -	\$ -
Preferred Stock	\$ 2,398,880	\$ 2,398,756	\$ -	\$ 2,398,880	\$ -	\$ -
Common Stock	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 181,021,467	\$ 169,110,027	\$ 6,407,648	\$ 174,613,820	\$ -	\$ -

D. Not Practicable to Estimate Fair Value

None

Note 21 - Other Items

A. Extraordinary Items

In 2012 and 2011, State Wide Insurance Company (SWIC) and American Commerce Insurance Company (ACIC) entered into agreements with unaffiliated insurance companies for the purpose of the sale of "Youthful Male Operator Credits" (Class Credits) that can be used to reduce New York Automobile Insurance Plan (NYAIP) quota share obligations. These credits were derived from voluntary business written in 2011 and 2010 and applicable to the 2013 and 2012, respectively, quota obligations. The purchase prices of the credits derived from voluntary business written in 2011 and 2010 are listed below.

The total sale amounts for the LAD Credits are:

	2012	2011
ACIC	\$ 958,821	\$ 1,407,787
MIC-NY	246,179	495,552
	\$ 1,205,000	\$ 1,903,339

NOTES TO FINANCIAL STATEMENTS

The total amount of the sale was recorded as a credit to Underwriting Expenses (Underwriting Income) in ACIC and SWIC and pooled according to the Intercompany Pooling Agreement. See Note 26A for more information regarding the pooling agreement.

	2012		2011	
	Pooling %	Credit	Pooling %	Credit
Commerce Insurance Company	71.2%	\$ 857,960	75.0%	\$ 1,427,504
Citation Insurance Company	7.4%	\$ 89,170	8.6%	163,687
American Commerce Insurance Company	9.1%	\$ 109,655	8.1%	154,170
Commerce West Insurance Company	4.6%	\$ 55,430	3.6%	68,520
MAPFRE Insurance Company of New York	3.9%	\$ 46,995	2.7%	51,390
MAPFRE Insurance Company of Florida	2.1%	\$ 25,305	2.0%	38,068
MAPFRE Insurance Company	1.7%	\$ 20,485	0.0%	-
	100.0%	\$ 1,205,000	100.0%	\$ 1,903,339

The amount is recorded in each company's Annual Statement on Page 4 column 5 as prescribed by the New York Insurance Circular Letter 1985-16 dated October 21, 1985.

B. Troubled Debt Restructuring for Debtors

None

C. Other Disclosures

Assets in the amount of \$5,555,892 and \$5,541,265 at December 31, 2012 and 2011 respectively, were on deposit with government authorities as required by state law.

D. Uncollectible Premiums Receivable

At December 31, 2012 and 2011, the Company had admitted assets of \$45,263,362 and \$36,555,534, respectively, in premiums receivable due from policyholders and agents. The Company routinely assesses the collectability of these receivables. Based upon Company experience, less than 1% of the balance may become uncollectible and the potential loss is not material to the Company's financial condition. The Company maintained an allowance for uncollectible premiums receivable of \$200,000 as of December 31, 2012 and 2011 respectively.

E. Business Interruptions Insurance Recoveries

None

F. State Transferable Tax Credits

None

G. Subprime Mortgage-Related Exposure

None

Note 22 - Events Subsequent

None

Note 23 - Reinsurance

A. Unsecured Reinsurance Recoverables

None

B. Reinsurance Recoverables in Dispute

None

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 Reinsurance	
	Unearned Premium	Commission Equity	Unearned Premium	Commission Equity	Unearned Premium	Commission Equity
a. Affiliates	\$ 79,298,058	\$ -	\$ 150,842,868		\$ (71,544,810)	\$ -
b. All other	-	-	-	-	-	-
c. Totals	\$ 79,298,058	\$ -	\$ 150,842,868	\$ -	\$ (71,544,810)	\$ -
d. Direct Unearned Premium Reserve			\$ 150,842,868			

2. The Company had no additional or return commission, predicated on loss experience or on any other form of profit sharing arrangements in this annual statement as a result of existing contractual arrangements. No accrual was necessary.

	Direct	Assumed	Ceded	Net
Contingent Commissions	\$ -	\$ -	\$ -	\$ -
Sliding Scale Adjustments	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -

NOTES TO FINANCIAL STATEMENTS

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

D. Uncollectible Reinsurance

None

E. Commutation of Ceded Reinsurance

None

F. Retroactive Reinsurance

None

G. Reinsurance Accounted for as a Deposit

None

H. Runoff Agreements

None

Note 24 - Retrospectively Rated Contracts and Contracts Subject to Redetermination

A. The Company is a member company of American Nuclear Insurers (ANI). ANI is a voluntary, non-profit, unincorporated association of insurers through which members provide, on a several and not joint basis, property insurance protection and nuclear energy liability insurance protection. This protection covers hazards arising out of risks related to nuclear installations, operations or facilities. Membership is on a percentage participation basis with this percentage being applied through each pool in which the member participates. Members can increase their participation percentages at any time; however, this increase is only effective upon ANI Board of Directors approval. Members can also terminate or reduce their participation by giving written notice to the Association by June 30th of any calendar year with the effective date for the termination or reduction being December 31st of that year. Members may participate in the pool by being a direct writing member, a ceding member, an assuming member or any combination of the three.

