

**AMENDED EXPLANATION COVER**

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**ANNUAL STATEMENT**  
 FOR THE YEAR ENDED DECEMBER 31, 2012  
 OF THE CONDITION AND AFFAIRS OF THE  
**OHIO INDEMNITY COMPANY**

NAIC Group Code 0000, \_\_\_\_\_, NAIC Company Code 26565 Employer's ID Number 31-0620146  
(Current Period) (Prior Period)

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

Country of Domicile US

Incorporated/Organized February 11, 1956 Commenced Business July 24, 1956

Statutory Home Office 250 East Broad Street, 7th Floor, Columbus, Ohio 43215  
(Street and Number, City or Town, State, Country and Zip Code)

Main Administrative Office 250 East Broad Street, 7th Floor, Columbus, Ohio 43215 (614) 228-2800  
(Street and Number, City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 250 East Broad Street, 7th Floor, Columbus, Ohio 43215  
(Street and Number or P. O. Box, City or Town, State, Country and Zip Code)

Primary Location of Books and Records 250 East Broad Street, 7th Floor, Columbus, Ohio 43215  
(Street and Number, City or Town, State, Country and Zip Code)  
(614) 228-2800  
(Area Code) (Telephone Number)

Internet Website Address www.Ohioindemnity.com

Statutory Statement Contact Matthew Christopher Nolan (614) 220-5207  
(Name) (Area Code) (Telephone Number) (Extension)  
mnolan@ohioindemnity.com (614) 228-5552  
(E-Mail Address) (Fax Number)

**OFFICERS**

John Scott Sokol (CEO and President)  
 Matthew Christopher Nolan (Treasurer)  
 Matthew Christopher Nolan (Secretary)

**OTHER OFFICERS**

Daniel John Stephan  
 Stephen John Toth  
 Margaret Ann Noreen

**DIRECTORS OR TRUSTEES**

Kenton Robert Bowen  
 Ann Marie LoConti  
 Robert W Price  
 John Scott Sokol  
 Matthew Douglas Walter

State of Ohio }  
 County of Franklin } SS

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

\_\_\_\_\_  
 John Scott Sokol  
 CEO and President

\_\_\_\_\_  
 Matthew Christopher Nolan  
 Treasurer

\_\_\_\_\_  
 Matthew Christopher Nolan  
 Secretary

Subscribed and sworn to before me this  
 15 day of February, 2013

- a. Is this an original filing? Yes (X) No ( )
- b. If no: 1. State the amendment number \_\_\_\_\_
2. Date filed \_\_\_\_\_
3. Number of pages attached \_\_\_\_\_

**ASSETS**

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Col 1 - Col 2)	4 Net Admitted Assets
1. Bonds (Schedule D) .....	75,507,396		75,507,396	68,897,261
2. Stocks (Schedule D):				
2.1 Preferred stocks .....	7,891,961		7,891,961	7,506,412
2.2 Common stocks .....	2,563,016		2,563,016	10,760,596
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....				
3.2 Other than first liens .....				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....				
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....				
4.3 Properties held for sale (less \$ ..... encumbrances) .....				
5. Cash (\$ ..... 16,360,722 , Schedule E - Part 1), cash equivalents (\$ ..... , Schedule E - Part 2) and short-term investments (\$ ..... 6,944,668 , Schedule DA) .....	23,305,390		23,305,390	13,442,850
6. Contract loans (including \$ ..... premium notes) .....				
7. Derivatives (Schedule DB) .....				
8. Other invested assets (Schedule BA) .....				
9. Receivables for securities .....	500,000		500,000	527,147
10. Securities lending reinvested collateral assets (Schedule DL) .....				
11. Aggregate write-ins for invested assets .....				
12. Subtotals, cash and invested assets (Line 1 through Line 11) .....	109,767,763		109,767,763	101,134,266
13. Title plants less \$ ..... charged off (for Title insurers only) .....				
14. Investment income due and accrued .....	980,625		980,625	989,109
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	5,527,126	58,912	5,468,214	5,983,906
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....				
15.3 Accrued retrospective premiums .....				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	1,649,023		1,649,023	1,082,896
16.2 Funds held by or deposited with reinsured companies .....				
16.3 Other amounts receivable under reinsurance contracts .....				
17. Amounts receivable relating to uninsured plans .....				
18.1 Current federal and foreign income tax recoverable and interest thereon .....				
18.2 Net deferred tax asset .....	2,418,860		2,418,860	2,745,778
19. Guaranty funds receivable or on deposit .....				
20. Electronic data processing equipment and software .....				
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....	131,806	131,806		
22. Net adjustment in assets and liabilities due to foreign exchange rates .....				
23. Receivables from parent, subsidiaries and affiliates .....	778,945		778,945	
24. Health care (\$ ..... ) and other amounts receivable .....				
25. Aggregate write-ins for other than invested assets .....	30,798	30,798		
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Line 12 to Line 25) .....	121,284,946	221,516	121,063,430	111,935,955
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
28. Total (Line 26 and Line 27) .....	121,284,946	221,516	121,063,430	111,935,955
<b>DETAILS OF WRITE-INS</b>				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....				
1199. Totals (Line 1101 through Line 1103 plus Line 1198) (Line 11 above) .....				
2501. Other Accounts Receivable .....				
2502. Deferred Expenses .....	30,798	30,798		
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....				
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above) .....	30,798	30,798		

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE OHIO INDEMNITY COMPANY

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8) .....	11,250,473	12,669,636
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6) .....		
3. Loss adjustment expenses (Part 2A, Line 35, Column 9) .....	209,415	316,365
4. Commissions payable, contingent commissions and other similar charges .....	2,481,794	3,639,008
5. Other expenses (excluding taxes, licenses and fees) .....	946,341	1,642,094
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	442,243	280,684
7.1 Current federal and foreign income taxes (including \$ ..... on realized capital gains (losses)) .....	1,817,753	1,627,932
7.2 Net deferred tax liability .....		
8. Borrowed money \$ ..... and interest thereon \$ .....		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ ..... 73,185,262 and including warranty reserves of \$ ..... 34,991 and accrued accident and health experience rating refunds including \$ ..... for medical loss ratio rebate per the Public Health Service Act) .....	41,692,397	29,427,160
10. Advance premium .....		
11. Dividends declared and unpaid:		
11.1 Stockholders .....		
11.2 Policyholders .....		
12. Ceded reinsurance premiums payable (net of ceding commissions) .....	3,528,679	3,339,174
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19) .....	1,376,577	684,746
14. Amounts withheld or retained by company for account of others .....	4,214,750	5,903,606
15. Remittances and items not allocated .....		
16. Provision for reinsurance (including \$ ..... 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 .....		282,176
20. Derivatives .....		
21. Payable for securities .....		715,625
22. Payable for securities lending .....		
23. Liability for amounts held under uninsured plans .....		
24. Capital notes \$ ..... and interest thereon \$ .....		
25. Aggregate write-ins for liabilities .....	7,914,450	6,215,443
26. Total liabilities excluding protected cell liabilities (Line 1 through Line 25) .....	75,874,872	66,743,649
27. Protected cell liabilities .....		
28. Total liabilities (Line 26 and Line 27) .....	75,874,872	66,743,649
29. Aggregate write-ins for special surplus funds .....		
30. Common capital stock .....	3,000,746	3,000,746
31. Preferred capital stock .....		
32. Aggregate write-ins for other than special surplus funds .....		
33. Surplus notes .....		
34. Gross paid in and contributed surplus .....	8,199,503	8,199,503
35. Unassigned funds (surplus) .....	33,988,309	33,992,057
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 30 \$ .....)		
36.2 ..... shares preferred (value included in Line 31 \$ .....)		
37. Surplus as regards policyholders (Line 29 to Line 35, less Line 36) (Page 4, Line 39) .....	45,188,558	45,192,306
38. Totals (Page 2, Line 28, Column 3) .....	121,063,430	111,935,955
<b>DETAILS OF WRITE-INS</b>		
2501. Reserve for Rate Credits and Retrospective Adjustment Based on Experience .....	7,914,450	6,215,443
2502. ....		
2503. ....		
2598. Summary of remaining write-ins for Line 25 from overflow page .....		
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above) .....	7,914,450	6,215,443
2901. ....		
2902. ....		
2903. ....		
2998. Summary of remaining write-ins for Line 29 from overflow page .....		
2999. Totals (Line 2901 through Line 2903 plus Line 2998) (Line 29 above) .....		
3201. ....		
3202. ....		
3203. ....		
3298. Summary of remaining write-ins for Line 32 from overflow page .....		
3299. Totals (Line 3201 through Line 3203 plus Line 3298) (Line 32 above) .....		

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE OHIO INDEMNITY COMPANY

**STATEMENT OF INCOME**

UNDERWRITING INCOME	1 Current Year	2 Prior Year
1. Premiums earned (Part 1, Line 35, Column 4) .....	46,000,549	45,335,324
DEDUCTIONS		
2. Losses incurred (Part 2, Line 35, Column 7) .....	10,786,773	13,900,768
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1) .....	1,266,860	1,459,387
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2) .....	24,794,030	22,955,079
5. Aggregate write-ins for underwriting deductions .....		
6. Total underwriting deductions (Line 2 through Line 5) .....	36,847,663	38,315,234
7. Net income of protected cells .....		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7) .....	9,152,886	7,020,090
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17) .....	3,767,871	3,980,355
10. Net realized capital gains (losses) less capital gains tax of \$ 303,628 (Exhibit of Capital Gains (Losses)) .....	2,627,138	1,151,682
11. Net investment gain (loss) (Line 9 plus Line 10) .....	6,395,009	5,132,037
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ ....., amount charged off \$ .....) .....		
13. Finance and service charges not included in premiums .....		
14. Aggregate write-ins for miscellaneous income .....	(143)	2,429,602
15. Total other income (Line 12 through Line 14) .....	(143)	2,429,602
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 8 plus Line 11 plus Line 15) .....	15,547,752	14,581,729
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) .....	15,547,752	14,581,729
19. Federal and foreign income taxes incurred .....	4,246,629	3,871,465
20. Net income (Line 18 minus Line 19) (to Line 22) .....	11,301,123	10,710,264
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2) .....	45,192,306	45,202,141
22. Net income (from Line 20) .....	11,301,123	10,710,264
23. Net transfers (to) from Protected Cell accounts .....		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 338,174 .....	656,455	(972,112)
25. Change in net unrealized foreign exchange capital gain (loss) .....		
26. Change in net deferred income tax .....	(1,124,210)	(139,840)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3) .....	595,151	91,571
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 .....	567,733	
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 .....	(12,000,000)	(9,700,000)
36. Change in treasury stock (Page 3, Line 36.1 and Line 36.2, Column 2 minus Column 1) .....		
37. Aggregate write-ins for gains and losses in surplus .....		282
38. Change in surplus as regards policyholders for the year (Line 22 through Line 37) .....	(3,748)	(9,835)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37) .....	45,188,558	45,192,306
<b>DETAILS OF WRITE-INS</b>		
0501. ....		
0502. ....		
0503. ....		
0598. Summary of remaining write-ins for Line 5 from overflow page .....		
0599. Totals (Line 0501 through Line 0503 plus Line 0598) (Line 5 above) .....		
1401. Settlement of prior year reserves .....		2,424,413
1402. Miscellaneous income .....	(5)	5,210
1403. Interest expense .....	(138)	(21)
1498. Summary of remaining write-ins for Line 14 from overflow page .....		
1499. Totals (Line 1401 through Line 1403 plus Line 1498) (Line 14 above) .....	(143)	2,429,602
3701. Surplus Correction .....		282
3702. ....		
3703. ....		
3798. Summary of remaining write-ins for Line 37 from overflow page .....		
3799. Totals (Line 3701 through Line 3703 plus Line 3798) (Line 37 above) .....		282

## CASH FLOW

	1	2
	Current Year	Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance	58,934,732	52,524,595
2. Net investment income	4,030,589	3,898,286
3. Miscellaneous income	(143)	2,429,602
4. Total (Line 1 through Line 3)	62,965,178	58,852,483
5. Benefit and loss related payments	12,772,063	11,794,806
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	27,845,086	22,613,098
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	4,352,436	3,373,445
10. Total (Line 5 through Line 9)	44,969,585	37,781,349
11. Net cash from operations (Line 4 minus Line 10)	17,995,593	21,071,134
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	37,683,812	14,508,326
12.2 Stocks	19,660,285	9,299,286
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds		188,478
12.8 Total investment proceeds (Line 12.1 through Line 12.7)	57,344,097	23,996,090
13. Cost of investments acquired (long-term only):		
13.1 Bonds	42,748,422	13,305,000
13.2 Stocks	9,728,909	16,915,787
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications	688,478	
13.7 Total investments acquired (Line 13.1 through Line 13.6)	53,165,809	30,220,787
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	4,178,288	(6,224,697)
<b>Cash from Financing and Miscellaneous Sources</b>		
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	12,000,000	12,300,000
16.6 Other cash provided (applied)	(311,341)	3,397,680
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(12,311,341)	(8,902,320)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	9,862,540	5,944,117
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	13,442,850	7,498,733
19.2 End of year (Line 18 plus Line 19.1)	23,305,390	13,442,850
Note: Supplemental disclosures of cash flow information for non-cash transactions:		
20.0001		
20.0002		
20.0003		
20.0004		
20.0005		
20.0006		
20.0007		
20.0008		
20.0009		
20.0010		

**CASH FLOW, Line 20 (Continued)**

OVERFLOW FOR Page 5, Cash Flow

Line Number	Details of Write-ins	1 Current Year	2 Prior Year
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**UNDERWRITING AND INVESTMENT EXHIBIT**

