

**QUARTERLY STATEMENT**

**OF THE**

**DEALERS ASSURANCE COMPANY**

of Columbus

in the state of OHIO

**TO THE**

**Insurance Department**

**OF THE**

**STATE OF**

**FOR THE QUARTER ENDED**

**March 31, 2014**

**PROPERTY AND CASUALTY**

**2014**



16705201420100101

QUARTERLY STATEMENT

AS OF MARCH 31, 2014
OF THE CONDITION AND AFFAIRS OF THE

Dealers Assurance Company

NAIC Group Code 0000, NAIC Company Code 16705, Employer's ID Number 34-6513705, Organized under the Laws of Ohio, State of Domicile or Port of Entry Ohio, Commenced Business August 2, 1935, Main Administrative Office 15920 Addison Rd, Mail Address 240 North Fifth St, Suite 350, Primary Location of Books and Records 240 North Fifth St, Suite 350, Internet Website Address www.dealersassurance.com, Statutory Statement Contact Linda M Toy

OFFICERS

Table with 2 columns: Name, Title. Officers listed: 1. Kristen Anne Gruber, President; 2. David Paul May #, Secretary; 3. Sharon Mae Spohn, Treasurer.

VICE-PRESIDENTS

Table with 4 columns: Name, Title, Name, Title. VICE-PRESIDENTS listed: Edmond Melgar Eckert #, Senior Vice President; Sharon Mae Spohn #, Assistant Secretary.

DIRECTORS OR TRUSTEES

Table with 4 columns: Name, Title, Name, Title. DIRECTORS OR TRUSTEES listed: James Bradford Smith, Kelly Aubrey Westlake #, Kristen Anne Gruber, Michael Thomas Rogers #, Edmond Melgar Eckert, Robert Reynard Bowsher #.

State of Ohio

County of Franklin

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.

Signatures and titles of Kristen Anne Gruber (President), David Paul May (Secretary), and Sharon Mae Spohn (Treasurer).

Subscribed and sworn to before me this 16th day of May, 2014

Signature of Notary Public Keith H Burkholder



Notary Public - State of Ohio, My Commission Expires August 17, 2015. a. Is this an original filing? [X] Yes [ ] No. b. If no: 1. State the amendment number, 2. Date filed, number of pages attached.

## ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	65,593,957		65,593,957	62,186,960
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks	6,808,122		6,808,122	5,191,700
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$ 0 encumbrances)				
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ 4,612,764), cash equivalents (\$ 0), and short-term investments (\$ 3,544,160)	8,156,924		8,156,924	10,463,217
6. Contract loans (including \$ 0 premium notes)				
7. Derivatives				
8. Other invested assets				
9. Receivables for securities				
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	80,559,003		80,559,003	77,841,877
13. Title plants less \$ 0 charged off (for Title insurers only)				
14. Investment income due and accrued	386,017		386,017	494,357
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	1,923,664		1,923,664	1,467,716
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums)				
15.3 Accrued retrospective premiums				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers				
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset	79,763		79,763	106,828
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets (\$ 0)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates				
24. Health care (\$ 0) and other amounts receivable				
25. Aggregate write-ins for other than invested assets	882,508	26,511	855,997	803,937
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	83,830,955	26,511	83,804,444	80,714,715
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	83,830,955	26,511	83,804,444	80,714,715

DETAILS OF WRITE-IN LINES				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501. Accounts Receivable	859,122	13,155	845,967	797,767
2502. Prepaid Expense	13,356	13,356		
2503. Dividends Receivable	10,030		10,030	6,170
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	882,508	26,511	855,997	803,937

NONE

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1	2
	Current Statement Date	December 31, Prior Year
1. Losses (current accident year \$ 21,941)	27,718	39,779
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses	1,538	1,209
4. Commissions payable, contingent commissions and other similar charges	424,559	447,018
5. Other expenses (excluding taxes, licenses and fees)	454,541	551,740
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	472,248	827,302
7.1. Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))	680,805	784,411
7.2. Net deferred tax liability		
8. Borrowed money \$ 0 and interest thereon \$ 0		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 188,916,698 and including warranty reserves of \$ 14,716,558 and accrued accident and health experience rating refunds including \$ 0 for medical loss ratio rebate per the Public Health Service Act)	16,640,722	15,997,529
10. Advance premium		
11. Dividends declared and unpaid:		
11.1. Stockholders		
11.2. Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	1,810,645	349,843
13. Funds held by company under reinsurance treaties	5,023,199	5,892,176
14. Amounts withheld or retained by company for account of others	5,921,856	5,045,632
15. Remittances and items not allocated		
16. Provision for reinsurance (including \$ 0 certified)		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates		
20. Derivatives		
21. Payable for securities	282,105	
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		
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	31,739,936	29,936,639
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	31,739,936	29,936,639
29. Aggregate write-ins for special surplus funds		
30. Common capital stock	4,200,990	4,200,990
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds		
33. Surplus notes	3,000,000	3,000,000
34. Gross paid in and contributed surplus	9,732,810	9,732,810
35. Unassigned funds (surplus)	35,130,708	33,844,276
36. Less treasury stock, at cost:		
36.1. 0 shares common (value included in Line 30 \$ 0)		
36.2. 0 shares preferred (value included in Line 31 \$ 0)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	52,064,508	50,778,076
38. Totals (Page 2, Line 28, Col. 3)	83,804,444	80,714,715

DETAILS OF WRITE-IN LINES		
2501. ....	<b>NONE</b>	
2502. ....		
2503. ....		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)		
2901. ....	<b>NONE</b>	
2902. ....		
2903. ....		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)		
3201. ....	<b>NONE</b>	
3202. ....		
3203. ....		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)		

## STATEMENT OF INCOME

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct (written \$ 38,221,379)	29,289,592	25,215,525	12,429,420
1.2 Assumed (written \$ (179,047))	359,713	482,852	
1.3 Ceded (written \$ 34,180,281)	26,428,457	23,192,906	
1.4 Net (written \$ 3,862,051)	3,220,848	2,505,471	12,429,420
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 208,124):			
2.1 Direct	17,856,015	14,823,270	631,145
2.2 Assumed	65,451	122,852	
2.3 Ceded	17,807,665	14,818,793	
2.4 Net	113,801	127,329	631,145
3. Loss adjustment expenses incurred	101,596	101,030	384,978
4. Other underwriting expenses incurred	1,320,880	872,709	4,800,591
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)	1,536,277	1,101,068	5,816,714
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	1,684,571	1,404,403	6,612,706
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	216,919	286,200	1,107,603
10. Net realized capital gains (losses) less capital gains tax of \$ 0	113,688	18,986	75,116
11. Net investment gain (loss) (Lines 9 + 10)	330,607	305,186	1,182,719
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 0 amount charged off \$ 0)			
13. Finance and service charges not included in premiums			
14. Aggregate write-ins for miscellaneous income	764	50,237	36,254
15. Total other income (Lines 12 through 14)	764	50,237	36,254
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	2,015,942	1,759,826	7,831,679
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)	2,015,942	1,759,826	7,831,679
19. Federal and foreign income taxes incurred	680,805	641,549	2,718,440
20. Net income (Line 18 minus Line 19) (to Line 22)	1,335,137	1,118,277	5,113,239
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year	50,778,076	45,952,659	45,952,659
22. Net income (from Line 20)	1,335,137	1,118,277	5,113,239
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 0	2,552	362,251	860,596
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax	(27,065)	(57,582)	(293,350)
27. Change in nonadmitted assets	(24,192)	(7,643)	1,144,932
28. Change in provision for reinsurance			
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			500,000
33.2 Transferred to capital (Stock Dividend)			
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders			(2,500,000)
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus			
38. Change in surplus as regards policyholders (Lines 22 through 37)	1,286,432	1,415,303	4,825,417
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	52,064,508	47,367,962	50,778,076