B. Method Used to Record (Written or Earned)

American Commerce participates as a direct writing member. The reserve for retrospective premiums supplied by ANI typically represents 70% and 76% of the written premium. This reserve represents the portion of premiums that are withheld by ANI to cover all future paid losses and expenses. This reserve is recorded as unearned premium.

C. Amount and Percent of Net Retrospective Premiums

None

Calculation of Non-admitted Accrued Retrospective Premiums

None

Note 25 - Change in Incurred Losses and Loss Adjustment Expenses

A. Reasons for Changes in Prior Year Incurred

The estimated cost of loss and loss adjustment expenses attributable to insured events of prior years increased by \$2,694,018 during the current year. The deficiency of \$2,694,018 is approximately 4.0% of the unpaid losses and LAE of \$67,291,133 as of the end of the prior year-end. The deficiency is the result of the pooled results and not the Company on a stand-alone basis.

Effective January 1, 2012, the pooling agreement was expanded to include Affiliate Company MAPFRE Insurance Company of New Jersey. The prior year end balance utilized for unpaid loss in this computation and LAE reserves has been adjusted to the new pooling percentage for comparative purposes.

Note 26 - Intercompany Pooling Arrangements

A. Companies, Percentages, Lines of Business, Non-Affiliated Reinsurance, Right of Direct Recovery and Sharing of Schedule F Penalty and Write-offs and Amounts Due to/from Lead Entity Participants.

The Company and its insurance affiliates adopted an inter-company reinsurance pooling agreement in which the companies share underwriting profit and losses in proportion to the pool participation percentages. The pooling agreement permits all companies to rely on the capacity of the entire pool rather than on their own capital and surplus.

The pool participation percentages reflect the ratio of each subsidiary's policyholders' surplus to the aggregate policyholders' surplus. Effective January 1, 2012 the pooling agreement was expanded to include Affiliate Company MAPFRE Insurance Company of New Jersey. NAIC Code 23876. The pooling percentages were revised to reflect the ratio of each subsidiary's policyholders' surplus to the aggregate policyholders' surplus at June 30, 2011.

The percentages follow:

Company	NAIC Code	Pooling Percentage 2012	Pooling Percentage 2011
The lead company The Commerce Insurance Company	34754	71.2%	75.0%
Affiliate company Citation Insurance Company	40274	7.4%	8.6%
Affiliate company American Commerce Insurance Company	19941	9.1%	8.1%
Affiliate company Commerce West Insurance Company	13161	4.6%	3.6%
Affiliate company MAPFRE Insurance Company of New York	25275	3.9%	2.7%
Affiliate company MAPFRE Insurance Company of Florida	34932	2.1%	2.0%
Affiliate company MAPFRE Insurance Company	23876	1.7%	
		100.0%	100.0%

NOTES TO FINANCIAL STATEMENTS

Due to NAIC practices and procedures, the historical paid losses for Schedule P have been restated to the current pooled percentages. All lines of business that are written by all the companies are subject to intercompany pooling.

Commerce Insurance Company, as the lead company, assumes the direct business of its affiliates, including American Commerce Insurance Company. All external reinsurance, in the form of catastrophe, quota share, facultative and excess of loss contracts, are ceded to the external reinsurers by Commerce Insurance Company under the terms of the reinsurance contracts. Commerce then cedes the net business after external reinsurance back to its affiliates at the stated pooled participation percentages.

Note 27 - Structured Settlements

A. Reserves Released Due to the Purchase of Annuities

None

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

None

Note 28 - Health Care Receivables

None

Note 29 - Participating Policies

Not Applicable

Note 30 - Premium Deficiency Reserves

The Company evaluated the need to record a premium deficiency reserve as of the end of the current year. This evaluation was completed on February 19, 2013 and it was determined that the Company did not have a premium deficiency reserve. The Company anticipates investment income as a factor in the premium deficiency calculation.

Note 31 - High Deductibles

None

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

Not Applicable

Note 33 - Asbestos/Environmental Reserves

A., B. and C.