## PART 1 - PREMIUMS EARNED

Line of Business	1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums December 31 Prior Year- per Column 3, Last Year's Part 1	3 Unearned Premiums December 31 Current Year- per Column 5 Part 1A	4 Premiums Earned During Year (Columns 1 plus 2 minus 3)
1. Fire				
2. Allied lines				
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril				
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine	5,403,653	2,088,219	2,317,993	5,173,879
10. Financial guaranty				
11.1 Medical professional liability - occurrence				
11.2 Medical professional liability - claims-made				
12. Earthquake				
13. Group accident and health				
14. Credit accident and health (group and individual)				
15. Other accident and health				
16. Workers' compensation				
17.1 Other liability - occurrence	1,309,473	1,288,192	2,370,678	226,987
17.2 Other liability - claims-made				
17.3 Excess Workers' Compensation				
18.1 Products liability - occurrence				
18.2 Products liability - claims-made				
19.1, 19.2 Private passenger auto liability				
19.3, 19.4 Commercial auto liability				
21. Auto physical damage	4,177,071	2,042,813	4,161,321	2,058,563
22. Aircraft (all perils)				
23. Fidelity				
24. Surety	12,667,472	3,211,112	3,171,311	12,707,273
26. Burglary and theft				
27. Boiler and machinery				
28. Credit	12,885,253	11,174,736	15,487,499	8,572,490
29. International				
30. Warranty	34,876	36,543	34,991	36,428
31. Reinsurance - Nonproportional Assumed Property				
32. Reinsurance - Nonproportional Assumed Liability				
33. Reinsurance - Nonproportional Assumed Financial Lines				
34. Aggregate write-ins for other lines of business	23,281,180	15,800,992	21,857,243	17,224,929
35. TOTALS	59,758,978	35,642,607	49,401,036	46,000,549
<b>DETAILS OF WRITE-INS</b>				
3401. Collateral Protection	11,529,271	10,944,793	12,502,870	9,971,194
3402. Excess of Loss	2,336,386	154,105	132,722	2,357,769
3403. GAP	9,415,523	4,702,094	9,221,651	4,895,966
3498. Summary of remaining write-ins for Line 34 from overflow page				
3499. Totals (Line 3401 through Line 3403 plus Line 3498) (Line 34 above)	23,281,180	15,800,992	21,857,243	17,224,929

## UNDERWRITING AND INVESTMENT EXHIBIT

## PART 1A-RECAPITULATION OF ALL PREMIUMS

Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned but Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Columns 1 + 2 + 3 + 4
1. Fire					
2. Allied lines					
3. Farmowners multiple peril					
4. Homeowners multiple peril					
5. Commercial multiple peril					
6. Mortgage guaranty					
8. Ocean marine					
9. Inland marine	721,315	1,314,145		282,533	2,317,993
10. Financial guaranty					
11.1 Medical professional liability - occurrence					
11.2 Medical professional liability - claims-made					
12. Earthquake					
13. Group accident and health					
14. Credit accident and health (group and individual)					
15. Other accident and health					
16. Workers' compensation					
17.1 Other liability - occurrence	550,475	1,820,203			2,370,678
17.2 Other liability - claims-made					
17.3 Excess Workers' Compensation					
18.1 Products liability - occurrence					
18.2 Products liability - claims-made					
19.1, 19.2 Private passenger auto liability					
19.3, 19.4 Commercial auto liability					
21. Auto physical damage	2,388,423	1,772,898			4,161,321
22. Aircraft (all perils)					
23. Fidelity					
24. Surety	3,170,565	746			3,171,311
26. Burglary and theft					
27. Boiler and machinery					
28. Credit	6,538,052	8,957,753		(8,306)	15,487,499
29. International					
30. Warranty	9,282	25,709			34,991
31. Reinsurance - Nonproportional Assumed Property					
32. Reinsurance - Nonproportional Assumed Liability					
33. Reinsurance - Nonproportional Assumed Financial Lines					
34. Aggregate write-ins for other lines of business	10,732,470	3,484,549		7,640,224	21,857,243
35. TOTALS	24,110,582	17,376,003		7,914,451	49,401,036
36. Accrued retrospective premiums based on experience					(7,914,451)
37. Earned but unbilled premiums					
38. Balance (Sum of Line 35 through Line 37)					41,486,585
<b>DETAILS OF WRITE-INS</b>					
3401. Collateral Protection	4,358,198	445,004		7,699,668	12,502,870
3402. Excess of Loss	41,158	91,564			132,722
3403. GAP	6,333,114	2,947,981		(59,444)	9,221,651
3498. Summary of remaining write-ins for Line 34 from overflow page					
3499. Totals (Line 3401 through Line 3403 plus Line 3498) (Line 34 above)	10,732,470	3,484,549		7,640,224	21,857,243

(a) State here basis of computation used in each case.  
Surety, EOL, Auto Phys Damage, Warranty are Pro-Rata IM, Credit, Other Lia, Gap Are Rule of 78's

**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 1B-PREMIUMS WRITTEN**

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Columns 1 + 2 + 3 - 4 - 5
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire						
2. Allied lines						
3. Farmowners multiple peril						
4. Homeowners multiple peril						
5. Commercial multiple peril						
6. Mortgage guaranty						
8. Ocean marine						
9. Inland marine	50,279,456				44,875,803	5,403,653
10. Financial guaranty						
11.1 Medical professional liability - occurrence						
11.2 Medical professional liability - claims-made						
12. Earthquake						
13. Group accident and health						
14. Credit accident and health (group and individual)						
15. Other accident and health						
16. Workers' compensation						
17.1 Other liability - occurrence	1,309,473					1,309,473
17.2 Other liability - claims-made						
17.3 Excess Workers' Compensation						
18.1 Products liability - occurrence						
18.2 Products liability - claims-made						
19.1, 19.2 Private passenger auto liability						
19.3, 19.4 Commercial auto liability						
21. Auto physical damage	4,211,009				33,938	4,177,071
22. Aircraft (all perils)						
23. Fidelity						
24. Surety	10,108,962		5,204,546		2,646,036	12,667,472
26. Burglary and theft						
27. Boiler and machinery						
28. Credit	15,893,055				3,007,802	12,885,253
29. International						
30. Warranty	39,276				4,400	34,876
31. Reinsurance - Nonproportional Assumed Property	X X X					
32. Reinsurance - Nonproportional Assumed Liability	X X X					
33. Reinsurance - Nonproportional Assumed Financial Lines	X X X					
34. Aggregate write-ins for other lines of business	21,738,465		4,292,226		2,749,511	23,281,180
35. TOTALS	103,579,696		9,496,772		53,317,490	59,758,978
<b>DETAILS OF WRITE-INS</b>						
3401. Collateral Protection	11,604,315				75,044	11,529,271
3402. Excess of Loss	2,336,386					2,336,386
3403. GAP	7,797,764		4,292,226		2,674,467	9,415,523
3498. Summary of remaining write-ins for Line 34 from overflow page						
3499. Totals (Line 3401 through Line 3403 plus Line 3498) (Line 34 above)	21,738,465		4,292,226		2,749,511	23,281,180

(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 \$

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

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE OHIO INDEMNITY COMPANY

**UNDERWRITING AND INVESTMENT EXHIBIT**

PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5	6	7	8
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Columns 1 plus 2 minus 3)	Net Losses Unpaid Current Year (Part 2A, Column 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Columns 4 plus 5 minus 6)	Percentage of Losses Incurred (Column 7, Part 2) to Premiums Earned (Column 4, Part 1)
1. Fire								
2. Allied lines								
3. Farmowners multiple peril								
4. Homeowners multiple peril								
5. Commercial multiple peril								
6. Mortgage guaranty								
8. Ocean marine								
9. Inland marine	14,662,231		13,571,709	1,090,522	1,350,776	2,188,622	252,676	4.9
10. Financial guaranty								
11.1 Medical professional liability - occurrence								
11.2 Medical professional liability - claims-made								
12. Earthquake								
13. Group accident and health								
14. Credit accident and health (group and individual)								
15. Other accident and health								
16. Workers' compensation								
17.1 Other liability - occurrence	65,788			65,788	59,380	45,285	79,883	35.2
17.2 Other liability - claims-made								
17.3 Excess Workers' Compensation								
18.1 Products liability - occurrence								
18.2 Products liability - claims-made								
19.1, 19.2 Private passenger auto liability								
19.3, 19.4 Commercial auto liability								
21. Auto physical damage	462,285		11,816	450,469	419,968	246,471	623,966	30.3
22. Aircraft (all perils)								
23. Fidelity								
24. Surety	9,450	(2,751)		6,699	3,410,883	3,489,652	(72,070)	(0.6)
26. Burglary and theft								
27. Boiler and machinery								
28. Credit	2,881,810		981,335	1,900,475	2,592,062	2,314,536	2,178,001	25.4
29. International								
30. Warranty	18,312			18,312	56,464	73,957	819	2.2
31. Reinsurance- Nonproportional Assumed Property	X X X							
32. Reinsurance- Nonproportional Assumed Liability	X X X							
33. Reinsurance- Nonproportional Assumed Financial Lines	X X X							
34. Aggregate write-ins for other lines of business	9,511,061	176,639	1,014,028	8,673,672	3,360,940	4,311,115	7,723,497	44.8
35. TOTALS	27,610,937	173,888	15,578,888	12,205,937	11,250,473	12,669,638	10,786,772	23.4
<b>DETAILS OF WRITE-INS</b>								
3401. Collateral Protection	6,626,869		149,744	6,477,125	1,585,543	2,368,485	5,694,183	57.1
3402. Excess of Loss	1,331,766			1,331,766	680,875	876,000	1,136,641	48.2
3403. GAP	1,552,426	176,639	864,284	864,781	1,094,522	1,066,630	892,673	18.2
3498. Summary of remaining write-ins for Line 34 from overflow page								
3499. Totals (Line 3401 through Line 3403 plus Line 3498) (Line 34 above)	9,511,061	176,639	1,014,028	8,673,672	3,360,940	4,311,115	7,723,497	44.8

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE OHIO INDEMNITY COMPANY

**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 (Columns 4 plus 5 plus 6 minus 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 (Columns 1 plus 2 minus 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire									
2. Allied lines									
3. Farmowners multiple peril									
4. Homeowners multiple peril									
5. Commercial multiple peril									
6. Mortgage guaranty									
8. Ocean marine									
9. Inland marine	553,006		413,935	139,071	3,195,919		1,984,214	1,350,776	82,471
10. Financial guaranty									
11.1 Medical professional liability - occurrence									
11.2 Medical professional liability - claims-made									
12. Earthquake									
13. Group accident and health								(a)	
14. Credit accident and health (group and individual)								(a)	
15. Other accident and health									
16. Workers' compensation									
17.1 Other liability - occurrence					59,380			59,380	393
17.2 Other liability - claims-made									
17.3 Excess Workers' Compensation									
18.1 Products liability - occurrence									
18.2 Products liability - claims-made									
19.1, 19.2 Private passenger auto liability									
19.3, 19.4 Commercial auto liability									
21. Auto physical damage	5,971			5,971	422,646		8,649	419,968	12,368
22. Aircraft (all perils)									
23. Fidelity									
24. Surety					2,470,524	2,494,738	1,554,379	3,410,883	21,383
26. Burglary and theft									
27. Boiler and machinery									
28. Credit	349,584		24,999	324,585	2,916,647		649,170	2,592,062	51,071
29. International									
30. Warranty					56,464			56,464	106
31. Reinsurance- Nonproportional Assumed Property	X X X				X X X				
32. Reinsurance- Nonproportional Assumed Liability	X X X				X X X				
33. Reinsurance- Nonproportional Assumed Financial Lines	X X X				X X X				
34. Aggregate write-ins for other lines of business	260,453	77,541	29,823	308,171	3,580,278	142,921	670,430	3,360,940	41,623
35. TOTALS	1,169,014	77,541	468,757	777,798	12,701,858	2,637,659	4,866,842	11,250,473	209,415
<b>DETAILS OF WRITE-INS</b>									
3401. Collateral Protection	186,054		9,000	177,054	1,431,036		22,547	1,585,543	23,834
3402. Excess of Loss					680,875			680,875	4,900
3403. GAP	74,399	77,541	20,823	131,117	1,468,367	142,921	647,883	1,094,522	12,889
3498. Summary of remaining write-ins for Line 34 from overflow page									
3499. Totals (Line 3401 through Line 3403 plus Line 3498) (Line 34 above)	260,453	77,541	29,823	308,171	3,580,278	142,921	670,430	3,360,940	41,623

(a) Including \$ ..... 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	1,521,666			1,521,666
1.2 Reinsurance assumed				
1.3 Reinsurance ceded	883,952			883,952
1.4 Net claim adjustment services (Line 1.1 plus Line 1.2 minus Line 1.3)	637,714			637,714
2. Commission and brokerage:				
2.1 Direct excluding contingent		20,427,363		20,427,363
2.2 Reinsurance assumed excluding contingent		3,615,955		3,615,955
2.3 Reinsurance ceded excluding contingent		14,215,193		14,215,193
2.4 Contingent - direct		4,293,965		4,293,965
2.5 Contingent - reinsurance assumed		278,709		278,709
2.6 Contingent - reinsurance ceded				
2.7 Policy and membership fees				
2.8 Net commission and brokerage (Line 2.1 plus Line 2.2 minus Line 2.3 plus Line 2.4 plus Line 2.5 minus Line 2.6 plus Line 2.7)		14,400,799		14,400,799
3. Allowances to manager and agents			213,094	213,094
4. Advertising		12,750		12,750
5. Boards, bureaus and associations		129,590		129,590
6. Surveys and underwriting reports		83,380		83,380
7. Audit of assureds' records		39,935		39,935
8. Salary and related items:				
8.1 Salaries	502,385	3,600,427	83,731	4,186,543
8.2 Payroll taxes	29,843	213,871	4,974	248,688
9. Employee relations and welfare	44,813	338,226	7,469	390,508
10. Insurance		6,017		6,017
11. Directors' fees		29,500		29,500
12. Travel and travel items		563,759		563,759
13. Rent and rent items	31,200	228,796		259,996
14. Equipment	809	5,930		6,739
15. Cost or depreciation of EDP equipment and software				
16. Printing and stationery	10,463	76,729		87,192
17. Postage, telephone and telegraph, exchange and express	9,518	71,475		80,993
18. Legal and auditing		28,333		28,333
19. Totals (Line 3 through Line 18)	629,031	5,428,718	309,268	6,367,017
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$		2,441,173		2,441,173
20.2 Insurance department licenses and fees		459,107		459,107
20.3 Gross guaranty association assessments				
20.4 All other (excluding federal and foreign income and real estate)				
20.5 Total taxes, licenses and fees (Line 20.1 plus Line 20.2 plus Line 20.3 plus Line 20.4)		2,900,280		2,900,280
21. Real estate expenses				
22. Real estate taxes				
23. Reimbursements by uninsured plans				
24. Aggregate write-ins for miscellaneous expenses	115	2,064,233		2,064,348
25. Total expenses incurred	1,266,860	24,794,030	309,268	26,370,158
26. Less unpaid expenses - current year	209,415	3,777,818	92,560	4,079,793
27. Add unpaid expenses - prior year	316,365	5,485,328	76,458	5,878,151
28. Amounts receivable relating to uninsured plans, prior year				
29. Amounts receivable relating to uninsured plans, current year				
30. TOTAL EXPENSES PAID (Line 25 minus Line 26 plus Line 27 minus Line 28 plus Line 29)	1,373,810	26,501,540	293,166	28,168,516
<b>DETAILS OF WRITE-INS</b>				
2401. Miscellaneous	115	138,230		138,345
2402. Administration Fees		1,926,003		1,926,003
2403.				
2498. Summary of remaining write-ins for Line 24 from overflow page				
2499. Totals (Line 2401 through Line 2403 plus Line 2498) (Line 24 above)	115	2,064,233		2,064,348

(a) Includes management fees of \$ (132,139) to affiliates and \$ to non-affiliates.