DETAILS OF WRITE-IN LINES			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 05 from overflow page			
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 05 above)			
1401. Roadside Commission	650	2,109	8,357
1402. Miscellaneous Income	114	48,078	27,747
1403. Transfer Fee Income		50	150
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	764	50,237	36,254
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page			
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)			

**CASH FLOW**

	1	2	3
<b>Cash from Operations</b>	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
1. Premiums collected net of reinsurance	5,455,799	3,308,613	14,782,857
2. Net investment income	484,505	523,624	1,649,427
3. Miscellaneous income	764	50,232	36,258
4. Total (Lines 1 to 3)	5,941,068	3,882,469	16,468,542
5. Benefit and loss related payments	125,862	126,629	622,783
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	1,898,698	1,249,493	4,841,911
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)	784,411	771,917	2,705,946
10. Total (Lines 5 through 9)	2,808,971	2,148,039	8,170,640
11. Net cash from operations (Line 4 minus Line 10)	3,132,097	1,734,430	8,297,902
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	2,320,888	9,089,221	20,390,234
12.2 Stocks	942,298	9,174,265	2,952,935
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		362,251	860,596
12.7 Miscellaneous proceeds	282,177	184,660	
12.8 Total investment proceeds (Lines 12.1 to 12.7)	3,545,363	18,810,397	24,203,765
13. Cost of investments acquired (long-term only):			
13.1 Bonds	5,905,917	9,514,454	26,665,154
13.2 Stocks	2,421,928	9,155,768	2,996,467
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets			
13.6 Miscellaneous applications	2,552	725,824	1,772,194
13.7 Total investments acquired (Lines 13.1 to 13.6)	8,330,397	19,396,046	31,433,815
14. Net increase (or decrease) in contract loans and premium notes			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(4,785,034)	(585,649)	(7,230,050)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes			
16.2 Capital and paid in surplus, less treasury stock			500,000
16.3 Borrowed funds			
16.4 Net deposits on deposit-type contracts and other insurance liabilities			
16.5 Dividends to stockholders			2,500,000
16.6 Other cash provided (applied)	(653,356)	548,171	1,702,208
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(653,356)	548,171	(297,792)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(2,306,293)	1,696,952	770,060
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	10,463,217	9,693,157	9,693,157
19.2 End of period (Line 18 plus Line 19.1)	8,156,924	11,390,109	10,463,217

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

20.0001			
20.0002			
20.0003			

## NOTES TO FINANCIAL STATEMENTS

### 1. Summary of Significant Accounting Policies

#### a. Accounting Practices

The accompanying financial statements of Dealers Assurance Company have been prepared in conformity with accounting practices prescribed or permitted by the National Association of Insurance Commissioners and the State of Ohio. The company adopted codification as of 01/01/01.

	State of Domicile	3/31/14	12/31/13
Net Income			
(1) Dealers Assurance Company	Ohio	1,335,137	\$ 5,113,239
(2) State Prescribed Practices that increase/(decrease) NAIC SAP	Ohio	-	-
(3) State Permitted Practices that Increase/(decrease) NAIC SAP	Ohio	-	-
(4) NAIC SAP	Ohio	1,335,137	\$ 5,113,239
Surplus			
(5) Dealers Assurance Company state basis	Ohio	52,064,508	\$ 50,778,076
(6) State Prescribed Practices that increase/(decrease) NAIC SAP	Ohio	-	-
(7) State Permitted Practices that increase/(decrease) NAIC SAP	Ohio	-	-
(8) NAIC SAP	Ohio	52,064,508	\$ 50,778,076

1b. – 5c. No changes to note

#### 5d. Loan-Backed Securities

1. Bloomberg is used as a source for the prepayment factors.
2. – 4. Not applicable, no permanently impaired bonds.
5. No impairments exist other than interest rate related declines classified as temporary.

e. The Company has no Working Capital Finance Investments

6.-8 No changes to note

### 9. Income Taxes

A. The components of the net deferred tax assets/(liability) at March 31, 2014 are as follows:

	3/31/14			12/31/13			Change		
	(1) Ordinary	(2) Capital	(3) (Col 1 + 2) Total	(4) Ordinary	(5) Capital	(6) (Col 4 + 5) Total	(7) (Col 1 – 4) Ordinary	(8) (Col 2 – 5) Capital	(9) (Col 7 + 8) Total
a Gross Deferred Tax Assets	1,145,335	6,589	1,151,924	1,106,791	45,219	1,152,010	38,544	(38,630)	(86)
b Statutory Valuation allowance adjustment									
c Adjusted Gross Deferred Tax Asset (1a -1d)	1,145,335	6,589	1,151,924	1,106,791	45,219	1,152,010	38,544	(38,630)	(86)
d Deferred Tax Assets Nonadmitted	735,520	0	735,520	707,091	0	707,091	28,429	0	28,429
e Subtotal Net Admitted Deferred Tax Assets (1c-1f)	409,815	6,589	416,404	399,700	45,219	444,919	10,115	(38,630)	(28,515)
f Deferred Tax Liabilities	336,641	0	336,641	338,091	0	338,091	(1,450)	0	(1,450)
g Net Admitted Deferred Tax Asset (Net Deferred Tax Liability)	73,174	6,589	79,763	61,609	45,219	106,828	11,565	(38,630)	(27,065)

1.

## NOTES TO FINANCIAL STATEMENTS

2.

3/31/14			12/31/13			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

## Admission Calculation Components SSAP No. 101

## a Federal Income Taxes Paid in Prior

Years Recoverable Through Loss Carrybacks

## b Adjusted Gross Deferred Tax Asset 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)

1 Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date

2. Adjusted Gross Deferred Tax Assets (Excluding the Amount of Deferred Tax Allowed per Limitation Threshold)

## c Adjusted Gross Deferred Tax Assets (Excluding the Amount of Deferred Tax Assets from 2(a) and 2 (b) above) Offset by Gross Deferred Tax Liabilities

## d Deferred Tax Assets Admitted as the result of application of SSAP 101.

Total )2(a) + 2(b) + 2 (c)

	-	-	-	-	-	-	-	-	-
	73,174	6,589	79,763	61,609	45,219	106,828	11,565	(38,630)	(27,065)
	73,174	6,589	79,763	61,609	45,219	106,828	11,565	(38,630)	(27,065)
	xxxxxxx	xxxxx	7,797,712	xxxxxxx	xxxxxxx	7,600,687	xxxxxxxxx	xxxxxxxxx	199,319
	-	-	-	-	-	-	-	-	-
	73,174	6,589	79,763	61,609	45,219	106,828	11,565	(38,630)	(27,065)

3.

2014	2013
------	------

## (a) Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount

556%      542%

## (b) Amount of Adjusted Capital and Surplus Used to Determine Recovery Period and Threshold Limitation in 1(b) above

52,064,508      50,778,076

4.