None

D. Five-Year Rollforward of Environmental Reserves, Direct, Assumed and Net

	2008	2009	2010	2011	2012
Environmental, Direct					
a. Beg Reserves incl case, bulk, IBNR & LAE	\$ 49,849	\$ 41,584	\$ 139,120	\$ 168,950	\$ 43,434
b. Loss & LAE Incurred	286,181	511,660	371,604	251,559	118,146
c. Calendar year payments for loss & LAE	294,446	414,124	341,774	377,075	107,831
d. End Reserves incl case, bulk, IBNR & LAE	<u>\$ 41,584</u>	<u>\$ 139,120</u>	<u>\$ 168,950</u>	<u>\$ 43,434</u>	<u>\$ 53,749</u>
Environmental, Assumed					
a. Beg Reserves incl case, bulk, IBNR & LAE	\$ 218,034	\$ 218,729	\$ 316,721	\$ 214,171	\$ 357,258
b. Loss & LAE Incurred	206,396	401,512	263,483	431,432	390,107
c. Calendar year payments for loss & LAE	205,701	303,520	366,033	288,345	453,238
d. End Reserves incl case, bulk, IBNR & LAE	<u>\$ 218,729</u>	<u>\$ 316,721</u>	<u>\$ 214,171</u>	<u>\$ 357,258</u>	<u>\$ 294,127</u>
Environmental, Net					
a. Beg Reserves incl case, bulk, IBNR & LAE	\$ 218,034	\$ 218,729	\$ 316,721	\$ 214,171	\$ 357,258
b. Loss & LAE Incurred	206,396	401,512	263,483	431,432	390,107
c. Calendar year payments for loss & LAE	205,701	303,520	366,033	288,345	453,238
d. End Reserves incl case, bulk, IBNR & LAE	<u>\$ 218,729</u>	<u>\$ 316,721</u>	<u>\$ 214,171</u>	<u>\$ 357,258</u>	<u>\$ 294,127</u>

E. Environmental IBNR and Bulk Reserve, Direct, Assumed and Net

None

NOTES TO FINANCIAL STATEMENTS

F. Environmental LAE Reserve, Direct, Assumed and Net

None

Note 34 - Subscriber Savings Accounts

None

Note 35 - Multiple Peril Crop Insurance

None

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. 12/31/2008
- 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. 12/31/2008
- 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). 03/17/2010
- 3.4 By what department or departments? _____

STATE OF 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 [X] No []
- 7.2 If yes,
- 7.21 State the percentage of foreign control94.880 %
- 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
SPAIN	CORPORATION

- 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, 5 TIMES SQUARE, NEW YORK NY 100036-6530
- 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?
Warren Ehrlich, F.C.A.S., Assistant Vice President - Officer - Actuary - Commerce Insurance Company 211 Main Street, Webster, MA 01570

Annual Statement for the year 2012 of the **American Commerce Insurance Company**
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 [] No [X]
 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount.

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).

N/A

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 \$.....5,555,892

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
---------------------------	--------------------------

Bank of New York Mellon One Wall Street, New York, NY

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
--	-----------	--------------

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.....166,711,272178,622,58911,911,317

30.2 Preferred stocks.....2,398,7552,398,880125

30.3 Totals.....169,110,027181,021,46911,911,442

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

Custodial Bank

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 [X] No []
- 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 [X] 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? \$.....1,397,005
- 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
NATIONAL LIABILITY & FIRE EXPENSE	349,251

- 34.1 Amount of payments for legal expenses, if any? \$.....229,667
- 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
JONES DAY	74,334
DEWEY & LEBOEUF	76,267

- 35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$.....72
- 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
NATIONAL INSURANCE CRIME BUREAU	72

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.....	\$.....163,445,328	\$.....147,461,016
2.3 Premium Ratio (2.1/2.2).....	.....0.0	.....0.0
2.4 Reserve Numerator.....	\$.....78,865	\$.....0
2.5 Reserve Denominator.....	\$.....156,970,368	\$.....165,347,633
2.6 Reserve Ratio (2.4/2.5).....	.....0.1	.....0.0

- 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 [X]
 4.2 Does the reporting entity issue non-assessable policies? Yes [] No [X]
 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 [X]
 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:

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

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?

N/A

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's estimated combined total loss for The Commerce Insurance Company, Citation Insurance Company, American Commerce Insurance Company, Commerce West Insurance Company, Mapfre Insurance Company of Florida, Mapfre Insurance Company of New York, and Mapfre Insurance Company on other than automobile business, was calculated by two catastrophe modeling companies, Risk Management Solutions Risklink (Version 11.0) and Applied Insurance Research Classic 2 (Version 12.0). The estimated amount from these two companies' analysis amounted to \$875 million for a 100 year loss and \$1.7 billion for a 250 year loss event. Mapfre Florida's estimated combined total loss was also calculated by two catastrophe modeling companies, Risk Management Solutions Risklink (Version 11.0) and Applied Insurance Research Classic (Version 12.0). The average estimated amount from these two companies' analyses amounted to \$60 million for a 100 year loss and \$93 million for a 250 year loss event.

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?

Effective July 1, 2012, The Company and affiliated companies placed two integrated reinsurance programs -- one specifically for Mapfre Florida and one for the other companies with some Florida protection. The Florida program has three layers: (1st) \$15 million x \$10 million; (2nd) \$25 million x \$25 million; and (3rd) \$25 million x \$50 million. The other program has five layers: (1st) \$50 million x \$50 million; (2nd) \$150 million x \$100 million; (3rd) \$200 million x \$250 million; (4th) \$350 million x \$450 million; (5th) \$200 million x \$800 million.

