



ANNUAL STATEMENT

For the Year Ended December 31, 2013  
of the Condition and Affairs of the

National Interstate Insurance Company

NAIC Group Code.....84, 84  
(Current Period) (Prior Period)

Organized under the Laws of Ohio  
Incorporated/Organized..... February 10, 1989

Statutory Home Office  
3250 Interstate Drive..... Richfield ..... OH ..... 44286  
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office  
3250 Interstate Drive..... Richfield ..... OH ..... 44286  
(Street and Number) (City or Town, State, Country and Zip Code)

Mail Address  
3250 Interstate Drive..... Richfield ..... OH ..... 44286  
(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records  
3250 Interstate Drive..... Richfield ..... OH ..... 44286  
(Street and Number) (City or Town, State, Country and Zip Code)

Internet Web Site Address

Statutory Statement Contact  
Robert Paul Brooks  
(Name)  
rob.brooks@nationalinterstate.com  
(E-Mail Address)

NAIC Company Code..... 32620

State of Domicile or Port of Entry Ohio

Commenced Business..... March 28, 1989

Country of Domicile US

800-929-1500  
(Area Code) (Telephone Number)

800-929-1500  
(Area Code) (Telephone Number)

330-659-8900 -1204  
(Area Code) (Telephone Number) (Extension)  
330-659-8904  
(Fax Number)

OFFICERS

Name	Title	Name	Title
1. David Warner Michelson	President	2. Arthur Jeffrey Gonzales	VP, General Counsel & Secretary
3. Julie Ann McGraw	VP, CFO & Treasurer	4. Anthony Joseph Mercurio #	Executive VP & COO
OTHER			
Terry Eugene Phillips	Senior Vice President	Gary Norman Monda	VP, CIO & Assistant Treasurer
Ronald George Steiger, Jr. #	VP & Chief Information Officer	James Allan Parks #	VP & Chief Underwriting Officer
John Lloyd Woods	Vice President	Terri Kaye Johnson	Vice President
Bradford Lee Scofield	Vice President	Raymond Frederick Wise, Jr.	Vice President
George Olaf Skuggen #	Vice President		

DIRECTORS OR TRUSTEES

Arthur Jeffrey Gonzales	Julie Ann McGraw	Anthony Joseph Mercurio	David Warner Michelson
Gary Norman Monda	Terry Eugene Phillips	Bradford Lee Scofield	

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

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

(Signature)  
David Warner Michelson

1. (Printed Name)  
President

(Title)

(Signature)  
Arthur Jeffrey Gonzales

2. (Printed Name)  
VP, General Counsel & Secretary

(Title)

(Signature)  
Julie Ann McGraw

3. (Printed Name)  
VP, CFO & Treasurer

(Title)

Subscribed and sworn to before me  
This 14th day of February 2014

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	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	581,958,164		581,958,164	595,283,232
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	11,471,894		11,471,894	5,094,761
2.2 Common stocks.....	215,169,633	183,840	214,985,793	179,946,568
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	15,536,369		15,536,369	15,693,715
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$.....2,441,449, Schedule E-Part 1), cash equivalents (\$.....0, Schedule E-Part 2) and short-term investments (\$.....7,205,474, Schedule DA).....	9,646,923		9,646,923	18,658,195
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives (Schedule DB).....			0	
8. Other invested assets (Schedule BA).....	23,883,002		23,883,002	21,713,639
9. Receivables for securities.....			0	
10. Securities lending reinvested collateral assets (Schedule DL).....			0	
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	857,665,986	183,840	857,482,146	836,390,110
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	5,496,569		5,496,569	5,981,039
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	8,894,664	2,257,876	6,636,788	9,980,869
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	141,900,164	533,449	141,366,715	131,368,564
15.3 Accrued retrospective premiums.....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	10,248,825		10,248,825	6,119,909
16.2 Funds held by or deposited with reinsured companies.....	1,166,401		1,166,401	913,076
16.3 Other amounts receivable under reinsurance contracts.....			0	
17. Amounts receivable relating to uninsured plans.....			0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....	2,665,750		2,665,750	479,053
18.2 Net deferred tax asset.....	22,319,468		22,319,468	22,032,654
19. Guaranty funds receivable or on deposit.....			0	
20. Electronic data processing equipment and software.....	1,175,238		1,175,238	924,343
21. Furniture and equipment, including health care delivery assets (\$.....0).....			0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....	3,584,345		3,584,345	1,205,481
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other than invested assets.....	2,920,849	983,153	1,937,696	2,075,598
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	1,058,038,258	3,958,318	1,054,079,940	1,017,470,693
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. TOTALS (Lines 26 and 27).....	1,058,038,258	3,958,318	1,054,079,940	1,017,470,693

DETAILS OF WRITE-INS

1101. ....			0	
1102. ....			0	
1103. ....			0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. Receivable from insureds for deductible payments.....	1,203,367	106,362	1,097,005	621,757
2502. Prepaid expenses.....	876,792	876,792	0	
2503. Commission receivable.....	732,178		732,178	1,348,199
2598. Summary of remaining write-ins for Line 25 from overflow page.....	108,513	0	108,513	105,642
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	2,920,849	983,153	1,937,696	2,075,598

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	271,998,832	266,206,397
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).....	63,396,473	60,883,895
4. Commissions payable, contingent commissions and other similar charges.....	10,226,798	8,820,793
5. Other expenses (excluding taxes, licenses and fees).....	5,837,226	7,143,330
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	6,434,353	5,590,814
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....		
7.2 Net deferred tax liability.....		
8. Borrowed money \$.....0 and interest thereon \$.....0.....		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$.....140,235,739 and including warranty reserves of \$.....0 and accrued accident and health experience rating refunds including \$.....0 for medical loss ratio rebate per the Public Health Service Act).....	125,011,309	121,869,462
10. Advance premium.....	360,118	592,016
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	16,423,488	12,084,169
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19).....	232,838,265	215,733,550
14. Amounts withheld or retained by company for account of others.....	19,278,624	16,436,377
15. Remittances and items not allocated.....	1,110,820	1,459,305
16. Provision for reinsurance (including \$.....0 certified) (Schedule F, Part 8).....	2,559,151	2,102,665
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	3,978,977	16,419,446
20. Derivatives.....		
21. Payable for securities.....	2,734,623	37,139
22. Payable for securities lending.....		
23. Liability for amounts held under uninsured plans.....		
24. Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	8,471,770	12,395,396
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	770,660,825	747,774,754
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	770,660,825	747,774,754
29. Aggregate write-ins for special surplus funds.....	0	0
30. Common capital stock.....	3,000,000	3,000,000
31. Preferred capital stock.....		
32. Aggregate write-ins for other than special surplus funds.....	0	0
33. Surplus notes.....		
34. Gross paid in and contributed surplus.....	32,108,779	32,108,779
35. Unassigned funds (surplus).....	248,310,336	234,587,160
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 30 \$.....0).....		
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0).....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39).....	283,419,115	269,695,939
38. TOTALS (Page 2, Line 28, Col. 3).....	1,054,079,940	1,017,470,693

DETAILS OF WRITE-INS

2501. Unearned rental income.....	33,180	33,512
2502. Payable for balance sheet guaranty.....	8,438,589	12,361,885
2503. ....		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	8,471,770	12,395,396
2901. ....		
2902. ....		
2903. ....		
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	0	0
3201. ....		
3202. ....		
3203. ....		
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 thru 3203 plus 3298) (Line 32 above).....	0	0

National Interstate Insurance Company  
STATEMENT OF INCOME

UNDERWRITING INCOME		1	2
		Current Year	Prior Year
1.	Premiums earned (Part 1, Line 35, Column 4).....	274,507,412	250,921,330
DEDUCTIONS			
2.	Losses incurred (Part 2, Line 35, Column 7).....	161,268,492	128,470,861
3.	Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	32,976,210	27,722,954
4.	Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	75,818,863	75,587,908
5.	Aggregate write-ins for underwriting deductions.....	0	0
6.	Total underwriting deductions (Lines 2 through 5).....	270,063,565	231,781,724
7.	Net income of protected cells.....		
8.	Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	4,443,847	19,139,606
INVESTMENT INCOME			
9.	Net investment income earned (Exhibit of Net Investment Income, Line 17).....	24,129,483	45,645,613
10.	Net realized capital gains (losses) less capital gains tax of \$.....1,559,780 (Exhibit of Capital Gains (Losses)).....	2,741,292	2,887,720
11.	Net investment gain (loss) (Lines 9 + 10).....	26,870,775	48,533,333
OTHER INCOME			
12.	Net gain (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0).....	0	
13.	Finance and service charges not included in premiums.....	329,261	410,977
14.	Aggregate write-ins for miscellaneous income.....	(3,879,679)	(3,749,379)
15.	Total other income (Lines 12 through 14).....	(3,550,418)	(3,338,402)
16.	Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	27,764,204	64,334,537
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).....	27,764,204	64,334,537
19.	Federal and foreign income taxes incurred.....	5,839,043	11,454,575
20.	Net income (Line 18 minus Line 19) (to Line 22).....	21,925,161	52,879,962
CAPITAL AND SURPLUS ACCOUNT			
21.	Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	269,695,939	293,613,704
22.	Net income (from Line 20).....	21,925,161	52,879,962
23.	Net transfers (to) from Protected Cell accounts.....		
24.	Change in net unrealized capital gains or (losses) less capital gains tax of \$.....2,162,528.....	1,891,184	(16,468,838)
25.	Change in net unrealized foreign exchange capital gain (loss).....		
26.	Change in net deferred income tax.....	2,097,163	(1,040,340)
27.	Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3).....	(1,733,846)	2,511,531
28.	Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....	(456,486)	(1,800,080)
29.	Change in surplus notes.....		
30.	Surplus (contributed to) withdrawn from protected cells.....		
31.	Cumulative effect of changes in accounting principles.....		
32.	Capital changes:		
32.1	Paid in.....		
32.2	Transferred from surplus (Stock Dividend).....		
32.3	Transferred to surplus.....		
33.	Surplus adjustments:		
33.1	Paid in.....	(0)	
33.2	Transferred to capital (Stock Dividend).....		
33.3.	Transferred from capital.....		
34.	Net remittances from or (to) Home Office.....		
35.	Dividends to stockholders.....	(10,000,000)	(60,000,000)
36.	Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1).....		
37.	Aggregate write-ins for gains and losses in surplus.....	0	0
38.	Change in surplus as regards policyholders for the year (Lines 22 through 37).....	13,723,176	(23,917,765)
39.	Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	283,419,115	269,695,939

DETAILS OF WRITE-INS		
0501.	.....	.....
0502.	.....	.....
0503.	.....	.....
0598.	Summary of remaining write-ins for Line 5 from overflow page.....	0
0599.	Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	0
1401.	Other.....	1,334,191
1402.	Interest on funds held.....	(5,213,870)
1403.	.....	.....
1498.	Summary of remaining write-ins for Line 14 from overflow page.....	0
1499.	Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	(3,879,679)
3701.	.....	.....
3702.	.....	.....
3703.	.....	.....
3798.	Summary of remaining write-ins for Line 37 from overflow page.....	0
3799.	Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	0

CASH FLOW

		1	2
		Current Year	Prior Year
CASH FROM OPERATIONS			
1.	Premiums collected net of reinsurance.....	272,990,273	223,149,212
2.	Net investment income.....	29,227,834	51,174,949
3.	Miscellaneous income.....	(3,550,418)	(3,338,402)
4.	Total (Lines 1 through 3).....	298,667,689	270,985,759
5.	Benefit and loss related payments.....	159,858,298	121,171,039
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7.	Commissions, expenses paid and aggregate write-ins for deductions.....	105,340,365	104,124,919
8.	Dividends paid to policyholders.....		
9.	Federal and foreign income taxes paid (recovered) net of \$.....1,559,780 tax on capital gains (losses).....	9,585,520	7,366,259
10.	Total (Lines 5 through 9).....	274,784,183	232,662,217
11.	Net cash from operations (Line 4 minus Line 10).....	23,883,507	38,323,542
CASH FROM INVESTMENTS			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds.....	164,301,152	176,737,985
12.2	Stocks.....	140,409,718	21,533,809
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.....	2,697,483	20,877
12.8	Total investment proceeds (Lines 12.1 to 12.7).....	307,408,354	198,292,671
13.	Cost of investments acquired (long-term only):		
13.1	Bonds.....	152,545,065	172,035,845
13.2	Stocks.....	176,053,001	23,821,801
13.3	Mortgage loans.....		
13.4	Real estate.....	338,183	542,098
13.5	Other invested assets.....	2,120,055	8,359,028
13.6	Miscellaneous applications.....		
13.7	Total investments acquired (Lines 13.1 to 13.6).....	331,056,305	204,758,771
14.	Net increase (decrease) in contract loans and premium notes.....		
15.	Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	(23,647,951)	(6,466,100)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes.....		
16.2	Capital and paid in surplus, less treasury stock.....	(0)	
16.3	Borrowed funds.....		
16.4	Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5	Dividends to stockholders.....	10,000,000	60,000,000
16.6	Other cash provided (applied).....	753,172	42,927,109
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(9,246,828)	(17,072,891)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	(9,011,273)	14,784,550
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year.....	18,658,195	3,873,645
19.2	End of year (Line 18 plus Line 19.1).....	9,646,923	18,658,195

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

20.0001		
---------	--	--

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business		1  Net Premiums Written per Column 6, Part 1B	2  Unearned Premiums December 31 Prior Year- per Col. 3, Last Year's Part 1	3  Unearned Premiums December 31 Current Year- per Col. 5, Part 1A	4  Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire.....	72,439	24,211	47,345	49,306
2.	Allied lines.....	158,211	65,533	115,970	107,775
3.	Farmowners multiple peril.....				0
4.	Homeowners multiple peril.....				0
5.	Commercial multiple peril.....	1,961,726	636,577	935,515	1,662,788
6.	Mortgage guaranty.....				0
8.	Ocean marine.....	4,468			4,468
9.	Inland marine.....	3,295,580	1,546,882	1,705,346	3,137,116
10.	Financial guaranty.....				0
11.1	Medical professional liability - occurrence.....				0
11.2	Medical professional liability - claims-made.....				0
12.	Earthquake.....	(358)	4,608		4,250
13.	Group accident and health.....				0
14.	Credit accident and health (group and individual).....				0
15.	Other accident and health.....	373,513	172,591	172,591	373,513
16.	Workers' compensation.....	75,595,857	29,530,434	33,164,108	71,962,183
17.1	Other liability - occurrence.....	10,479,432	6,661,895	5,266,564	11,874,763
17.2	Other liability - claims-made.....	(5,036)	130,669	13,412	112,221
17.3	Excess workers' compensation.....				0
18.1	Products liability - occurrence.....				0
18.2	Products liability - claims-made.....				0
19.1, 19.2	Private passenger auto liability.....	3,590,294	1,946,142	1,679,422	3,857,014
19.3, 19.4	Commercial auto liability.....	134,579,449	58,940,096	60,511,199	133,008,346
21.	Auto physical damage.....	47,409,433	22,155,698	21,333,654	48,231,477
22.	Aircraft (all perils).....				0
23.	Fidelity.....		8,295	7,529	766
24.	Surety.....	61,634	31,412	23,657	69,390
26.	Burglary and theft.....	17,886	14,235	12,258	19,863
27.	Boiler and machinery.....	54,728	184	22,739	32,173
28.	Credit.....				0
29.	International.....				0
30.	Warranty.....				0
31.	Reinsurance - nonproportional assumed property.....				0
32.	Reinsurance - nonproportional assumed liability.....				0
33.	Reinsurance - nonproportional assumed financial lines.....				0
34.	Aggregate write-ins for other lines of business.....	0	0	0	0
35.	TOTALS.....	277,649,259	121,869,462	125,011,309	274,507,412

DETAILS OF WRITE-INS

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business		1	2	3	4	5
		Amount Unearned (Running One Year or Less from Date of Policy) (a)	Amount Unearned (Running More Than One Year from Date of Policy) (a)	Earned But Unbilled Premium	Reserve for Rate Credits and Retrospective Adjustments Based on Experience	Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire.....	47,345				47,345
2.	Allied lines.....	115,970				115,970
3.	Farmowners multiple peril.....					0
4.	Homeowners multiple peril.....					0
5.	Commercial multiple peril.....	935,515				935,515
6.	Mortgage guaranty.....					0
8.	Ocean marine.....					0
9.	Inland marine.....	1,705,346				1,705,346
10.	Financial guaranty.....					0
11.1	Medical professional liability - occurrence.....					0
11.2	Medical professional liability - claims-made.....					0
12.	Earthquake.....					0
13.	Group accident and health.....					0
14.	Credit accident and health (group and individual).....					0
15.	Other accident and health.....	172,591				172,591
16.	Workers' compensation.....	33,164,108				33,164,108
17.1	Other liability - occurrence.....	5,266,564				5,266,564
17.2	Other liability - claims-made.....	13,412				13,412
17.3	Excess workers' compensation.....					0
18.1	Products liability - occurrence.....					0
18.2	Products liability - claims-made.....					0
19.1, 19.2	Private passenger auto liability.....	1,679,422				1,679,422
19.3, 19.4	Commercial auto liability.....	60,511,199				60,511,199
21.	Auto physical damage.....	21,333,654				21,333,654
22.	Aircraft (all perils).....					0
23.	Fidelity.....	7,529				7,529
24.	Surety.....	23,657				23,657
26.	Burglary and theft.....	12,258				12,258
27.	Boiler and machinery.....	22,739				22,739
28.	Credit.....					0
29.	International.....					0
30.	Warranty.....					0
31.	Reinsurance - nonproportional assumed property.....					0
32.	Reinsurance - nonproportional assumed liability.....					0
33.	Reinsurance - nonproportional assumed financial lines.....					0
34.	Aggregate write-ins for other lines of business.....	0	0	0	0	0
35.	TOTALS.....	125,011,309	0	0	0	125,011,309
36.	Accrued retrospective premiums based on experience.....					
37.	Earned but unbilled premiums.....					0
38.	Balance (sum of Lines 35 through 37).....					125,011,309