3/31/14			12/31/2013			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

## Impact of Tax Planning Strategies

## a Adjusted Gross DTA's (% of Total Adjusted Gross DTA's)

0%      1%      1%      0%      4%      4%      0%      -3%      -3%

## b Net Admitted Adjusted Gross DTA's (% of Total Net Admitted Adjusted Gross DTA's)

0%      8%      8%      0%      42%      42%      0%      -34%      -34%

c Does the Company's tax-planning strategies include the use of Reinsurance? Yes  No 

B Deferred tax liabilities not recognized at March 31, 2014 and December 31, 2013 are as follows:

N/A-All Deferred Tax Liabilities have been recognized

C Current income taxes incurred consist of the following major components

## NOTES TO FINANCIAL STATEMENTS

	(1)	(2)	(3)
	3/31/14	12/31/2013	(Col 1 + 2) Change
<b>1. Current Income Tax</b>			
(a) Federal	680,805	2,718,440	(2,037,635)
(b) Foreign	-	-	-
(c) Subtotal	680,805	2,718,440	(2,037,635)
(d) Federal Income tax on net capital gains	38,630	25,990	12,640
(e) Utilization of capital loss carry-forwards	(38,630)	(25,990)	(12,640)
(f) Other	-	-	-
(g) Federal and foreign income taxes incurred	680,805	2,718,440	(2,037,635)
<b>2. Deferred Tax Assets</b>			
(a) Ordinary			
(1) Discounting of Unpaid Losses	3,485	8,679	(5,194)
(2) Unearned Premium Reserve	1,131,569	1,087,832	43,737
(3) Policyholder Reserves	-	-	-
(4) Investments	-	-	-
(5) Deferred Acquisition Costs	-	-	-
(6) Policyholder Dividends Accrual	-	-	-
(7) Fixed Assets	-	-	-
(8) Compensation and Benefits Accrual	10,281	10,281	-
(9) Pension Accrual	-	-	-
(10) Receivables-Nonadmitted	-	-	-
(11) Net Operating Loss Carry-forward	-	-	-
(12) Tax Credit Carry-forward	-	-	-
(13) Other (including items <5% of total Capital Assets)	-	-	-
(99) Subtotal	1,145,335	1,106,792	38,543
(b) Statutory Valuation Allowance Adjustment	-	-	-
(c) Nonadmitted	735,520	707,091	28,429
(d) Admitted Ordinary Deferred tax Asset (2a99 – 2f – 2g)	409,815	399,701	10,114
(e) Capital:			
(1) Investments	-	-	-
(2) Net Capital less Carry-forward	6,589	45,219	(38,630)
(3) Real Estate	-	-	-
(4) Other (including items <5% of total Capital Assets)	-	-	-
(99) Subtotal	6,589	45,219	(38,630)
(f) Statutory Valuation Allowance Adjustment	-	-	-
(g) Nonadmitted	-	-	-
(h) Admitted Capital Deferred Tax Assets (2a99 – 2f -2g)	6,589	45,219	(38,630)
(i) Admitted Deferred Tax Asset (2d + 22h)	416,404	444,920	(28,516)
<b>3. Deferred Tax Liabilities</b>			
(a) Ordinary			
(1) Investments	-	-	-
(2) Fixed Assets	-	-	-
(3) Deferred and Uncollected premium	-	-	-
(4) Policyholder Reserves	-	-	-
(5) Other (including items <5% of ordinary Tax Liabilities)	730	3,048	(2,318)
(99) Subtotal	730	3,048	(2,318)
(b) Capital			
(1) Investments	335,911	335,043	868
(2) Real Estate	-	-	-
(3) Other (including items <5% of ordinary Tax Liabilities)	-	-	-
(99) Subtotal	335,911	335,043	868
(c) Deferred Tax Liabilities (3a99 + 3b99)	336,641	338,091	(1,450)
<b>4. Net Deferred Tax Assets/Liabilities (2i – 3c)</b>	<b>79,763</b>	<b>106,829</b>	<b>(27,066)</b>

## NOTES TO FINANCIAL STATEMENTS

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

	Amount	Tax Effect	%
Income before taxes	2,015,947	685,422	34%
Unearned Premium Adjustment	128,637	43,737	2%
Compensation and Benefits Accrual	-	-	0%
Loss Reserve Discounting	(15,274)	(5,193)	0%
Dividends Received Deduction	(23,697)	(8,057)	0%
Capital Loss Carry-Forward	(113,619)	(38,631)	-2%
Other, net	10,373	3,527	0%
Total	2,002,368	680,805	34%

E At March 31, 2014, the Company has a net capital carry-loss forward of \$19,378 which are available for recoupment against future capital gains

F The Company is included in a consolidated federal income tax return with its parent company, DAC Financial Holdings, Inc.

The Company has a written agreement, approved by the Company's Board of Directors, which sets forth the manner in which the total combined federal income tax is allocated to each entity which is party to the consolidation. Pursuant to this agreement, the Company has the enforceable right to recoup federal income taxes paid in prior years in the event of future net losses, which it may incur, or recoup its net losses carried forward as an offset to future net income subject to federal income taxes.

### 10. Information Concerning Parent, Subsidiaries and Affiliates and Other Related Parties

A.- F. No changes to Note

G. The parent company, Dealers Alliance Corporation, is a non-insurance entity. The Company had no transactions other than cost allocation with its parent company. Through 09/30/10 (and prior years) Dealers Assurance Company provided funds for federal income tax deposits (on a consolidated basis). In prior years other companies included in consolidated tax return reimbursed their portion of federal income tax deposits on a quarterly basis

H-L Dealers Assurance Company holds no investments in its parent company or affiliates.

### 11. – 16.

No changes to note.

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

The Company does not have any sales or transfers to report.

### 18. – 19.

No changes to note

### 20. Fair Value Measurements

A.

(1) Assets Measured at Fair Value on a Recurring Basis

(1) Description	(2) (Level 1)	(3) (Level 2)	(4) (Level 3)	(5) Total
a. Assets at fair value				
Preferred Stock				
Bonds				
Common Stock (Ind & Misc)	\$ 6,808,122			\$ 6,808,122
Derivative assets				
Separate account assets				
Total assets at fair value	\$ 6,808,122	\$ -	\$ -	\$ 6,808,122
b. Liabilities at fair value				
Total liabilities at fair value				

(2) There have been no significant transfers between level 1 and 2.

(3-4) Assets measured at Fair Value on a recurring basis with significant unobservable inputs (level 3)

NONE

21 A-F No changes to note.

G The Company has no offsetting and netting of Assets and Liabilities

H The Company has no Joint and Severable Liabilities

I The Company has no risk sharing involving the Affordable Care Act

22. – 24. No changes to Note

### 25. Change in Incurred Losses and Loss Adjustment Expenses

## NOTES TO FINANCIAL STATEMENTS

---

Reserves as of December 31, 2013 were \$40,988. As of March 31, 2014, \$42,814 (net of reinsured prior year claims) was paid for incurred losses and loss adjustment expenses attributable to insured events of prior years. Reserves for prior year are now \$5,000. There has been a \$6,826 negative prior year development.

There was no re-estimation of unpaid claims and claim adjustment expenses. Business written by DAC is related to service contracts issued on an assortment of consumer goods, but primarily, automobile service contracts. Historically, losses on this coverage are settled within 90 days of incurred date (98.7%); and the balance is settled within 180 days of incurred date

**26. – 35.** No changes to note.

**36. Financial Guaranty Insurance**

The company does not write financial guaranty insurance.

# GENERAL INTERROGATORIES

## PART 1 – COMMON INTERROGATORIES

### GENERAL

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [ ] No [X]

1.2 If yes, has the report been filed with the domiciliary state? Yes [ ] No [ ]

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [X] No [ ]

2.2 If yes, date of change: 04/21/2014

3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No [ ]

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

3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [ ] No [X]

3.3 If the response to 3.2 is yes, provide a brief description of those changes.  
 .....  
 .....  
 .....

4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [X]

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

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [ ] No [ ] N/A [X]  
 If yes, attach an explanation.