Various retention levels are used across each of the layers. The program does not cover comprehensive automobile; however, it does cover all Fair Plan-type participation in excess of reinsurance purchased by any of the Plans. The Company will have no additional reinsurance recoveries for a single event catastrophe in excess of a total loss of \$1 billion, including Fair Plan type losses. Mapfre Florida will have no additional reinsurance recoveries for a single event catastrophe in excess of a total loss of \$75 million. Mapfre Florida is a participant in the intercompany pooling agreement; therefore, their net result would be substantially lower than the above figures.

The lines of business classified as property and covered under the new Catastrophe Reinsurance Program include fire, allied lines, homeowners, inland marine, special multi-peril and business owner policies. In addition, Personal and Commercial Physical Damage is covered for only those policies written by Mapfre Florida.

In addition effective 7/1/2012 The Company and its affiliated insurance companies signed a 28% quota share agreement covering all property and and casualty non-auto business, excluding both Umbrella and General Liability, and also excluding Florida other than auto business. This agreement contains single event and annual aggregate caps of approximately 278% and 325% of ceded premiums, respectively.

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.

.....1

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 [] No [X]

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:

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

- 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 [] No [X]
- 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
 - (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
 - (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:
- 12.11 Unpaid losses \$.....0
 - 12.12 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 [] N/A [X]
- 12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
- 12.41 From%
 - 12.42 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 [] No [X]
- 12.6 If yes, state the amount thereof at December 31 of current year:
- 12.61 Letters of credit
 - 12.62 Collateral and other funds
- 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$.....2,000,000
- 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 [X] No []
- 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.1
- 14.1 Is the company a cedant in a multiple cedant reinsurance contract? Yes [] No [X]
- 14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:
-
- 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 [] 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:
-

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

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).....	204,566,807	206,292,482	210,201,875	191,215,009	163,141,977
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	114,883,012	111,047,034	111,913,916	102,135,072	96,975,487
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	105,805,725	100,389,872	93,095,860	75,078,112	59,253,620
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....					
5. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
6. Total (Line 35).....	425,255,544	417,729,388	415,211,651	368,428,193	319,371,084
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).....	88,446,872	77,457,235	74,935,279	71,343,845	75,367,795
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	58,786,241	50,741,852	48,431,779	45,438,059	46,877,160
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	21,041,930	22,069,317	20,566,562	19,157,147	17,160,799
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....					
11. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
12. Total (Line 35).....	168,275,043	150,268,404	143,933,620	135,939,051	139,405,754
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8).....	(3,715,421)	(12,417,477)	(3,498,603)	1,683,710	5,723,933
14. Net investment gain (loss) (Line 11).....	10,783,472	13,538,664	14,444,406	10,581,002	(1,618,310)
15. Total other income (Line 15).....	1,702,664	1,841,363	1,910,039	1,417,157	1,084,005
16. Dividends to policyholders (Line 17).....					
17. Federal and foreign income taxes incurred (Line 19).....	2,028,729	(756,476)	3,348,629	3,503,209	3,984,692
18. Net income (Line 20).....	6,741,986	3,719,026	9,507,213	10,178,660	1,204,936
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3).....	312,778,669	366,491,545	360,787,857	361,005,514	348,631,852
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 15.1).....	45,263,362	36,555,534	39,141,309	35,925,981	17,673,414
20.2 Deferred and not yet due (Line 15.2).....					
20.3 Accrued retrospective premiums (Line 15.3).....					
21. Total liabilities excluding protected cell business (Page 3, Line 26).....	194,627,508	237,723,288	224,626,825	227,189,962	209,259,186
22. Losses (Page 3, Line 1).....	53,198,460	46,892,915	51,160,721	51,320,182	56,142,454
23. Loss adjustment expenses (Page 3, Line 3).....	14,400,154	12,596,450	12,558,744	11,904,332	12,516,061
24. Unearned premiums (Page 3, Line 9).....	79,298,057	74,468,342	71,660,954	66,598,646	66,219,810
25. Capital paid up (Page 3, Lines 30 & 31).....	3,226,140	3,226,140	3,226,140	3,226,140	3,226,140
26. Surplus as regards policyholders (Page 3, Line 37).....	118,151,160	128,768,257	136,161,032	133,815,552	139,372,666
Cash Flow (Page 5)					
27. Net cash from operations (Line 11).....	9,755,826	(7,478,444)	(347,558)	(4,436,119)	9,980,164
Risk-Based Capital Analysis					
28. Total adjusted capital.....	118,151,160	127,786,107	136,161,032	133,815,552	139,372,666
29. Authorized control level risk-based capital.....	8,737,449	7,891,853	7,367,407	7,331,343	8,813,690
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	89.7	94.1	90.1	76.7
31. Stocks (Lines 2.1 & 2.2).....	1.4	3.2	1.8	6.7	8.9
32. Mortgage loans on real estate (Lines 3.1 & 3.2).....					
33. Real estate (Lines 4.1, 4.2 & 4.3).....	1.0	1.0	0.9	0.6	0.8
34. Cash, cash equivalents and short-term investments (Line 5).....	3.7	6.1	3.3	2.6	13.7
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).....	330,723	273,012	2,707,151	1,217,808	(1,746,199)
52. Dividends to stockholders (Line 35).....	(12,876,826)	(13,616,103)	(13,381,555)	(13,936,923)	
53. Change in surplus as regards policyholders for the year (Line 38).....	(10,617,097)	(7,392,775)	2,345,480	(5,557,114)	(6,274,411)
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).....	134,440,568	136,783,569	123,389,566	106,519,337	102,303,955
55. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	73,517,396	76,407,434	67,881,046	57,835,950	58,972,967
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	65,209,515	72,135,804	46,730,509	39,336,621	42,198,983
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	(164,505)				
58. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	(11,322)				
59. Total (Line 35).....	272,991,652	285,326,807	238,001,121	203,691,908	203,475,905
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).....	51,186,560	53,398,845	47,597,646	47,386,879	46,572,457
61. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	32,819,394	33,260,337	29,314,099	28,996,100	29,260,358
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	12,643,980	19,342,733	10,012,513	9,217,001	7,793,473
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	(164,505)				
64. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	(11,322)				
65. Total (Line 35).....	96,474,107	106,001,915	86,924,258	85,599,980	83,626,288
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).....	62.9	69.0	62.5	59.6	56.3
68. Loss expenses incurred (Line 3).....	12.1	12.2	12.1	11.8	11.7
69. Other underwriting expenses incurred (Line 4).....	27.3	27.3	28.1	27.4	28.0
70. Net underwriting gain (loss) (Line 8).....	(2.3)	(8.4)	(2.5)	1.2	4.0
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).....	25.5	25.5	25.7	26.3	28.0
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	75.0	81.2	74.5	71.4	68.0
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).....	142.4	116.7	105.7	101.6	100.0
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).....	1,655	(304)	(4,501)	(4,428)	(4,793)
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).....	1.3	(0.2)	(3.4)	(3.2)	(3.3)
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).....	2,471	(2,985)	(5,715)	(7,533)	(5,409)
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).....	1.8	(2.2)	(4.1)	(5.2)	(4.1)