DETAILS OF WRITE-INS

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

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Line of Business		1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
			2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1.	Fire.....	31,573	101,912		31,045	30,000	72,439
2.	Allied lines.....	2,877,155	224,652		67,805	2,875,791	158,211
3.	Farmowners multiple peril.....						0
4.	Homeowners multiple peril.....						0
5.	Commercial multiple peril.....	1,664,398	2,051,233		881,448	872,456	1,961,726
6.	Mortgage guaranty.....						0
8.	Ocean marine.....		6,383		1,915		4,468
9.	Inland marine.....	5,964,064	763,572		2,851,538	580,518	3,295,580
10.	Financial guaranty.....						0
11.1	Medical professional liability - occurrence.....						0
11.2	Medical professional liability - claims-made.....						0
12.	Earthquake.....	(456)	61		(138)	100	(358)
13.	Group accident and health.....						0
14.	Credit accident and health (group and individual).....						0
15.	Other accident and health.....	754,190			380,677		373,513
16.	Workers' compensation.....	113,056,730	61,947,144	2,811,356	86,724,286	15,495,087	75,595,857
17.1	Other liability - occurrence.....	32,699,474	8,324,136		5,934,067	24,610,111	10,479,432
17.2	Other liability - claims-made.....	(181)	36,884		(974)	42,712	(5,036)
17.3	Excess workers' compensation.....	10,889				10,889	0
18.1	Products liability - occurrence.....						0
18.2	Products liability - claims-made.....						0
19.1, 19.2	Private passenger auto liability.....	3,873,718	1,620,467		1,541,158	362,734	3,590,294
19.3, 19.4	Commercial auto liability.....	222,508,036	41,006,597	2,480,214	107,134,085	24,281,313	134,579,449
21.	Auto physical damage.....	58,562,531	21,307,789	69,666	27,020,471	5,510,083	47,409,433
22.	Aircraft (all perils).....						0
23.	Fidelity.....						0
24.	Surety.....	52,250	35,883		26,441	57	61,634
26.	Burglary and theft.....	(784)	26,271		7,601		17,886
27.	Boiler and machinery.....	40,490	78,183		23,455	40,490	54,728
28.	Credit.....						0
29.	International.....						0
30.	Warranty.....						0
31.	Reinsurance - nonproportional assumed property.....	XXX					0
32.	Reinsurance - nonproportional assumed liability.....	XXX					0
33.	Reinsurance - nonproportional assumed financial lines.....	XXX					0
34.	Aggregate write-ins for other lines of business.....	0	0	0	0	0	0
35.	TOTALS.....	442,094,077	137,531,168	5,361,236	232,624,881	74,712,341	277,649,259

DETAILS OF WRITE-INS

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

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

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

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



UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

		Losses Paid Less Salvage				5	6	7	8
		1	2	3	4				
Line of Business		Direct Business	Reinsurance Assumed	Reinsurance Recovered	Net Payments (Cols. 1 + 2 - 3)	Net Losses Unpaid Current Year (Part 2A, Col. 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Cols. 4 + 5 - 6)	Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
1.	Fire.....		1,761	528	1,233		350	883	1.8
2.	Allied lines.....	2,188,872	9,893	2,188,396	10,368			10,368	9.6
3.	Farmowners multiple peril.....				0			0	0.0
4.	Homeowners multiple peril.....				0			0	0.0
5.	Commercial multiple peril.....	92,094	232,060	156,167	167,987	754,728	615,375	307,339	18.5
6.	Mortgage guaranty.....				0			0	0.0
8.	Ocean marine.....				0	37,407	65,462	(28,055)	(627.9)
9.	Inland marine.....	2,809,528	60,065	1,532,967	1,336,627	1,359,017	1,708,659	986,984	31.5
10.	Financial guaranty.....				0			0	0.0
11.1	Medical professional liability - occurrence.....				0			0	0.0
11.2	Medical professional liability - claims-made.....				0			0	0.0
12.	Earthquake.....				0	577	1,355	(778)	(18.3)
13.	Group accident and health.....				0			0	0.0
14.	Credit accident and health (group and individual).....				0			0	0.0
15.	Other accident and health.....	31,251		20,313	10,938	239,370	331,506	(81,199)	(21.7)
16.	Workers' compensation.....	45,526,423	34,479,794	48,516,065	31,490,152	90,086,601	92,701,942	28,874,811	40.1
17.1	Other liability - occurrence.....	6,573,920	6,475,130	6,744,564	6,304,485	9,103,798	11,312,201	4,096,083	34.5
17.2	Other liability - claims-made.....	66,585		29,432	37,153	517,783	360,786	194,150	173.0
17.3	Excess workers' compensation.....				0			0	0.0
18.1	Products liability - occurrence.....				0			0	0.0
18.2	Products liability - claims-made.....				0			0	0.0
19.1, 19.2	Private passenger auto liability.....	4,916,741	882,314	2,108,337	3,690,718	3,129,765	3,531,535	3,288,947	85.3
19.3, 19.4	Commercial auto liability.....	148,024,519	39,258,581	103,073,674	84,209,426	159,496,367	147,340,373	96,365,420	72.5
21.	Auto physical damage.....	34,205,912	14,957,266	20,946,207	28,216,971	7,271,222	8,231,543	27,256,650	56.5
22.	Aircraft (all perils).....				0			0	0.0
23.	Fidelity.....				0			0	0.0
24.	Surety.....				0			0	0.0
26.	Burglary and theft.....				0	2,197	5,309	(3,113)	(15.7)
27.	Boiler and machinery.....	1,300		1,300	0			0	0.0
28.	Credit.....				0			0	0.0
29.	International.....				0			0	0.0
30.	Warranty.....				0			0	0.0
31.	Reinsurance - nonproportional assumed property.....	XXX			0			0	0.0
32.	Reinsurance - nonproportional assumed liability.....	XXX			0			0	0.0
33.	Reinsurance - nonproportional assumed financial lines.....	XXX			0			0	0.0
34.	Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0.0
35.	TOTALS.....	244,437,145	96,356,863	185,317,951	155,476,057	271,998,831	266,206,397	161,268,491	58.7
DETAILS OF WRITE-INS									
3401.	.....				0			0	0.0
3402.	.....				0			0	0.0
3403.	.....				0			0	0.0
3498.	Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0	0	XXX
3499.	Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0	0	0.0

**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES**

		Reported Losses				Incurred But Not Reported			8	9
		1	2	3	4	5	6	7		
Line of Business		Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable	Net Losses Excluding Incurred but not Reported (Cols. 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1.	Fire.....				.0				.0	
2.	Allied lines.....	15,251		15,251	.0	197,858		197,858	.0	
3.	Farmowners multiple peril.....				.0				.0	
4.	Homeowners multiple peril.....				.0				.0	
5.	Commercial multiple peril.....	186,500	342,488	167,129	361,859	179,481	493,523	280,135	754,728	133,353
6.	Mortgage guaranty.....				.0				.0	
8.	Ocean marine.....		(31)	(9)	(22)	3,077	53,469	19,117	37,407	4,306
9.	Inland marine.....	846,087	5,889	456,242	395,734	6,005,927	115,866	5,158,511	1,359,017	338,359
10.	Financial guaranty.....				.0				.0	
11.1	Medical professional liability - occurrence.....				.0				.0	
11.2	Medical professional liability - claims-made.....				.0				.0	
12.	Earthquake.....				.0	3,801	(361)	2,863	577	202
13.	Group accident and health.....				.0				(a).0	
14.	Credit accident and health (group and individual).....				.0				.0	
15.	Other accident and health.....	2		1	.1	1,201,215		961,845	(a).239,370	127,943
16.	Workers' compensation.....	49,821,124	33,017,571	49,036,843	33,801,852	82,633,798	45,119,553	71,468,602	90,086,601	18,022,915
17.1	Other liability - occurrence.....	10,589,776	1,964,927	9,185,935	3,368,768	10,337,077	2,493,773	7,095,819	9,103,798	3,455,914
17.2	Other liability - claims-made.....	1,885,001	1	1,540,251	344,751	235,892	10,731	73,590	517,783	138,464
17.3	Excess workers' compensation.....				.0				.0	
18.1	Products liability - occurrence.....				.0				.0	
18.2	Products liability - claims-made.....				.0				.0	
19.1, 19.2	Private passenger auto liability.....	1,511,853	476,216	673,503	1,314,566	2,416,658	178,053	779,512	3,129,765	720,738
19.3, 19.4	Commercial auto liability.....	150,541,857	32,084,145	99,484,650	83,141,353	165,782,954	31,106,428	120,534,368	159,496,367	38,890,035
21.	Auto physical damage.....	7,980,423	2,134,546	4,020,763	6,094,205	5,706,580	457,012	4,986,575	7,271,222	1,563,718
22.	Aircraft (all perils).....				.0				.0	
23.	Fidelity.....				.0				.0	
24.	Surety.....				.0	17		17	.0	
26.	Burglary and theft.....				.0	6,679	329	4,812	2,197	526
27.	Boiler and machinery.....	3,700		3,700	.0				.0	
28.	Credit.....				.0				.0	
29.	International.....				.0				.0	
30.	Warranty.....				.0				.0	
31.	Reinsurance - nonproportional assumed property.....	.XXX			.0	.XXX			.0	
32.	Reinsurance - nonproportional assumed liability.....	.XXX			.0	.XXX			.0	
33.	Reinsurance - nonproportional assumed financial lines.....	.XXX			.0	.XXX			.0	
34.	Aggregate write-ins for other lines of business.....	0	0	0	.0	0	0	0	.0	0
35.	TOTALS.....	223,381,575	70,025,753	164,584,260	128,823,068	274,711,013	80,028,376	211,563,626	271,998,831	63,396,473
DETAILS OF WRITE-INS										
3401.	.....				.0				.0	
3402.	.....				.0				.0	
3403.	.....				.0				.0	
3498.	Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	.0	0	0	0	.0	0
3499.	Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	0	0	.0	0	0	0	.0	0
(a)	Including \$.0 for present value of life indemnity claims.									

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct.....	47,532,182			47,532,182
1.2 Reinsurance assumed.....	12,260,027			12,260,027
1.3 Reinsurance ceded.....	37,260,049			37,260,049
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	22,532,160	0	0	22,532,160
2. Commission and brokerage:				
2.1 Direct, excluding contingent.....		34,176,281		34,176,281
2.2 Reinsurance assumed, excluding contingent.....		13,533,736		13,533,736
2.3 Reinsurance ceded, excluding contingent.....		21,198,614		21,198,614
2.4 Contingent - direct.....		265,737		265,737
2.5 Contingent - reinsurance assumed.....		844,244		844,244
2.6 Contingent - reinsurance ceded.....		(361,697)		(361,697)
2.7 Policy and membership fees.....		727		727
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7).....	0	27,983,810	0	27,983,810
3. Allowances to manager and agents.....	98	19,799	418	20,315
4. Advertising.....	3,636	243,676	17	247,330
5. Boards, bureaus and associations.....	78,672	5,176,519		5,255,191
6. Surveys and underwriting reports.....	3,084	888,170		891,255
7. Audit of assureds' records.....		388,175		388,175
8. Salary and related items:				
8.1 Salaries.....	7,384,484	16,543,577	281,306	24,209,367
8.2 Payroll taxes.....	563,651	1,276,181	21,003	1,860,835
9. Employee relations and welfare.....	989,516	2,537,681	16,184	3,543,381
10. Insurance.....	8,891	212,743		221,634
11. Directors' fees.....		7,484		7,484
12. Travel and travel items.....	107,396	1,630,070	11,990	1,749,456
13. Rent and rent items.....	27,980	915,073	9,732	952,786
14. Equipment.....		39,463	154	39,617
15. Cost or depreciation of EDP equipment and software.....	74,926	3,066,521	30,578	3,172,026
16. Printing and stationery.....	87,795	508,648	2,773	599,216
17. Postage, telephone and telegraph, exchange and express.....	54,540	523,904	2,354	580,798
18. Legal and auditing.....	79,765	2,066,639	736,366	2,882,770
19. Totals (Lines 3 to 18).....	9,464,435	36,044,325	1,112,875	46,621,635
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....3,891.....	(2,023)	9,076,711		9,074,688
20.2 Insurance department licenses and fees.....	84,682	374,496		459,177
20.3 Gross guaranty association assessments.....	2,826	24,131		26,957
20.4 All other (excluding federal and foreign income and real estate).....	13,969	516,738		530,707
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	99,453	9,992,076	0	10,091,529
21. Real estate expenses.....	861,017	1,134,023	924,605	2,919,645
22. Real estate taxes.....			302,004	302,004
23. Reimbursements by uninsured plans.....				0
24. Aggregate write-ins for miscellaneous expenses.....	19,146	664,629	0	683,775
25. Total expenses incurred.....	32,976,210	75,818,863	2,339,484	(a).....111,134,558
26. Less unpaid expenses - current year.....	63,396,473	22,188,668	309,708	85,894,849
27. Add unpaid expenses - prior year.....	60,883,895	21,246,537	308,400	82,438,832
28. Amounts receivable relating to uninsured plans, prior year.....				0
29. Amounts receivable relating to uninsured plans, current year.....				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29).....	30,463,632	74,876,732	2,338,176	107,678,541

DETAILS OF WRITE-INS

2401. Miscellaneous expenses.....	19,146	153,606		172,752
2402. Interest expense on balance sheet guarantee payable.....		511,023		511,023
2403. ....				0
2498. Summary of remaining write-ins for Line 24 from overflow page.....	0	0	0	0
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above).....	19,146	664,629	0	683,775

(a) Includes management fees of \$.....13,642,482 to affiliates and \$.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. government bonds.....	(a).....379,630	.....366,954
1.1	Bonds exempt from U.S. tax.....	(a).....7,057,467	.....6,658,017
1.2	Other bonds (unaffiliated).....	(a).....14,951,548	.....14,713,608
1.3	Bonds of affiliates.....	(a).....	.....
2.1	Preferred stocks (unaffiliated).....	(b).....463,634	.....502,480
2.11	Preferred stocks of affiliates.....	(b).....	.....
2.2	Common stocks (unaffiliated).....	.....1,260,385	.....1,391,235
2.21	Common stocks of affiliates.....	.....	.....
3.	Mortgage loans.....	(c).....	.....
4.	Real estate.....	(d).....3,208,868	.....3,208,868
5.	Contract loans.....	.....	.....
6.	Cash, cash equivalents and short-term investments.....	(e).....1,745	.....1,517
7.	Derivative instruments.....	(f).....	.....
8.	Other invested assets.....	.....121,820	.....121,820
9.	Aggregate write-ins for investment income.....	.....0	.....0
10.	Total gross investment income.....	.....27,445,097	.....26,964,497
11.	Investment expenses.....		(g).....2,339,484
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).....495,529
15.	Aggregate write-ins for deductions from investment income.....		.....0
16.	Total deductions (Lines 11 through 15).....		.....2,835,013
17.	Net investment income (Line 10 minus Line 16).....		.....24,129,483

DETAILS OF WRITE-INS

0901.	.....	.....	.....
0902.	.....	.....	.....
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....0	.....0
1501.	.....	.....	.....
1502.	.....	.....	.....
1503.	.....	.....	.....
1598.	Summary of remaining write-ins for Line 15 from overflow page.....	.....	.....0
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above).....	.....	.....0
(a)	Includes \$.....1,776,988 accrual of discount less \$.....5,882,273 amortization of premium and less \$.....427,341 paid for accrued interest on purchases.		
(b)	Includes \$.....2,931 accrual of discount less \$.....14,691 amortization of premium and less \$.....0 paid for accrued dividends on purchases.		
(c)	Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.		
(d)	Includes \$.....2,705,985 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.		
(e)	Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.		
(f)	Includes \$.....0 accrual of discount less \$.....0 amortization of premium.		
(g)	Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to Segregated and Separate Accounts.		
(h)	Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.		
(i)	Includes \$.....495,529 depreciation on real estate and \$.....0 depreciation on other invested assets.		

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) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. government bonds.....	.....	.....0	.....	.....
1.1	Bonds exempt from U.S. tax.....	.....3,249	.....3,249	.....	.....
1.2	Other bonds (unaffiliated).....	.....2,157,546	.....(7,473)2,150,074	.....382,981	.....
1.3	Bonds of affiliates.....	.....	.....0	.....	.....
2.1	Preferred stocks (unaffiliated).....	.....35,953	.....35,953	.....(495,523)	.....
2.11	Preferred stocks of affiliates.....	.....	.....0	.....	.....
2.2	Common stocks (unaffiliated).....	.....2,259,767	.....(147,971)2,111,797	.....6,291,193	.....
2.21	Common stocks of affiliates.....	.....	.....0	.....(2,174,246)	.....
3.	Mortgage loans.....	.....	.....0	.....	.....
4.	Real estate.....	.....	.....0	.....	.....
5.	Contract loans.....	.....	.....0	.....	.....
6.	Cash, cash equivalents and short-term investments.....	.....	.....0	.....	.....
7.	Derivative instruments.....	.....	.....0	.....	.....
8.	Other invested assets.....	.....	.....0	.....49,308	.....
9.	Aggregate write-ins for capital gains (losses).....	.....0	.....0	.....0	.....0
10.	Total capital gains (losses).....	.....4,456,515	.....(155,443)4,301,072	.....4,053,712	.....0

DETAILS OF WRITE-INS

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

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....			.....0
2. Stocks (Schedule D):			
2.1 Preferred stocks.....			.....0
2.2 Common stocks.....	.....183,840	.....199,503	.....15,663
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....			.....0
3.2 Other than first liens.....			.....0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....			.....0
4.2 Properties held for the production of income.....			.....0
4.3 Properties held for sale.....			.....0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....			.....0
6. Contract loans.....			.....0
7. Derivatives (Schedule DB).....			.....0
8. Other invested assets (Schedule BA).....			.....0
9. Receivables for securities.....			.....0
10. Securities lending reinvested collateral assets (Schedule DL).....			.....0
11. Aggregate write-ins for invested assets.....	.....0	.....0	.....0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	.....183,840	.....199,503	.....15,663
13. Title plants (for Title insurers only).....			.....0
14. Investment income due and accrued.....			.....0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	.....2,257,876	.....549,542	.....(1,708,335)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	.....533,449	.....129,447	.....(404,003)
15.3 Accrued retrospective premiums.....			.....0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers.....			.....0
16.2 Funds held by or deposited with reinsured companies.....			.....0
16.3 Other amounts receivable under reinsurance contracts.....			.....0
17. Amounts receivable relating to uninsured plans.....			.....0
18.1 Current federal and foreign income tax recoverable and interest thereon.....			.....0
18.2 Net deferred tax asset.....		.....352,179	.....352,179
19. Guaranty funds receivable or on deposit.....			.....0
20. Electronic data processing equipment and software.....			.....0
21. Furniture and equipment, including health care delivery assets.....			.....0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			.....0
23. Receivables from parent, subsidiaries and affiliates.....			.....0
24. Health care and other amounts receivable.....			.....0
25. Aggregate write-ins for other than invested assets.....	.....983,153	.....993,802	.....10,649
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	.....3,958,318	.....2,224,472	.....(1,733,846)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.....0
28. TOTALS (Lines 26 and 27).....	.....3,958,318	.....2,224,472	.....(1,733,846)

DETAILS OF WRITE-INS

1101. ....			.....0
1102. ....			.....0
1103. ....			.....0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	.....0	.....0	.....0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	.....0	.....0	.....0
2501. Receivable from insureds for deductible payments.....	.....106,362	.....201,058	.....94,696
2502. Prepaid expenses.....	.....876,792	.....792,643	.....(84,148)
2503. ....			.....0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.....0	.....101	.....101
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	.....983,153	.....993,802	.....10,649

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

A. Accounting Practices

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

	State of Domicile	2013	2012
1. Net income state basis	Ohio	\$ 21,925,161	\$ 52,879,962
2. Effect of state prescribed practices		-	-
3. Effect of state permitted practices		-	-
4. Net income, NAIC SAP		<u>\$ 21,925,161</u>	<u>\$ 52,879,962</u>
5. Statutory surplus state basis	Ohio	\$ 283,419,115	\$ 269,695,939
6. Effect of state prescribed practices		-	-
7. Effect of state permitted practices		-	-
8. Statutory surplus, NAIC SAP		<u>\$ 283,419,115</u>	<u>\$ 269,695,939</u>

B. Use of Estimates

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

C. Accounting Policies

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

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

In addition, the Company uses the following accounting policies:

1.