**EXHIBIT OF NET INVESTMENT INCOME**

	1	2
	Collected During Year	Earned During Year
1. U. S. Government bonds	(a) 44,329	32,849
1.1 Bonds exempt from U. S. tax	(a) 2,457,414	2,347,864
1.2 Other bonds (unaffiliated)	(a) 734,655	579,049
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b) 734,447	722,875
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		
2.21 Common stocks of affiliates	342,421	369,320
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans	(d)	
6. Cash, cash equivalents and short-term investments	(e) 27,014	25,181
7. Derivative instruments	(f)	
8. Other invested assets	(f)	
9. Aggregate write-ins for investment income		
10. Total gross investment income	4,340,280	4,077,138
11. Investment expenses		(g) 309,268
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		
16. Total deductions (Line 11 through Line 15)		309,268
17. Net investment income (Line 10 minus Line 16)		3,767,870
<b>DETAILS OF WRITE-INS</b>		
0901. ....		
0902. ....		
0903. ....		
0998. Summary of remaining write-ins for Line 9 from overflow page		
0999. Totals (Line 0901 through Line 0903 plus Line 0998) (Line 9 above)		
1501. ....		
1502. ....		
1503. ....		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. Totals (Line 1501 through Line 1503 plus Line 1598) (Line 15 above)		
(a) Includes \$ 159,671 accrual of discount less \$ 413,905 amortization of premium and less \$ 112,521 paid for accrued interest on purchases.	(f) Includes \$ ..... accrual of discount less \$ ..... amortization of premium.	
(b) Includes \$ ..... accrual of discount less \$ ..... amortization of premium and less \$ ..... paid for accrued dividends on purchases.	(g) Includes \$ ..... investment expenses and \$ ..... investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.	
(c) Includes \$ ..... accrual of discount less \$ ..... amortization of premium and less \$ ..... paid for accrued interest on purchases.	(h) Includes \$ ..... interest on surplus notes and \$ ..... interest on capital notes.	
(d) Includes \$ ..... for company's occupancy of its own buildings; and excludes \$ ..... interest on encumbrances.	(i) Includes \$ ..... depreciation on real estate and \$ ..... depreciation on other invested assets.	
(e) Includes \$ ..... accrual of discount less \$ ..... amortization of premium and less \$ ..... paid for accrued interest on purchases.		

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

	1	2	3	4	5
	Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Col. 1 + Col. 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U. S. Government bonds					
1.1 Bonds exempt from U. S. tax	1,761,255		1,761,255	35,272	
1.2 Other bonds (unaffiliated)					
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)	365,343		365,343	738,547	
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)	905,365	(101,197)	804,168	220,810	
2.21 Common stocks of affiliates					
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments					
7. Derivative instruments					
8. Other invested assets					
9. Aggregate write-ins for capital gains (losses)					
10. Total capital gains (losses)	3,031,963	(101,197)	2,930,766	994,629	
<b>DETAILS OF WRITE-INS</b>					
0901. ....					
0902. ....					
0903. ....					
0998. Summary of remaining write-ins for Line 9 from overflow page					
0999. Totals (Line 0901 through Line 0903 plus Line 0998) (Line 9 above)					

**EXHIBIT OF NONADMITTED ASSETS**

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			
3.2 Other than first liens			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income			
4.3 Properties held for sale			
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			
6. Contract loans			
7. Derivatives (Schedule DB)			
8. Other invested assets (Schedule BA)			
9. Receivables for securities			
10. Securities lending reinvested collateral assets (Schedule DL)			
11. Aggregate write-ins for invested assets	30,798	49,687	18,889
12. Subtotals, cash and invested assets (Line 1 to Line 11)	30,798	49,687	18,889
13. Title plants (for Title insurers only)			
14. Investment income due and accrued			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	58,912	22,661	(36,251)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			
15.3 Accrued retrospective premiums			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			
16.2 Funds held by or deposited with reinsured companies			
16.3 Other amounts receivable under reinsurance contracts			
17. Amounts receivable relating to uninsured plans			
18.1 Current federal and foreign income tax recoverable and interest thereon			
18.2 Net deferred tax asset		567,733	567,733
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software			
21. Furniture and equipment, including health care delivery assets	131,806	176,586	44,780
22. Net adjustment in assets and liabilities due to foreign exchange rates			
23. Receivable from parent, subsidiaries and affiliates			
24. Health care and other amounts receivable			
25. Aggregate write-ins for other than invested assets			
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Line 12 to Line 25)	221,516	816,667	595,151
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Line 26 and Line 27)	221,516	816,667	595,151
<b>DETAILS OF WRITE-INS</b>			
1101. Deferred Expenses	30,798	49,687	18,889
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page			
1199. Totals (Line 1101 through Line 1103 plus Line 1198) (Line 11 above)	30,798	49,687	18,889
2501.			
2502.			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page			
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above)			

## NOTES TO FINANCIAL STATEMENTS

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### SECTION A

#### 1. Summary of Significant Accounting Policies:

##### A. Accounting Practices:

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

The Department recognizes only statutory accounting practices prescribed or permitted by the state of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures manual has been adopted as a component of prescribed or permitted practices by the state of Ohio.

##### B. Use of Estimates in the Preparation of the Financial Statements:

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 as of the date of the financial statements and revenue and expenses for the period then ended. It also requires estimates in the disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ materially from these estimates.

##### C. Accounting Policy:

Ohio Indemnity's insurance premiums are earned over the terms of the related insurance policies and reinsurance contracts. For certain of our lender service products, premiums are earned over the contract period in proportion to the amount of insurance protection provided as the amount of insurance protection declines according to a predetermined schedule. For all other products, premiums are earned pro rata over the contract period. The portion of premiums written applicable to the unexpired portion of insurance policies is recorded in the balance sheet as unearned premiums.

Certain lender service policies are eligible for premium adjustments based on loss experience. For certain policies, return premiums are calculated and settled on an annual basis. Certain other policies are eligible for an experience rating adjustment that is calculated and adjusted from period to period and settled upon cancellation of the policy. These balances are presented in the accompanying balance sheet as "Aggregate write-ins for liabilities". These adjustments are included in the calculation of net premiums earned.

SSAP No. 65, "Property and Casualty Contracts," requires a separate test for unearned premiums for policies with coverage periods equal to or in excess of thirteen months. Depending on the results of this test, a reporting entity may be required to record additional unearned premiums on a statutory basis that are not recorded on a GAAP basis. As of December 31, 2012 and 2011, we recorded \$412,639 and \$831,341, respectively, of additional unearned premiums under SSAP No. 65 for our GAP product line.

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 commissions received or receivable.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost. Money market investments are reflected at cost.
- (2) Bonds not backed by other loans are stated at amortized value using the scientific interest method.
- (3) Redeemable preferred stocks are stated at amortized cost.
- (4) Common stocks, non-redeemable preferred stocks and mutual funds are stated at market values based upon prices prescribed by the NAIC.
- (5) Realized gains and losses on disposal of investments are determined by the specific identification method and are included in investment income. The carrying value of investments is revised and the amount of revision is charged to net realized losses on investments when management determines that a decline in the value of an investment is other-than-temporary.

We continually monitor the difference between the book value and the estimated fair value of our investments, which involves judgment as to whether declines in value are temporary in nature. If we believe the decline in any investment is "other-than-temporarily impaired," we record the decline as a realized loss through the income statement. If our judgment changes in the future, we may ultimately record a realized loss for a security after having originally concluded that the decline in value was temporary. We begin to monitor a security for other-than-temporary impairment when its fair value to book value ratio falls below 80%. Our assessment as to whether a security is other-than-temporarily impaired depends on, among other things: (1) the length of time and extent to which the estimated fair value has been less than book value; (2) whether the decline appears to be related to general market or industry conditions or is issuer specific; (3) our current judgment as to the financial condition and future prospects of the entity that issued the investment security; and (4) our intent to sell the security or the likelihood that we will be required to sell the security before its anticipated recovery.

The gross unrealized gains and losses and the amortized cost and estimated fair values of bonds and stocks were as follows (pre-tax):

## NOTES TO FINANCIAL STATEMENTS

	December 31, 2012			
	Amortized cost	Gross unrealized gains	Gross unrealized losses	Estimated fair value
<b>Bonds:</b>				
US Treasury securities	\$ 4,678,427	\$ 5,115	\$ -	\$ 4,683,542
US Government agency and corporate obligations	-	-	-	-
States, territories and possessions	1,752,038	245,344	-	1,997,382
Political subdivisions	-	-	-	-
Unaffiliated domestic securities	521,754	53,898	-	575,652
Special revenue and assessments	<u>68,555,177</u>	<u>3,034,091</u>	<u>(114,976)</u>	<u>71,474,292</u>
Total bonds	<u>75,507,396</u>	<u>3,338,448</u>	<u>(114,976)</u>	<u>78,730,868</u>
<b>Stocks:</b>				
Redeemable preferred stocks	50,000	524	-	50,524
Non-redeemable preferred stocks	7,419,002	1,187,220	(11,768)	8,594,454
Common stocks	<u>2,187,392</u>	<u>403,645</u>	<u>(28,021)</u>	<u>2,563,016</u>
Total stocks	<u>9,656,394</u>	<u>1,591,389</u>	<u>(39,789)</u>	<u>11,207,994</u>
Total	<u>\$85,163,790</u>	<u>\$4,929,837</u>	<u>\$ (154,765)</u>	<u>\$89,938,862</u>
	December 31, 2011			
	Amortized cost	Gross unrealized gains	Gross unrealized losses	Estimated fair value
<b>Bonds:</b>				
US Treasury securities	\$ 4,061,569	\$ 29,434	\$ -	\$ 4,091,003
US Government agency and corporate obligations	-	-	-	-
States, territories and possessions	2,680,507	193,614	-	2,874,121
Unaffiliated domestic securities	-	-	-	-
Political subdivisions	366,760	6,573	-	373,333
Special revenue and assessments	<u>61,823,697</u>	<u>2,734,549</u>	<u>(254,484)</u>	<u>64,303,762</u>
Total bonds	<u>68,932,533</u>	<u>2,964,170</u>	<u>(254,484)</u>	<u>71,642,219</u>
<b>Stocks:</b>				
Redeemable preferred stocks	576,337	1,940	(23,137)	555,140
Non-redeemable preferred stocks	7,239,372	370,412	(485,457)	7,124,327
Common stocks	<u>10,605,781</u>	<u>751,991</u>	<u>(597,176)</u>	<u>10,760,596</u>
Total stocks	<u>18,421,490</u>	<u>1,124,343</u>	<u>(1,105,770)</u>	<u>18,440,063</u>
Total	<u>\$87,354,023</u>	<u>\$4,088,513</u>	<u>\$(1,360,254)</u>	<u>\$90,082,282</u>

For those investments carried at fair value, the Company had pre-tax net unrealized gains (losses) of \$798,584 and \$(196,046) at December 31, 2012 and 2011, respectively.

The amortized cost and the estimated fair value of bonds at December 31, 2012 by contractual maturity, are shown below. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

	Amortized cost	Estimated fair value
Due in one year or less	\$ 3,440,085	\$ 3,444,474
Due after one year but less than five years	1,558,342	1,564,491
Due after five years but less than ten years	31,969,624	32,622,829
Due after ten years	<u>38,539,345</u>	<u>41,099,074</u>
Total	<u>\$ 75,507,396</u>	<u>\$ 78,730,868</u>

Investment income, net of expenses, is summarized below for each of the years ended December 31:

	2012	2011
Bonds	\$ 2,959,761	\$ 3,427,598
Stocks	1,092,196	836,853
Short-term investments	25,181	45,933
Expenses	<u>(309,268)</u>	<u>(330,029)</u>
Net investment income	<u>\$ 3,767,870</u>	<u>\$ 3,980,355</u>

Proceeds from the sale of investments in bonds (excluding bond calls, prepayments and maturities) were \$25,788,700 and \$5,341,028 for the years ended December 31, 2012 and 2011, respectively.