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	(227)	72	21	15	19		8	(274)	XXX
2. 2003.....	161,726	21,483	140,243	102,226	15,809	3,945	420	10,984	1,205	18,454	99,722	XXX
3. 2004.....	185,212	24,943	160,269	104,878	18,393	4,247	513	12,005	1,313	19,401	100,911	XXX
4. 2005.....	195,509	29,131	166,378	120,235	31,145	4,709	481	12,570	1,376	20,995	104,512	XXX
5. 2006.....	186,209	19,887	166,321	94,904	11,442	3,802	484	12,353	1,116	20,344	98,017	XXX
6. 2007.....	183,403	16,196	167,207	100,380	10,138	3,870	546	14,483	1,214	21,962	106,836	XXX
7. 2008.....	172,896	14,602	158,294	100,432	8,589	3,412	414	15,412	910	21,369	109,343	XXX
8. 2009.....	160,989	9,817	151,172	94,475	4,020	3,034	225	14,345	453	20,877	107,155	XXX
9. 2010.....	164,514	8,305	156,209	98,820	1,680	2,768	100	14,408	185	21,858	114,030	XXX
10. 2011.....	174,927	8,779	166,148	105,984	916	1,561	21	16,165	179	22,081	122,594	XXX
11. 2012.....	176,777	13,332	163,445	68,277	1,840	460	125	13,033	157	12,983	79,649	XXX
12. Totals.....	XXX	XXX	XXX	990,386	104,044	31,830	3,343	135,775	8,107	200,332	1,042,496	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.....	463	40	55	3	12	2	24	14	51		0	545	XXX
2. 2003.....	85	30	(51)	(5)	9	4	13	9	15		2	33	XXX
3. 2004.....	119	39	(55)	0	18	9	20	14	16		8	57	XXX
4. 2005.....	266	43	(107)	(13)	43	20	19	12	38		12	199	XXX
5. 2006.....	481	61	(153)	(17)	129	23	4	43	77		28	429	XXX
6. 2007.....	994	141	(465)	(37)	243	39	10	48	90	2	53	679	XXX
7. 2008.....	2,179	229	(1,075)	(57)	449	52	9	52	173	5	94	1,454	XXX
8. 2009.....	4,138	464	(1,419)	(145)	940	59	27	59	364	5	232	3,608	XXX
9. 2010.....	8,139	315	(2,384)	60	1,308	48	15	49	675		723	7,281	XXX
10. 2011.....	13,475	685	(3,044)	244	2,246	88	(36)	38	1,168		2,295	12,755	XXX
11. 2012.....	20,909	1,111	14,861	1,026	3,773	62	380	14	2,848		10,555	40,558	XXX
12. Totals.....	51,249	3,158	6,166	1,059	9,169	405	487	354	5,515	12	14,003	67,598	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	475	70
2. 2003.	117,226	17,471	99,755	72.5	81.3	71.1			9.10	9	24
3. 2004.	121,249	20,281	100,968	65.5	81.3	63.0			9.10	25	31
4. 2005.	137,773	33,063	104,710	70.5	113.5	62.9			9.10	130	69
5. 2006.	111,598	13,152	98,446	59.9	66.1	59.2			9.10	284	145
6. 2007.	119,606	12,091	107,515	65.2	74.7	64.3			9.10	425	254
7. 2008.	120,991	10,195	110,796	70.0	69.8	70.0			9.10	933	521
8. 2009.	115,904	5,140	110,764	72.0	52.4	73.3			9.10	2,401	1,208
9. 2010.	123,749	2,438	121,311	75.2	29.4	77.7			9.10	5,380	1,900
10. 2011.	137,520	2,171	135,349	78.6	24.7	81.5			9.10	9,503	3,253
11. 2012.	124,542	4,335	120,207	70.5	32.5	73.5			9.10	33,633	6,925
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	53,198	14,400