Short-term investments are stated at amortized cost.
2.

Investment grade bonds are stated at amortized cost using the interest method. Non-investment grade bonds with NAIC designations of 3 through 6 are stated at the lower of amortized value or fair value.
3.

All other common stocks other than those in Item 7 below are carried at market.
4.

Redeemable preferred stocks with an NAIC designation of 1 or 2 are carried at amortized cost. Perpetual preferred stocks with an NAIC designation of 1 or 2 are carried at market. All other preferred stocks are carried at the lower of cost, amortized cost, or fair value.
5.

Not applicable as the Company investment portfolio does not include any mortgage loans.
6.

Investment grade loan-backed securities are stated at amortized value. The prospective adjustment method is used for all loan-backed securities. Non-investment grade loan-backed securities are stated at the lower of amortized value or fair value.

---

## NOTES TO FINANCIAL STATEMENTS

---

7. Investments in subsidiary and affiliated companies are stated as follows:
- Three wholly owned insurance subsidiaries, National Interstate Insurance Company of Hawaii, Inc. (NIHI), Triumpher Casualty Company (TCC) and Vanliner Insurance Company (VIC) are stated at statutory equity value. Two additional wholly owned subsidiaries, Vanliner Reinsurance Limited and TransProtection Service Company, are both stated at GAAP equity value, but are nonadmitted. Goodwill arising from the acquisition of Vanliner Insurance Company is amortized over a period of ten years and is described further in Note 3A. Common stock in National Interstate Corporation (the Corporation) is valued at \$0.
8. Investments in limited partnerships are stated at the underlying audited GAAP equity value.
9. Not applicable as the Company does not invest in derivative instruments.
10. The Company does not anticipate investment income when evaluating the need for premium deficiency reserves.
11. Unpaid losses and loss adjustment expense reserves represent the estimated ultimate net cost of all reported and unreported losses incurred. The Company does not discount loss and loss adjustment expense reserves. The reserves for unpaid losses and loss adjustment expenses include an amount determined using individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Those estimates are subject to the effects of trends in loss severity and frequency. Although considerable variability is inherent in such estimates and the ultimate liability may be in excess of or less than the amounts provided, management believes that the reserves for losses and loss adjustment expenses are adequate. The estimates are continually reviewed and adjusted as necessary as experience develops or new information becomes known; such adjustments are reflected in the period determined.
12. The Company has a capitalization policy for prepaid expenses and purchases of items such as office equipment, software/hardware, furniture, vehicles, and other equipment and leasehold improvements. The predefined capitalization thresholds under this policy have not changed from those of the prior year.
13. Not applicable as the Company is a property and casualty insurance company only and does not write major medical and/or prescription drug coverage.

**Note 2 – Accounting Changes and Correction of Errors**

Not applicable

**Note 3 – Business Combinations and Goodwill**

A. Statutory Purchase Method

1. The Company purchased a 100% interest in Vanliner Group, Inc. on July 1, 2010. The affiliates of Vanliner Group, Inc. include Vanliner Insurance Company, a Missouri domiciled insurance company licensed in all 50 states whose primary business is providing insurance for the moving and storage industry, Vanliner Reinsurance Limited, a Bermuda domiciled reinsurance company and TransProtection Service Company, an insurance agency. As of July 30, 2013, Vanliner Group, Inc. was dissolved. The dissolution had no financial impact on the Company as the above identified affiliates were the only assets of Vanliner Group, Inc. and subsequent to the dissolution they are directly owned by the Company. The goodwill associated with the original purchase is solely attributable to VIC, a surviving entity after the dissolution.
2. The transaction was accounted for as a statutory purchase.
3. The cost of the Vanliner Group, Inc. acquisition was \$120,529,625, resulting in \$22,328,870 of positive goodwill of which \$14,513,765 is unamortized.
4. Goodwill is amortized over ten years. Goodwill amortization relating to the purchase of Vanliner Insurance Company was \$2,232,887 for the year ending December 31, 2013. Goodwill is recorded as a component of the change in unrealized gains (losses).

B. Statutory Mergers

Not applicable

NOTES TO FINANCIAL STATEMENTS

C. Impairment Loss

Not applicable

**Note 4 – Discontinued Operations**

A. Not applicable

**Note 5 – Investments**

A. Mortgage Loans

Not applicable

B. Troubled Debt Restructuring for Creditors

Not applicable

C. Reverse Mortgages

Not applicable

D. Loan-Backed Securities

1.

The Company uses dealer-modeled prepayment assumptions for mortgage-backed and asset-backed securities at the date of purchase to determine effective yields; significant changes in estimated cash flows from the original purchase assumptions are accounted for on a prospective basis.
2.

The Company does not have any loan-backed securities with an other-than-temporary impairment for which it has the intent to sell or the inability or lack of intent to retain the investment in the security.
3.

The Company does not have any loan-backed securities with an other-than-temporary (“OTTI”) impairment recognized in 2013.
4.

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

a.

The aggregate amount of unrealized losses:

1.

Less than 12 months

\$

(2,496,686)

2.

12 months or longer

(835,954)

b.

The aggregate related fair value of securities with unrealized losses:

1.

Less than 12 months

\$

91,677,260

2.

12 months or longer

9,783,913

5.

Based on historical payment data and analysis of expected future cash flows of the underlying collateral, independent credit ratings and other facts and analysis, including management’s current intent and ability to hold these securities for a period of time sufficient to allow for anticipated recovery, management believes that, based upon information currently available, the Company will recover its cost basis in all of these securities and no additional charges for other-than-temporary impairments will be required at December 31, 2013.

E. Repurchase Agreements and/or Securities Lending Transactions

Not applicable

F. Write-down’s for Impairments of Real Estate, Real Estate Sales, Retail Land Sales, Operations and Real Estate with Participating Mortgage Loan Features

Not applicable

G. Low Income Housing Tax Credits

Not applicable



NOTES TO FINANCIAL STATEMENTS

H. Restricted Assets

1. Restricted Assets (Including Pledged)

	Gross Restricted								Percentage		
	Current Year					6	7		8	9	10
	1	2	3	4	5						
	Total General Account  (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets supporting G/A Activity (b)	Total  (1 plus 3)	Total from prior year	Increase/  (Decrease)  (5 minus 6)	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets	
a. Subject to contractual obligation for which liability is not shown											
b. Collateral held under security lending agreements											
c. Subject to repurchase agreements											
d. Subject to reverse repurchase agreements											
e. Subject to dollar repurchase agreements											
f. Subject to dollar reverse repurchase agreements											
g. Placed under option contracts											
h. Letter stock or securities restricted as to sale											
i. On deposit with states	59,833,825				59,833,825	53,723,519	6,110,306	59,833,825	5.655%	5.676%	
j. On deposit with other regulatory bodies											
k. Pledged as collateral not captured in other categories											
l. Other restricted assets											
m. Total restricted assets	59,833,825				59,833,825	53,723,519	6,110,306	59,833,825	5.655%	5.676%	

(a) Subset of column 1

(b) Subset of column 3

NOTES TO FINANCIAL STATEMENTS

2. Detail of Assets Pledged as Collateral Not Captured in Other Categories

Not applicable

3. Detail of Other Restricted Assets

Not applicable

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

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

Not applicable

B. Write-down's for Impairment of Joint Ventures, Partnerships and LLCs

Not applicable

Note 7 – Investment Income

A. Accrued Investment Income

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

B. Amounts Nonadmitted

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

Note 8 – Derivative Instruments

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

Note 9 – Income Taxes

A. Deferred Tax Asset/(Liability)

1. Components of Net Deferred Tax Assets (Liability)

	2013			2012			Change		
	(1)	(2)	(3)	(1)	(2)	(3)	(1)	(2)	(3)
	Ordinary	Capital	(Col 1+2) Total	Ordinary	Capital	(Col 1+2) Total	Ordinary	Capital	(Col 1+2) Total
(a) Gross Deferred Tax Assets	21,421,916	4,655,788	26,077,704	21,500,297	4,178,342	25,678,639	(78,381)	477,446	399,065
(b) Statutory Valuation Allowance Adjustment	-	-	-	-	-	-	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a-1b)	21,421,916	4,655,788	26,077,704	21,500,297	4,178,342	25,678,639	(78,381)	477,446	399,065
(d) Deferred Tax Assets Nonadmitted	-	-	-	352,179	-	352,179	(352,179)	-	(352,179)
(e) Subtotal (Net Deferred Tax Assets) (1c-1d)	21,421,916	4,655,788	26,077,704	21,148,118	4,178,342	25,326,460	273,798	477,446	751,244
(f) Deferred Tax Liabilities	298,264	3,459,972	3,758,236	332,812	2,960,994	3,293,806	(34,548)	498,978	464,430
(g) Net Admitted Deferred Tax Assets (1e-1f)	21,123,652	1,195,816	22,319,468	20,815,306	1,217,349	22,032,654	308,346	(21,532)	286,814

NOTES TO FINANCIAL STATEMENTS

2. Admission Calculation Components:

	2013			2012			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	(Col 1+2) Total	Ordinary	Capital	(Col 4+5) Total	(Col 1-4) Ordinary	(Col 2-5) Capital	Col 7+8) Total
A. Federal income taxes paid in prior years recoverable through loss carrybacks	15,663,588	1,005,915	16,669,503	16,164,125	877,328	17,041,453	(500,537)	128,587	(371,950)
B. Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (The lesser of 2(b)1 and 2(b)2 below:	2,711,151	3,474,820	6,185,971	2,000,599	2,990,602	4,991,201	710,552	484,218	1,194,770
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	2,711,151	3,474,820	6,185,971	2,000,599	2,990,602	4,991,201	710,552	484,218	1,194,770
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	36,811,597	XXX	XXX	34,498,844	XXX	XXX	2,312,753
C. Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	3,047,177	175,053	3,222,230	2,983,394	310,412	3,293,806	63,783	(135,359)	(71,576)
D. Deferred tax assets admitted as the result of application of SSAP 101. Total 2(a)+2(b)+2(c))	21,421,916	4,655,788	26,077,704	21,148,118	4,178,342	25,326,460	273,798	477,446	751,244

3. Other Admissibility Criteria:

	2013	2012
a. Ratio percentage used to determine recovery period and threshold limitation amount	595%	597%
b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 261,099,647	\$ 247,663,285

4. Impact of Tax Planning Strategies

	2013			2012			Change		
	Ordinary	Capital	Total %	Ordinary	Capital	Total %	Ordinary	Capital	Total %
a. Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character, as a percentage.									
1. Adjusted gross DTAs amount from Note 9A1(c)	21,421,916	4,655,788	26,077,704	21,500,297	4,178,342	25,678,639	(78,381)	477,446	399,065
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies.	0.0%	61.4%	11.0%	0.0%	11.0%	11.0%	0.0%	50.4%	0.0%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e).	21,421,916	4,655,788	26,077,704	21,148,118	4,178,342	25,326,460	273,798	477,446	751,244
4. Percentage of net adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies.	15.6%	(35.7%)	12.8%	0.0%	12.9%	12.9%	15.6%	(48.6%)	(0.1)%

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

B. Unrecognized Deferred Tax Liabilities

Not Applicable

NOTES TO FINANCIAL STATEMENTS

C. Current Tax and Change in Deferred Tax

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

	(1)	(2)	(3)
	2013	2012	(Col 1-2) Change
(a) Federal	5,839,043	11,454,575	(5,615,532)
(b) Foreign	-	-	-
(c) Subtotal	5,839,043	11,454,575	(5,615,532)
(d) Federal income tax on net capital gains	1,559,780	2,044,882	(485,102)
(e) Utilization of capital loss carry-forwards	-	-	-
(f) Other	-	-	-
(g) Federal and Foreign income taxes incurred	7,398,823	13,499,457	(6,100,634)

2.

Deferred Tax Assets:	(1)	(2)	(3)
	2013	2012	(Col 1-2) Change
(a) Ordinary:			
(1) Discounting of unpaid losses	10,882,774	11,118,578	(235,804)
(2) Unearned premium reserve	8,776,000	8,572,304	203,697
(3) Policyholder reserves	-	-	-
(4) Investments	-	-	-
(5) Deferred acquisition costs	-	-	-
(6) Policyholder dividends accrual	-	-	-
(7) Fixed assets	-	-	-
(8) Compensation and benefits accrual	395,526	571,617	(176,091)
(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)	1,367,616	1,237,799	129,817
(14) Other assets – nonadmitted	-	-	-
(99) Subtotal	21,421,916	21,500,297	(78,381)
(b) Statutory valuation allowance adjustment	-	-	-
(c) Nonadmitted	-	352,179	(352,179)
(d) Admitted ordinary deferred tax assets (2a99-2b-2c)	21,421,916	21,148,118	273,798
(e) Capital:			
(1) Investments	4,655,788	4,178,342	477,446
(2) Net capital loss carry-forward	-	-	-
(3) Real estate	-	-	-
(4) Other (including items <5% of total capital tax assets)	-	-	-
(99) Subtotal	4,655,788	4,178,342	477,446
(f) Statutory valuation allowance adjustment	-	-	-
(g) Nonadmitted	-	-	-
(h) Admitted capital deferred tax assets (2e99-2f-2g)	4,655,788	4,178,342	477,446
(i) Admitted deferred tax assets (2d+2h)	26,077,704	25,326,460	751,244

NOTES TO FINANCIAL STATEMENTS

3.

Deferred Tax Liabilities:		2013	2012	Change
(a)	Ordinary:			
(1)	Investments	-	-	-
(2)	Fixed assets	298,264	332,812	(34,548)
(3)	Deferred and uncollected premium	-	-	-
(4)	Policyholder reserves	-	-	-
(5)	Other (including items <5% of total ordinary tax assets)	-	-	-
(6)	Additional acquisition costs-installment premiums	-	-	-
(7)	Discount of accrued salvage and subrogation	-	-	-
(8)	Guaranty funds receivable	-	-	-
(99)	Subtotal	298,264	332,812	(34,548)
(b)	Capital:			
(1)	Investments	3,459,972	2,960,994	498,978
(2)	Real estate			
(3)	Other (including items <5% of total capital tax assets)			
(99)	Subtotal	3,459,972	2,960,994	498,978
(c)	Deferred tax liabilities (3a99+3b99)	3,758,236	3,293,806	464,430

4. Net Deferred Tax Assets/Liabilities (2i-3c)\$ 22,319,468 \$ 22,032,654 \$ 286,814

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

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

	2013	
	Amount In Thousands	Effective Tax Rate (%)
Provision computed at statutory rate	10,355,168	35.0
Tax exempt income deduction	(1,912,511)	(6.5)
Dividend received deduction	(454,995)	(1.5)
Other	(320,606)	(1.1)
Totals	7,667,057	25.9
Federal and foreign income taxes incurred	5,839,043	19.7
Realized capital gains (losses) tax	1,559,780	5.3
Change in net deferred income taxes ex. unrealized	268,234	0.9
Total statutory income taxes	7,667,057	25.9

E. Operating Loss and Tax Credit Carryforwards

1. At December 31, 2013, the Company did not have any unused operating loss carryforwards available to offset against future taxable income.
2. The amount of federal income taxes incurred and available for recoupment in the event of future net losses:

Year	Amount
2013	7,414,951
2012	12,270,464
2011	481,352

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

**NOTES TO FINANCIAL STATEMENTS**

F. Consolidated Federal Income Tax Return

- 1. The Company’s federal income tax return is consolidated with the Corporation (see Note 10) and the Corporation’s other wholly owned subsidiaries.
- 2. The method of allocation among companies is subject to a written agreement approved by the Board of Directors, whereby allocation of income taxes to companies in the group is based on taxable income or loss.

G. Federal or Foreign Federal Income Tax Loss Contingencies

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

**Note 10 – Information Concerning Parent, Subsidiaries and Affiliates**

A. Nature of Relationships

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

As of December 31, 2013, Great American Insurance Company (GAIC), a wholly owned subsidiary of American Financial Group, Inc. (NYSE, Nasdaq: AFG), owned 51.7% of the outstanding shares of the Corporation.

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

The Company paid the following dividend to its parent National Interstate Corporation during 2013:

<u>Date</u>	<u>Amount</u>	<u>Type</u>
12/17/2013	\$ 10,000,000	Ordinary

C. Change in Terms of Intercompany Arrangements

Not applicable

D. Amounts Due to or from Related Parties

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

	<u>2013</u>	<u>2012</u>
National Interstate Corporation	\$ 919,520	\$ (297,158)
National Interstate Insurance Agency, Inc.	48,254	22,331
National Interstate Insurance of Hawaii, Inc.	(2,813,492)	1,154,438
Triumphe Casualty Company	(1,004,270)	(1,333,786)
American Highways Insurance Agency, Inc.	12,027	13,488
Explorer RV Insurance Agency, Inc.	(5,165)	3,179
Hudson Indemnity, Ltd.	1,077,683	(2,133,407)
Hudson Management Group, Ltd.	(156,050)	(155,187)
TransProtection Service Company	9,550	10,744
Vanliner Group, Inc	-	(115,627)
Vanliner Insurance Company	1,513,982	(12,384,586)
Vanliner Reinsurance Ltd.	3,329	1,302
Total	<u>\$ (394,632)</u>	<u>\$ (15,213,964)</u>

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

E. Guarantees or Undertakings for Related Parties

Not applicable (see Note 14A)

NOTES TO FINANCIAL STATEMENTS

F. Management, Service Contracts, Cost Sharing Arrangements

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

The Company has a cost sharing agreement with some of its affiliates under which costs are allocated between companies to reflect the actual costs incurred to operate each company. Allocated costs for 2013 were \$13,642,482.

G. Nature of Relationships that Could Affect Operations

The Company is a wholly owned subsidiary of the Corporation (See Note 10A).

H. Amount Deducted for Investment in Upstream Company

Not applicable

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

The Company owns a 100% interest in Vanliner Insurance Company (“VIC”) whose carrying value is equal to or exceeds 10% of the net admitted assets of the Company. The Company carries VIC at its statutory equity value of \$136,431,290 which includes unamortized goodwill of \$14,513,765 (See Note 3A). Goodwill is amortized on a straight-line basis over a ten year period.

Summarized statutory information for VIC follows.

Description	Amount
Admitted Assets	\$325,013,236
Liabilities	\$203,095,711
Policyholders’ Surplus	\$121,917,525
Net Income	\$9,465,976

J. Write-down’s for Impairment of Investments in Affiliates

Not applicable

K. Foreign Subsidiary Valued Using CARVM

Not applicable

L. Downstream Holding Company Valued Using Look-Through Method

Not applicable.

**Note 11 – Debt**

A. Not applicable as the Company has no debt.

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

Not applicable.