## NOTES TO FINANCIAL STATEMENTS

After-tax net realized gains on investments were as follows for each of the years ended December 31:

	<u>2012</u>	<u>2011</u>
Gross realized gains:		
Bonds	\$ 1,859,468	\$ 796,061
Stocks	<u>1,961,918</u>	<u>1,391,165</u>
Total gains	<u>3,821,386</u>	<u>2,187,226</u>
Gross realized losses:		
Bonds	(98,213)	(56,632)
Stocks	(691,209)	(271,465)
Other-than-temporary impairments on investments	<u>(101,197)</u>	<u>(763,556)</u>
Total losses	<u>(890,619)</u>	<u>(1,091,653)</u>
Net realized gains before taxes	<u>2,930,767</u>	<u>1,095,573</u>
Federal income tax (expense) benefit	<u>(303,628)</u>	<u>56,109</u>
Net realized gains, net of tax	<u>\$ 2,627,139</u>	<u>\$ 1,151,682</u>

We continually monitor the difference between the book value and the estimated fair value of our investments, which involves judgment as to whether declines in value are temporary in nature. If we believe an investment is "other-than-temporarily impaired," we record the decline in the value of the investment as a realized loss through our income statement. If our judgment changes in the future, we may ultimately record a realized loss for a security after having originally concluded that the decline in value was temporary. We begin to monitor a security for other-than-temporary impairment when its fair value to book value ratio falls below 80%. Our assessment as to whether a security is other-than-temporarily impaired depends on, among other things: (1) the length of time and extent to which the estimated fair value has been less than book value; (2) whether the decline appears to be related to general market or industry conditions or is issuer specific; (3) our current judgment as to the financial condition and future prospects of the entity that issued the investment security; and (4) our intent to sell the security or the likelihood that we will be required to sell the security before its anticipated recovery.

We also continually monitor the credit quality of our fixed maturity investments to gauge our ability to be repaid principal and interest. We consider price declines of securities in our other-than-temporary impairment analysis where such price declines provide evidence of declining credit quality, and we distinguish between price changes caused by credit deterioration, as opposed to rising interest rates. In our evaluation of credit quality, we consider, among other things, credit ratings from major rating agencies, including Moody's Industry Services ("Moody's") and Standard & Poor's ("S&P").

The following table summarizes the estimated fair value and gross unrealized losses (pre-tax) for all securities in an unrealized loss position at December 31, 2012 and December 31, 2011, distinguishing between those securities which have been continuously in an unrealized loss position for less than twelve months and twelve months or greater:

	<u>Less Than 12 Months</u>		<u>12 Months or Greater</u>		<u>Total</u>	
	Estimated fair value	Gross unrealized losses	Estimated fair value	Gross unrealized losses	Estimated fair value	Gross unrealized losses
<u>At December 31, 2012</u>						
Bonds:						
Obligations of U.S. states, municipals and political subdivisions	\$ 9,567,477	\$ (114,976)	\$ -	\$ -	\$ 9,567,477	\$(114,976)
Corporate and other taxable debt securities	-	-	-	-	-	-
Total bonds	<u>9,567,477</u>	<u>(114,976)</u>	<u>-</u>	<u>-</u>	<u>9,567,477</u>	<u>(114,976)</u>
Stocks:						
Preferred stocks	1,430,654	(11,768)	-	-	1,430,654	(11,768)
Common stocks	<u>523,960</u>	<u>(28,021)</u>	<u>-</u>	<u>-</u>	<u>523,960</u>	<u>(28,021)</u>
Total stocks	<u>1,954,614</u>	<u>(39,789)</u>	<u>-</u>	<u>-</u>	<u>1,954,614</u>	<u>(39,789)</u>
Total	<u>\$ 11,522,091</u>	<u>\$(154,765)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$11,522,091</u>	<u>\$(154,765)</u>
<u>At December 31, 2011</u>						
Bonds:						
Obligations of U.S. states, municipals and political subdivisions	\$ 1,865,748	\$ (3,829)	\$ 6,314,361	\$(250,655)	\$ 8,180,109	\$ (254,484)
Corporate and other taxable debt securities	-	-	-	-	-	-
Total bonds	<u>1,865,748</u>	<u>(3,829)</u>	<u>6,314,361</u>	<u>(250,655)</u>	<u>8,180,109</u>	<u>(254,484)</u>
Stocks:						
Preferred stocks	4,198,024	(427,009)	418,864	(81,585)	4,616,888	(508,594)
Common stocks	<u>3,932,575</u>	<u>(597,176)</u>	<u>-</u>	<u>-</u>	<u>3,932,575</u>	<u>(597,176)</u>
Total stocks	<u>8,130,599</u>	<u>(1,024,185)</u>	<u>418,864</u>	<u>(81,585)</u>	<u>8,549,463</u>	<u>(1,105,770)</u>
Total	<u>\$ 9,996,347</u>	<u>\$(1,028,014)</u>	<u>\$ 6,733,225</u>	<u>\$(332,240)</u>	<u>\$16,729,572</u>	<u>\$(1,360,254)</u>

As of December 31, 2012, there were no bonds or preferred stocks that had been in a gross unrealized loss position for 12 months or longer.

**NOTES TO FINANCIAL STATEMENTS**

Other-than-temporary impairments on investments during 2012 and 2011 were \$101,197 and \$763,556, respectively. The \$101,197 of impairment charges recorded during 2012 were related to one common stock. The \$763,556 of impairment charges recorded during 2011 resulted from impairment charges recorded on two non-investment grade bonds, one non-investment grade preferred stock and two common stocks.

At December 31, 2012 and 2011, investments having an amortized cost of \$6,126,710 and \$4,952,235, respectively, were on deposit with various state insurance departments to meet their respective regulatory requirements.

(6) Unpaid losses and loss adjustment expenses ("LAE") 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.

Assumed reinsurance is a line of business with inherent volatility. Since the length of time required for the losses to be reported through the reinsurance system can be quite long, unexpected events are more difficult to predict. Ultimate loss experience for assumed reinsurance is based primarily on reports received by the Company from the underlying ceding insurers.

(7) Depreciation is computed using the straight-line method in amounts adequate to amortize costs over the estimated useful life of the applicable asset, which is approximately three years. Depreciation expense was zero and \$15,211 for the years ended December 31, 2012 and 2011, respectively.

**2. Accounting Changes and Corrections of Errors:**

Effective January 1, 2012, the Company adopted SSAP No. 101, *Income Taxes, A Replacement of SSAP No. 10R and SSAP No. 10*. The primary change from adoption of SSAP No. 101 was that the Company increased the number of years from one year to three years in its determination of the amount of gross deferred tax assets expected to be realized from the balance sheet date (as described above). Any change resulting from the adoption of SSAP No. 101 was to be accounted for as a change in accounting principle pursuant to SSAP No. 3, *Accounting Changes and Correction of Errors*. The impact of this change in accounting principle was an increase to total assets and surplus of \$567,733 on January 1, 2012. There was no impact to net income or total liabilities as a result of this change in accounting principle.

**3. Business Combinations and Goodwill: Not applicable.****4. Discontinued Operations: Not applicable.****5. Investments:****A. Mortgage Loans: Not applicable.****B. Debt Restructuring: Not applicable.****C. Reverse Mortgages: Not applicable.****D. Loan-Backed Securities: Not applicable.****E. Repurchase Agreements: Not applicable.****6. Joint Ventures, Partnerships and Limited Liability Companies: Not applicable.****7. Investment Income:**

**A. Accrued Investment Income:** The Company non-admits investment income due and accrued if amounts are not received within 15 days of the settlement date.

**B. Amounts Nonadmitted: Not applicable.****8. Derivative Instruments: Not applicable.**

## NOTES TO FINANCIAL STATEMENTS

## 9. Income Taxes:

## A. The components of the net deferred tax asset/(liability) at December 31 are as follows:

	End of Reporting Period			End of Prior Year			Change		
	10	11	12	13	14	15	16	17	18
	Ordinary	Capital	Col 10+11 Total	Ordinary	Capital	Col 13+14 Total	Col 10-13 Ordinary	Col 11-14 Capital	Col 16+17 Total
1									
a. Gross Deferred Tax Assets	\$ 2,851,773	\$ 160,114	\$ 3,011,887	\$ 2,415,334	\$ 1,142,296	\$ 3,557,630	\$ 436,439	\$ (982,182)	\$ (545,743)
b. Statutory Valuation Allowance Adjustments	-	-	-	-	-	-	-	-	-
c. Adjusted Gross Deferred Tax Assets (1a-1b)	2,851,773	160,114	3,011,887	2,415,334	1,142,296	3,557,630	436,439	(982,182)	(545,743)
d. Deferred Tax Assets Nonadmitted	-	-	-	567,733	-	567,733	(567,733)	-	(567,733)
e. Subtotal net Admitted Deferred Tax asset (1c-1d)	2,851,773	160,114	3,011,887	1,847,601	1,142,296	2,989,897	1,004,172	(982,182)	21,990
f. Deferred Tax Liabilities	52,769	540,258	593,027	48,700	195,419	244,119	4,069	344,839	348,908
g. Net Admitted Deferred tax Asset/ (Net Deferred Tax Liability)	\$ 2,799,004	\$ (380,144)	\$ 2,418,860	\$ 1,798,901	\$ 946,877	\$ 2,745,778	\$ 1,000,103	\$ (1,327,021)	\$ (326,918)

	End of Reporting Period			End of Prior Year			Change		
	10	11	12	13	14	15	16	17	18
	Ordinary	Capital	Col 10+11 Total	Ordinary	Capital	Col 13+14 Total	Col 10-13 Ordinary	Col 11-14 Capital	Col 16+17 Total
2									
Admission Calculation Components SSAP 101									
a. Federal Income taxes Paid in Prior Years Recoverable through loss carrybacks	1,639,554	-	\$ 1,639,554	1,615,164	-	1,615,164	24,390	-	24,390
b. Adjusted Gross Deferred Tax Assets Expected to be Realized(Excluding the Amount of Deferred Tax Assets from 2(a) above: After application of the Threshold Limitation	186,279	-	\$ 186,279	886,495	-	886,495	(700,216)	-	(700,216)
(the lessor of 2 (b)1 and 2(b)2 Below)									
1. Adjusted Gross Deferred Tax Assets expected to be Realized following the balance sheet data	3,301,752	-	\$ 3,301,752	3,557,630	-	3,557,630	(255,878)	-	(255,878)
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	XXX	XXX	\$ 6,415,455	XXX	XXX	4,628,564	XXX	XXX	-
c. Adjusted Gross Deferred Tax assets (excluding the Amount of Deferred Tax assets from 2(a) above) offset by Gross Deferred Tax Liabilities	52,769	540,258	\$ 593,027	48,700	195,419	244,119	4,069	344,839	348,908
d. Deferred Tax Assets Admitted as threshold of application of SSAP No. 101(total 2a+2b+2c)	1,878,602	540,258	\$ 2,418,860	2,550,359	195,419	2,745,778	(671,757)	344,839	(326,918)

19	20
Current Year	Prior Year

3  
a. Ratio percentage Used to Determine Recovery Period and Threshold Limitation Amount

15%	10%
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b. Amount of Adjusted Capital and Surplus used to Determine Recovery Period and Threshold Limitation in 2 (b)2 above

42,769,698	46,285,637
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	End of Reporting Period			End of Prior Year			Change		
	1	2	3	4	5	6	Col 1-4	Col 2-5	Col 7+8
	Ordinary Percent	Capital Percent	(col 1-2) Total Percent	Ordinary Percent	Capital Percent	(col 4-5) Total Percent	Ordinary Percent	Capital Percent	Total Percent
4									

Impact of Tax-Planning Strategies

a. Adjusted Gross DTAs(% of Total Adjusted Gross DTAs

\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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b. Net Admitted Adjusted Gross DTAs(% of Total Net Admitted Adjusted Gross DTAs

-	-	-	-	-	-	-	-	-	-
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The company's tax planning strategies does not include the use of reinsurance.