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2013

6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2009

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 02/15/2011

6.4 By what department or departments?  
 Ohio Department of Insurance  
 .....  
 .....

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

6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [ ] No [ ] N/A [X]

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

## GENERAL INTERROGATORIES

7.2 If yes, give full information

.....  
 .....  
 .....

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

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

.....  
 .....  
 .....

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

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

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

9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

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

Yes [X] No [ ]

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

.....  
 .....  
 .....

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

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

.....  
 .....  
 .....

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

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

.....  
 .....  
 .....

### FINANCIAL

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

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

### INVESTMENT

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

## GENERAL INTERROGATORIES

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

.....  
 .....  
 .....

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

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

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

14.2 If yes, please complete the following:

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....	\$ _____	\$ _____
14.22 Preferred Stock .....	\$ _____	\$ _____
14.23 Common Stock .....	\$ _____	\$ _____
14.24 Short-Term Investments .....	\$ _____	\$ _____
14.25 Mortgage Loans on Real Estate .....	\$ _____	\$ _____
14.26 All Other .....	\$ _____	\$ _____
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) .....	\$ _____	\$ _____
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....	\$ _____	\$ _____

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [ ] No [X]

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

16. For the reporting entity's security lending program, state the amount of the following as current statement date:

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$ _____
16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$ _____
16.3 Total payable for securities lending reported on the liability page	\$ _____

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

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

1 Name of Custodian(s)	2 Custodian Address
Fifth Third Bank	Cincinnati, Ohio
US Bank	Winston Salem, NC
Sun Trust	Richmond, VA
First National Bankers Bank	Little Rock, AR
Citibank, NA	NY, NY
Century Bank	Sante Fe, NM
RBS Citizens, NA	Providence, RI
Xerox State & Local Solutions, Inc	Quincy, MA

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

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

## GENERAL INTERROGATORIES

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?

Yes [ ] No [X]

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

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

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

1 Central Registration Depository	2 Name(s)	3 Address
104650	ClearArc Capital, Inc.	Cincinnati, Ohio
.....	.....	.....

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

Yes [X] No [ ]

18.2 If no, list exceptions:

.....  
 .....  
 .....

## GENERAL INTERROGATORIES

### PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

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

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

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

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

4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 Discount Rate	TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
			4 Unpaid Losses	5 Unpaid LAE	6 IBNR	7 TOTAL	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 TOTAL
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
TOTAL			.....	.....	.....	.....	.....	.....	.....	.....

5. Operating Percentages:  
 5.1. A&H loss percent \_\_\_\_\_ %  
 5.2. A&H cost containment percent \_\_\_\_\_ %  
 5.3. A&H expense percent excluding cost containment expenses \_\_\_\_\_ %

6.1 Do you act as a custodian for health savings accounts? Yes [ ] No [X]

6.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$ \_\_\_\_\_

6.3 Do you act as an administrator for health savings accounts? Yes [ ] No [X]

6.4 If yes, please provide the balance of the funds administered as of the reporting date. \$ \_\_\_\_\_

## SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Name of Reinsurer	4 Domiciliary Jurisdiction	5 Type of Reinsurer	6 Certified Reinsurer Rating (1 through 6)	7 Effective Date of Certified Reinsurer Rating
		All Other Insurers				
00000	AA-0055303	E & A Invenstment Reinsurance Company, Ltd	TCA	Unauthorized		
00000	AA-0054996	EJB Reinsurance Company, Ltd	TCA	Unauthorized		
00000	AA-0055007	KAD Reinsurance Company, Ltd	TCA	Unauthorized		
00000	AA-0055006	Penult Reinsurance Comnpany, Ltd	TCA	Unauthorized		
00000	AA-0055212	Repent Reinsurance Company, Ltd	TCA	Unauthorized		
00000	AA-0055005	Suzart Reinsurance Company, Ltd	TCA	Unauthorized		

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN****Current Year To Date - Allocated by States and Territories**

		1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
			2	3	4	5	6	7
States, Etc.		Active Status	Current Year to Date	Prior Year to Date	Current Year to Date	Prior Year to Date	Current Year to Date	Prior Year to Date
1. Alabama	AL	L	571,842	648,683	281,577	293,806	68,858	47,451
2. Alaska	AK	L			48,482			
3. Arizona	AZ	L	177,094	253,211	46,980	162,409	28,845	14,178
4. Arkansas	AR	L	780,820	770,304	355,026	321,621	77,643	40,610
5. California	CA	L	4,317,279	3,161,839	1,194,846	1,241,602	237,217	281,629
6. Colorado	CO	L	1,128,464	859,627	1,080,895	1,220,144	197,090	253,176
7. Connecticut	CT	L	407,862	452,223	362,417	335,518	50,327	43,111
8. Delaware	DE	L	224,440	265,135	119,045	78,810	23,828	11,218
9. District of Columbia	DC	L						
10. Florida	FL	L	1,207,453	777,088	617,568	555,467	96,917	121,166
11. Georgia	GA	L	1,871,078	1,394,150	940,370	720,723	217,783	164,166
12. Hawaii	HI	N						
13. Idaho	ID	L	1,836	7,905	9,500	3,895	1,149	296
14. Illinois	IL	L	334,491	349,998	235,262	141,914	52,279	35,124
15. Indiana	IN	L	339,703	215,331	180,576	85,475	27,085	7,176
16. Iowa	IA	L	76,302	96,603	44,245	42,518	9,837	3,669
17. Kansas	KS	L	9,165	30,261	6,775	20,022	3,404	4,615
18. Kentucky	KY	L	175,490	87,007	58,746	35,595	17,947	6,896
19. Louisiana	LA	L	550,552	519,274	261,912	267,799	53,092	41,250
20. Maine	ME	L	97,430	114,272	77,298	72,102	11,900	7,700
21. Maryland	MD	L	418,970	450,932	327,294	217,252	53,289	34,429
22. Massachusetts	MA	L	389,723	411,557	310,467	235,167	46,288	28,678
23. Michigan	MI	L	1,885,901	1,882,916	2,359,543	1,774,000	205,007	281,146
24. Minnesota	MN	L	238,118	202,506	137,111	117,204	22,004	13,697
25. Mississippi	MS	L	715,208	732,448	344,227	246,947	73,422	44,709
26. Missouri	MO	L	237,426	312,502	171,146	207,207	36,431	37,669
27. Montana	MT	L	49,019	74,223	33,049	40,957	9,120	3,395
28. Nebraska	NE	L	107,200	92,364	60,622	64,303	10,348	20,668
29. Nevada	NV	L	98,844	83,392	62,083	78,827	11,663	11,113
30. New Hampshire	NH	L	85,865	170,431	59,132	42,614	13,246	6,116
31. New Jersey	NJ	L	484,985	498,849	311,367	175,734	43,126	22,747
32. New Mexico	NM	L	695,096	913,037	82,083	41,880	31,257	10,639
33. New York	NY	L	1,484,577	1,504,712	1,528,501	1,038,976	163,205	175,258
34. North Carolina	NC	L	1,894,684	1,137,610	750,309	426,619	81,840	69,621
35. North Dakota	ND	L	42,294	52,925	21,385	18,973	5,251	2,081
36. Ohio	OH	L	912,204	932,825	468,794	355,999	87,662	69,252
37. Oklahoma	OK	L	88,572	145,063	59,417	57,664	13,308	7,301
38. Oregon	OR	L	15,999	13,471	9,651	7,254	8,237	4,293
39. Pennsylvania	PA	L	1,311,046	1,430,857	538,688	495,911	94,155	70,450
40. Rhode Island	RI	L	24,046	36,182	9,426	9,103	2,506	129
41. South Carolina	SC	L	114,188	130,644	67,574	21,556	13,394	7,582
42. South Dakota	SD	L	9,996	16,680	4,840	7,684	1,219	416
43. Tennessee	TN	L	454,567	782,529	266,597	211,861	59,333	40,615
44. Texas	TX	L	10,134,449	8,040,658	2,405,869	1,866,850	857,463	449,317
45. Utah	UT	L	575	513		252	181	123
46. Vermont	VT	L	79,517	110,031	51,301	57,445	11,123	8,044
47. Virginia	VA	L	359,104	451,935	232,320	180,124	42,142	21,540
48. Washington	WA	L	3,289,995	1,725,608	1,124,311	1,081,542	194,313	220,639
49. West Virginia	WV	L	111,562	138,807	58,789	63,731	16,446	8,534
50. Wisconsin	WI	L	193,010	137,740	74,461	66,084	15,264	9,838
51. Wyoming	WY	L	23,338	27,495	16,204	11,896	4,384	2,327
52. American Samoa	AS	N						
53. Guam	GU	N						
54. Puerto Rico	PR	N						
55. U.S. Virgin Islands	VI	N						
56. Northern Mariana Islands	MP	N						
57. Canada	CAN	N						
58. Aggregate Other Alien	OT	X X X						
59. Totals		(a) 50	38,221,379	32,644,353	17,868,081	14,821,036	3,401,828	2,765,797