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

A – F. Not applicable

G. Consolidated / Holding Company Plans

The Company’s employees participate in the National Interstate Savings and Profit Sharing Plan (the Savings Plan) sponsored by the Corporation. Contributions to the profit sharing portion of the Savings Plan are made at the discretion of the Corporation and are based on a percentage of employees’ earnings after their eligibility date. Contributions made prior to December 31, 2006, vest after five years of service and contributions made subsequent to December 31, 2006, vest after three years of service. The Company has no liability for future contributions to the Savings Plan. The Company’s profit sharing expense was \$584,285 during 2013.

H – I. Not applicable

---

## NOTES TO FINANCIAL STATEMENTS

---

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

1. Outstanding Shares

The Company has 3,000 Common shares with a par value of \$1,000 a share, authorized, issued and outstanding at December 31, 2013.

2. Dividend Rate of Preferred Stock

Not applicable as no preferred shares are authorized.

3, 4, 5 and 6. Dividends

The payment of dividends by Ohio domiciled insurance companies, without the prior approval of the Superintendent of Insurance, is limited to the greater of 10% of statutory surplus as of the most recent year end or the net income for the prior year. The Ohio Insurance Holding Company law requires an insurance company's surplus to be reasonable in relation to its liabilities and adequate for its financial needs following any dividend that it may pay to its parent. The maximum dividend payment that may be made without prior approval in 2014 is \$28,341,912.

An ordinary dividend in the amount of \$10,000,000 was paid by the Company on December 17, 2013.

7. Mutual Surplus Advances

Not applicable

8. Company Stock Held for Special Purposes

Not applicable

9. Changes in Special Surplus Funds

Not applicable

10. Changes in Unassigned Funds

The portion of unassigned funds (surplus) represented by cumulative unrealized capital gains is \$2,036,452 after deducting applicable deferred taxes of 3,110,019.

11. Surplus Notes

Not applicable

12 and 13. Quasi Reorganizations

Not applicable

**Note 14 – Contingencies**

A. Contingent Commitments

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

B. Guaranty Fund and Other Assessments

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

The Company has accrued a liability for guaranty fund and other assessments of \$4,488,074 and \$3,834,073, for the current and prior year, respectively. The liability is included in the taxes, licenses and fees liability. The amounts represent management's best estimates based on information received from the states in which the pooled group (refer to Note 26) writes business and may change due to many factors including the Company's share of the ultimate cost of current insolvencies.

C. Gain Contingencies

Not applicable

D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits

Not applicable



NOTES TO FINANCIAL STATEMENTS

E. Product Warranties

Not applicable

F. Other Contingencies

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

During the current year, the Company recognized other than temporary impairment charges of \$7,473 and \$147,971 relating to bonds and unaffiliated common stocks, respectively. Considerations the Company used in the impairment evaluation process included, but were not limited to, whether the issuer is experiencing significant financial difficulties, the economic stability of an entire industry sector or subsection, and the extent to which the unrealized gain is credit-driven or a result of changes in market interest rates.

At the end of the current and prior year, the Company had admitted assets of \$148,003,503 and \$141,349,433 respectively in premiums due from policyholders and agents. The Company routinely assesses the collectability of these receivables. Based upon Company experience, any uncollectable premiums receivable as of the end of the current year are not expected to exceed the nonadmitted amounts totaling \$2,791,325 and therefore, no additional provision for uncollectible amounts has been recorded. The potential for any additional loss is not believed to be material to the Company’s financial position.

**Note 15 – Leases**

A. Lessee Leasing Arrangements

- 1. The Company leases office facilities and equipment under various non-cancelable operating leases. An office lease expired in July 2013 and was not renewed, and at December 31, 2013 there are no office lease obligations for the Company. Rental expense for the current year and the prior year was \$191,362 and \$375,970, respectively. There are no contingent rental payments or unusual renewal options, escalation clauses or restrictions and there have been no early terminations of existing leases.
- 2. At December 31, 2013 there are no future minimum rental payments.
- 3. The Company has not entered into any sale and leaseback arrangements.

B. Lessor Leasing Arrangements

1. Operating Leases

- a. The Company leases space at its Richfield, Ohio campus to unrelated parties. Real estate owned and leased is stated at cost less accumulated depreciation. The typical lease period is 5 years and some leases contain renewal options. The Company is responsible for the payment of property taxes, insurance and maintenance costs related to the leased spaced.
- b. Rental income for the current and the prior year was approximately \$502,882 and \$421,441 current and prior year, respectively.
- c. Future minimum lease payments receivables under noncancellable leasing arrangements are as follows:

Year	Amount
2014	\$ 550,094
2015	555,313
2016	523,308
2017	153,694
2018	77,286
Thereafter	-
Total	\$ 1,859,695

- d. The lease agreements contain no provision for contingent rental payments.

2. Leveraged Leases

Not applicable

---

## NOTES TO FINANCIAL STATEMENTS

---

**Note 16 – Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk**

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

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

A. Transfers of Receivables Reported as Sales

Not applicable

B. Transfers and Servicing of Financial Assets

Not applicable

C. Wash Sales

Not applicable

**Note 18 – Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans**

A. Administrative Services Only (ASO) Plans

Not applicable

B. Administrative Services Contract (ASC) Plans

Not applicable

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contracts

Not applicable

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

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

**Note 20 – Fair Value Measurement**

A. Inputs Used for Assets and Liabilities Measured at Fair Value

1. Fair Value Measurements by Level 1, 2 and 3

Under fair value accounting, the Company must determine the appropriate level in the fair value hierarchy for each applicable measurement. The fair value hierarchy prioritizes the inputs, which refer broadly to assumptions market participants would use in pricing an asset or liability, into three levels. It gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The level in the fair value hierarchy within which a fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The Company's management is responsible for the valuation process and uses data from outside sources (including nationally recognized pricing services and broker/dealers) in establishing fair value.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical securities that the reporting entity has the ability to access at the measurement date.

Level 2 inputs are inputs other than quoted prices within Level 1 that are observable for the security, either directly or indirectly. Level 2 inputs include quoted prices for similar securities in active markets, quoted prices for identical or similar securities that are not active and observable inputs other than quoted prices, such as interest rate and yield curves.

NOTES TO FINANCIAL STATEMENTS

Level 3 inputs are unobservable inputs for the asset or liability.

The following table provides information as of December 31, 2013 about the Company’s investments measured at fair value.

Description	Level 1	Level 2	Level 3	Total
Bonds				
Industrial and Misc	\$ -	\$ 4,962,011	\$ 500,000	\$ 5,462,011
Trust Preferred (Hybrid) Securities	2,326,135	-	-	2,326,135
Total Bonds	\$ 2,326,135	\$ 4,962,011	\$ 500,000	\$ 7,788,146
Perpetual Preferred Stock				
Industrial and Misc	\$ 6,784,500	\$ 1,000,000	\$ -	\$ 7,784,500
Total Perpetual Preferred Stock	\$ 6,784,500	\$ 1,000,000	\$ -	\$ 7,784,500
Common Stock				
Industrial and Misc	\$44,205,940	\$ -	\$ 1,500,000	\$45,705,940
Mutual funds	3,923,466	-	-	3,923,466
Total Common Stocks	\$48,129,406	\$ -	\$ 1,500,000	\$49,629,406
Totals	\$57,240,041	\$ 5,962,011	\$ 2,000,000	\$65,202,052

The following table provides information as of December 31, 2012 about the Company’s investments measured at fair value.

Description	Level 1	Level 2	Level 3	Total
Bonds				
State and Local Government	\$ -	\$ -	\$ -	\$ -
Industrial and Misc	-	5,853,591	-	5,853,591
Residential Mortgage-Backed Securities	-	2,055,859	-	2,055,859
Trust preferred securities	-	-	-	-
Total Bonds	\$ -	\$ 7,909,450	\$ -	\$ 7,909,450
Perpetual Preferred Stock				
Industrial and Misc	\$ 103,361	\$ -	\$ -	\$ 103,361
Total Perpetual Preferred Stock	\$ 103,361	\$ -	\$ -	\$ 103,361
Common Stock				
Industrial and Misc	\$21,023,523	\$ 755,000	\$ -	\$21,788,523
Mutual funds	3,180,107	-	-	3,180,107
Total Common Stocks	\$24,203,630	\$ 755,000	\$ -	\$24,958,630
Totals	\$24,306,991	\$ 8,664,450	\$ -	\$32,971,441

The Company uses the end of the reporting period as its policy for determining transfers into and out of each level. During the year ended December 31, 2013 there were two perpetual preferred stocks totaling \$1.8 million and two common stocks totaling \$1.7 million that transferred from Level 2 to Level 1 due to changes in trading activity. There were no significant transfers between Level 1 and Level 2 during the year ended December 31, 2012.

**NOTES TO FINANCIAL STATEMENTS**

2. Rollforward of Level 3 Items

The following table presents a reconciliation of the beginning and ending balances for investments measured at fair value using level 3 inputs for the year ended December 31, 2013.

	Beginning Balance at 1/1/2013	Transfers into Level 3	Transfers out of Level 3	Total Gains (Losses) included in Net Income	Total Gains (Losses) included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2013
Industrial and Misc Bonds(a)	\$ -	\$ 500,000	\$ (938,800)	\$ -	\$ (61,200)	\$1,000,000	\$ -	\$ -	\$ -	\$ 500,000
Industrial and Misc Pfd Stocks(b)	-	-	(968,470)	-	-	968,470	-	-	-	-
Industrial and Misc Common Stocks	-	-	-	-	-	1,500,000	-	-	-	1,500,000
Total	\$ -	\$ 500,000	\$ (1,907,270)	\$ -	\$ (61,200)	\$ 3,468,470	\$ -	\$ -	\$ -	\$ 2,000,000

(a) Transfer into level 3 is the result of a level 3 security having a non-investment grade rating and being carried at fair value at December 31, 2013. Transfer out of level 3 is the result of a level 3 security no longer measured and reported at fair value due to the security having an investment grade rating at December 31, 2013.

(b) Transfer out of level 3 is the result of a non-investment grade security no longer measured and reported at fair value due to the security having a book value lower than fair value at December 31, 2013.

The following table presents a reconciliation of the beginning and ending balances for investments measured at fair value using level 3 inputs for the year ended December 31, 2012.

	Beginning Balance at 1/1/2012	Transfers into Level 3	Transfers out of Level 3	Total Gains (Losses) included in Net Income	Total Gains (Losses) included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2012
Industrial and Misc Bonds (a)	\$ -	\$ 2,985,900	\$(3,000,000)	\$ -	\$ 14,100	\$ -	\$ -	\$ -	\$ -	\$ -
Industrial and Misc Stocks(a)	471,650	-	(500,000)	-	28,350	-	-	-	-	-
Total	\$ 471,650	\$ 2,985,900	\$ (3,500,000)	\$ -	\$ 42,450	\$ -	\$ -	\$ -	\$ -	\$ -

(a) Security is no longer measured and reported at fair value due to the security having an investment grade rating at December 31, 2012.

3. Policy on Transfers Into and Out of Level 3

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred between levels. The Company's policy is to recognize transfers in and transfers out as of the end of the reporting period.

4. Inputs and Techniques Used for Level 2 and Level 3 Fair Values

The Company uses data from outside sources (including nationally recognized pricing services and broker/dealers) in establishing fair value. Pricing services use a variety of observable inputs to estimate the fair value of fixed maturities that do not trade on a daily basis. These inputs include, but are not limited to, recent reported trades, benchmark yields, issuer spreads, bids or offers, reference data and measures of volatility. Included in the pricing of mortgage-backed securities are estimates of the rate of future prepayments and defaults of principal over the remaining life of the underlying collateral. Inputs from brokers and independent financial institutions include, but are not limited to, yields or spreads of comparable investments which have recent trading activity, credit quality, duration, credit enhancements, collateral value and estimated cash flows based on inputs including, delinquency rates, estimated defaults and losses, and estimates of the rate of future prepayments. Valuation techniques utilized by pricing services and prices obtained from external sources are reviewed by the Company's internal investment professionals who are familiar with the securities being priced and the markets in which they trade to ensure that the fair value determination is representative of an exit price, as defined by fair value accounting. To validate the appropriateness of the prices obtained, the Company's internal investment professionals, who report to the Chief Investment Officer, compared the valuation received to an independent third party pricing source and considered widely published indices (as benchmarks), recent trades, changes in interest rates, general economic conditions and the credit quality of specific issuers. If the Company believes that significant discrepancies exist, the Company will perform additional procedures,

NOTES TO FINANCIAL STATEMENTS

which may include specific inquiry of the pricing service, to resolve the discrepancies.

Level 1 consists of publicly traded equity securities and highly liquid, direct obligations of the U.S. Government whose fair value is based on quoted prices that are readily and regularly available in an active market. Level 2 primarily consists of financial instruments whose fair value is based on quoted prices in markets that are not active and include U.S. government agency securities, fixed maturity investments and perpetual preferred stocks that are not actively traded. Level 3 consists of financial instruments that are not traded in an active market, whose fair value is estimated by management based on inputs from independent financial institutions, which include non-binding broker quotes, which the Company believes reflects fair value, but for which the Company is unable to verify inputs to the valuation methodology. The Company obtained at least one quote or price per instrument from its brokers and pricing services for all Level 3 securities and did not adjust any quotes or prices that it obtained. The Company’s internal and affiliated investment professional’s review these broker quotes using any recent trades, if such information is available, or market prices of similar investments. The Company primarily uses the market approach valuation technique for all investments.

5. Derivative Fair Values

Not applicable.

B. Other Fair Value Disclosures

Not applicable.

C. Fair Values for all Financial Instruments by Levels 1, 2, and 3

The table below reflects, as of December 31, 2013, the fair values and admitted values of all admitted assets that are financial instruments excluding those accounted for under the equity method.

	Fair Value	Admitted Value	Level 1	Level 2	Level 3	Not Practical
Bonds	\$ 594,917,363	\$ 581,958,164	\$ 2,858,365	\$ 583,779,490	\$ 8,279,508	\$ -
Preferred stock	12,073,690	11,471,894	9,939,316	1,064,144	1,070,230	-
Common stock	49,629,406	49,629,406	48,129,406	-	1,500,000	-
Cash & Short term investments	9,646,923	9,646,923	9,646,923	-	-	-
Totals	\$ 666,267,382	\$ 652,706,387	\$ 70,574,010	\$ 584,843,634	\$ 10,849,738	\$ -

D. Financial Instruments for which not Practicable to Determine Fair Values

Not applicable.

**Note 21 – Other Items**

A. Extraordinary Items

Not applicable

B. Troubled Debt Restructuring for Debtors

Not applicable

C. Other Disclosures

Not applicable

D. Business Interruption Insurance Recoveries

Not Applicable

E. State transferable on non-transferable tax credits

Not applicable

F. Subprime Mortgage Related Risk Exposure

1. Subprime Mortgage Exposures

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

**NOTES TO FINANCIAL STATEMENTS**

2. Direct Exposure – Mortgage Loans

None

3. Direct Exposure – Other Investment Classes

Direct exposure to subprime mortgage risk through other investments in the following securities:

Investment Category	Actual Cost	Carrying Value	Fair Value	Impairments
				Recognized
Residential mortgage-backed securities	\$ 27,486,785	\$ 25,949,078	\$ 28,069,887	\$ -
Totals	\$ 27,486,785	\$ 25,949,078	\$ 28,069,887	\$ -

4. Underwriting Exposure

Not applicable

G. Offsetting and netting of assets and liabilities

Not applicable

H. Joint and Several Liabilities

Not applicable

**Note 22 – Events Subsequent**

None

**Note 23 – Reinsurance**

A. Unsecured Reinsurance Recoverables

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

NAIC Code	Federal ID #	Name of Reinsurer	Amount
21172	86-0114294	Vanliner Insurance Company	\$ 171,003,040
25364	13-1675535	Swiss Reinsurance America Corp	16,596,950
11051	99-0345306	National Interstate Insurance Co of Hawaii	13,154,081
41106	95-3623282	Triumphe Casualty Corp	13,154,081
30058	75-1444207	Scor Reinsurance Corp	8,972,322
22039	13-2673100	General Reinsurance Corp	8,640,905

B. Reinsurance Recoverables in Dispute

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

C. Reinsurance Assumed and Ceded and Protected Cells

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

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
Affiliates	\$ 64,577,612	\$ 5,518,929	\$ 111,575,545	\$ 5,196,112	\$(46,997,933)	\$ 322,817
All Other	2,408,187	801,033	28,660,194	4,068,297	(26,252,007)	(3,267,264)
Total	\$ 66,985,799	\$ 6,319,962	\$ 140,235,739	\$ 9,264,409	\$(73,249,940)	\$ (2,944,447)

Direct Unearned Premium Reserve \$198,261,249

NOTES TO FINANCIAL STATEMENTS

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

	Direct	Assumed	Ceded	Net
Contingent Commission	\$ -	\$ 1,089,527	\$ 804,883	\$ 284,644
Sliding Scale Adjustments	-	-	-	-
Other Profit Commission Arrangements	-	-	-	-
TOTAL	\$ -	\$ 1,089,527	\$ 804,883	\$ 284,644

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

D. Uncollectible Reinsurance

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

E. Commutation of Ceded Reinsurance

During 2013 the Company commuted several treaties with the reinsurers listed below. The Company recognized the amounts received from the reinsurers, as a reduction of losses and loss adjustment expenses paid (thereby reducing losses and loss adjustment expenses incurred) in the current year. The Company also increased its loss and loss adjustment expense reserves by the same amount (thereby increasing losses and loss adjustment expense incurred) to recognize the effect of releasing the reinsurer from its obligation under the treaty. The net effect of the commutations was -0-. The amounts received are shown below by reinsurer and treaty year.

Reinsurer and Treaty Year	Amount
TRAX Insurance Ltd (2009-2010)	\$ 619,361
Wheels Ins Ltd (2009-2010)	474,627
Wheels Ins Ltd (2008-2009)	387,616
The Preferred Energy Group Ltd (2008-2009)	16,502
	\$ 1,498,106

F. Retroactive Reinsurance

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

G. Reinsurance Accounted for as a Deposit

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

H. Run-off Agreements

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

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

Not Applicable

**Note 24 – Retrospectively Rated Contracts & Contracts Subject to Redetermination**

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



NOTES TO FINANCIAL STATEMENTS

**Note 25 –Losses and Loss Adjustment Expenses**

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

	Year Ended December 31	
	2013	2012
Outstanding losses and LAE, net of reinsurance recoverables, at beginning of year	\$ 327,090,292	\$ 332,191,416
Add provision for claims, net of reinsurance, occurring in:		
Current year	192,819,000	167,866,000
Prior years	1,425,702	(11,672,185)
Net incurred losses during the current year	194,244,702	156,193,815
Deduct payments for claims, net of reinsurance occurring in:		
Current year	62,354,000	53,557,000
Prior years	123,585,689	107,737,939
Net claim payments during the current year	185,939,689	161,294,939
Outstanding losses and LAE, net of reinsurance recoverables, at end of year	\$ 335,395,305	\$ 327,090,292

The foregoing reconciliation shows that a \$1,425,702 unfavorable development in the December 31, 2012 balances emerged in 2013 and an \$11,672,185 favorable development in the December 31, 2011 balances emerged in 2012. The unfavorable development in 2013 resulted from the combination of settling cases and adjusting current estimates of case and incurred but not reported (IBNR) reserves for amounts more than the case and IBNR estimates carried at the end of the prior year, and the favorable development in 2012 resulted from the combination of settling cases and adjusting current estimates of case and IBNR reserves for amounts less than the case and IBNR estimates carried at December 31, 2011. Management of the Company evaluates case and IBNR estimates based on data from a variety of sources including the Company’s historical experience, knowledge of various factors, and industry data extrapolated from other insurers writing similar lines of business.