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.....	29,118	27,901	32,118	31,990	32,025	31,506	31,326	31,377	31,479	31,173	(306)	(204)
2. 2003.....	95,094	91,017	90,523	90,092	90,131	90,112	89,920	89,948	89,946	89,961	15	13
3. 2004.....	XXX	96,608	91,655	90,655	90,022	90,179	90,019	90,085	90,134	90,260	125	174
4. 2005.....	XXX	XXX	97,259	94,889	93,922	93,378	93,512	93,464	93,395	93,479	84	15
5. 2006.....	XXX	XXX	XXX	91,653	89,037	88,156	87,096	86,645	86,944	87,131	187	486
6. 2007.....	XXX	XXX	XXX	XXX	98,759	94,981	93,683	93,234	93,716	94,158	442	924
7. 2008.....	XXX	XXX	XXX	XXX	XXX	97,575	95,627	94,865	95,442	96,127	686	1,263
8. 2009.....	XXX	XXX	XXX	XXX	XXX	XXX	99,022	95,731	96,034	96,513	479	782
9. 2010.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	107,396	105,376	106,414	1,038	(982)
10. 2011.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	119,291	118,195	(1,095)	XXX
11. 2012.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	104,483	XXX	XXX
12. Totals.....											1,655	2,471

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	11,841	23,674	27,906	29,584	30,302	30,335	30,518	30,971	30,679	XXX	XXX
2. 2003.....	54,294	74,620	80,950	85,258	87,544	88,920	89,469	89,677	89,855	89,942	XXX	XXX
3. 2004.....	XXX	54,663	74,570	81,533	85,553	87,963	89,111	89,725	90,076	90,219	XXX	XXX
4. 2005.....	XXX	XXX	58,461	78,574	84,889	89,262	91,467	92,693	93,123	93,318	XXX	XXX
5. 2006.....	XXX	XXX	XXX	54,070	73,064	79,301	83,148	85,236	86,338	86,780	XXX	XXX
6. 2007.....	XXX	XXX	XXX	XXX	59,660	79,462	86,071	89,813	92,282	93,567	XXX	XXX
7. 2008.....	XXX	XXX	XXX	XXX	XXX	60,556	82,289	88,325	92,669	94,842	XXX	XXX
8. 2009.....	XXX	XXX	XXX	XXX	XXX	XXX	62,196	82,272	89,015	93,264	XXX	XXX
9. 2010.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	67,758	91,820	99,808	XXX	XXX
10. 2011.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	83,645	106,608	XXX	XXX
11. 2012.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	66,773	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.....	2,303	712	101	320	242	84	(86)	56	37	62
2. 2003.....	13,444	2,572	995	3	51	(107)	(321)	(104)	(89)	(42)
3. 2004.....	XXX	14,868	2,927	1,155	58	(99)	(425)	(144)	(181)	(49)
4. 2005.....	XXX	XXX	15,227	3,030	1,147	(118)	(407)	(84)	(213)	(85)
5. 2006.....	XXX	XXX	XXX	12,960	2,748	1,087	(197)	3	(442)	(174)
6. 2007.....	XXX	XXX	XXX	XXX	13,237	2,567	92	(278)	(807)	(466)
7. 2008.....	XXX	XXX	XXX	XXX	XXX	12,086	1,470	796	(966)	(1,061)
8. 2009.....	XXX	XXX	XXX	XXX	XXX	XXX	12,179	2,188	(814)	(1,306)
9. 2010.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	11,965	(772)	(2,478)
10. 2011.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	10,349	(3,362)
11. 2012.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	14,201