DETAILS OF WRITE-INS							
58001.		X X X					
58002.		X X X					
58003.		X X X					
58998.	Summary of remaining write-ins for Line 58 from overflow page	X X X					
58999.	Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X					

**NONE**

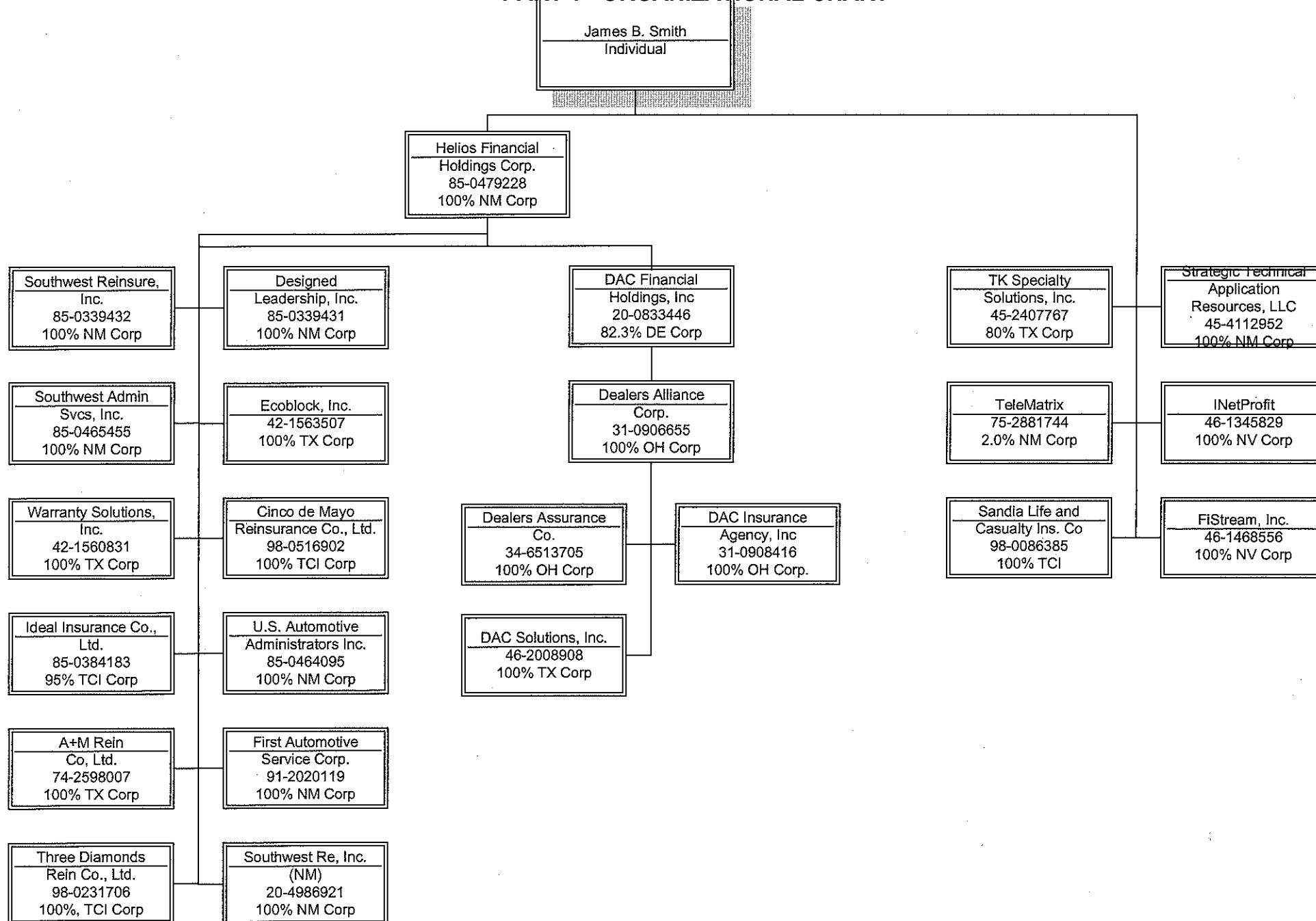
(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG: (R) Registered - Non-domiciled RRGs: (Q) Qualified - Qualified or Accredited Reinsurer:

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

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

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

## PART 1 - ORGANIZATIONAL CHART



# SCHEDULE Y

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	*
00000		00000	85-0479228	0	0		Helios Financial Holdings, Inc	NM	UIP	James B. Smith	Ownership	100.0	James B. Smith	0
00000		00000	20-0833446	0	0		DAC Financial Holdings, Inc	DE	UIP	Helios Financial Holdings, Corp.	Ownership	100.0	James B. Smith	0
00000		00000	31-0906655	0	0		Dealers Alliance Corp	OH	UDP	DAC Financial Holdings, Inc	Ownership	100.0	James B. Smith	0
16705		00000	34-6513705	0	0		Dealers Assurance Company	OH	RC	Dealers Alliance Corp.	Ownership	100.0	James B. Smith	0
00000		00000	31-0908416	0	0		DAC Insurance Agency, Inc	OH	IA	Dealers Alliance Corp.	Ownership	100.0	James B. Smith	0
00000		00000	43-2008908	0	0		DAC Solutions, Inc	TX	NIA	Dealers Alliance Corp.	Ownership	100.0	James B. Smith	0
00000		00000	85-0339432	0	0		Southwest Reinsure, Inc	NM	NIA	Helios Financial Holdings, Corp.	Ownership	100.0	James B. Smith	0
00000		00000	85-0465455	0	0		Southwest Administrative Svcs, Inc	NM	NIA	Helios Financial Holdings, Corp.	Ownership	100.0	James B. Smith	0
00000		00000	42-1560831	0	0		Warranty Solutions, Inc	TX	NIA	Helios Financial Holdings, Corp.	Ownership	100.0	James B. Smith	0
00000		00000	85-0384183	0	0		Ideal Insurance Co., LTD	TCI	IA	Helios Financial Holdings, Corp.	Ownership	100.0	James B. Smith	0
00000		00000	74-2598007	0	0		A+M Reinsurance Co., LTD	TX	IA	Helios Financial Holdings, Corp.	Ownership	100.0	James B. Smith	0
00000		00000	98-0231706	0	0		Three Diamonds Reinsurance Co	TCA	IA	Helios Financial Holdings, Corp.	Ownership	100.0	James B. Smith	0
00000		00000	85-0339431	0	0		Design Leadership, Inc	NM	NIA	Helios Financial Holdings, Corp.	Ownership	100.0	James B. Smith	0
00000		00000	42-1563507	0	0		Ecoblock, Inc	TX	NIA	Helios Financial Holdings, Corp.	Ownership	100.0	James B. Smith	0
00000		00000	98-0516902	0	0		Cinco de Mayo Reinsurance Co, LTD	TCI	IA	Helios Financial Holdings, Corp.	Ownership	100.0	James B. Smith	0
00000		00000	850464095	0	0		US Automotive Administrators Inc	NM	NIA	Helios Financial Holdings, Corp.	Ownership	100.0	James B. Smith	0
00000		00000	91-2020119	0	0		First Automotive Service Corp	NM	NIA	Helios Financial Holdings, Corp.	Ownership	100.0	James B. Smith	0
00000		00000	20-4986921	0	0		Southwest Re, Inc.	NM	IA	Helios Financial Holdings, Corp.	Ownership	100.0	James B. Smith	0
00000		00000	98-0086385	0	0		Sandia Life and Casualty Co	TCI	IA	James B. Smith	Ownership	100.0	James B. Smith	0
00000		00000	45-2407767	0	0		TK Specialty Solutions, Inc	TX	NIA	James B. Smith	Ownership	80.0	James B. Smith	0
00000		00000	75-2881744	0	0		TeleMatrix	TX	NIA	James B. Smith	Ownership	2.0	James B. Smith	0
00000		00000	45-4112952	0	0		Strategic Technical Application Resources, LLC	NM	NIA	James B. Smith	Ownership	100.0	James B. Smith	0
00000		00000	46-1345829	0	0		INetProfit	NV	NIA	James B. Smith	Ownership	100.0	James B. Smith	0
00000		00000	46-1468556	0	0		FStream, Inc	NV	NIA	James B. Smith	Ownership	100.0	James B. Smith	0



**PART 1 – LOSS EXPERIENCE**

Lines of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire				
2. Allied lines				
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril				
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine				
10. Financial guaranty				
11.1 Medical professional liability-occurrence				
11.2 Medical professional liability-claims made				
12. Earthquake				
13. Group accident and health				
14. Credit accident and health				
15. Other accident and health				
16. Workers' compensation				
17.1 Other liability-occurrence	229,644	8,748	3.8	2.2
17.2 Other liability-claims made				
17.3 Excess Workers' Compensation				
18.1 Products liability-occurrence				
18.2 Products liability-claims made				
19.1, 19.2 Private passenger auto liability				
19.3, 19.4 Commercial auto liability				
21. Auto physical damage				
22. Aircraft (all perils)				
23. Fidelity				
24. Surety				
26. Burglary and theft				
27. Boiler and machinery				
28. Credit	233,874	223,974	95.8	140.6
29. International				
30. Warranty	28,826,074	17,623,293	61.1	58.7
31. Reinsurance-Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32. Reinsurance-Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33. Reinsurance-Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business				
35. TOTALS	29,289,592	17,856,015	61.0	58.8

DETAILS OF WRITE-INS				
3401.	<b>NONE</b>			
3402.				
3403.				
3498. Summary of remaining write-ins for Line 34 from overflow page				
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)				

**PART 2 – DIRECT PREMIUMS WRITTEN**

Lines of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire			
2. Allied lines			
3. Farmowners multiple peril			
4. Homeowners multiple peril			
5. Commercial multiple peril			
6. Mortgage guaranty			
8. Ocean marine			
9. Inland marine			
10. Financial guaranty			
11.1 Medical professional liability-occurrence			
11.2 Medical professional liability-claims made			
12. Earthquake			
13. Group accident and health			
14. Credit accident and health			
15. Other accident and health			
16. Workers' compensation			
17.1 Other liability-occurrence	372,152	372,152	122,217
17.2 Other liability-claims made			
17.3 Excess Workers' Compensation			
18.1 Products liability-occurrence			
18.2 Products liability-claims made			
19.1, 19.2 Private passenger auto liability			
19.3, 19.4 Commercial auto liability			
21. Auto physical damage			
22. Aircraft (all perils)			
23. Fidelity			
24. Surety			
26. Burglary and theft			
27. Boiler and machinery			
28. Credit	239,364	239,364	368,322
29. International			
30. Warranty	37,609,863	37,609,863	32,153,814
31. Reinsurance-Nonproportional Assumed Property	XXX	XXX	XXX
32. Reinsurance-Nonproportional Assumed Liability	XXX	XXX	XXX
33. Reinsurance-Nonproportional Assumed Financial Lines	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business			
35. TOTALS	38,221,379	38,221,379	32,644,353

DETAILS OF WRITE-INS				
3401.	<b>NONE</b>			
3402.				
3403.				
3498. Summary of remaining write-ins for Line 34 from overflow page				
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)				

**PART 3 (000 omitted)**

**LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE**

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2014 Loss and LAE Payments on Claims Reported as of Prior Year-End	2014 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2014 Loss and LAE Payments (Cols 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss & LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 - 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 - 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2011 + prior													
2. 2012													
3. Subtotals 2012 + prior													
4. 2013	15	26	41	6	37	43			5	5	(9)	16	7
5. Subtotals 2013 + prior	15	26	41	6	37	43			5	5	(9)	16	7
6. 2014	X X X	X X X	X X X	X X X	184	184	X X X	2	22	24	X X X	X X X	X X X
7. Totals	15	26	41	6	221	227		2	27	29	(9)	16	7

8. Prior Year-End Surplus As

Regards Policyholders 50,778,076

Col. 11, Line 7  
As % of Col. 1,  
Line 7

Col. 12, Line 7  
As % of Col. 2,  
Line 7

Col. 13, Line 7  
As % of Col. 3,  
Line 7

1. -60.000 2. 61.538 3. 17.073

Col. 13, Line 7  
Line 8

4. \_\_\_\_\_

## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	Response
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	NO
2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?	NO
3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO
4. Will the Director and Officer Insurance Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO

**Explanation:**

- Question 1: Not Applicable  
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.....
- Question 2: Not Applicable  
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- Question 3: Not Applicable  
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- Question 4: Not Applicable  
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**Bar Code:**



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**OVERFLOW PAGE FOR WRITE-INS**

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**SCHEDULE A - VERIFICATION****Real Estate**

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

**NONE****SCHEDULE B - VERIFICATION****Mortgage Loans**

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

**NONE****SCHEDULE BA - VERIFICATION****Other Long-Term Invested Assets**

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

**NONE****SCHEDULE D - VERIFICATION****Bonds and Stocks**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	67,378,650	60,604,295
2. Cost of bonds and stocks acquired	8,327,846	29,661,621
3. Accrual of discount	2,146	8,964
4. Unrealized valuation increase (decrease)	2,552	860,596
5. Total gain (loss) on disposals	113,619	76,439
6. Deduct consideration for bonds and stocks disposed of	3,263,183	23,343,168
7. Deduct amortization of premium	159,550	490,097
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	72,402,080	67,378,650
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	72,402,080	67,378,650

## SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a)	64,738,414	16,042,302	16,342,572	(152,895)	64,285,249			64,738,414
2. NAIC 2 (a)	4,840,749	324,935	300,000	(12,818)	4,852,866			4,840,749
3. NAIC 3 (a)								
4. NAIC 4 (a)								
5. NAIC 5 (a)								
6. NAIC 6 (a)								
7. Total Bonds	69,579,163	16,367,237	16,642,572	(165,713)	69,138,115			69,579,163
<b>PREFERRED STOCK</b>								
8. NAIC 1								
9. NAIC 2								
10. NAIC 3								
11. NAIC 4								
12. NAIC 5								
13. NAIC 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	69,579,163	16,367,237	16,642,572	(165,713)	69,138,115			69,579,163

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated, short-term and cash-equivalent bonds by NAIC designation:

NAIC 1 \$ 0; NAIC 2 \$ 0; NAIC 3 \$ 0; NAIC 4 \$ 0; NAIC 5 \$ 0; NAIC 6 \$ 0

## SCHEDULE DA - PART 1

### Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	3,544,160	X X X	3,556,196	8,455	710

## SCHEDULE DA - VERIFICATION

### Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	2,574,673	5,667,115
2. Cost of short-term investments acquired	10,461,322	41,780,382
3. Accrual of discount	270	
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals	69	
6. Deduct consideration received on disposals	9,485,133	44,867,829
7. Deduct amortization of premium	7,041	4,995
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	3,544,160	2,574,673
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	3,544,160	2,574,673

**NONE Schedule DB - Part A and B Verification**

**NONE Schedule DB - Part C - Section 1**

**NONE Schedule DB - Part C - Section 2**

**NONE Schedule DB - Verification**

**SCHEDULE E - VERIFICATION**

(Cash Equivalents)

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	4,817,537	
2. Cost of cash equivalents acquired		4,818,924
3. Accrual of discount	161	103
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	4,816,000	
7. Deduct amortization of premium	1,698	1,490
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)		4,817,537
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)		4,817,537

### SCHEDULE A - PART 2

Showing All Real Estate ACQUIRED AND ADDITIONS MADE During the Current Quarter

1 Description of Property	Location		4 Date Acquired	5 Name of Vendor	6 Actual Cost at Time of Acquisition	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Additional Investment Made After Acquisition
	2 City	3 State						
<b>NONE</b>								
0399999 Totals								

EO1

### SCHEDULE A - PART 3

Showing All Real Estate DISPOSED During the Quarter, Including Payments During the Final Year on "Sales Under Contract"

1 Description of Property	Location		4 Disposal Date	5 Name of Purchaser	6 Actual Cost	7 Expended for Additions, Permanent Improvements and Changes in Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances Prior Year	Change in Book/Adjusted Carrying Value Less Encumbrances					14 Book/Adjusted Carrying Value Less Encumbrances on Disposal	15 Amounts Received During Year	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal	19 Gross Income Earned Less Interest Incurred on Encumbrances	20 Taxes, Repairs and Expenses Incurred
	2 City	3 State						9 Current Year's Depreciation	10 Current Year's Other Than Temporary Impairment Recognized	11 Current Year's Change in Encumbrances	12 Total Change in B./A.C.V. (11 - 9 - 10)	13 Total Foreign Exchange Change in B./A.C.V.							
<b>NONE</b>																			
0399999 Totals																			



### SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets ACQUIRED AND ADDITIONS MADE During the Current Quarter

1 CUSIP Ident- ification	2 Name or Description	Location		5 Name of Vendor or General Partner	6 NAIC Desig- nation	7 Date Originally Acquired	8 Type and Strategy	9 Actual Cost at Time of Acquisition	10 Additional Investment Made After Acquisition	11 Amount of Encumbrances	12 Commitment for Additional Investment	13 Percentage of Ownership
		3 City	4 State									
<b>NONE</b>												
4699999 Totals												X X X

EO3

### SCHEDULE BA - PART 3

Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Quarter

1 CUSIP Ident- ification	2 Name or Description	Location		5 Name of Purchaser or Nature of Disposal	6 Date Originally Acquired	7 Disposal Date	8 Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Change in Book/Adjusted Carrying Value						15 Book/Adjusted Carrying Value Less Encumbrances on Disposal	16 Consideration	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Investment Income
		3 City	4 State					9 Unrealized Valuation Increase (Decrease)	10 Current Year's (Depreciation) or (Amortization)/ Accretion	11 Current Year's Other Than Temporary Impairment Recognized	12 Capitalized Deferred Interest and Other	13 Total Change in B./A.C.V. (9+10-11+12)	14 Total Foreign Exchange Change in B./A.C.V.						
<b>NONE</b>																			
4699999 Totals																			

### SCHEDULE D - PART 3

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

1 CUSIP Ident- ification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
912828-NP-1	US TREASURY N/B		03/21/2014	BONY/TORONTO DOMINION SECURITI		204,125	200,000.00	503	1
912828-QX-1	US TREASURY N/B		03/25/2014	JEFFERIES & CO INC, NEW YORK		255,059	250,000.00	559	1
912828-RF-9	US TREASURY N/B		03/20/2014	RBC CAPITAL MARKETS		252,090	250,000.00	143	1
912828-RU-6	US TREASURY N/B		02/12/2014	NOMURA SECURITIES INTL INC		150,844	150,000.00	270	1
912828-SJ-0	US TREASURY N/B		02/12/2014	NOMURA SECURITIES INTL INC		150,410	150,000.00	620	1
0599999	Total Bonds U. S. Government				X X X	1,012,528	1,000,000.00	2,095	X X X
3135G0-GY-3	FANNIE MAE		01/15/2014	DEUTSCHE BANK SECURITIES, INC.		505,174	500,000.00	2,882	1
3135G0-VA-8	FANNIE MAE		03/21/2014	SG AMERICAS SECURITIES, LLC		150,026	150,000.00	363	1
3130A0-SD-3	FEDERAL HOME LOAN BANK		03/27/2014	VARIOUS		149,811	150,000.00	59	1
3130A1-CD-8	FEDERAL HOME LOAN BANK		03/12/2014	NOMURA SECURITIES INTL INC		505,000	500,000.00		1
313371-NW-2	FEDERAL HOME LOAN BANK		03/21/2014	BONY CAPITAL MARKETS INC.		152,499	150,000.00	590	1
3137EA-DS-5	FREDDIE MAC		03/31/2014	VARIOUS		782,609	780,000.00	2,328	1
3199999	U.S. Total Bonds Special Revenue and Special Assessment and all Non-Guaranteed Obligations				X X X	2,245,119	2,230,000.00	6,222	X X X
E4 0258M0-DC-0	AMERICAN EXPRESS CREDIT		01/17/2014	Wachovia Capital Markets		523,405	500,000.00	4,822	1FE
053332-AQ-5	AUTOZONE INC		01/07/2014	Wachovia Capital Markets		324,935	325,000.00		2FE
341099-CQ-0	DUKE ENERGY FLORIDA INC		01/17/2014	Credit Suisse First Boston		350,812	350,000.00	430	1FE
30231G-AA-0	EXXON MOBIL CORPORATION		03/17/2014	JP MORGAN CHASE BANK/HSBCSI		625,000	625,000.00		1FE
41283L-AB-1	HARLEY-DAVIDSON FINL SER		03/01/2014	Adjustment		259,330	250,000.00	3,169	1FE
78010U-NX-1	ROYAL BANK OF CANADA	I	01/15/2014	RBC CAPITAL MARKETS		199,818	200,000.00		1FE
904764-AL-1	UNILEVER CAPITAL CORP	R	02/04/2014	KEYBANC CAPITAL MARKETS INC		364,970	350,000.00	4,732	1FE
3899999	Total Bonds Industrial and Miscellaneous (Unaffiliated)				X X X	2,648,270	2,600,000.00	13,153	X X X
8399997	Total Bonds Part 3				X X X	5,905,917	5,830,000.00	21,470	X X X
8399998	Summary Item from Part 5 for Bonds				X X X	X X X	X X X	X X X	X X X
8399999	Total Bonds				X X X	5,905,917	5,830,000.00	21,470	X X X
G1151C-10-1	ACCENTURE PLC-CL A	R	03/03/2014	VARIOUS	98.000	7,928			L
H0023R-10-5	ACE LTD	R	03/03/2014	VARIOUS	194.000	18,587			L
009158-10-6	AIR PRODUCTS & CHEMICALS INC		03/03/2014	VARIOUS	110.000	12,071			L
03076C-10-6	AMERIPRISE FINANCIAL INC		03/03/2014	VARIOUS	511.000	55,637			L
03073E-10-5	AMERISOURCEBERGEN CORP		03/03/2014	VARIOUS	340.000	23,096			L
031162-10-0	AMGEN INC		03/03/2014	VARIOUS	415.000	48,834			L
032654-10-5	ANALOG DEVICES INC		03/03/2014	VARIOUS	590.000	28,952			L
037833-10-0	APPLE INC		03/03/2014	VARIOUS	80.000	41,286			L
053015-10-3	AUTOMATIC DATA PROCESSING		03/03/2014	VARIOUS	399.000	30,742			L