**Note 26 – Intercompany Pooling Arrangements**

Effective January 1, 2011, the Company entered into an amended intercompany reinsurance pooling agreement with its subsidiaries, NIHI, TCC and VIC. The effect is to transfer all net retained insurance liabilities of the subsidiaries to NIIC and to cede specified percentages of the net underwriting results of the group to the participating companies as follows:

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

Prior to the pooling of business, each participating company makes cessions, primarily excess of loss arrangements, to various other affiliated and non-affiliated reinsurers under terms of other reinsurance agreements. Each participant records its own Provision for Reinsurance based on its pre-pooling reinsurance activity. These liabilities are not shared with the other pooled participants. In the event that a reinsurance balance becomes uncollectible, the uncollectible balance will be shared by the pooled members in accordance to the pooling participation schedule. As of December 31, 2013 the Company, the lead entity for pooling activity, has payables of \$70,158 and \$983,039 due to NIHI and TCC, respectively and a receivable balance due from VIC of \$6,536,532. These amounts are settled on a quarterly basis.

**Note 27 – Structured Settlements**

A. Reserves Released Due to Purchase of Annuities

During the current year, the Company has purchased eight structured settlements from unaffiliated life insurance companies with the claimants as payee. The loss and LAE reserves for these claims are no longer included in the balance sheet as a liability for losses and loss adjustment expenses.

Reserves Eliminated by Annuities	Unrecorded Loss Contingencies
\$ 3,068,979	\$ -



NOTES TO FINANCIAL STATEMENTS

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

None.

**Note 28 – Health Care Receivables**

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

**Note 29 – Participating Policies**

A. Not applicable as the Company does not have participating policies.

**Note 30 – Premium Deficiency Reserves**

As of December 31, 2013, the Company does not have any premium deficiency reserves.

Liability carried for premium deficiency reserves	\$	-
Date of the most recent evaluation of this liability		1/22/2014
Was anticipated investment income utilized in the calculation?	Yes [ ]	No [X]

**Note 31 – High Deductibles**

A. Not applicable as the Company does not have high deductibles.

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

A - C. The Company does not discount its liabilities for unpaid loss and loss adjustment expenses.

**Note 33 – Asbestos/Environmental Reserves**

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

**Note 34 – Subscriber Savings Accounts**

A. Not applicable.

**Note 35 – Multiple Peril Crop Insurance**

A. Not applicable.

**Note 36 – Financial Guaranty Insurance**

A. 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?  
If yes, complete Schedule Y, Parts 1, 1A and 2.

Yes [X]      No [ ]

1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes [X]      No [ ]      N/A [ ]

1.3

State regulating?      Ohio

2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [ ]      No [X]

2.2

If yes, date of change:

3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2010

3.2

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

12/31/2010

3.3

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

10/18/2011

3.4

By what department or departments?  
Ohio Department of Insurance

3.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments?

Yes [ ]      No [ ]      N/A [X]

3.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes [ ]      No [ ]      N/A [X]

4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11

sales of new business?

Yes [ ]      No [X]

4.12

renewals?

Yes [ ]      No [X]

4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21

sales of new business?

Yes [ ]      No [X]

4.22

renewals?

Yes [ ]      No [X]

5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes [ ]      No [X]

5.2

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

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

6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes [ ]      No [X]

6.2

If yes, give full information:

7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes [ ]      No [X]

7.2

If yes,

7.21

State the percentage of foreign control

.....%

7.22

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

1	2
Nationality	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 [X]      No [ ]

8.4

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

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC
American Money Management Corporation	Cincinnati, OH	NO	NO	NO	YES
Great American Advisors, Inc.	Cincinnati, OH	NO	NO	NO	YES

9.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
Ernst & Young LLP 950 Main Avenue, Suite 1800, Cleveland, OH 44113

10.1

Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?

Yes [ ]      No [X]

10.2

If the response to 10.1 is yes, provide information related to this exemption:

10.3

Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation?

Yes [ ]      No [X]

10.4

If the response to 10.3 is yes, provide information related to this exemption:

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

10.5	Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?	Yes [ X ]	No [   ]	N/A [   ]
10.6	If the answer to 10.5 is no or n/a, please explain.			
<hr/>				
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?			
	<u>Lisa Hays, Divisional Senior VP - Great American Insurance Company 301 East 4th Street, Cincinnati, Ohio 45202</u>			
<hr/>				
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			
<hr/>				
12.12	Number of parcels involved	.....		
12.13	Total book/adjusted carrying value	.....		
12.2	If yes, provide explanation.			
<hr/>				
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?			
<hr/>				
13.2	Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?	Yes [   ]	No [   ]	
13.3	Have there been any changes made to any of the trust indentures during the year?	Yes [   ]	No [   ]	
13.4	If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?	Yes [   ]	No [   ]	N/A [   ]
14.1	Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?		Yes [ X ]	No [   ]
a.	Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;			
b.	Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;			
c.	Compliance with applicable governmental laws, rules and regulations;			
d.	The prompt internal reporting of violations to an appropriate person or persons identified in the code; and			
e.	Accountability for adherence to the code.			
14.11	If the response to 14.1 is no, please explain:			
<hr/>				
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).			
<hr/>				
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).			
<hr/>				
<hr/>				

National Interstate Insurance Company  
GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

- 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 [ X ]    No [   ]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount
322270796	Alaska USA Federal Credit Union	Non Payment of Policy Premiums	87,564
071925046	American Chartered Bank	Non Payment of Policy Premiums	26,255
103002617	Bank of Commerce	Non Payment of Policy Premiums	56,896
121143781	Bay Commercial Bank	Non Payment of Policy Premiums	24,499
053112482	Uwharrie Bank	Non Payment of Policy Premiums	21,000
062102386	Camden National Bank	Non Payment of Policy Premiums	73,979
031308302	Citizens & Northern Bank	Non Payment of Policy Premiums	15,000
064108524	Community Bank & Trust	Non Payment of Policy Premiums	5,000
101001306	Country Club Bank	Non Payment of Policy Premiums	7,559
243074385	Dollar Bank	Non Payment of Policy Premiums	13,310
031306278	Erie Bank	Non Payment of Policy Premiums	36,939
121108441	Farmers & Merchants Bank of Central Calif	Non Payment of Policy Premiums	170,381
041208421	Farmers State Bank	Non Payment of Policy Premiums	36,211
243073632	Fidelity Bank	Non Payment of Policy Premiums	70,000
053906041	First Citizens Bank	Non Payment of Policy Premiums	35,735
071926676	First Community Financial Bank	Non Payment of Policy Premiums	13,308
043318092	First National Bank of Pennsylvania	Non Payment of Policy Premiums	168,435
064202828	First Peoples Bank of Tennessee	Non Payment of Policy Premiums	17,906
084304243	First State Bank	Non Payment of Policy Premiums	61,808
111905612	Gilmer National Bank	Non Payment of Policy Premiums	73,390
031207856	Harvest Community Bank	Non Payment of Policy Premiums	11,604
075911852	Johnson Bank	Non Payment of Policy Premiums	38,875
044210063	Kingston National Bank	Non Payment of Policy Premiums	22,338
081500862	Landmark Bank	Non Payment of Policy Premiums	35,490
101107886	Legacy Bank	Non Payment of Policy Premiums	24,992
031307086	Merchants Bank of Bangor	Non Payment of Policy Premiums	63,871
062204019	Metro Bank	Non Payment of Policy Premiums	17,286
031205340	Newfield National Bank	Non Payment of Policy Premiums	5,000
053104869	Peoples Bank	Non Payment of Policy Premiums	464,328
062203942	Peoples Independent Bank	Non Payment of Policy Premiums	25,080
064008637	Pinnacle National Bank	Non Payment of Policy Premiums	1,000,000
104102309	Platte Valley Bank	Non Payment of Policy Premiums	88,244
071924458	Popular Community Bank	Non Payment of Policy Premiums	36,705
113024957	Post Oak Bank	Non Payment of Policy Premiums	85,000
051409456	Select Bank	Non Payment of Policy Premiums	48,963
053112097	Capital Bank NA	Non Payment of Policy Premiums	305,555
071115966	State Bank of Speer	Non Payment of Policy Premiums	50,000
083000564	Stock Yards Bank & Trust	Non Payment of Policy Premiums	30,000
061100606	SunSouth Bank	Non Payment of Policy Premiums	8,625
113121135	Texas State Bank	Non Payment of Policy Premiums	18,844
081903867	The Bank of Missouri	Non Payment of Policy Premiums	20,668
083974412	The Murray Bank	Non Payment of Policy Premiums	25,355
071006486	The PrivateBank	Non Payment of Policy Premiums	135,000
101902052	Third National Bank	Non Payment of Policy Premiums	16,367
062101031	Troy Bank & Trust	Non Payment of Policy Premiums	7,737
041215508	Westfield Bank	Non Payment of Policy Premiums	23,943

PART 1 - COMMON INTERROGATORIES - BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof?
- Yes [ X ]    No [   ]
17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof?
- Yes [ X ]    No [   ]
18. Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person?
- Yes [ X ]    No [   ]

PART 1 - COMMON INTERROGATORIES - FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?
- Yes [   ]    No [ X ]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers \$.....0
- 20.12 To stockholders not officers \$.....0
- 20.13 Trustees, supreme or grand (Fraternal only) \$.....0
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers \$.....0
- 20.22 To stockholders not officers \$.....0
- 20.23 Trustees, supreme or grand (Fraternal only) \$.....0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?
- Yes [   ]    No [ X ]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others .....
- 21.22 Borrowed from others .....
- 21.23 Leased from others .....
- 21.24 Other .....

National Interstate Insurance Company

PART 1 - COMMON INTERROGATORIES - FINANCIAL

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 [ ☒ ]

22.2

If answer is yes:

22.21

Amount paid as losses or risk adjustment

.....

22.22

Amount paid as expenses

.....

22.23

Other amounts paid

.....

23.1

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

Yes [ ☒ ]    No [ ☐ ]

23.2

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

\$.....919,520

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 [ ☒ ]    No [ ☐ ]

24.02

If no, give full and complete information relating thereto.

.....

24.03

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

.....

24.04

Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?

Yes [ ☐ ]    No [ ☐ ]    N/A [ ☒ ]

24.05

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

.....

24.06

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

.....

24.07

Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?

Yes [ ☐ ]    No [ ☐ ]    N/A [ ☒ ]

24.08

Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?

Yes [ ☐ ]    No [ ☐ ]    N/A [ ☒ ]

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 [ ☒ ]

24.10

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

24.101

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

.....

24.102

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

.....

24.103

Total payable for securities lending reported on the liability page.

.....

25.1

Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03)

Yes [ ☒ ]    No [ ☐ ]

25.2

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

25.21

Subject to repurchase agreements

\$.....0

25.22

Subject to reverse repurchase agreements

\$.....0

25.23

Subject to dollar repurchase agreements

\$.....0

25.24

Subject to reverse dollar repurchase agreements

\$.....0

25.25

Pledged as collateral

\$.....0

25.26

Placed under option agreements

\$.....0

25.27

Letter stock or securities restricted as to sale

\$.....0

25.28

On deposit with state or other regulatory body

\$.....59,833,825

25.29

Other

\$.....0

25.3

For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1

Does the reporting entity have any hedging transactions reported on Schedule DB?

Yes [ ☐ ]    No [ ☒ ]

26.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? If no, attach a description with this statement.

Yes [ ☐ ]    No [ ☐ ]    N/A [ ☒ ]

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 [ ☒ ]

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 [ ☒ ]    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
Key Bank	PO Box 6717 Cleveland, OH 44101
US Bank	Two Liberty Place 50 South 16th Street, Suite 2000 Philadelphia, PA 19102

28.02

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

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

28.03

Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?

Yes [ ☒ ]    No [ ☐ ]

28.04

If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
	US Bank	01/04/2013	Additional custodian for business needs

28.05

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

1 Central Registration Depository Number(s)	2 Name	3 Address
161853	American Money Management Corporation	301 East Fourth Street, Cincinnati, OH 45202
8099	Fort Washington Investment Advisors, Inc.	303 Broadway, Suite 1200, Cincinnati, OH 45202
137797	Ellessar Investment Management	1111 Superior Ave.,#1310, Cleveland, OH 44113
16076	Ancora Advisors LLC	2000 Auburn Dr., #300, Cleveland, OH 44113

National Interstate Insurance Company

PART 1 - COMMON INTERROGATORIES - INVESTMENT

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 [ X ]      No [   ]

29.2 If yes, complete the following schedule:

1	2	3
CUSIP #	Name of Mutual Fund	Book/Adjusted Carrying Value
464287 46 5	ISHARES MSCI EAFE ETF	500,797
561911 10 8	MANAGED HIGH YIELD PLUS FUND INC	20,300
73935X 10 4	POWERSHARES DYNAMIC MARKET PORTFOLIO	1,801,450
73935X 30 2	POWERSHARES HIGH YIELD EQUITY DIVIDEND	354,872
761396 30 8	REVENUESHARES SMALL CAP FUND	239,433
97717W 28 1	WISDOMTREE EMERGING MARKET SMALL CAP DIVIDEND FUND	32,263
29.2999. TOTAL		2,949,115

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

1	2	3	4
Name of Mutual Fund (from the above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to Holding	Date of Valuation
ISHARES MSCI EAFE ETF	NESTLE S.A.-REG	8,864	12/31/2013
ISHARES MSCI EAFE ETF	HSBC HOLDINGS PLC	7,612	12/31/2013
ISHARES MSCI EAFE ETF	ROCHE HOLDING AG-GENUSSCHEIN	7,412	12/31/2013
ISHARES MSCI EAFE ETF	VODAPHONE GROUP PLC	7,111	12/31/2013
ISHARES MSCI EAFE ETF	NOVARTIS AG-REG	6,911	12/31/2013
MANAGED HIGH YIELD PLUS FUND INC	SQUARETWO FINANCIAL CORP.	284	11/30/2013
MANAGED HIGH YIELD PLUS FUND INC	INTERNATIONAL LEASE FINANCIAL CORP	244	11/30/2013
MANAGED HIGH YIELD PLUS FUND INC	SABINE PASS LIQUEFACATION LLC	203	11/30/2013
MANAGED HIGH YIELD PLUS FUND INC	ALLY FINANCIAL CORP	264	11/30/2013
MANAGED HIGH YIELD PLUS FUND INC	DISH DBS CORP	244	11/30/2013
POWERSHARES DYNAMIC MARKET PORTFOLIO	MARATHON OIL	68,095	12/31/2013
POWERSHARES DYNAMIC MARKET PORTFOLIO	APACHE	65,212	12/31/2013
POWERSHARES DYNAMIC MARKET PORTFOLIO	ARCHER-DANIELS MIDLAND	62,330	12/31/2013
POWERSHARES DYNAMIC MARKET PORTFOLIO	KROGER	54,764	12/31/2013
POWERSHARES DYNAMIC MARKET PORTFOLIO	WYNN RESORTS	50,801	12/31/2013
POWERSHARES HIGH YIELD EQUITY DIVIDEND	VECTOR GROUP	13,982	12/31/2013
POWERSHARES HIGH YIELD EQUITY DIVIDEND	MERCURY GENERAL CORP.	10,788	12/31/2013
POWERSHARES HIGH YIELD EQUITY DIVIDEND	ALTRIA	10,469	12/31/2013
POWERSHARES HIGH YIELD EQUITY DIVIDEND	AT&T	10,433	12/31/2013
POWERSHARES HIGH YIELD EQUITY DIVIDEND	PEOPLE'S UNITED FINANCIAL	8,730	12/31/2013
REVENUESHARES SMALL CAP FUND	CENTENE CORP.	4,238	12/31/2013
REVENUESHARES SMALL CAP FUND	SYNNEX CORPORATION	4,190	12/31/2013
REVENUESHARES SMALL CAP FUND	SONIC AUTOMOTIVE INC	3,424	12/31/2013
REVENUESHARES SMALL CAP FUND	GROUP 1 AUTOMOTIVE INC	3,352	12/31/2013
REVENUESHARES SMALL CAP FUND	AK STEEL HOLDING CORPORATION	2,897	12/31/2013
WISDOMTREE EMERGING MARKET SMALL CAP DIVIDEND FUND	SYTHOS SA	387	12/31/2013
WISDOMTREE EMERGING MARKET SMALL CAP DIVIDEND FUND	SYNNEX TECHNOLOGY INTERNATIONAL	345	12/31/2013
WISDOMTREE EMERGING MARKET SMALL CAP DIVIDEND FUND	LIGHT SA	329	12/31/2013
WISDOMTREE EMERGING MARKET SMALL CAP DIVIDEND FUND	MAGYAR TELEKOM TELECOMMUNICATION	297	12/31/2013
WISDOMTREE EMERGING MARKET SMALL CAP DIVIDEND FUND	IPATH MSCI INDIA INDEX ETN	281	12/31/2013

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	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds.....	.....589,163,639	.....602,122,838	.....12,959,199
30.2 Preferred stocks.....	.....11,471,894	.....12,073,690	.....601,796
30.3 Totals.....	.....600,635,533	.....614,196,528	.....13,560,995

30.4 Describe the sources or methods utilized in determining the fair values:  
The source used to determine the fair value is primarily from pricing services and to a lesser extent broker quotes when necessary.

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?

Yes [ X ]      No [   ]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?

Yes [   ]      No [ X ]

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.  
For the securities that were priced using broker prices, the investment professionals affiliated with the reporting entity obtain data from brokers that are familiar with the securities being priced and the markets in which they trade.

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

Yes [ X ]      No [   ]

32.2 If no, list exceptions:

PART 1 - COMMON INTERROGATORIES - INVESTMENT

PART 1 - COMMON INTERROGATORIES - OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$.....266,708

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
Insurance Services Office	116,390

34.1 Amount of payments for legal expenses, if any? \$.....546,929

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
Thompson Hine LLP	356,177

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$.....0

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

1 Name	2 Amount Paid

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

1.1

Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes [ ☐ ]

No [ ☒ ]

1.2

If yes, indicate premium earned on U.S. business only.

1.3

What portion of item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

1.31

Reason for excluding:

1.4

Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.

1.5

Indicate total incurred claims on all Medicare Supplement insurance.

1.6

Individual policies:

Most current three years:

1.61

Total premium earned

1.62

Total incurred claims

1.63

Number of covered lives

All years prior to most current three years:

1.64

Total premium earned

1.65

Total incurred claims

1.66

Number of covered lives

1.7

Group policies:

Most current three years:

1.71

Total premium earned

1.72

Total incurred claims

1.73

Number of covered lives

All years prior to most current three years:

1.74

Total premium earned

1.75

Total incurred claims

1.76

Number of covered lives

2.