## B. Unrecognized deferred tax liabilities: Not applicable

## NOTES TO FINANCIAL STATEMENTS

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

	(1)	(2)	(3)
	12/31/2012	12/31/2011	(Col 1-2) Change
<b>1. Current Income Tax</b>			
(a) Federal	4,246,629	3,871,465	375,164
(b) Foreign	-	-	-
(c) Subtotal	4,246,629	3,871,465	375,164
(d) Federal income tax on net capital gains	303,628	(56,109)	359,737
(e) Utilization of capital loss carry-forwards	-	-	-
(f) Other	-	-	-
(g) Federal and foreign income taxes incurred	<u>4,550,257</u>	<u>3,815,356</u>	<u>734,901</u>
<b>2. Deferred Tax Assets:</b>			
(a) Ordinary	-	-	-
(1) Discounting of unpaid losses	-	-	-
(2) Unearned premium reserve	2,579,926	2,001,047	578,879
(3) Policyholder reserves	271,496	305,207	(33,711)
(4) Investments	-	-	-
(5) Deferred acquisition costs	-	-	-
(6) Policyholder dividends accrual	-	-	-
(7) Fixed assets	-	-	-
(8) Compensation and benefits accrual	-	-	-
(9) Pension accrual	-	-	-
(10) Receivables – nonadmitted	-	-	-
(11) Net operating loss carry-forward	-	-	-
(12) Tax credit carry-forward	-	-	-
(13) Other (including items <5% of total ordinary tax assets)	351	109,080	(108,729)
(99) Subtotal	<u>2,851,773</u>	<u>2,415,334</u>	<u>436,439</u>
(b) Statutory valuation allowance adjustment	-	-	-
(c) Nonadmitted	-	567,733	(567,733)
(d) Admitted ordinary deferred tax assets (2a99 – 2b – 2c)	<u>2,851,773</u>	<u>1,847,601</u>	<u>1,004,172</u>
(e) Capital:			
(1) Investments	160,114	919,602	(759,488)
(2) Net capital loss carry-forward	-	222,694	(222,694)
(3) Real estate	-	-	-
(4) Other (including items <5% of total capital tax assets)	-	-	-
(99) Subtotal	<u>160,114</u>	<u>1,142,296</u>	<u>(982,182)</u>
(f) Statutory valuation allowance adjustment	-	-	-
(g) Nonadmitted	-	-	-
(h) Admitted capital deferred tax assets (2e99 – 2f – 2g)	<u>160,114</u>	<u>1,142,296</u>	<u>(982,182)</u>
(i) Admitted deferred tax assets (2d + 2h)	<u>3,011,887</u>	<u>2,989,897</u>	<u>21,990</u>
<b>3. Deferred Tax Liabilities:</b>			
(a) Ordinary			
(1) Investments	22,766	16,303	6,463
(2) Fixed assets	-	15,504	(15,504)
(3) Deferred and uncollected premium	-	-	-
(4) Policyholder reserves	-	-	-
(5) Other (including items <5% of total ordinary tax liabilities)	30,003	16,893	13,110
(99) Subtotal	<u>52,769</u>	<u>48,700</u>	<u>4,069</u>
(b) Capital:			
(1) Investments	540,258	195,419	344,839
(2) Real estate	-	-	-
(3) Other (including items <5% of total capital tax liabilities)	-	-	-
(99) Subtotal	<u>540,258</u>	<u>195,419</u>	<u>344,839</u>
(c) Deferred tax liabilities (3a99 + 3b99)	<u>593,027</u>	<u>244,119</u>	<u>348,908</u>
4. Net deferred tax assets/liabilities (2i – 3c)	<u>2,418,860</u>	<u>2,745,778</u>	<u>(326,918)</u>

**NOTES TO FINANCIAL STATEMENTS**

D. Federal income tax expense differs from the amount computed by applying the normal tax rate of 34% to income before federal Income tax as follows:

	2012	2011
Expected federal income tax expense	5,389,469	4,938,712
Change in unearned premium reserves	834,036	461,973
Book over capital gains (losses)	(911,538)	(372,535)
Book over tax reserves	9,189	65,279
Book to tax return adjustments	43,949	(198,871)
Alternative minimum tax	(25,637)	(255,220)
Tax exempt interest and dividends received deduction	(877,198)	(898,914)
Other	87,987	74,932
<b>Federal income tax expense</b>	<b>4,550,257</b>	<b>3,815,356</b>

## E. Operating Loss and Tax Credit Carryforwards

(1) At December 31, 2012, the Company had \$0 of net operating loss carryforward. The Company also had \$0 alternative minimum tax credit at December 31, 2012.

(2) The following is income tax expense for 2012, 2011 and 2010 that is available for recoupment in the event of future net losses:

2012 (current year)	\$ 4,550,257
2011 (current - 1)	3,815,356
2010 (current - 2)	2,844,552

## F. Consolidated Federal Income Tax Return:

(1) The Company's federal income tax return is consolidated with the following entities:

Bancinsurance Corporation.

(2) The Company files a consolidated federal income tax return with its parent, Bancinsurance Corporation. The Company has a tax sharing agreement, as approved by the Board of Directors, with its parent whereby federal income tax expense is determined as if the Company filed a separate federal income tax return and payments for this liability are made to the parent.

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

A. Ohio Indemnity is a wholly-owned subsidiary of Bancinsurance Corporation, an insurance holding company domiciled in the State of Ohio. See Schedule Y, Part 1 Organizational Chart.

B. The Company has no investment in parent or affiliates. The Company has no subsidiaries or affiliated insurers.

C. There are no guarantees or undertakings for the benefit of an affiliate which result in a material contingent exposure of the Company's net assets to liabilities.

D. In 2005, the Company entered into a cost sharing agreement with Bancinsurance. During 2012 and 2011, net (benefit) expenses allocated to the Company under this agreement were \$(132,139) and 333,315, respectively, and have been recorded in the accompanying statements of income.

In 2007, the Company entered into an intercompany agreement (the "Agreement") by and between the Company, Bancinsurance and USA (collectively, the "Parties"). Pursuant to the terms of the agreement, amounts owed relating to transactions between the Parties during each quarter shall be settled within forty-five days after quarter end. In accordance with SSAP No. 96, amounts owed to the Company over ninety days from the due date in the Agreement shall be nonadmitted. As of December 31, 2012, the Company had no amounts owed to it by the Parties greater than ninety days from the due date in the Agreement.

In 2010, Fenist and Bancinsurance (collectively, the "Borrowers") entered into a credit agreement (the "Credit Agreement") with a lender. As of December 31, 2012, the Credit Agreement provided for \$15.5 million of senior secured debt financing, which consisted of (i) a \$7.5 million senior secured term loan and (ii) a \$5.5 million senior secured revolving credit facility. The Borrowers' obligations under the Credit Agreement are secured by a first priority lien on substantially all of the assets of the Borrowers and by a pledge by Bancinsurance of 100% of the stock of Ohio Indemnity, subject to the restrictions on the exercise of remedies under applicable insurance law. As of December 31, 2012, the Borrowers were current on all principal and interest payments and were in compliance with all covenants under the Credit Agreement.

The Company pays certain fees and commissions to its affiliate, Ultimate Services Agency, LLC, a property and casualty insurance agency. During 2012 and 2011, the amount of commissions and fees incurred by the Company related to USA were \$10,268,575 and \$2,179,328, respectively.

During 2002 and 2003, Bancinsurance Corporation entered into an arrangement with BIC Statutory Trust I ("BIC Trust I"), a Connecticut special purpose business trust, and BIC Statutory Trust II ("BIC Trust II"), a Delaware special purpose business trust (collectively, the "Trusts"), whereby the Trusts issued and Bancinsurance Corporation purchased approximately \$8 million and \$7 million respectively, of floating rate trust preferred capital securities in exchange for junior subordinated debentures of Bancinsurance Corporation. Bancinsurance

## NOTES TO FINANCIAL STATEMENTS

Corporation has fully and unconditionally guaranteed the obligations of the Trusts with respect to the floating rate trust preferred capital securities. The floating rate trust preferred capital securities, and the junior subordinated debentures issued in connection therewith, pay dividends and interest, as applicable, on a quarterly basis, are redeemable at par and mature in 2032 (for BIC Trust I) and 2033 (for BIC Trust II). Dividends paid by Ohio Indemnity to Bancinsurance Corporation can be a source of funds used to pay interest and any principal payments, if applicable, on the junior subordinated debentures by Bancinsurance Corporation.

See Note 13 for a description of dividends declared to Bancinsurance Corporation.

11. Debt: Not applicable.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other post retirement Benefit Plans: Not applicable

A .Defined Benefit Plan: Not applicable.

B .Defined Contribution Plan:

The Company provides a qualified 401(k) profit sharing plan, available to full-time employees who meet the plan's eligibility requirements. The Company matches 100% of the qualified employee's contribution up to 3% of salary and 50% of the qualified employee's contribution between 3% and 5% of salary. The total cost of the matching contribution was \$99,967 and \$96,136 for the years ended December 31, 2012 and 2011 respectively.

C. Multiemployer Plans: Not applicable.

D. Consolidated/Holding Company Plans: Not applicable.

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

13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations:

A. The Company has 40,000 common shares authorized, 37,332 common shares issued and 37,332 common shares outstanding. All shares are Class A shares. The Company has 5,000 non-voting preferred shares authorized, none issued and outstanding.

B. Dividend Rate of Preferred Stock: Not applicable.

C. Dividend Restrictions:

Generally, the Company is restricted by the insurance laws of the State of Ohio as to amounts that can be transferred to the parent in the form of dividends, loans, or advances without the approval of the Department to the greater of (a) 10 percent of statutory surplus as of December 31 of the year preceding the dividend, loan or advancement or (b) 100 percent of statutory net income for the year ended December 31 preceding the dividend, loan or advancement. Under the above restrictions, during 2013, dividends, loans or advances in excess of \$11,301,123 will require the approval of the Department.

The following dividends were declared by Ohio Indemnity to Bancinsurance Corporation during 2012 and 2011:

- On October 19, 2012, Ohio Indemnity's board of directors declared a cash dividend in an aggregate amount of \$12,000,000 that was paid to Bancinsurance Corporation during the fourth quarter of 2012; and
- On October 24, 2011, Ohio Indemnity's board of directors declared a cash dividend in an aggregate amount of \$9,700,000 that was paid to Bancinsurance Corporation during the fourth quarter of 2011.

The Company is subject to a risk-based capital ("RBC") test applicable to property and casualty insurers. The RBC test serves as a benchmark of insurance enterprises' solvency by state insurance regulators by establishing statutory surplus targets which will require certain Company level or regulatory level actions. Based on the Company's analysis, the Company's total adjusted capital was in excess of all required action levels at December 31, 2012.

All insurance companies must file annual financial statements (prepared in accordance with statutory accounting rules) in states where they are authorized to do business and are subject to regular and special examinations by the regulatory agencies of those states. In 2012, the Department initiated its financial examination of Ohio Indemnity covering the period from January 2007 through December 31, 2011. On September 6, 2012, the Department issued its examination report. No adjustments to Ohio Indemnity's previously filed statutory financial statements were required as a result of the examination.

D. Portion of the Company's Profits that may be paid as Ordinary Dividends to Stockholders: See Note 13C above.

E. Restrictions Placed on the Unassigned Funds, Including for Whom the Surplus is Being Held: Not applicable.

F. Mutual Surplus Advances: Not applicable.

G. Company Stock Held for Special Purposes: See Note 10

H. Changes in Special Surplus Funds: Not applicable.

I. Changes in Unassigned Funds:

**NOTES TO FINANCIAL STATEMENTS**

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

(a) Unrealized gains and losses, net of tax	\$ 656,455
(b) Nonadmitted asset value:	595,151
(c) Deferred income tax:	(1,124,210)
(d) Dividends to stockholders:	(12,000,000)
(e) Cumulative effect of changes in accounting principles	567,733

J. Surplus Notes: Not applicable.

K. Impact of Restatement Due to Quasi Reorganizations: Not applicable.

L. Effective Date of Quasi Reorganizations: Not applicable.

14. Contingencies:

A. Contingent Commitments: Not applicable.

B. Assessments: Not applicable.

C. Gain Contingencies: Not applicable.

D. All Other Contingencies:

We are involved in legal proceedings arising in the ordinary course of business which are routine in nature and incidental to our business. We currently believe that none of these matters, either individually or in the aggregate, is reasonably likely to have a material adverse effect on our financial condition, results of operations or liquidity. However, because litigation is subject to inherent uncertainties and the outcome of such matters cannot be predicted with certainty, future developments could cause any one or more of these matters to have a material adverse effect on our financial condition, results of operations and liquidity.

15. Leases:

A. Lessee Operating Lease:

As of December 31, 2012, we leased approximately 13,300 square feet in Columbus, Ohio for our headquarters pursuant to a lease that commenced on January 1, 2009 and expires on December 31, 2015. Rent expense is recognized evenly over the lease term ending December 31, 2015. Rental expenses, which primarily includes expenses for our office lease, were \$259,996 and \$259,674 for the years ended December 31, 2012 and 2011, respectively.

The future minimum lease payments required under operating leases for the next five fiscal years are as follows:

2013	\$ 272,917
2014	278,050
2015	286,000
2016	-
2017	-
Total	<u>\$ 836,967</u>

B. Lessor Leases: Not applicable.

C. Leveraged leases: Not applicable.

16. Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk: Not applicable.

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

A. Transfers of Receivables Reported as Sales: Not applicable.

B. Transfers and Servicing of Financial Assets: Not applicable.

C. Wash Sales: Not applicable.

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans: Not applicable.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators:

## NOTES TO FINANCIAL STATEMENTS

The Company uses several managing general agents to write and administer its lender services products in specified territories. The following are the Company's managing general agents and their respective direct premiums written for 2012 and 2011:

Name and Address	FEI Number	Exclusive Contract	Type of Business Written	Type of Authority Granted	2012	2011
					Direct Premiums Written	Direct Premiums Written
HUB International 300 Country Pine Lane Battle Creek, MI 49015	35-0672425	No	Collateral Protection, Guaranteed Auto Protection, Credit & Inland Marine	C, CA, B, P, U	\$ 3,942,193	\$ 6,850,165
Lee & Mason Financial Services, Inc. P.O. Box 270 Route 30 Northville, NY 12134	14-1722170	No	Collateral Protection, Inland Marine, & Guaranteed Auto Protection	C, CA, B, P, U	6,556,888	6,309,286
Eclipse Insurance Management Services LLC 537 East Pete Rose Way Suite 300 Cincinnati, OH 45202	31-1591028	No	Collateral Protection & Inland Marine	C, CA, R, B, P, U	<u>2,720,171</u>	<u>5,544,123</u>
Total					<u>\$13,219,252</u>	<u>\$18,703,574</u>

C - Claims Payment  
CA - Claims Adjustment  
R - Reinsurance Ceding  
B - Binding Authority  
P - Premium Collection  
U - Underwriting

## 20. Fair Value Measurement:

The following table summarizes the Company's financial assets measured at fair value on a recurring basis as of December 31, 2012:

## 1. Fair Value Measurements at Reporting Date

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
<b>a. Assets at fair value</b>				
Perpetual Preferred stock				
Industrial and Misc	\$ 4,375,804	\$ -	\$ -	\$ 4,375,804
Parent, Subsidiaries and Affiliates	\$ -	\$ -	\$ -	\$ -
Total Perpetual Preferred Stocks	\$ 4,375,804	\$ -	\$ -	\$ 4,375,804
Bonds				
U.S. Governments	\$ -	\$ -	\$ -	\$ -
Industrial and Misc	\$ -	\$ -	\$ -	\$ -
Hybrid Securities	\$ -	\$ -	\$ -	\$ -
Parent, Subsidiaries and Affiliates	\$ -	\$ -	\$ -	\$ -
Total Bonds	\$ -	\$ -	\$ -	\$ -
Common Stock				
Industrial and Misc	\$ 2,563,016	\$ -	\$ -	\$ 2,563,016
Parent, Subsidiaries and Affiliates	\$ -	\$ -	\$ -	\$ -
Total Common Stocks	\$ 2,563,016	\$ -	\$ -	\$ 2,563,016
Derivative assets				
Interest rate contracts	\$ -	\$ -	\$ -	\$ -
Foreign exchange contracts	\$ -	\$ -	\$ -	\$ -
Credit contracts	\$ -	\$ -	\$ -	\$ -
Commodity futures contracts	\$ -	\$ -	\$ -	\$ -
Commodity forward contracts	\$ -	\$ -	\$ -	\$ -
Total Derivatives	\$ -	\$ -	\$ -	\$ -
Separate account assets	\$ -	\$ -	\$ -	\$ -
Total assets at fair value	\$ 6,938,820	\$ -	\$ -	\$ 6,938,820
<b>b. Liabilities at fair value</b>				
Derivative liabilities	\$ -	\$ -	\$ -	\$ -
Total liabilities at fair value	\$ -	\$ -	\$ -	\$ -

## NOTES TO FINANCIAL STATEMENTS

The following table summarizes the Company's financial assets measured at fair value on a recurring basis as of December 31, 2011:

## 1. Fair Value Measurements at Reporting Date

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
<b>a. Assets at fair value</b>				
Perpetual Preferred stock				
Industrial and Misc	\$ 6,161,652	\$ -	\$ -	\$ 6,161,652
Parent, Subsidiaries and Affiliates	\$ -	\$ -	\$ -	\$ -
Total Perpetual Preferred Stocks	\$ 6,161,652	\$ -	\$ -	\$ 6,161,652
Bonds				
U.S. Governments	\$ -	\$ 365,401	\$ -	\$ 365,401
Industrial and Misc	\$ -	\$ -	\$ -	\$ -
Hybrid Securities	\$ -	\$ -	\$ -	\$ -
Parent, Subsidiaries and Affiliates	\$ -	\$ -	\$ -	\$ -
Total Bonds	\$ -	\$ 365,401	\$ -	\$ 365,401
Common Stock				
Industrial and Misc	\$ 10,760,596	\$ -	\$ -	\$ 10,760,596
Parent, Subsidiaries and Affiliates	\$ -	\$ -	\$ -	\$ -
Total Common Stocks	\$ 10,760,596	\$ -	\$ -	\$ 10,760,596
Derivative assets				
Interest rate contracts	\$ -	\$ -	\$ -	\$ -
Foreign exchange contracts	\$ -	\$ -	\$ -	\$ -
Credit contracts	\$ -	\$ -	\$ -	\$ -
Commodity futures contracts	\$ -	\$ -	\$ -	\$ -
Commodity forward contracts	\$ -	\$ -	\$ -	\$ -
Total Derivatives	\$ -	\$ -	\$ -	\$ -
Separate account assets	\$ -	\$ -	\$ -	\$ -
Total assets at fair value	\$ 16,922,248	\$ 365,401	\$ -	\$ 17,287,649
<b>b. Liabilities at fair value</b>				
Derivative liabilities	\$ -	\$ -	\$ -	\$ -
Total liabilities at fair value	\$ -	\$ -	\$ -	\$ -

## 2. Fair Value Measurements in (Level 3) of the Fair Value Hierarchy: None

The Company has categorized its assets into the three-level hierarchy based upon the priority of the inputs to the respective valuation technique. The following summarizes the type of assets included within the three-level hierarchy presented in the table above:

- *Level 1* – This category includes exchange-traded preferred stocks, common stocks and mutual funds. Certain preferred stocks (redeemable preferred stocks and preferred stocks with an NAIC rating of 3 through 6) are carried at the lower of cost or fair value. The preferred stocks and common stocks listed in the above table are carried at fair value.
- *Level 2* – This category includes bonds. Bonds with an NAIC rating of 3 through 6 are carried at the lower of amortized cost or fair value. The bonds listed in the above table are carried at fair value.
- *Level 3* – The Company has no Level 3 assets or liabilities.

As of December 31 2012 and 2011, the Company had no financial liabilities that were measured at fair value and no financial assets that were measured at fair value on a non-recurring basis. The Company also did not have any non-financial assets or non-financial liabilities that were measured at fair value on a recurring or non-recurring basis.

## NOTES TO FINANCIAL STATEMENTS

## 3. Practicable Estimated Fair Values:

December 31, 2012							
Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)	
Bonds	\$ 78,730,868	\$ 75,507,396	\$ -	\$ 78,730,868	\$ -	\$ -	\$ -
Common Stock	\$ 2,563,016	\$ 2,563,016	\$ 2,563,016	\$ -	\$ -	\$ -	\$ -
Perpetual Preferred Stock	\$ 8,644,978	\$ 7,891,961	\$ 8,644,978	\$ -	\$ -	\$ -	\$ -
Short-term investments	\$ 6,944,668	\$ 6,944,668	\$ 6,944,668	\$ -	\$ -	\$ -	\$ -
Cash	\$ 16,360,722	\$ 16,360,722	\$ 16,360,722	\$ -	\$ -	\$ -	\$ -

December 31, 2011							
Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)	
Bonds	\$ 71,642,219	\$ 68,897,261	\$ -	\$ 71,642,219	\$ -	\$ -	\$ -
Common Stock	\$ 10,760,596	\$ 10,760,596	\$ 10,760,596	\$ -	\$ -	\$ -	\$ -
Perpetual Preferred Stock	\$ 7,679,467	\$ 7,508,412	\$ 7,679,467	\$ -	\$ -	\$ -	\$ -
Short-term investments	\$ 9,070,461	\$ 9,070,461	\$ 9,070,461	\$ -	\$ -	\$ -	\$ -
Cash	\$ 4,372,389	\$ 4,372,389	\$ 4,372,389	\$ -	\$ -	\$ -	\$ -

## 4. Not Practicable Estimated Fair Values: None

## 21. Other Items:

A. Extraordinary Items: Not applicable.

B. Troubled Debt Restructuring: Not applicable.

## C. Other Disclosures:

The Company elected to use rounding in reporting amounts in this Annual Statement. The Company files the Annual Statement in accordance with NAIC validation tolerance levels.

D. Nature of any portion of the balance that is reasonably possible to uncollectible for assets covered by SSAP No. 6: Not applicable.

E. Business Interruption Insurance recoveries: Not applicable.

F. State Transferable Tax Credits: Not applicable.

G. Subprime-Mortgage-Related Risk Exposure: Not applicable

22. Events Subsequent: The Company used February 13, 2013, the date these statutory financial statements were available to be issued, as the date through which subsequent events have been evaluated. There were no material subsequent events that required recognition or additional disclosure in these statutory financial statements.

## 23. Reinsurance:

A. Unsecured Reinsurance Recoverables: Not applicable.

B. Reinsurance Recoverable in Dispute: Not applicable.

C. Reinsurance Assumed and Ceded:

(1)The following table summarizes assumed and ceded unearned premiums and the related commission equity at December 31, 2012, stated in dollars.

	Assumed		Ceded		Assumed less Ceded	
	1 Unearned	2 Commission	3 Unearned	4 Commission	5 Unearned	6 Commission
a. Affiliates	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. All Other	\$ 5,504,726	\$ 1,561,994	\$ 73,185,262	\$ 5,905,819	\$ (67,680,536)	\$ (4,343,825)
c. Total	\$ 5,504,726	\$ 1,561,994	\$ 73,185,262	\$ 5,905,819	\$ (67,680,536)	\$ (4,343,825)

d. Direct Unearned Premium Reserve: \$ 108,754,478

(2)The 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: Not applicable.

D. Uncollectible Reinsurance: Not applicable.

E. Commutation of Ceded Reinsurance: Not applicable.

## NOTES TO FINANCIAL STATEMENTS

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F. Retroactive Reinsurance: Not applicable.

G. Reinsurance Accounted For As A Deposit: Not applicable.

24. Retrospectively and Experience Rated Contracts and Contracts Subject to Redetermination:

The Company estimates accrued retrospective and experience rated premium adjustments through the review of each individual retrospectively or experience rated risk, comparing case basis loss development with that anticipated in the policy contract to arrive at the best estimate of return or additional retrospective and experience rated premium.

The Company records accrued retrospective and experience rated premium as an adjustment to earned premium. Net premiums written of \$8,263,744 and \$13,491,572 were subject to retrospective and experience rating features during 2012 and 2011, respectively. This represented approximately 14% and 25%, respectively, of total net premiums written.

25. Change in incurred Losses and Loss Adjustment Expenses:

As a result of changes in estimates of insured events in prior years, the provision for unpaid loss and LAE decreased by approximately \$3.5 million and \$2.6 million for the years ended December 31, 2012 and 2011, respectively. The decreases in 2012 and 2011 were primarily due to favorable loss development for our lender services and WIP product lines. The majority of our losses are short-tail in nature and adjustments to reserve amounts occur rather quickly. Conditions that affected redundancies in reserves may not necessarily occur in the future. Accordingly, it may not be appropriate to extrapolate this redundancy to future periods

26. Intercompany Pooling Arrangements: Not applicable.

27. Structured Settlements: Not applicable.

28. Health Care Receivables: Not applicable.

29. Participating Policies: Not applicable.

30. Premium Deficiency Reserves:

1. Liability carried for premium deficiency reserves	0
2. Date of the most recent evaluation of this liability	12/31/2012
3. Was anticipated investment income utilized in the calculation?	no

31. High Deductibles: Not applicable.

32. Discounting of Liabilities for Unpaid Losses of Unpaid Loss Adjustment Expenses: Not applicable.

33. Asbestos/Environmental Reserves: Not applicable.

34. Subscriber Savings Accounts: Not applicable.

35. Multiple Peril Crop Insurance: Not applicable.

36. Financial guaranty Insurance: Not applicable

**GENERAL INTERROGATORIES**  
**PART 1 - COMMON INTERROGATORIES**

GENERAL

- 1.1 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? .....
- 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. 12/31/2011
- 3.2 State the as of date of 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. 12/31/2011
- 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). 09/06/2012
- 3.4 By what department or departments?  
OHIO DEPARTMENT OF INSURANCE
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes ( ) No ( ) N/A (X)
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes ( ) No ( ) N/A (X)
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes ( ) No (X)
- 4.12 renewals? Yes ( ) No (X)
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes ( ) No (X)
- 4.22 renewals? Yes ( ) No (X)

**GENERAL INTERROGATORIES**  
**PART 1 - COMMON INTERROGATORIES**

GENERAL

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 entity, the NAIC company code, and state of domicile for any entity that has ceased to exist as a result of the merger or consolidation.

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

6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes ( ) No (X)

6.2 If yes, give full information:  
.....

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes ( ) No (X)

7.2 If yes, 7.21 State the percentage of foreign control; .....%

7.22 State the nationality(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity
------------------	---------------------

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes ( ) No (X)

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

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

8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any 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
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**GENERAL INTERROGATORIES**  
**PART 1 - COMMON INTERROGATORIES**

GENERAL

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
Skodo, Minotti & Co. 6885 Bella Dr. Mayfield Village, Ohio
- 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 Model 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 domiciliary state insurance laws? Yes (X) No ( ) N/A ( )
- 10.6 If the response 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?  
Matt Merlinos, 3374-B Medlock Bridge, Norcross, GA 30092
- 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 (X)
- 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?  
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;  
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;  
(c) Compliance with applicable governmental laws, rules and regulations;  
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and  
(e) Accountability for adherence to the code. Yes (X) No ( )
- 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, indicated the American Bankers Association (ABA) Routing Number and the name of 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

**GENERAL INTERROGATORIES**  
**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 ( )

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              | \$ ..... |
|  | 20.12 To stockholders not officers                | \$ ..... |
|  | 20.13 Trustees, supreme or grand (Fraternal only) | \$ ..... |
- 20.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
- |  |   |          |
|--|---|----------|
|  | 20.21 To directors or other officers              | \$ ..... |
|  | 20.22 To stockholders not officers                | \$ ..... |
|  | 20.23 Trustees, supreme or grand (Fraternal only) | \$ ..... |
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes ( ) No (X)
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- |  |                            |          |
|--|----------------------------|----------|
|  | 21.21 Rented from others   | \$ ..... |
|  | 21.22 Borrowed from others | \$ ..... |
|  | 21.23 Leased from others   | \$ ..... |
|  | 21.24 Other                | \$ ..... |
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes ( ) No (X)
- 22.2 If answer is yes:
- |  |  |          |
|--|--|----------|
|  | 22.21 Amount paid as losses or risk adjustment | \$ ..... |
|  | 22.22 Amount paid as expenses                  | \$ ..... |
|  | 22.23 Other amounts paid                       | \$ ..... |
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes (X) No ( )
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ ..... 778,945

**GENERAL INTERROGATORIES**  
**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:  
 .....  
 .....
- 24.03 For the security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)  
 .....  
 .....
- 24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in 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 security 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 reinvented 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 ( ) No (X)
- 25.2 If yes, state the amount thereof at December 31 of the current year:
- |  |  |          |
|--|--|----------|
|  | 25.21 Subject to repurchase agreements                 | \$ ..... |
|  | 25.22 Subject to reverse repurchase agreements         | \$ ..... |
|  | 25.23 Subject to dollar repurchase agreements          | \$ ..... |
|  | 25.24 Subject to reverse dollar repurchase agreements  | \$ ..... |
|  | 25.25 Pledged as collateral                            | \$ ..... |
|  | 25.26 Placed under option agreements                   | \$ ..... |
|  | 25.27 Letter stock or securities restricted as to sale | \$ ..... |
|  | 25.28 On deposit with state or other regulatory body   | \$ ..... |
|  | 25.29 Other  | \$ ..... |

**GENERAL INTERROGATORIES**  
**PART 1 - COMMON INTERROGATORIES**

INVESTMENT

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

Fifth Third Bank .....	38 Fountain Square, Cincinnati, Ohio 45263 .....
Meeder Asset Management .....	6125 Memorial Drive, Dublin, Ohio 43017 .....
Huntington National Bank .....	30050 Chagrin Boulevard Suite 150 Pepper Pike, Ohio 44124 .....
UBS Financial Services, Inc .....	180 Market Street New Albany, Ohio 43054 .....