American Commerce Insurance Company 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	L	402,885	180,482		18,896	14,600	34,782		
2. Alaska.....AK	L	105,708	106,784		33,074	40,563	13,556		
3. Arizona.....AZ	L	7,579,975	7,431,848		5,289,977	5,393,358	1,845,127	32,593	
4. Arkansas.....AR	L	295,512	194,257		156,057	141,409	101,810		
5. California.....CA	L	496,621	193,059			21,902	21,902		
6. Colorado.....CO	L	78,597	186,131		294,293	281,098	150,997		
7. Connecticut.....CT	L	20,034,375	13,548,398		6,153,647	8,835,315	4,588,560	140,866	
8. Delaware.....DE	L	192,146	219,775		126,678	1,171,460	1,222,572		
9. District of Columbia.....DC	L	13,137	11,649			(673)	8,277		
10. Florida.....FL	L	920,400	218,757		(34)	85,429	85,463		
11. Georgia.....GA	L	775,548	666,240		95,481	104,414	148,438		
12. Hawaii.....HI	L	46,993	45,929		1,056	1,943	3,438		
13. Idaho.....ID	L	2,978,865	2,921,875		1,799,014	1,608,939	751,081	15,355	
14. Illinois.....IL	L	1,625,911	843,010		291,304	128,465	817,623		
15. Indiana.....IN	L	7,647,516	7,578,463		7,147,602	7,204,248	2,664,941	103,608	
16. Iowa.....IA	L	124,704	61,401		14,690	18,417	14,439		
17. Kansas.....KS	L	265,871	277,183		58,385	84,812	76,935		
18. Kentucky.....KY	L	3,912,830	3,543,430		2,976,483	2,152,227	2,037,677	27,904	
19. Louisiana.....LA	L	1,010,449	730,428		187,704	215,776	497,110		
20. Maine.....ME	L	52,111	57,658		5,877	5,775	163,567		
21. Maryland.....MD	L	142,749	(10,201)		11,906	9,459	41,301		
22. Massachusetts.....MA	L	176,678	46,999		4,547	(2,456)	47,082		
23. Michigan.....MI	L	733,702	498,577		120,446	161,792	111,629		
24. Minnesota.....MN	L	462,608	313,499		71,460	74,837	50,073		
25. Mississippi.....MS	L	155,760	151,481		10,798	1,488	55,964		
26. Missouri.....MO	L	328,342	243,518		45,973	32,794	89,324		
27. Montana.....MT	L	32,915	26,158		12,864	6,663	15,593		
28. Nebraska.....NE	L	307,099	147,289		29,429	82,764	90,066		
29. Nevada.....NV	L	185,921	149,279		28,403	463,057	467,853		
30. New Hampshire.....NH	L	230,027	123,212		16,411	54,754	56,983		
31. New Jersey.....NJ	L	63,344,341	56,132,063		45,492,462	55,848,381	26,031,050	274,518	
32. New Mexico.....NM	L	72,703	35,594		(404,805)	(399,611)	14,027		
33. New York.....NY	L	9,608,109	28,096,096		26,181,462	25,028,968	20,977,890	176,160	
34. North Carolina.....NC	L	770,078	454,019		249,398	344,572	122,356		
35. North Dakota.....ND	L	40,097	58,333		15,388	16,412	7,761		
36. Ohio.....OH	L	17,094,040	16,917,798		14,376,859	12,530,300	7,208,105	133,701	
37. Oklahoma.....OK	L	171,507	201,467		699,950	295,131	1,035,436		
38. Oregon.....OR	L	23,388,060	23,275,200		13,918,991	12,641,249	8,655,344	124,980	
39. Pennsylvania.....PA	L	1,306,209	2,043,005		78,283	123,285	2,145,258		
40. Rhode Island.....RI	L	36,004,735	35,474,978		20,725,018	21,647,668	18,157,987	208,508	
41. South Carolina.....SC	L	731,562	265,184		42,204	49,102	34,000		
42. South Dakota.....SD	L	10,592	10,822		3,832	23,101	184,859		
43. Tennessee.....TN	L	8,162,340	5,484,665		5,030,035	4,294,525	1,071,830	46,216	
44. Texas.....TX	L	2,368,588	3,000,674		579,090	1,102,649	1,084,033		
45. Utah.....UT	L	179,094	200,781		9,343	39,147	61,411		
46. Vermont.....VT	L	2,435	(49,397)		554	1,170	3,102		
47. Virginia.....VA	L	564,478	336,830		37,164	84,895	89,918		
48. Washington.....WA	L	41,378,944	42,320,130		24,426,365	23,640,199	20,478,669	360,605	
49. West Virginia.....WV	L	(3,367)	1,114,055		32	(313)	26,887		
50. Wisconsin.....WI	L	466,763	(780,816)		45,248	58,176	62,496		
51. Wyoming.....WY	L	3,238	529		8,252	7,082	10,709		
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) ..51		256,980,501	255,298,578	0	176,517,546	185,770,717	123,737,291	1,645,014	0