Health test:

	1	2
	Current Year	Prior Year
2.1	Premium Numerator.....	\$.....0
2.2	Premium Denominator.....	\$.....274,507,412
2.3	Premium Ratio (2.1/2.2).....	.....0.0
2.4	Reserve Numerator.....	\$.....539,904
2.5	Reserve Denominator.....	\$.....460,406,613
2.6	Reserve Ratio (2.4/2.5).....	.....0.1

3.1

Does the reporting entity issue both participating and non-participating policies?

Yes [ ☐ ]

No [ ☒ ]

3.2

If yes, state the amount of calendar year premiums written on:

3.21

Participating policies

3.22

Non-participating policies

4.

FOR MUTUAL REPORTING ENTITIES AND RECIPROCAL EXCHANGES ONLY:

4.1

Does the reporting entity issue assessable policies?

Yes [ ☐ ]

No [ ☐ ]

4.2

Does the reporting entity issue non-assessable policies?

Yes [ ☐ ]

No [ ☐ ]

4.3

If assessable policies are issued, what is the extent of the contingent liability of the policyholders?

4.4

Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.

5.

FOR RECIPROCAL EXCHANGES ONLY:

5.1

Does the exchange appoint local agents?

Yes [ ☐ ]

No [ ☐ ]

5.2

If yes, is the commission paid:

5.21

Out of Attorney's-in-fact compensation

Yes [ ☐ ]

No [ ☐ ]

N/A [ ☒ ]

5.22

As a direct expense of the exchange

Yes [ ☐ ]

No [ ☐ ]

N/A [ ☒ ]

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:

6.1

What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?

The Company is party to intercompany pooling agreements where it retains no more than \$3,395,000 per occurrence. In addition, the pool purchases up to 20M per person WC coverage & up to 40M multiple person WC coverage subject to a 10M maximum any one life.

6.2

Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:

The Company uses Intrat Analysis from Guy Carpenter using RMS Risklink model to identify locations and concentrations. It also limits its writing of property insurance and reinsures under catastrophic reinsurance losses in excess of \$500,000 in Hawaii and select property from products on the mainland and \$750,000 elsewhere.

6.3

What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?

The Company has a 5%/95% Property quota share agreement for risks up to 5M and purchased a 12M x 500K excess of loss for catastrophe. The CAT retention will vary depending on the product. The Company also purchases facultative protection for various recreational vehicle rallies throughout the year.

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 [ ☐ ]

6.5

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

7.1

Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)?

Yes [ ☒ ]

No [ ☐ ]

7.2

If yes, indicate the number of reinsurance contracts containing such provisions.

52

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 [ ☐ ]

16



GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

8.1

Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured?

Yes [ ]

No [ X ]

8.2

If yes, give full information:

9.1

Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:  
(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;  
(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;  
(c) Aggregate stop loss reinsurance coverage;  
(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;  
(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or  
(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity?

Yes [ X ]

No [ ]

9.2

Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:  
(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or  
(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract?

Yes [ ]

No [ X ]

9.3

If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:  
(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;  
(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and  
(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.

9.4

Except for transactions meeting the requirements of paragraph 31 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:  
(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or  
(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?

Yes [ ]

No [ X ]

9.5

If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.

9.6

The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:  
(a) The entity does not utilize reinsurance; or  
(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or  
(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement.

Yes [ ]

No [ X ]

10.

If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurance a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done?

Yes [ X ]

No [ ]

N/A [ ]

11.1

Has this reporting entity guaranteed policies issued by any other reporting entity and now in force?

Yes [ ]

No [ X ]

11.2

If yes, give full information:

12.1

If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the assets schedule, Page 2, state the amount of corresponding liabilities recorded for:  
12.11 Unpaid losses  
12.12 Unpaid underwriting expenses (including loss adjustment expenses)

\$.....0

\$.....0

\$.....0

12.2

Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds:

12.3

If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses?

Yes [ ]

No [ X ]

N/A [ ]

12.4

If yes, provide the range of interest rates charged under such notes during the period covered by this statement:  
12.41 From  
12.42 To

.....%

.....%

12.5

Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies?

Yes [ X ]

No [ ]

12.6

If yes, state the amount thereof at December 31 of current year:  
12.61 Letters of credit  
12.62 Collateral and other funds

\$.....2,809,397

\$.....3,241,408

13.1

Largest net aggregate amount insured in any one risk (excluding workers' compensation):

\$.....3,500,000

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.

.....1

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

14.1

Is the company a cedant in a multiple cedant reinsurance contract?

Yes [ X ]

No [ ]

14.2

If yes, please describe the method of allocating and recording reinsurance among the cedants:  
The allocation would be based on the percentage of the individual company's claim to the total of all claims.

14.3

If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts?

Yes [ X ]

No [ ]

14.4

If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements?

Yes [ ]

No [ ]

14.5

If the answer to 14.4 is no, please explain:

15.1

Has the reporting entity guaranteed any financed premium accounts?

Yes [ ]

No [ X ]

15.2

If yes, give full information:

16.1

Does the reporting entity write any warranty business?

Yes [ ]

No [ X ]

If yes, disclose the following information for each of the following types of warranty coverage:

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

\* Disclose type of coverage: .....

17.1

Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F-Part 3 that it excludes from Schedule F-Part 5?  
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:

Yes [ ]

No [ X ]

17.11

Gross amount of unauthorized reinsurance in Schedule F-Part 3 excluded from Schedule F-Part 5

.....

17.12

Unfunded portion of Interrogatory 17.11

.....

17.13

Paid losses and loss adjustment expenses portion of Interrogatory 17.11

.....

17.14

Case reserves portion of Interrogatory 17.11

.....

17.15

Incurred but not reported portion of Interrogatory 17.11

.....

17.16

Unearned premium portion of Interrogatory 17.11

.....

17.17

Contingent commission portion of Interrogatory 17.11

.....

Provide the following information for all other amounts included in Schedule F-Part 3 and excluded from Schedule F-Part 5, not included above:

17.18

Gross amount of unauthorized reinsurance in Schedule F-Part 3 excluded from Schedule F-Part 5

.....

17.19

Unfunded portion of Interrogatory 17.18

.....

17.20

Paid losses and loss adjustment expenses portion of Interrogatory 17.18

.....

17.21

Case reserves portion of Interrogatory 17.18

.....

17.22

Incurred but not reported portion of Interrogatory 17.18

.....

17.23

Unearned premium portion of Interrogatory 17.18

.....

17.24

Contingent commission portion of Interrogatory 17.18

.....

18.1

Do you act as a custodian for health savings account?

Yes [ ]

No [ X ]

18.2

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

.....

18.3

Do you act as an administrator for health savings accounts?

Yes [ ]

No [ X ]

18.4

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

.....

FIVE-YEAR HISTORICAL DATA

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

	1 2013	2 2012	3 2011	4 2010	5 2009
<b>Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 &amp; 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 & 19.3, 19.4).....	490,375,464	450,749,415	449,957,204	296,434,272	258,459,350
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	89,928,007	88,882,113	97,843,967	84,186,092	82,589,673
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	3,840,687	2,802,654	2,988,911	968,260	1,267,286
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	842,323	1,135,545	772,899	493,215	563,721
5. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
6. Total (Line 35).....	584,986,481	543,569,727	551,562,981	382,081,839	342,880,030
<b>Net Premiums Written (Page 8, Part 1B, Col. 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 & 19.3, 19.4).....	224,239,997	207,278,256	200,780,158	163,490,632	139,838,196
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	50,953,193	51,479,453	48,764,663	66,071,690	64,434,870
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	2,020,922	1,379,516	1,617,115	417,415	581,709
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	435,147	577,286	342,327	347,126	386,732
11. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
12. Total (Line 35).....	277,649,259	260,714,511	251,504,263	230,326,863	205,241,507
<b>Statement of Income (Page 4)</b>					
13. Net underwriting gain (loss) (Line 8).....	4,443,847	19,139,606	13,798,103	13,201,038	32,990,392
14. Net investment gain (loss) (Line 11).....	26,870,775	48,533,333	34,000,852	19,634,483	16,620,279
15. Total other income (Line 15).....	(3,550,418)	(3,338,402)	(2,694,551)	(2,184,861)	(2,453,030)
16. Dividends to policyholders (Line 17).....					
17. Federal and foreign income taxes incurred (Line 19).....	5,839,043	11,454,575	14,135,853	10,793,157	13,999,307
18. Net income (Line 20).....	21,925,161	52,879,962	30,968,551	19,857,503	33,158,334
<b>Balance Sheet Lines (Pages 2 and 3)</b>					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3).....	1,054,079,940	1,017,470,693	994,710,927	799,563,212	696,273,294
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 15.1).....	6,636,788	9,980,869	10,501,071	13,354,505	8,742,465
20.2 Deferred and not yet due (Line 15.2).....	141,366,715	131,368,564	97,323,756	88,454,948	80,887,560
20.3 Accrued retrospective premiums (Line 15.3).....					
21. Total liabilities excluding protected cell business (Page 3, Line 26).....	770,660,825	747,774,754	701,097,223	525,916,353	457,882,999
22. Losses (Page 3, Line 1).....	271,998,832	266,206,397	268,627,377	148,644,616	127,130,593
23. Loss adjustment expenses (Page 3, Line 3).....	63,396,473	60,883,895	63,564,039	46,600,049	43,001,580
24. Unearned premiums (Page 3, Line 9).....	125,011,309	121,869,462	112,076,281	106,142,942	93,917,657
25. Capital paid up (Page 3, Lines 30 & 31).....	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
26. Surplus as regards policyholders (Page 3, Line 37).....	283,419,115	269,695,939	293,613,704	273,646,860	238,390,295
<b>Cash Flow (Page 5)</b>					
27. Net cash from operations (Line 11).....	23,883,507	38,323,542	158,365,594	52,668,834	36,177,149
<b>Risk-Based Capital Analysis</b>					
28. Total adjusted capital.....	283,419,115	269,695,939	293,613,704	273,646,860	238,390,295
29. Authorized control level risk-based capital.....	43,870,706	41,486,288	44,160,301	43,126,588	21,342,829
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets</b> (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1).....	67.9	71.2	72.1	65.4	84.6
31. Stocks (Lines 2.1 & 2.2).....	26.4	22.1	24.0	28.6	9.8
32. Mortgage loans on real estate (Lines 3.1 & 3.2).....					
33. Real estate (Lines 4.1, 4.2 & 4.3).....	1.8	1.9	1.9	2.5	2.9
34. Cash, cash equivalents and short-term investments (Line 5).....	1.1	2.2	0.5	1.2	0.4
35. Contract loans (Line 6).....					
36. Derivatives (Line 7).....					XXX
37. Other invested assets (Line 8).....	2.8	2.6	1.6	2.2	2.3
38. Receivable for securities (Line 9).....					
39. Securities lending reinvested collateral assets (Line 10).....					XXX
40. Aggregate write-ins for invested assets (Line 11).....					
41. Cash, cash equivalents and invested assets (Line 12).....	100.0	100.0	100.0	100.0	100.0
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
42. Affiliated bonds (Sch. D, Summary, Line 12, Col. 1).....					
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1).....					
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1).....	165,540,227	155,187,444	163,188,377	156,762,904	27,272,253
45. Affiliated short-term investments (subtotals included in Schedule DA, Verification, Column 5, Line 10).....					
46. Affiliated mortgage loans on real estate.....					
47. All other affiliated.....					
48. Total of above lines 42 to 47.....	165,540,227	155,187,444	163,188,377	156,762,904	27,272,253
49. Total investment in parent included in Lines 42 to 47 above.....					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0).....	58.4	57.5	55.6	57.3	11.4

FIVE-YEAR HISTORICAL DATA

(Continued)

	1	2	3	4	5
	2013	2012	2011	2010	2009
<b>Capital and Surplus Accounts (Page 4)</b>					
51. Net unrealized capital gains (losses) (Line 24).....	1,891,184	(16,468,838)	(2,305,577)	12,372,269	8,483,314
52. Dividends to stockholders (Line 35).....	(10,000,000)	(60,000,000)	(10,000,000)		
53. Change in surplus as regards policyholders for the year (Line 38).....	13,723,176	(23,917,765)	19,966,844	35,256,565	48,256,789
<b>Gross Losses Paid (Page 9, Part 2, Cols. 1 &amp; 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 & 19.3, 19.4).....	286,204,006	224,141,848	(10,345,746)	124,360,442	119,815,536
55. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	54,233,297	57,318,629	64,164,865	45,463,760	48,717,223
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	325,454	778,096	(691,511)	603,954	518,250
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	31,251	14,367	46,392	37,290	
58. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
59. Total (Line 35).....	340,794,009	282,252,940	53,174,000	170,465,446	169,051,009
<b>Net Losses Paid (Page 9, Part 2, Col. 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 & 19.3, 19.4).....	125,731,934	98,177,302	(30,267,944)	51,587,900	51,923,733
61. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	29,565,199	32,293,588	39,159,106	36,597,469	38,060,120
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	167,987	415,922	(462,950)	79,716	302,969
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	10,938	5,029	68,667	17,899	
64. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
65. Total (Line 35).....	155,476,057	130,891,841	8,496,879	88,282,984	90,286,821
<b>Operating Percentages</b> (Page 4) (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1).....	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2).....	58.7	51.2	52.3	50.3	44.2
68. Loss expenses incurred (Line 3).....	12.0	11.0	11.3	10.3	8.9
69. Other underwriting expenses incurred (Line 4).....	27.6	30.1	30.8	33.3	31.1
70. Net underwriting gain (loss) (Line 8).....	1.6	7.6	5.6	6.1	15.8
<b>Other Percentages</b>					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0).....	28.6	30.3	31.1	32.5	32.7
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	70.8	62.2	63.6	60.6	53.1
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35, divided by Page 3, Line 37, Col. 1 x 100.0).....	98.0	96.7	85.7	84.2	86.1
<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, Col. 11).....	1,941	(7,963)	(6,228)	(4,510)	(65)
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100).....	0.7	(2.7)	(2.3)	(1.9)	(0.0)
<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, Col. 12).....	(6,058)	(21,346)	(21,147)	(7,181)	(1,979)
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0).....	(2.1)	(7.8)	(8.9)	(3.8)	(1.1)

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

Yes[ ] No[ ]

If no, please explain:

**SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES**

**SCHEDULE P - PART 1 - SUMMARY**

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12 Number of Claims Reported- Direct and Assumed
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	
	Direct and Assumed	Ceded	Net (Cols. 1 - 2)	4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded	Salvage and Subrogation Received	Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	
1. Prior.....	.....XXX.....	.....XXX.....	.....XXX.....	.....674	.....60	.....(82)	.....23	.....87			.....596	.....XXX.....
2. 2004.....	.....267,922	.....80,719	.....187,203	.....131,153	.....38,095	.....18,360	.....6,019	.....10,044		.....3,451	.....115,443	.....XXX.....
3. 2005.....	.....303,617	.....92,073	.....211,544	.....152,529	.....50,308	.....19,349	.....6,792	.....12,012		.....3,515	.....126,790	.....XXX.....
4. 2006.....	.....332,646	.....101,449	.....231,197	.....160,595	.....56,215	.....21,293	.....8,949	.....13,863		.....4,181	.....130,587	.....XXX.....
5. 2007.....	.....368,825	.....126,300	.....242,525	.....177,524	.....62,640	.....27,678	.....12,719	.....14,252		.....4,545	.....144,095	.....XXX.....
6. 2008.....	.....405,254	.....143,951	.....261,303	.....248,526	.....112,518	.....33,326	.....17,771	.....16,317		.....4,589	.....167,880	.....XXX.....
7. 2009.....	.....391,667	.....133,572	.....258,095	.....177,407	.....56,172	.....24,847	.....11,138	.....16,617		.....3,824	.....151,561	.....XXX.....
8. 2010.....	.....388,397	.....134,176	.....254,221	.....211,789	.....80,902	.....27,361	.....13,172	.....15,510		.....4,293	.....160,586	.....XXX.....
9. 2011.....	.....392,230	.....146,659	.....245,571	.....200,550	.....89,928	.....23,283	.....13,565	.....13,588		.....3,642	.....133,928	.....XXX.....
10. 2012.....	.....405,272	.....154,351	.....250,921	.....140,285	.....63,083	.....13,029	.....8,238	.....10,258		.....3,320	.....92,251	.....XXX.....
11. 2013.....	.....454,725	.....180,218	.....274,507	.....92,341	.....38,893	.....6,249	.....4,130	.....6,787		.....1,287	.....62,354	.....XXX.....
12. Totals.....	.....XXX.....	.....XXX.....	.....XXX.....	.....1,693,373	.....648,814	.....214,693	.....102,516	.....129,335	.....0	.....36,647	.....1,286,071	.....XXX.....

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22	Salvage and Subrogation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstanding- Direct and Assumed
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded	Direct and Assumed	Ceded			
1. Prior.....	.....1,738	.....186	.....3,184	.....8	.....134	.....12	.....70		.....26			.....4,946	.....XXX.....
2. 2004.....	.....1,012	.....185	.....726	.....25	.....101	.....9	.....111		.....160			.....1,891	.....XXX.....
3. 2005.....	.....2,247	.....949	.....1,245	.....17	.....23	.....40	.....190		.....278			.....2,977	.....XXX.....
4. 2006.....	.....1,708	.....630	.....1,722	.....102	.....138	.....53	.....284	.....13	.....316			.....3,370	.....XXX.....
5. 2007.....	.....4,410	.....2,320	.....3,450	.....950	.....398	.....186	.....303	.....12	.....328			.....5,421	.....XXX.....
6. 2008.....	.....8,394	.....3,313	.....4,489	.....707	.....608	.....292	.....324	.....6	.....291			.....9,788	.....XXX.....
7. 2009.....	.....13,479	.....4,308	.....10,593	.....4,249	.....1,607	.....424	.....1,981	.....407	.....1,152			.....19,424	.....XXX.....
8. 2010.....	.....29,311	.....12,717	.....15,594	.....8,513	.....3,075	.....1,493	.....2,480	.....533	.....1,871	.....1	.....311	.....29,074	.....XXX.....
9. 2011.....	.....43,197	.....19,516	.....34,271	.....18,262	.....4,782	.....2,463	.....5,179	.....1,167	.....5,440	.....1	.....453	.....51,460	.....XXX.....
10. 2012.....	.....57,215	.....27,453	.....73,541	.....41,435	.....4,867	.....2,619	.....10,592	.....2,513	.....4,387	.....2	.....1,285	.....76,580	.....XXX.....
11. 2013.....	.....75,537	.....37,848	.....144,565	.....75,936	.....5,343	.....3,175	.....19,226	.....4,398	.....7,154	.....3	.....2,530	.....130,465	.....XXX.....
12. Totals...	.....238,248	.....109,425	.....293,380	.....150,204	.....21,076	.....10,766	.....40,740	.....9,050	.....21,403	.....7	.....4,579	.....335,395	.....XXX.....