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)
--------------	------------------	------------------------------

**GENERAL INTERROGATORIES**  
**PART 1 - COMMON INTERROGATORIES**

INVESTMENT

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

1 Central Registration Depository Number(s)	2 Name	3 Address
--	-----------	--------------

107038 .....	J.P. Morgan Investment Management Inc .....	80 South Eighth Street 3300 IDC Center, Minneapolis, MN 55402 .....
105794 .....	Meeder Asset Management .....	6125 Memorial Drive Dublin, Ohio 43017 .....
7745 .....	Huntington National Bank .....	30050 Chagrin Boulevard, Suite 150 Pepper Pike, Ohio 44124 .....
0221 .....	UBS Financial Services, Inc .....	180 Market Street Suite 200 New Albany, Ohio 43054 .....

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 Number	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
-------------------	--------------------------	-----------------------------------

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

1 Name of Mutual Fund (from question 29.2)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
--	--	---	------------------------

**GENERAL INTERROGATORIES**  
**PART 1 - COMMON INTERROGATORIES**

INVESTMENT

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 .....	\$ 75,507,396	\$ 78,730,868	\$ 3,223,472
30.2 Preferred stocks .....	\$ 7,891,961	\$ 8,644,978	\$ 753,017
30.3 Totals .....	\$ 83,399,357	\$ 87,375,846	\$ 3,976,489

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

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes ( ) No (X)

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes ( ) No ( )

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:  
.....  
.....

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes (X) No ( )

32.2 If no, list exceptions:  
.....  
.....

**GENERAL INTERROGATORIES**  
**PART 1 - COMMON INTERROGATORIES**

OTHER

33.1 Amount of payments to Trade Associations, service organizations and statistical or Rating Bureaus, if any? \$ ..... 12,541

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
Sircon Inc. ....	\$ ..... 6,865
National Crime Bureau .....	\$ ..... 4,116
.....	\$ .....
.....	\$ .....

34.1 Amount of payments for legal expenses, if any? \$ ..... 78,333

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
Vorys, Sater & Pease, LLP .....	\$ ..... 42,004
.....	\$ .....
.....	\$ .....
.....	\$ .....

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

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

1 Name	2 Amount Paid
.....	\$ .....
.....	\$ .....
.....	\$ .....
.....	\$ .....

**GENERAL INTERROGATORIES**  
**PART 2 - PROPERTY AND CASUALTY INTERROGATORIES**

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes ( ) No (X)
- 1.2 If yes, indicate premium earned on U.S. business only. \$ .....
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$ .....

1.31 Reason for excluding:  
 .....  
 .....

- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Line (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	\$ .....	\$ .....
2.2 Premium Denominator	\$ .....	\$ .....
2.3 Premium Ratio (Line 2.1/Line 2.2)	.....	.....
2.4 Reserve Numerator	\$ .....	\$ .....
2.5 Reserve Denominator	\$ .....	\$ .....
2.6 Reserve Ratio (Line 2.4/Line 2.5)	.....	.....

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

- 5. For Reciprocal Exchanges only:
  - 5.1 Does the exchange appoint local agents? Yes ( ) No ( )
  - 5.2 If yes, is the commission paid:
    - 5.21 Out of Attorney's-in-fact compensation Yes ( ) No ( ) N/A (X)
    - 5.22 As a direct expense of the exchange Yes ( ) No ( ) N/A (X)

5.3 What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?  
 .....  
 .....

- 5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? Yes ( ) No ( )

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?  
 NOT APPLICABLE
- 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:  
 NOT APPLICABLE LIMITED PROPERTY COVERAGE WRITTEN
- 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?  
 NOT APPLICABLE
- 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 ( ) No (X)
- 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 unreinsured catastrophic loss.  
 LIMITED PROPERTY COVERAGE WRITTEN
- 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 ( ) No (X)
- 7.2 If yes, indicate the number of reinsurance contracts containing such provisions.
- 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.
- 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 the 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 common 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)  
 Yes ( ) No (X)  
 Yes ( ) No (X)

**GENERAL INTERROGATORIES**  
**PART 2 - PROPERTY AND CASUALTY INTERROGATORIES**

10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original reporting 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 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 asset schedule, Page 2, state the amount of corresponding liabilities recorded for:
- |   |  |          |
|---|--|----------|
| 12.11 Unpaid losses   |  | \$ ..... |
| 12.12 Unpaid underwriting expenses (including loss adjustment expenses) |  | \$ ..... |
- 12.2 Of the amount on Line 15.3 of the asset schedule, Page 2, state the amount which is secured by letters of credit, collateral and other funds: \$ .....
- 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 the reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? Yes (X) No ( )
- 12.6 If yes, state the amount thereof at December 31 of the current year:
- |                                  |  |                     |
|----------------------------------|--|---------------------|
| 12.61 Letters of credit          |  | \$ ..... 75,525,000 |
| 12.62 Collateral and other funds |  | \$ ..... 4,518,000  |
- 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$ ..... 4,500,000
- 13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes ( ) No (X)
- 13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount. .....
- 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 (X)
- 14.4 If the answer to 14.3 is no, are the methods described in 14.2 entirely contained in written agreements? Yes ( ) No (X)
- 14.5 If the answer to 14.4 is no, please explain:  
 .....
- 15.1 Has the reporting entity guaranteed any financed premium accounts? Yes ( ) No (X)
- 15.2 If yes, give full information.  
 .....

**GENERAL INTERROGATORIES**  
**PART 2 - PROPERTY AND CASUALTY INTERROGATORIES**

16.1 Does the reporting entity write any warranty business? Yes (X) No ( )

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	819	56,464	39,276	70,575	51,207
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 accounts? 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
<b>Gross Premiums Written (Page 8, Part 1B, Columns 1, 2 and 3)</b>					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 and 19.3, 19.4)	1,309,473	818,793	(107)	2,922	(118)
2. Property lines (Lines 1, 2, 9, 12, 21 and 26)	54,490,465	46,446,370	40,949,152	29,405,639	28,227,871
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 and 27)					
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 and 34)	57,276,530	54,580,742	50,364,977	43,642,206	42,772,482
5. Nonproportional reinsurance lines (Lines 31, 32 and 33)					
6. Total (Line 35)	113,076,468	101,845,905	91,314,022	73,050,767	71,000,235
<b>Net Premiums Written (Page 8, Part 1B, Column 6)</b>					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 and 19.3, 19.4)	1,309,473	818,793	(107)	2,922	(118)
8. Property lines (Lines 1, 2, 9, 12, 21 and 26)	9,580,724	7,541,669	7,294,421	4,834,414	4,458,183
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 and 27)					
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 and 34)	48,868,781	46,375,116	41,428,525	36,605,166	35,984,869
11. Nonproportional reinsurance lines (Line 31, 32 and 33)					
12. Total (Line 35)	59,758,978	54,735,578	48,722,839	41,442,502	40,442,934
<b>Statement of Income (Page 4)</b>					
13. Net underwriting gain (loss) (Line 8)	9,152,886	7,020,090	7,773,367	4,941,628	3,501,222
14. Net investment gain (loss) (Line 11)	6,395,009	5,132,037	3,960,898	2,286,320	756,869
15. Total other income (Line 15)	(143)	2,429,602	1,487	163,023	367,948
16. Dividends to policyholders (Line 17)					
17. Federal and foreign income taxes incurred (Line 19)	4,246,629	3,871,465	3,019,433	2,090,010	1,510,652
18. Net income (Line 20)	11,301,123	10,710,264	8,716,319	5,300,961	3,115,387
<b>Balance Sheet Lines (Pages 2 and 3)</b>					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Column 3)	121,063,430	111,935,955	98,304,313	102,044,045	99,728,929
20. Premiums and considerations (Page 2, Column 3)					
20.1 In course of collection (Line 15.1)	5,468,214	5,983,906	5,613,143	4,264,852	4,866,077
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)	75,874,872	66,743,649	53,102,172	56,855,839	54,561,378
22. Losses (Page 3, Line 1)	11,250,473	12,669,636	10,270,648	10,268,113	15,574,408
23. Loss adjustment expenses (Page 3, Line 3)	209,415	316,365	291,631	252,430	356,824
24. Unearned premiums (Page 3, Line 9)	41,692,397	29,427,160	22,633,440	21,467,998	23,424,595
25. Capital paid up (Page 3, Line 30 and Line 31)	3,000,746	3,000,746	3,000,746	3,000,746	2,500,497
26. Surplus as regards policyholders (Page 3, Line 37)	45,188,558	45,192,306	45,202,141	45,188,206	45,167,551
<b>Cash Flow (Page 5)</b>					
27. Net cash from operations (Line 11)	17,995,593	21,071,134	5,497,190	6,430,312	3,110,989
<b>Risk-Based Capital Analysis</b>					
28. Total adjusted capital	45,188,558	45,192,306	45,202,141	45,188,206	45,167,551
29. Authorized control level risk-based capital	6,918,592	6,452,866	5,612,879	5,111,340	5,105,737
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Column 3) (Item divided by Page 2, Line 12, Column 3) x 100.0</b>					
30. Bonds (Line 1)	68.8	68.1	78.5	81.8	79.3
31. Stocks (Line 2.1 and Line 2.2)	9.5	18.1	13.0	7.2	7.6
32. Mortgage loans on real estate (Line 3.1 and Line 3.2)					
33. Real estate (Lines 4.1, 4.2 and 4.3)					
34. Cash, cash equivalents and short-term investments (Line 5)	21.2	13.3	8.5	11.0	13.1
35. Contact loans (Line 6)					
36. Derivatives (Line 7)				X X X	X X X
37. Other invested assets (Line 8)					
38. Receivables for securities (Line 9)	0.5	0.5			
39. Securities lending reinvested collateral assets (Line 10)				X X X	X X X
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
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
42. Affiliated bonds (Schedule D, Summary, Line 12, Column 1)					
43. Affiliated preferred stocks (Schedule D, Summary, Line 18, Column 1)					
44. Affiliated common stocks (Schedule D, Summary, Line 24, Column 1)					
45. Affiliated short-term investments (Schedule DA Verification, Column 5, Line 10)					
46. Affiliated mortgage loans on real estate					
47. All other affiliated					
48. Total of above Line 42 through Line 47					
49. Total investment in parent included in Line 42 through Line 47 above					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Column 1, Line 37 x 100.0)					

**FIVE-YEAR HISTORICAL DATA**

(Continued)

	1 2012	2 2011	3 2010	4 2009	5 2008
<b>Capital and Surplus Accounts (Page 4)</b>					
51. Net unrealized capital gains (losses) (Line 24)	656,455	(972,112)	(24,601)	1,413,223	(1,024,842)
52. Dividends to stockholders (Line 35)	(12,000,000)	(9,700,000)	(9,100,000)	(7,416,755)	(2,000,000)
53. Change in surplus as regards policyholders for the year (Line 38)	(3,748)	(9,835)	13,935	20,655	102,512
<b>Gross Losses Paid (Page 9, Part 2, Columns 1 and 2)</b>					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 and 19.3, 19.4)	65,788	34,038	27,324	106,981	2,364
55. Property lines (Lines 1, 2, 9, 12, 21 and 26)	15,124,516	11,273,502	10,306,976	7,972,216	7,987,005
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 and 27)					
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 and 34)	12,594,521	12,461,190	17,030,079	27,682,567	25,028,170
58. Nonproportional reinsurance lines (Lines 31, 32, and 33)					
59. Total (Line 35)	27,784,825	23,768,730	27,364,379	35,761,764	33,017,539
<b>Net Losses Paid (Page 9, Part 2, Column 4)</b>					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 and 19.3, 19.4)	65,788	34,038	27,324	106,981	2,364
61. Property lines (Lines 1, 2, 9, 12, 21 and 26)	1,540,991	828,464	1,752,773	1,808,990	2,966,605
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 and 27)					
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 and 34)	10,599,158	10,639,279	14,216,146	23,032,742	20,211,492
64. Nonproportional reinsurance lines (Lines 31, 32, and 33)					
65. Total (Line 35)	12,205,937	11,501,781	15,996,243	24,948,713	23,180,461
<b>Operating Percentages (Page 4)</b> (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)	23.4	30.7	34.8	45.0	50.0
68. Loss expenses incurred (Line 3)	2.8	3.2	3.6	3.6	5.0
69. Other underwriting expenses incurred (Line 4)	53.9	50.6	44.6	40.1	37.5
70. Net underwriting gain (loss) (Line 8)	19.9	15.5	16.9	11.3	7.4
<b>Other Percentages</b>					
71. Other underwriting expenses to net premiums written (Page 4, Line 4 plus Line 5 minus Line 15 divided by Page 8, Part 1B, Column 6, Line 35 x 100.0)	41.5	37.5	42.1	41.9	43.0
72. Losses and loss expenses incurred to premiums earned (Page 4, Line 2 plus Line 3 divided by Page 4, Line 1 x 100.0)	26.2	33.9	38.5	48.6	55.1
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Column 6, Line 35 divided by Page 3, Line 37, Column 1 x 100.0)	132.2	121.1	107.8	91.7	89.5
<b>One Year Loss Development (000 omitted)</b>					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2 - Summary, Line 12, Column 11)	(3,472)	(2,612)	(2,342)	(4,456)	(1,366)
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, Column 1 x 100.0)	(7.7)	(5.8)	(5.2)	(9.9)	(3.0)
<b>Two Year Loss Development (000 omitted)</b>					
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, Column 12)	(2,453)	(2,315)	(6,028)	(5,021)	23
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, Column 2 x 100.0)	(5.4)	(5.1)	(13.3)	(11.1)	0.1