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;

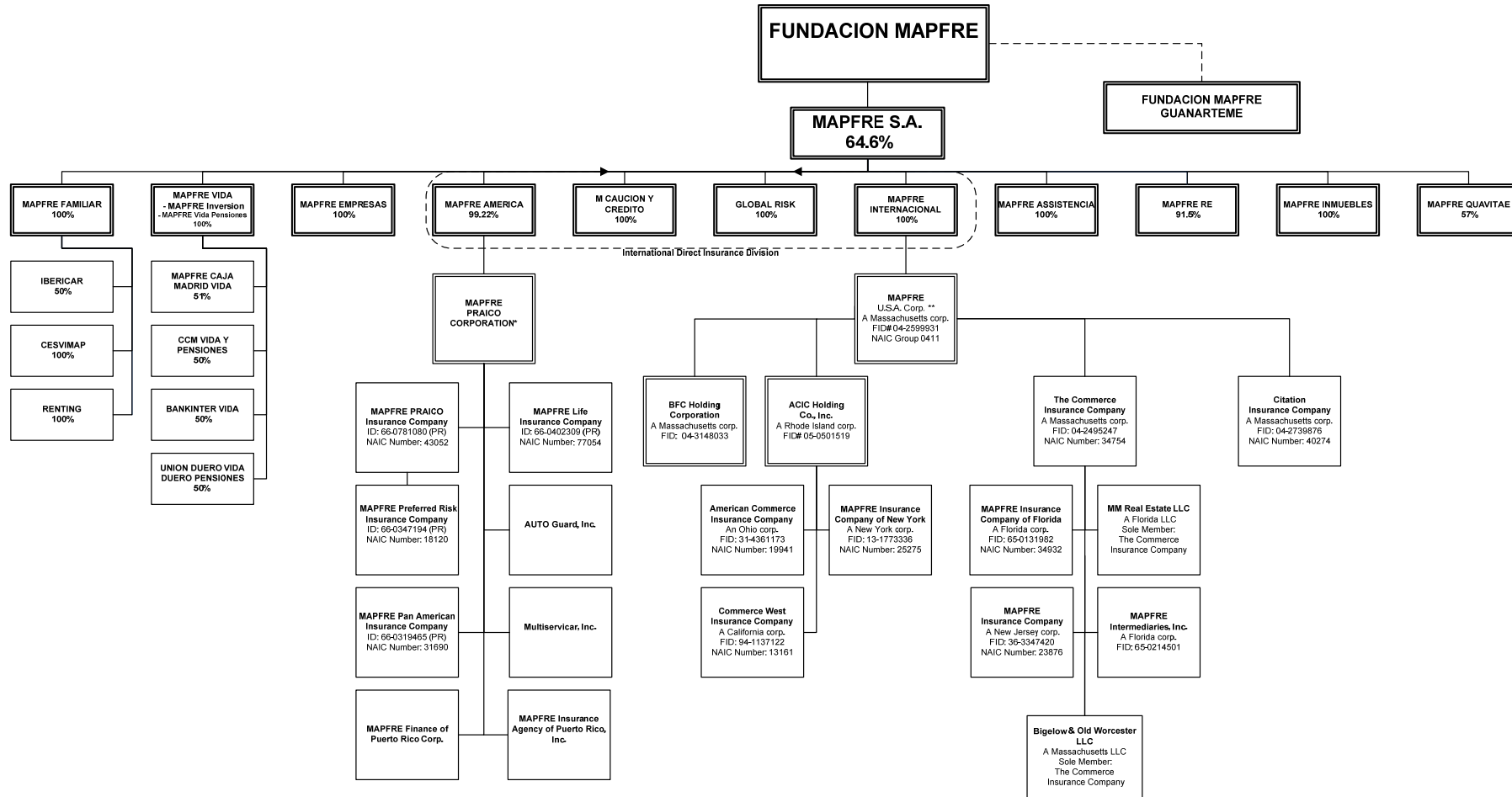
(E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to write business in the state.

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

Premiums are allocated to those state where the insured risks are located: principal garage for automobile, physical address for homeowners, commercial multiple peril and other liability.

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

PART 1 – ORGANIZATIONAL CHART



* All subsidiaries of MAPFRE PRAICO Corporation are 100% owned by their parent companies, except MAPFRE Preferred Risk Insurance Company which is 100% owned by MAPFRE PRAICO Insurance Company.

** All subsidiaries of MAPFRE U.S.A. Corp. are 100% owned by their parent companies, except ACIC Holding Co., Inc. which is 5% owned by AAA Southern New England and 0.05% owned by AAA Ohio Auto Club and AAA Oregon / Idaho each.

2012 ALPHABETICAL INDEX -- PROPERTY & CASUALTY ANNUAL STATEMENT BLANK

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