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34	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	Inter-Company Pooling Participation Percentage	35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior..	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....			.....XXX.....	.....4,728	.....218
2. 2004.	.....161,667	.....44,333	.....117,334	.....60.3	.....54.9	.....62.7			.....70.00	.....1,528	.....363
3. 2005.	.....187,873	.....58,106	.....129,767	.....61.9	.....63.1	.....61.3			.....70.00	.....2,526	.....451
4. 2006.	.....199,919	.....65,962	.....133,957	.....60.1	.....65.0	.....57.9			.....70.00	.....2,698	.....672
5. 2007.	.....228,343	.....78,827	.....149,516	.....61.9	.....62.4	.....61.6			.....70.00	.....4,590	.....831
6. 2008.	.....312,275	.....134,607	.....177,668	.....77.1	.....93.5	.....68.0			.....70.00	.....8,863	.....925
7. 2009.	.....247,683	.....76,698	.....170,985	.....63.2	.....57.4	.....66.2			.....70.00	.....15,515	.....3,909
8. 2010.	.....306,991	.....117,331	.....189,660	.....79.0	.....87.4	.....74.6			.....70.00	.....23,675	.....5,399
9. 2011.	.....330,290	.....144,902	.....185,388	.....84.2	.....98.8	.....75.5			.....70.00	.....39,690	.....11,770
10. 2012.	.....314,174	.....145,343	.....168,831	.....77.5	.....94.2	.....67.3			.....70.00	.....61,868	.....14,712
11. 2013.	.....357,202	.....164,383	.....192,819	.....78.6	.....91.2	.....70.2			.....70.00	.....106,318	.....24,147
12. Totals	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....0	.....0	.....XXX.....	.....271,999	.....63,396

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

**SCHEDULE P - PART 2 - SUMMARY**

Years in Which Losses Were Incurred	Incurred Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	One Year	Two Year
1. Prior.....	.....92,865	.....92,324	.....91,341	.....90,352	.....89,066	.....86,346	.....83,430	.....83,365	.....83,414	.....82,187	.....(1,227)	.....(1,178)
2. 2004.....	.....121,276	.....117,818	.....114,999	.....113,448	.....110,878	.....109,432	.....107,716	.....107,453	.....107,471	.....107,130	.....(341)	.....(323)
3. 2005.....	.....XXX	.....142,394	.....135,811	.....129,527	.....124,906	.....121,539	.....120,257	.....119,858	.....117,765	.....117,477	.....(288)	.....(2,381)
4. 2006.....	.....XXX	.....XXX	.....155,337	.....141,509	.....131,342	.....125,840	.....123,866	.....123,411	.....120,205	.....119,778	.....(427)	.....(3,633)
5. 2007.....	.....XXX	.....XXX	.....XXX	.....161,305	.....145,207	.....138,599	.....136,979	.....138,469	.....135,035	.....134,936	.....(99)	.....(3,533)
6. 2008.....	.....XXX	.....XXX	.....XXX	.....XXX	.....179,538	.....172,110	.....166,802	.....165,553	.....162,560	.....161,060	.....(1,500)	.....(4,493)
7. 2009.....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....169,091	.....165,950	.....163,701	.....154,457	.....153,216	.....(1,241)	.....(10,485)
8. 2010.....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....173,020	.....169,982	.....175,767	.....172,280	.....(3,487)	.....2,298
9. 2011.....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....148,690	.....155,845	.....166,361	.....10,516	.....17,671
10. 2012.....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....154,152	.....154,188	.....36	.....XXX
11. 2013.....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....178,881	.....XXX	.....XXX
12. Totals.....											.....1,941	.....(6,058)

**SCHEDULE P - PART 3 - SUMMARY**

Years in Which Losses Were Incurred	Cumulative Paid Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013		
1. Prior.....	.....000	.....34,065	.....52,167	.....63,899	.....68,806	.....73,328	.....74,554	.....75,555	.....76,758	.....77,267	.....XXX	.....XXX
2. 2004....	.....35,853	.....61,726	.....79,761	.....91,710	.....98,051	.....100,719	.....102,374	.....103,131	.....104,291	.....105,399	.....XXX	.....XXX
3. 2005.....	.....XXX	.....37,243	.....70,375	.....88,578	.....100,549	.....107,757	.....111,117	.....113,023	.....113,958	.....114,778	.....XXX	.....XXX
4. 2006.....	.....XXX	.....XXX	.....41,887	.....70,742	.....88,397	.....100,276	.....108,403	.....112,119	.....115,085	.....116,724	.....XXX	.....XXX
5. 2007....	.....XXX	.....XXX	.....XXX	.....45,875	.....77,745	.....96,658	.....112,177	.....120,584	.....126,421	.....129,843	.....XXX	.....XXX
6. 2008.....	.....XXX	.....XXX	.....XXX	.....XXX	.....53,005	.....93,281	.....117,567	.....136,433	.....146,469	.....151,563	.....XXX	.....XXX
7. 2009.....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....48,290	.....83,203	.....104,726	.....122,045	.....134,944	.....XXX	.....XXX
8. 2010....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....52,151	.....92,613	.....117,794	.....145,076	.....XXX	.....XXX
9. 2011....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....55,278	.....91,403	.....120,340	.....XXX	.....XXX
10. 2012....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....46,981	.....81,993	.....XXX	.....XXX
11. 2013....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....55,567	.....XXX	.....XXX

**SCHEDULE P - PART 4 - SUMMARY**

Years in Which Losses Were Incurred	Bulk and IBNR Reserves on Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)									
	1	2	3	4	5	6	7	8	9	10
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
1. Prior.....	.....36,990	.....22,085	.....13,445	.....11,968	.....10,678	.....6,939	.....4,448	.....4,289	.....4,179	.....3,246
2. 2004.....	.....56,867	.....30,072	.....16,684	.....11,395	.....7,264	.....4,540	.....3,121	.....2,648	.....2,250	.....812
3. 2005.....	.....XXX	.....68,547	.....41,258	.....23,183	.....12,910	.....6,484	.....4,539	.....4,315	.....1,830	.....1,418
4. 2006.....	.....XXX	.....XXX	.....77,802	.....44,591	.....21,788	.....11,183	.....8,168	.....6,819	.....2,898	.....1,891
5. 2007.....	.....XXX	.....XXX	.....XXX	.....82,882	.....41,178	.....20,673	.....11,155	.....9,639	.....3,954	.....2,791
6. 2008.....	.....XXX	.....XXX	.....XXX	.....XXX	.....81,992	.....42,204	.....23,859	.....15,271	.....7,743	.....4,100
7. 2009.....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....80,434	.....52,634	.....38,338	.....17,670	.....7,918
8. 2010.....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....80,927	.....50,242	.....32,484	.....9,028
9. 2011.....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....63,180	.....36,398	.....20,021
10. 2012.....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....77,036	.....40,185
11. 2013.....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....83,457

National Interstate Insurance Company  
SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN  
Allocated by States and Territories

		1	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4	5	6	7	8	9
			2	3						
States, Etc.		Active Status	Direct Premiums Written	Direct Premiums Earned	Dividends Paid or Credited to Policyholders on Direct Business	Direct Losses Paid (Deducting Salvage)	Direct Losses Incurred	Direct Losses Unpaid	Finance and Service Charges not Included in Premiums	Direct Premiums Written for Federal Purchasing Groups (Incl. in Col. 2)
1.	Alabama.....AL	...L.....	3,568,745	4,756,781	.....	2,086,840	2,098,275	3,891,658	2,242	372,518
2.	Alaska.....AK	...L.....	5,283,715	5,083,614	.....	1,037,969	1,616,694	4,189,170	276	157,844
3.	Arizona.....AZ	...L.....	5,517,878	4,988,193	.....	1,952,068	2,168,273	4,966,870	6,763	477,625
4.	Arkansas.....AR	...L.....	4,491,106	4,641,529	.....	3,421,450	4,089,095	2,868,912	3,655	185,328
5.	California.....CA	...L.....	76,301,565	71,878,395	.....	37,500,763	52,426,226	89,098,899	25,479	4,982,074
6.	Colorado.....CO	...L.....	3,752,111	3,209,931	.....	2,343,936	4,271,267	5,121,926	4,540	438,747
7.	Connecticut.....CT	...L.....	8,645,289	8,720,318	.....	3,673,474	4,702,324	12,362,345	1,855	2,595,863
8.	Delaware.....DE	...L.....	9,669,757	9,328,335	.....	3,415,487	5,463,120	11,283,061	20	19,443
9.	District of Columbia.....DC	...L.....	(134)	34	.....	.....	(8)	14	.....	.....
10.	Florida.....FL	...L.....	20,594,811	20,017,873	.....	19,342,800	23,009,337	20,613,934	21,613	4,403,319
11.	Georgia.....GA	...L.....	7,884,447	7,842,294	.....	5,496,682	6,144,921	6,343,604	21,679	1,455,408
12.	Hawaii.....HI	...L.....	14,804,890	13,928,130	.....	5,489,071	2,244,221	15,779,124	750	129,696
13.	Idaho.....ID	...L.....	4,149,596	4,249,667	.....	1,636,076	1,803,854	4,420,067	816	427,856
14.	Illinois.....IL	...L.....	13,939,322	13,867,694	.....	5,542,108	8,524,018	16,820,524	4,970	1,272,210
15.	Indiana.....IN	...L.....	4,380,320	5,964,040	.....	2,208,046	1,108,562	4,894,094	2,315	795,324
16.	Iowa.....IA	...L.....	2,007,283	4,373,803	.....	4,140,408	9,103,858	14,305,700	495	238,721
17.	Kansas.....KS	...L.....	5,811,066	5,140,190	.....	2,372,473	1,447,567	4,065,314	750	912,329
18.	Kentucky.....KY	...L.....	2,885,822	2,947,158	.....	1,841,739	1,668,534	2,431,074	25	375,509
19.	Louisiana.....LA	...L.....	3,642,614	3,779,260	.....	1,827,188	1,777,223	2,859,325	8,318	186,788
20.	Maine.....ME	...L.....	460,864	344,079	.....	66,815	(79,837)	377,690	505	85,495
21.	Maryland.....MD	...L.....	5,569,453	5,095,761	.....	2,237,079	3,010,091	4,129,495	172	514,504
22.	Massachusetts.....MA	...L.....	17,961,071	19,606,335	.....	11,320,426	12,192,242	20,263,609	450	4,472,697
23.	Michigan.....MI	...L.....	30,686	41,143	.....	72,206	72,683	2,159	.....	.....
24.	Minnesota.....MN	...L.....	5,317,495	4,570,457	.....	2,096,756	2,751,975	4,489,917	2,674	1,628,510
25.	Mississippi.....MS	...L.....	2,382,432	2,510,155	.....	1,472,606	1,165,122	2,324,184	50	1,069,740
26.	Missouri.....MO	...L.....	10,731,093	9,753,712	.....	4,725,521	4,646,923	8,952,132	1,920	1,118,497
27.	Montana.....MT	...L.....	4,899,364	5,153,587	.....	3,295,854	2,823,112	2,298,993	21,715	360,165
28.	Nebraska.....NE	...L.....	3,116,447	3,228,773	.....	1,092,135	1,462,137	4,130,048	280	112,120
29.	Nevada.....NV	...L.....	4,442,425	4,358,256	.....	3,462,971	3,983,102	6,445,238	4,745	827,109
30.	New Hampshire.....NH	...L.....	2,991,481	2,721,963	.....	732,778	1,174,768	3,114,448	1,660	29,927
31.	New Jersey.....NJ	...L.....	95,384	94,841	.....	843,856	(72,103)	127,395	.....	.....
32.	New Mexico.....NM	...L.....	937,519	1,046,166	.....	310,678	225,052	696,302	3,460	72,512
33.	New York.....NY	...L.....	29,307,261	26,294,826	.....	18,791,773	23,622,236	40,839,997	1,400	5,657,212
34.	North Carolina.....NC	...L.....	25,145,304	26,797,662	.....	16,735,895	21,510,494	31,630,698	12,420	623,723
35.	North Dakota.....ND	...L.....	816,115	734,402	.....	162,886	174,275	360,575	675	291,579
36.	Ohio.....OH	...L.....	10,981,617	11,092,487	.....	7,411,550	4,878,304	11,895,540	3,073	2,402,140
37.	Oklahoma.....OK	...L.....	5,149,604	5,398,692	.....	2,586,556	2,819,459	3,791,471	2,510	1,180,339
38.	Oregon.....OR	...L.....	3,496,583	2,455,488	.....	775,994	1,038,559	2,298,756	3,805	701,479
39.	Pennsylvania.....PA	...L.....	17,755,915	19,295,598	.....	13,091,833	12,273,147	24,365,513	11,529	1,622,487
40.	Rhode Island.....RI	...L.....	677,308	858,474	.....	306,803	220,413	884,721	.....	125,634
41.	South Carolina.....SC	...L.....	4,278,592	6,001,120	.....	2,314,324	4,369,031	4,703,310	6,646	695,590
42.	South Dakota.....SD	...L.....	1,191,887	1,300,878	.....	880,918	702,565	515,639	10,740	74,212
43.	Tennessee.....TN	...L.....	18,153,797	18,001,917	.....	7,603,090	9,989,369	13,038,982	6,842	858,242
44.	Texas.....TX	...L.....	38,058,410	38,924,541	.....	28,118,196	29,549,079	49,762,324	112,995	2,398,419
45.	Utah.....UT	...L.....	6,676,529	6,292,595	.....	2,038,326	5,800,895	8,673,447	535	642,824
46.	Vermont.....VT	...L.....	2,614,743	1,268,381	.....	294,699	2,282	1,169,679	50	211,072
47.	Virginia.....VA	...L.....	10,299,658	9,625,076	.....	3,570,153	5,088,512	8,286,617	5,297	152,862
48.	Washington.....WA	...L.....	2,579,496	2,529,780	.....	762,791	1,332,742	2,433,222	4,543	151,885
49.	West Virginia.....WV	...L.....	766,194	776,770	.....	200,505	584,407	943,137	.....	37,179
50.	Wisconsin.....WI	...L.....	7,635,580	7,331,813	.....	1,715,591	4,250,699	8,693,564	1,215	368,905
51.	Wyoming.....WY	...L.....	243,565	251,335	.....	17,000	5,787	138,171	794	157,864
52.	American Samoa.....AS	...N.....	.....	.....	.....	.....	.....	.....	.....	.....
53.	Guam.....GU	...N.....	.....	.....	.....	.....	.....	.....	.....	.....
54.	Puerto Rico.....PR	...N.....	.....	.....	.....	.....	.....	.....	.....	.....
55.	US Virgin Islands.....VI	...N.....	.....	.....	.....	.....	.....	.....	.....	.....
56.	Northern Mariana Islands...MP	...N.....	.....	.....	.....	.....	.....	.....	.....	.....
57.	Canada.....CAN	...N.....	.....	.....	.....	.....	.....	.....	.....	.....
58.	Aggregate Other Alien.....OT	...XXX.....	0	0	0	0	0	0	0	0
59.	Totals.....	(a) ...51	442,094,077	438,474,304	0	244,437,145	295,234,882	498,092,589	329,261	48,071,525

DETAILS OF WRITE-INS

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

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

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

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

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

Allied Lines - Location of property

Commercial multiperil - Location of property

Inland Marine - Location of property

Other Accident and Health - Individual, by personal residence

Workers' Compensation - Location of risk

Other Liability - Location of risk

Auto Liability - Location of primary garage

Auto Physical - Location of primary garage

Surety - Location of contractor

Boiler and machinery - Location of property

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

	Domiciliary Location	FEIN	NAIC Co. Code
American Financial Group, Inc.	OH	31-1544320	
American Financial Capital Trust II	DE	31-6549738	
American Financial Capital Trust III	DE	16-6543606	
American Financial Capital Trust IV	DE	16-6543609	
American Financial Enterprises, Inc.	CT	31-0996797	
American Money Management Corporation	OH	31-0828578	
American Real Estate Capital Company, LLC (80%)	OH	27-1577326	
MidMarket Capital Partners, LLC (65%)	DE	27-2829629	
APU Holding Company	OH	41-2112001	
American Premier Underwriters, Inc.	PA	23-6000765	
The Associates of the Jersey Company	NJ	23-6297584	
Cal Coal, Inc.	IL	37-1094159	
Great Southwest Corporation	DE	95-2802826	
The Indianapolis Union Railway Company	IN	35-6001691	
Lehigh Valley Railroad Company	PA	13-6400464	
Pennsylvania Lehigh Oil & Gas Holdings LLC	PA	46-1665396	
Magnolia Alabama Holdings, Inc.	DE	20-1548213	
Magnolia Alabama Holdings LLC	AL	20-1574094	
Michigan Oil & Gas Holdings, LLC	MI	46-1852532	
Ohio Oil & Gas Holdings, LLC	OH	46-1480078	
The Owasco River Railway, Inc.	NY	13-6021353	
PCC Real Estate, Inc.	NY	31-1236926	
PCC Technical Industries, Inc.	DE	76-0080537	
PCC Maryland Realty Corp.	MD	31-1388401	
Penn Central Energy Management Company	DE	06-1209709	
Penn Towers, Inc.	PA	23-1537928	
Pennsylvania Oil & Gas Holdings, LLC	PA	46-3246684	
Pennsylvania-Reading Seashore Lines (66.67%)	NJ	23-6000766	
Pittsburgh and Cross Creek Railroad Company (83%)	PA	23-6207599	
Terminal Realty Penn Co.	DC	23-1707450	
Waynesburg Southern Railroad Company	PA	23-1675796	
GAI Insurance Company, Ltd. *	BMU		
Great American Specialty & Affinity Limited	GBR		
Hangar Acquisition Corp.	OH	31-1446308	
Premier Lease & Loan Services Insurance Agency, Inc.	WA	91-1242743	
Premier Lease & Loan Services of Canada, Inc.	WA	91-1508644	
Republic Indemnity Company of America *	CA	95-2801326	22179
Republic Indemnity Company of California *	CA	31-1054123	43753
Risiko Management Corporation	DE	31-1262960	
Dixie Terminal Corporation	OH	31-0823725	
GAI Holding Bermuda Ltd.	BMU	98-0606803	
GAI Indemnity, Ltd. #	GBR	98-0556144	
Marketform Group Limited	GBR		
Marketform Holdings Limited	GBR		
Lavenham Underwriting Limited #	GBR	98-0412245	
Marketform Limited	GBR		
Gabinete Marketform SL	ESP		
Marketform Australia Pty Limited	AUS		
Studio Marketform SRL	ITA		
Marketform Management Services Limited	GBR		
Marketform Managing Agency Limited	GBR		
Sampford Underwriting Limited #	GBR	98-0431601	
Marketform Trust Company Limited	GBR		

\* Denotes insurer  
@ Company affiliated but not owned  
# Participant in Lloyd's Syndicate 2468  
Subsidiaries 100% owned by respective parent unless otherwise stated  
^ Total percentage owned by respective parent and other affiliated companies