Note: 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?  
If no, please explain:

Yes ( ) No ( )

**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 (Columns 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Columns 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	X X X	X X X	X X X									X X X
2. 2003	67,593	17,521	50,072	36,323	6,788	1,402	244	323		871	31,016	X X X
3. 2004	61,576	11,511	50,065	51,246	4,312	4,073	97	362		806	51,272	X X X
4. 2005	55,962	4,245	51,717	26,963	3,042	1,319	66	264		894	25,438	X X X
5. 2006	55,699	6,592	49,107	25,860	2,953	1,503	41	486		1,279	24,855	X X X
6. 2007	61,064	14,091	46,973	28,584	6,674	1,935	131	490		1,603	24,204	X X X
7. 2008	68,782	21,458	47,324	33,402	10,071	1,755	294	532		1,119	25,324	X X X
8. 2009	68,965	25,275	43,690	33,857	10,534	1,370	380	580		842	24,893	X X X
9. 2010	77,546	31,613	45,933	27,003	11,086	1,376	516	582		800	17,359	X X X
10. 2011	82,552	37,216	45,336	23,171	12,296	1,400	680	564		511	12,159	X X X
11. 2012	88,954	42,953	46,001	20,896	14,224	1,169	768	564		266	7,637	X X X
12. Totals	X X X	X X X	X X X	307,305	81,980	17,302	3,217	4,747		8,991	244,157	X X X

	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 & 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.													X X X
2.													X X X
3.													X X X
4.													X X X
5.			8	3								5	X X X
6.			104	28								76	X X X
7.			193	68								125	X X X
8.			256	109								147	X X X
9.			1,506	472								1,034	X X X
10.	27	22	2,914	738							26	2,181	X X X
11.	1,220	447	10,358	3,448			153	117	173		146	7,892	X X X
12.	1,247	469	15,339	4,866			153	117	173		172	11,460	X X X

	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.	X X X	X X X	X X X	X X X	X X X	X X X			X X X		
2.	38,048	7,032	31,016	56.3	40.1	61.9					
3.	55,681	4,409	51,272	90.4	38.3	102.4					
4.	28,546	3,108	25,438	51.0	73.2	49.2					
5.	27,857	2,997	24,860	50.0	45.5	50.6				5	
6.	31,113	6,833	24,280	51.0	48.5	51.7				76	
7.	35,882	10,433	25,449	52.2	48.6	53.8				125	
8.	36,063	11,023	25,040	52.3	43.6	57.3				147	
9.	30,467	12,074	18,393	39.3	38.2	40.0				1,034	
10.	28,076	13,736	14,340	34.0	36.9	31.6				2,181	
11.	34,533	19,004	15,529	38.8	44.2	33.8				7,683	209
12.	X X X	X X X	X X X	X X X	X X X	X X X			X X X	11,251	209

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 2003	2 2004	3 2005	4 2006	5 2007	6 2008	7 2009	8 2010	9 2011	10 2012	11 One Year	12 Two Year	
1. Prior													
2. 2003	35,601	30,686	30,718	30,686	30,693	30,693	30,693	30,693	30,693	30,693			
3. 2004	X X X	53,942	50,169	51,934	52,804	53,154	50,822	50,910	50,910	50,910			
4. 2005	X X X	X X X	27,487	25,917	25,204	25,197	25,189	25,184	25,180	25,175	(5)	(9)	
5. 2006	X X X	X X X	X X X	26,017	25,593	25,526	24,386	24,383	24,375	24,374	(1)	(9)	
6. 2007	X X X	X X X	X X X	X X X	27,029	25,386	25,212	23,927	23,830	23,790	(40)	(137)	
7. 2008	X X X	X X X	X X X	X X X	X X X	26,887	26,085	25,718	25,054	24,917	(137)	(801)	
8. 2009	X X X	X X X	X X X	X X X	X X X	X X X	25,107	24,337	25,137	24,460	(677)	123	
9. 2010	X X X	X X X	X X X	X X X	X X X	X X X	X X X	19,431	16,792	17,811	1,019	(1,620)	
10. 2011	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	17,409	13,778	(3,631)	X X X	
11. 2012	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	14,789	X X X	X X X	
											12. Totals	(3,472)	(2,453)

**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 2003	2 2004	3 2005	4 2006	5 2007	6 2008	7 2009	8 2010	9 2011	10 2012	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
1. Prior	0 0 0										X X X	X X X
2. 2003	25,965	30,043	30,718	30,686	30,693	30,693	30,693	30,693	30,693	30,893	X X X	X X X
3. 2004	X X X	31,593	42,360	45,490	45,656	46,294	50,822	50,910	50,910	50,910	X X X	X X X
4. 2005	X X X	X X X	20,678	25,201	25,204	25,197	25,186	25,181	25,180	25,175	X X X	X X X
5. 2006	X X X	X X X	X X X	20,409	24,396	24,365	24,361	24,369	24,369	24,369	X X X	X X X
6. 2007	X X X	X X X	X X X	X X X	20,108	23,687	23,688	23,713	23,722	23,713	X X X	X X X
7. 2008	X X X	X X X	X X X	X X X	X X X	20,795	24,641	24,726	24,780	24,792	X X X	X X X
8. 2009	X X X	X X X	X X X	X X X	X X X	X X X	1,765	23,398	24,299	24,313	X X X	X X X
9. 2010	X X X	X X X	X X X	X X X	X X X	X X X	X X X	11,235	14,837	16,776	X X X	X X X
10. 2011	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	7,766	11,596	X X X	X X X
11. 2012	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	7,072	X X X	X X X

**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 2003	2 2004	3 2005	4 2006	5 2007	6 2008	7 2009	8 2010	9 2011	10 2012
1. Prior										
2. 2003	7,121	953	960							
3. 2004	X X X	19,685	6,827	6,444	7,149	6,860				
4. 2005	X X X	X X X	5,284	716			3	3		
5. 2006	X X X	X X X	X X X	4,950	1,194	1,161	25	14	5	5
6. 2007	X X X	X X X	X X X	X X X	6,412	1,698	1,524	214	107	76
7. 2008	X X X	X X X	X X X	X X X	X X X	5,472	1,439	992	273	125
8. 2009	X X X	X X X	X X X	X X X	X X X	X X X	6,649	939	838	147
9. 2010	X X X	X X X	X X X	X X X	X X X	X X X	X X X	7,634	1,952	1,035
10. 2011	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	8,990	2,177
11. 2012	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	6,944

**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 Premium Written for Federal Purchasing Groups (Included in Column 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama	AL	L	309,158	233,840	73,074	144,451	98,827		
2. Alaska	AK	L	121,616	120,716		(614)	2,665		
3. Arizona	AZ	L	332,637	201,895	10,092	32,422	63,935		
4. Arkansas	AR	L	153,798	127,545	69,008	68,758	18,642		
5. California	CA	L	6,603,007	4,642,827	1,728,309	1,684,798	1,168,415		
6. Colorado	CO	L	430,886	242,557	48,321	80,248	94,645		
7. Connecticut	CT	L	787,760	879,874	216,491	213,972	179,117		
8. Delaware	DE	L	12,699	8,192		(3,670)	13		
9. Dist. Columbia	DC	L	80,870	81,029					
10. Florida	FL	L	1,928,186	1,731,682	228,447	212,925	369,909		
11. Georgia	GA	L	565,962	321,541	100,209	117,234	65,370		
12. Hawaii	HI	L	1,783,161	2,688,316	719,019	748,430	160,220		
13. Idaho	ID	L	283,358	136,374	8,225	21,248	17,154		
14. Illinois	IL	L	390,807	369,000	105,738	44,591	56,581		
15. Indiana	IN	L	896,242	925,586	135,444	93,641	42,544		
16. Iowa	IA	L	119,543	98,581	54,355	66,253	15,838		
17. Kansas	KS	L	429,513	291,128	87,821	148,114	125,421		
18. Kentucky	KY	L	1,640,118	1,768,765	579,464	416,521	816,566		
19. Louisiana	LA	L	409,963	411,358	331,858	394,332	137,974		
20. Maine	ME	L	172,899	158,562	48,757	59,816	22,994		
21. Maryland	MD	L	928,367	886,916	88,683	97,679	222,209		
22. Massachusetts	MA	L	4,084,434	3,714,226	694,657	693,924	301,277		
23. Michigan	MI	L	771,929	1,054,372	162,761	153,680	192,980		
24. Minnesota	MN	L	66,427	48,827	2,893	2,107	11,249		
25. Mississippi	MS	L	311,746	228,814	126,591	120,617	38,172		
26. Missouri	MO	L	1,302,147	1,100,154	68,394	47,072	274,700		
27. Montana	MT	L	595,146	231,446	26,638	50,014	24,043		
28. Nebraska	NE	L	50,776	27,450	12,190	22,199	10,009		
29. Nevada	NV	L	3,277,048	1,511,904	131,217	191,855	279,946		
30. New Hampshire	NH	L	143,499	166,763	18,631	20,174	29,124		
31. New Jersey	NJ	L	4,061,774	3,688,395	1,002,931	551,462	901,704		
32. New Mexico	NM	L	176,133	134,122	45,677	38,230	9,594		
33. New York	NY	L	7,783,620	6,993,465	1,690,951	1,660,166	1,557,423		
34. North Carolina	NC	L	1,260,370	788,625	193,352	203,711	335,768		
35. North Dakota	ND	L	41,508	54,558		27	73		
36. Ohio	OH	L	6,593,710	6,498,596	3,640,040	3,444,816	1,433,932		
37. Oklahoma	OK	L	244,435	245,762	213,202	216,339	68,057		
38. Oregon	OR	L	585,717	454,714	20,745	31,533	27,612		
39. Pennsylvania	PA	L	786,781	700,546	65,236	84,819	57,649		
40. Rhode Island	RI	L	3,922,850	1,870,642	1,053,295	723,939	249,059		
41. South Carolina	SC	L	228,181	149,522	73,490	89,561	38,668		
42. South Dakota	SD	L	1,149	671					
43. Tennessee	TN	L	952,320	604,271	196,846	186,154	119,497		
44. Texas	TX	L	44,215,458	33,743,789	12,879,422	12,656,745	3,470,825		
45. Utah	UT	L	216,483	102,298	32,782	57,056	29,645		
46. Vermont	VT	L	146,181	126,987	31,093	(12,754)	9,651		
47. Virginia	VA	L	994,951	781,226	300,591	353,606	202,399		
48. Washington	WA	L	1,360,863	631,659	187,969	358,746	216,194		
49. West Virginia	WV	L	680,526	644,688	84,413	147,487	203,604		
50. Wisconsin	WI	L	310,311	237,585	19,012	30,647	98,437		
51. Wyoming	WY	L	32,673	10,329	2,601	3,018	546		
52. American Samoa	AS	N							
53. Guam	GU	N							
54. Puerto Rico	PR	N							
55. U.S. Virgin Islands	VI	N							
56. Northern Mariana Islands	MP	N							
57. Canada	CAN	N							
58. Aggregate other alien	OT	X X X							
59. Totals	(a) 51		103,579,696	82,872,690	27,610,935	26,768,099	13,870,876		
<b>DETAILS OF WRITE-INS</b>									
58001.		X X X							
58002.		X X X							
58003.		X X X							
58998. Summary of remaining write-ins for Line 58 from overflow page		X X X							
58999. Totals (Line 58001 through Line 58003 plus Line 58998) (Line 58 above)		X X X							

(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.

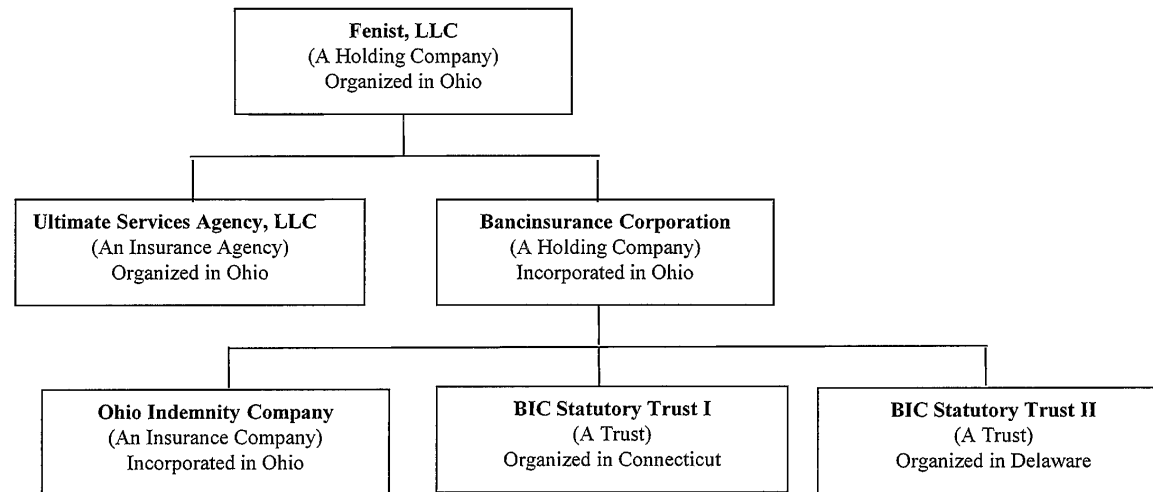
**Explanation of basis of allocation of premiums by states, etc.**

Premiums are allocated to where risks are assigned.

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

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE OHIO INDEMNITY COMPANY  
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 - ORGANIZATIONAL CHART

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# Property and Casualty

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