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

	Domiciliary Location	FEIN	NAIC Co. Code
American Financial Group, Inc.	OH	31-1544320	
Great American Financial Resources, Inc. ^	DE	06-1356481	
AAG Insurance Agency, Inc.	KY	31-1422717	
Ceres Group, Inc.	DE	34-1017531	
Continental General Corporation	NE	47-0717079	
Continental General Insurance Company *	OH	47-0463747	71404
QQAAgency of Texas, Inc.	TX	34-1947042	
Great American Advisors, Inc.	OH	31-1395344	
Great American Life Insurance Company *	OH	13-1935920	63312
Aerielle IP Holdings, LLC ^	OH	45-2969767	
Aerielle, LLC ^	DE	26-4391696	
Annuity Investors Life Insurance Company *	OH	31-1021738	93661
Bay Bridge Marina Hemingway's Restaurant, LLC (85%)	MD	27-4078277	
Bay Bridge Marina Management, LLC (85%)	MD	27-0513333	
Brothers Management, LLC (99%)	FL	20-1246122	
FT Liquidation, LLC	OH	45-3988240	
GALIC - Bay Bridge Marina, LLC	MD	20-4604276	
GALIC - Sorrento, LLC ^	FL	45-5565693	
GALIC Brothers, Inc. (80%)	OH	31-1391777	
GALIC Pointe, LLC ^	FL	45-1144095	
Manhattan National Holding Corporation	OH	26-3260520	
Manhattan National Life Insurance Company *	IL	45-0252531	67083
Skipjack Marina Corp.	MD	52-2179330	
United Teacher Associates, Ltd. ^	TX	74-2180806	
United Teacher Associates Insurance Company *	TX	58-0869673	63479
Great American Holding, Inc.	OH	42-1575938	
Agricultural Services, LLC	OH	27-3062314	
United States Commodities Producers, LLC (75%)	MT	45-4110027	
United States Livestock Producers, LLC (75%)	NV	27-2354685	
Livestock Market Enhancement Risk Retention Group * ^	NV	27-4395897	14084
American Empire Surplus Lines Insurance Company *	DE	31-0912199	35351
American Empire Insurance Company *	OH	31-0973761	37990
American Empire Underwriters, Inc.	TX	59-1671722	
GAI Australia Pty Ltd	AUS		
Great American International Insurance Limited *	IRL		
Mid-Continent Casualty Company *	OH	73-0556513	23418
Mid-Continent Assurance Company *	OH	73-1406844	15380
Mid-Continent Excess and Surplus Insurance Company *	DE	38-3803661	13794
Mid-Continent Specialty Insurance Services, Inc.	OK	30-0571535	
Oklahoma Surety Company *	OH	73-0773259	23426

\* Denotes insurer  
@ Company affiliated but not owned  
# Participant in Lloyd's Syndicate 2468  
Subsidiaries 100% owned by respective parent unless otherwise stated  
^ Total percentage owned by respective parent and other affiliated companies

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

	Domiciliary Location	FEIN	NAIC Co. Code
American Financial Group, Inc.	OH	31-1544320	
Great American Insurance Company *	OH	31-0501234	16691
American Signature Underwriters, Inc.	OH	31-1463075	
Brothers Property Corporation (80%)	OH	59-2840291	
Brothers Le Pavillon, LLC	DE	20-5173494	
Brothers Le Pavillon (SPE), LLC	DE	20-5173589	
Brothers Pennsylvanian Corporation	PA	25-1754638	
Brothers Property Management Corporation	OH	59-2840294	
Crescent Centre Apartments ^	OH	20-4498054	
Crop Managers Insurance Agency, Inc.	KS	31-1277904	
Dempsey & Siders Agency, Inc.	OH	31-0589001	
Eden Park Insurance Brokers, Inc.	CA	31-1341668	
El Aguila, Compañía de Seguros, S.A. de C.V. *	MEX		
Financiadora de Primas Condor, S.A. de C.V. (99%)	MEX		
Farmers Crop Insurance Alliance, Inc.	KS	39-1404033	
FCIA Management Company, Inc.	NY	13-3628555	
Foreign Credit Insurance Association @	NY		
GAI Warranty Company	OH	31-1753938	
GAI Warranty Company of Florida	FL	31-1765544	
GAI Warranty Company of Canada Inc.	CAN		
Global Premier Finance Company	OH	61-1329718	
Great American Agency of Texas, Inc.	TX	74-2693636	
Great American Alliance Insurance Company *	OH	95-1542353	26832
Great American Assurance Company *	OH	15-6020948	26344
Great American Casualty Insurance Company *	OH	61-0983091	39896
Great American Claims Services, Inc.	DE	31-1228726	
Great American Contemporary Insurance Company *	OH	36-4079497	10646
Great American E & S Insurance Company *	DE	31-0954439	37532
Great American Fidelity Insurance Company *	DE	31-1036473	41858
Great American Insurance Agency, Inc.	OH	31-1652643	
Great American Insurance Company of New York *	NY	13-5539046	22136
Great American Lloyd's Insurance Company * @	TX	31-0974853	38024
Great American Lloyd's, Inc.	TX	31-1073664	
Great American Management Services, Inc.	OH	31-0856644	
Great American Protection Insurance Company *	OH	31-1288778	38580
Great American Re Inc.	DE	31-0918893	
Great American Security Insurance Company *	OH	31-1209419	31135
Great American Spirit Insurance Company *	OH	31-1237970	33723
Insurance (GB) Limited *	GBR		
Key Largo Group, Inc.	FL	59-1263251	
National Interstate Corporation (51.7%)	OH	34-1607394	
American Highways Insurance Agency, Inc.	OH	34-1899058	
Explorer RV Insurance Agency, Inc.	OH	31-1548235	
Hudson Indemnity, Ltd.	CYM	98-0191335	
Hudson Management Group, Ltd.	VIR	66-0660039	
National Interstate Insurance Agency, Inc.	OH	34-1607396	
Commercial For Hire Transportation Purchasing Group @	SC		
National Interstate Insurance Company *	OH	34-1607395	32620
National Interstate Insurance Company of Hawaii, Inc. *	OH	99-0345306	11051
TransProtection Service Company	MO	43-1254631	
Triumphe Casualty Company *	OH	95-3623282	41106
Vanliner Insurance Company *	MO	86-0114294	21172
Vanliner Reinsurance Limited *	BMU		
Safety Claims and Litigation Services, LLC	MT	20-5546054	
Safety Claims and Litigation Services, LLC	OH	46-4570914	
Pinecrest Place LLC	FL	27-2226948	
PLLS Canada Insurance Brokers Inc. (49%)	CAN	871850814	
Professional Risk Brokers, Inc.	IL	31-1293064	
Strategic Comp Holdings, L.L.C.	LA	72-1331800	
Strategic Comp Services, L.L.C.	LA	36-4517754	
Strategic Comp, L.L.C.	LA	32-0050970	
One East Fourth, Inc.	OH	31-0686194	
Pioneer Carpet Mills, Inc.	OH	31-0883227	
TEJ Holdings, Inc.	OH	31-1119320	
Three East Fourth, Inc.	OH	31-0728327	

\* Denotes insurer  
@ Company affiliated but not owned  
# Participant in Lloyd's Syndicate 2468  
Subsidiaries 100% owned by respective parent unless otherwise stated  
^ Total percentage owned by respective parent and other affiliated companies

2013 ALPHABETICAL INDEX -- PROPERTY & CASUALTY ANNUAL STATEMENT BLANK

Assets	2	Schedule P-Part 2G-Special Liability (Ocean Marine, Aircraft (All Perils), Boiler & Machinery)	58
Cash Flow	5	Schedule P-Part 2H-Section 1-Other Liability-Occurrence	58
Exhibit of Capital Gains (Losses)	12	Schedule P-Part 2H-Section 2-Other Liability-Claims-Made	58
Exhibit of Net Investment Income	12	Schedule P-Part 2I-Spec. Prop. (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, Theft)	59
Exhibit of Nonadmitted Assets	13	Schedule P-Part 2J-Auto Physical Damage	59
Exhibit of Premiums and Losses (State Page)	19	Schedule P-Part 2K-Fidelity, Surety	59
Five-Year Historical Data	17	Schedule P-Part 2L-Other (Including Credit, Accident and Health)	59
General Interrogatories	15	Schedule P-Part 2M-International	59
Jurat Page	1	Schedule P-Part 2N-Reinsurance - Nonproportional Assumed Property	60
Liabilities, Surplus and Other Funds	3	Schedule P-Part 2O-Reinsurance - Nonproportional Assumed Liability	60
Notes To Financial Statements	14	Schedule P-Part 2P-Reinsurance - Nonproportional Assumed Financial Lines	60
Overflow Page For Write-ins	100	Schedule P-Part 2R-Section 1-Products Liability-Occurrence	61
Schedule A-Part 1	E01	Schedule P-Part 2R-Section 2-Products Liability-Claims-Made	61
Schedule A-Part 2	E02	Schedule P-Part 2S-Financial Guaranty/Mortgage Guaranty	61
Schedule A-Part 3	E03	Schedule P-Part 2T-Warranty	61
Schedule A-Verification Between Years	SI02	Schedule P-Part 3A-Homeowners/Farmowners	62
Schedule B-Part 1	E04	Schedule P-Part 3B-Private Passenger Auto Liability/Medical	62
Schedule B-Part 2	E05	Schedule P-Part 3C-Commercial Auto/Truck Liability/Medical	62
Schedule B-Part 3	E06	Schedule P-Part 3D-Workers' Compensation (Excluding Excess Workers Compensation)	62
Schedule B-Verification Between Years	SI02	Schedule P-Part 3E-Commercial Multiple Peril	62
Schedule BA-Part 1	E07	Schedule P-Part 3F-Section 1 -Medical Professional Liability-Occurrence	63
Schedule BA-Part 2	E08	Schedule P-Part 3F-Section 2-Medical Professional Liability-Claims-Made	63
Schedule BA-Part 3	E09	Schedule P-Part 3G-Special Liability (Ocean Marine, Aircraft (All Perils), Boiler & Machinery)	63
Schedule BA-Verification Between Years	SI03	Schedule P-Part 3H-Section 1-Other Liability-Occurrence	63
Schedule D-Part 1	E10	Schedule P-Part 3H-Section 2-Other Liability-Claims-Made	63
Schedule D-Part 1A-Section 1	SI05	Schedule P-Part 3I-Spec. Prop. (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, Theft)	64
Schedule D-Part 1A-Section 2	SI08	Schedule P-Part 3J-Auto Physical Damage	64
Schedule D-Part 2-Section 1	E11	Schedule P-Part 3K-Fidelity/Surety	64
Schedule D-Part 2-Section 2	E12	Schedule P-Part 3L-Other (Including Credit, Accident and Health)	64
Schedule D-Part 3	E13	Schedule P-Part 3M-International	64
Schedule D-Part 4	E14	Schedule P-Part 3N-Reinsurance - Nonproportional Assumed Property	65
Schedule D-Part 5	E15	Schedule P-Part 3O-Reinsurance - Nonproportional Assumed Liability	65
Schedule D-Part 6-Section 1	E16	Schedule P-Part 3P-Reinsurance - Nonproportional Assumed Financial Lines	65
Schedule D-Part 6-Section 2	E16	Schedule P-Part 3R-Section 1-Products Liability-Occurrence	66
Schedule D-Summary By Country	SI04	Schedule P-Part 3R-Section 2-Products Liability-Claims-Made	66
Schedule D-Verification Between Years	SI03	Schedule P-Part 3S-Financial Guaranty/Mortgage Guaranty	66
Schedule DA-Part 1	E17	Schedule P-Part 3T-Warranty	66
Schedule DA-Verification Between Years	SI10	Schedule P-Part 4A-Homeowners/Farmowners	67
Schedule DB-Part A-Section 1	E18	Schedule P-Part 4B-Private Passenger Auto Liability/Medical	67
Schedule DB-Part A-Section 2	E19	Schedule P-Part 4C-Commercial Auto/Truck Liability/Medical	67
Schedule DB-Part A-Verification Between Years	SI11	Schedule P-Part 4D-Workers' Compensation (Excluding Excess Workers Compensation)	67
Schedule DB-Part B-Section 1	E20	Schedule P-Part 4E-Commercial Multiple Peril	67
Schedule DB-Part B-Section 2	E21	Schedule P-Part 4F-Section 1-Medical Professional Liability-Occurrence	68
Schedule DB-Part B-Verification Between Years	SI11	Schedule P-Part 4F-Section 2-Medical Professional Liability-Claims-Made	68
Schedule DB-Part C-Section 1	SI12	Schedule P-Part 4G-Special Liability (Ocean Marine, Aircraft (All Perils), Boiler & Machinery)	68
Schedule DB-Part C-Section 2	SI13	Schedule P-Part 4H-Section 1-Other Liability-Occurrence	68
Schedule DB-Part D-Section 1	E22	Schedule P-Part 4H-Section 2-Other Liability-Claims-Made	68
Schedule DB-Part D-Section 2	E23	Schedule P-Part 4I-Spec. Prop. (Fire, Allied Lines, Inland Marine, Earthquake, Burglary & Theft)	69
Schedule DB-Verification	SI14	Schedule P-Part 4J-Auto Physical Damage	69
Schedule DL-Part 1	E24	Schedule P-Part 4K-Fidelity/Surety	69
Schedule DL-Part 2	E25	Schedule P-Part 4L-Other (Including Credit, Accident and Health)	69
Schedule E-Part 1-Cash	E26	Schedule P-Part 4M-International	69
Schedule E-Part 2-Cash Equivalents	E27	Schedule P-Part 4N-Reinsurance - Nonproportional Assumed Property	70
Schedule E-Part 3-Special Deposits	E28	Schedule P-Part 4O-Reinsurance - Nonproportional Assumed Liability	70
Schedule E-Verification Between Years	SI15	Schedule P-Part 4P-Reinsurance - Nonproportional Assumed Financial Lines	70
Schedule F-Part 1	20	Schedule P-Part 4R-Section 1-Products Liability-Occurrence	71
Schedule F-Part 2	21	Schedule P-Part 4R-Section 2-Products Liability-Claims-Made	71
Schedule F-Part 3	22	Schedule P-Part 4S-Financial Guaranty/Mortgage Guaranty	71
Schedule F-Part 4	23	Schedule P-Part 4T-Warranty	71
Schedule F-Part 5	24	Schedule P-Part 5A-Homeowners/Farmowners	72
Schedule F-Part 6-Section 1	25	Schedule P-Part 5B-Private Passenger Auto Liability/Medical	73
Schedule F-Part 6-Section 2	26	Schedule P-Part 5C-Commercial Auto/Truck Liability/Medical	74
Schedule F-Part 7	27	Schedule P-Part 5D-Workers' Compensation (Excluding Excess Workers Compensation)	75
Schedule F-Part 8	28	Schedule P-Part 5E-Commercial Multiple Peril	76
Schedule F-Part 9	29	Schedule P-Part 5F-Medical Professional Liability-Claims-Made	78
Schedule H-Accident and Health Exhibit-Part 1	30	Schedule P-Part 5F-Medical Professional Liability-Occurrence	77
Schedule H-Part 2, Part 3 and Part 4	31	Schedule P-Part 5H-Other Liability-Claims-Made	80
Schedule H-Part 5-Health Claims	32	Schedule P-Part 5H-Other Liability-Occurrence	79
Schedule P-Part 1-Summary	33	Schedule P-Part 5R-Products Liability-Claims-Made	82
Schedule P-Part 1A-Homeowners/Farmowners	35	Schedule P-Part 5R-Products Liability-Occurrence	81
Schedule P-Part 1B-Private Passenger Auto Liability/Medical	36	Schedule P-Part 5T-Warranty	83
Schedule P-Part 1C-Commercial Auto/Truck Liability/Medical	37	Schedule P-Part 6C-Commercial Auto/Truck Liability/Medical	84
Schedule P-Part 1D-Workers' Compensation (Excluding Excess Workers Compensation)	38	Schedule P-Part 6D-Workers' Compensation (Excluding Excess Workers Compensation)	84
Schedule P-Part 1E-Commercial Multiple Peril	39	Schedule P-Part 6E-Commercial Multiple Peril	85
Schedule P-Part 1F-Section 1-Medical Professional Liability-Occurrence	40	Schedule P-Part 6H-Other Liability-Claims-Made	86
Schedule P-Part 1F-Section 2-Medical Professional Liability-Claims-Made	41	Schedule P-Part 6H-Other Liability-Occurrence	85
Schedule P-Part 1G-Special Liability (Ocean, Marine, Aircraft (All Perils), Boiler & Machinery)	42	Schedule P-Part 6M-International	86
Schedule P-Part 1H-Section 1-Other Liability-Occurrence	43	Schedule P-Part 6N-Reinsurance - Nonproportional Assumed Property	87
Schedule P-Part 1H-Section 2-Other Liability-Claims-Made	44	Schedule P-Part 6O-Reinsurance - Nonproportional Assumed Liability	87
Schedule P-Part 1I-Spec. Prop. (Fire, Allied Lines, Inland Marine, Earthquake, Burglary & Theft)	45	Schedule P-Part 6R-Products Liability-Claims-Made	88
Schedule P-Part 1J-Auto Physical Damage	46	Schedule P-Part 6R-Products Liability-Occurrence	88
Schedule P-Part 1K-Fidelity/Surety	47	Schedule P-Part 7A-Primary Loss Sensitive Contracts	89
Schedule P-Part 1L-Other (Including Credit, Accident and Health)	48	Schedule P-Part 7B-Reinsurance Loss Sensitive Contracts	91
Schedule P-Part 1M-International	49	Schedule P Interrogatories	93
Schedule P-Part 1N-Reinsurance - Nonproportional Assumed Property	50	Schedule T-Exhibit of Premiums Written	94
Schedule P-Part 1O-Reinsurance - Nonproportional Assumed Liability	51	Schedule T-Part 2-Interstate Compact	95
Schedule P-Part 1P-Reinsurance - Nonproportional Assumed Financial Lines	52	Schedule Y-Information Concerning Activities of Insurer Members of a Holding Company Group	96
Schedule P-Part 1R-Section 1-Products Liability-Occurrence	53	Schedule Y-Detail of Insurance Holding Company System	97
Schedule P-Part 1R-Section 2-Products Liability-Claims-Made	54	Schedule Y-Part 2-Summary of Insurer's Transactions With Any Affiliates	98
Schedule P-Part 1S-Financial Guaranty/Mortgage Guaranty	55	Statement of Income	4
Schedule P-Part 1T-Warranty	56	Summary Investment Schedule	SI01
Schedule P-Part 2, Part 3 and Part 4 - Summary	34	Supplemental Exhibits and Schedules Interrogatories	99
Schedule P-Part 2A-Homeowners/Farmowners	57	Underwriting and Investment Exhibit Part 1	6
Schedule P-Part 2B-Private Passenger Auto Liability/Medical	57	Underwriting and Investment Exhibit Part 1A	7
Schedule P-Part 2C-Commercial Auto/Truck Liability/Medical	57	Underwriting and Investment Exhibit Part 1B	8
Schedule P-Part 2D-Workers' Compensation (Excluding Excess Workers Compensation)	57	Underwriting and Investment Exhibit Part 2	9
Schedule P-Part 2E-Commercial Multiple Peril	57	Underwriting and Investment Exhibit Part 2A	10
Schedule P-Part 2F-Section 1-Medical Professional Liability-Occurrence	58	Underwriting and Investment Exhibit Part 3	11
Schedule P-Part 2F-Section 2-Medical Professional Liability-Claims-Made	58		