### SCHEDULE D - PART 3

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

1 CUSIP Ident- ification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
055622-10-4	BP PLC-SPONS ADR	R	03/03/2014	VARIOUS	548.000	26,479			L
166764-10-0	CHEVRON CORP		03/03/2014	VARIOUS	200.000	23,129			L
17275R-10-2	CISCO SYSTEMS INC		03/03/2014	VARIOUS	1,437.000	31,317			L
172967-42-4	CITIGROUP INC		03/03/2014	VARIOUS	667.000	33,477			L
20030N-10-1	COMCAST CORP-CLASS A		03/03/2014	VARIOUS	1,528.000	79,988			L
22160K-10-5	COSTCO WHOLESALE CORP		03/03/2014	VARIOUS	121.000	13,843			L
G2554F-11-3	COVIDIEN PLC	R	03/03/2014	VARIOUS	1,006.000	68,671			U
231021-10-6	CUMMINS INC		03/03/2014	VARIOUS	184.000	25,050			L
126650-10-0	CVS CAREMARK CORP		03/03/2014	VARIOUS	675.000	46,634			L
277432-10-0	EASTMAN CHEMICAL CO		03/03/2014	VARIOUS	1,249.000	102,532			L
G29183-10-3	EATON CORP PLC	R	03/03/2014	VARIOUS	611.000	44,767			L
278865-10-0	ECOLAB INC		01/10/2014	Stifel Nicolaus & Co.	46.000	4,863			L
26875P-10-1	EOG RESOURCES INC		03/06/2014	VARIOUS	470.000	87,535			L
30231G-10-2	EXXON MOBIL CORP		03/03/2014	VARIOUS	573.000	54,777			L
369604-10-3	GENERAL ELECTRIC CO		03/03/2014	VARIOUS	1,534.000	39,125			L
37045V-10-0	GENERAL MOTORS CO		03/03/2014	VARIOUS	758.000	28,376			L
38259P-50-8	GOOGLE INC-CL A		03/03/2014	VARIOUS	62.000	71,313			L
423452-10-1	HELMERICH & PAYNE		03/06/2014	BAIRD (ROBERT W.) & CO. INC.	349.000	35,133			L
437076-10-2	HOME DEPOT INC		03/03/2014	VARIOUS	491.000	39,914			L
438516-10-6	HONEYWELL INTERNATIONAL INC		03/12/2014	VARIOUS	865.000	78,802			L
460146-10-3	INTERNATIONAL PAPER CO		01/10/2014	Stifel Nicolaus & Co.	53.000	2,603			L
478160-10-4	JOHNSON & JOHNSON		03/03/2014	VARIOUS	579.000	52,589			L
46625H-10-0	JPMORGAN CHASE & CO		03/03/2014	VARIOUS	506.000	28,580			L
501044-10-1	KROGER CO		03/03/2014	VARIOUS	535.000	20,770			L
539830-10-9	LOCKHEED MARTIN CORP		03/03/2014	VARIOUS	108.000	16,538			L
55616P-10-4	MACY'S INC		03/03/2014	VARIOUS	907.000	49,626			L
571903-20-2	MARRIOTT INTERNATIONAL -CL A		03/12/2014	VARIOUS	1,596.000	86,471			L
585055-10-6	MEDTRONIC INC		03/03/2014	VARIOUS	743.000	42,688			L
59156R-10-8	METLIFE INC		03/03/2014	VARIOUS	587.000	29,656			L
594918-10-4	MICROSOFT CORP		03/19/2014	VARIOUS	2,628.000	100,191			L
61166W-10-1	MONSANTO CO		03/03/2014	VARIOUS	939.000	101,884			L
65339F-10-1	NEXTERA ENERGY INC		03/03/2014	VARIOUS	204.000	18,312			L
N6596X-10-9	NXP SEMICONDUCTORS NV	R	03/18/2014	Stifel Nicolaus & Co.	590.000	34,462			L
674599-10-5	OCCIDENTAL PETROLEUM CORP		03/06/2014	VARIOUS	594.000	56,307			L
717081-10-3	PFIZER INC		03/03/2014	VARIOUS	1,532.000	47,767			L
742718-10-9	PROCTER & GAMBLE CO/THE		03/03/2014	VARIOUS	183.000	14,275			L
747525-10-3	QUALCOMM INC		03/03/2014	VARIOUS	1,023.000	74,836			L
771195-10-4	ROCHE HOLDINGS LTD-SPONS ADR	R	03/03/2014	VARIOUS	726.000	39,165			U
776696-10-6	ROPER INDUSTRIES INC		03/03/2014	VARIOUS	122.000	16,524			L
783549-10-8	RYDER SYSTEM INC		03/12/2014	VARIOUS	731.000	53,726			L
857477-10-3	STATE STREET CORP		03/03/2014	VARIOUS	620.000	43,752			L
887317-30-3	TIME WARNER INC		01/10/2014	Stifel Nicolaus & Co.	56.000	3,708			L

E04.1

### SCHEDULE D - PART 3

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

1 CUSIP Ident- ification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
872540-10-9	TJX COMPANIES INC		03/03/2014	VARIOUS	290.000	17,485			L
907818-10-8	UNION PACIFIC CORP		03/12/2014	VARIOUS	290.000	51,591			L
91324P-10-2	UNITEDHEALTH GROUP INC		03/03/2014	VARIOUS	387.000	28,813			L
918204-10-8	VF CORP		03/03/2014	VARIOUS	420.000	24,834			L
931142-10-3	WAL-MART STORES INC		03/03/2014	VARIOUS	251.000	18,847			L
254687-10-6	WALT DISNEY CO/THE		03/03/2014	VARIOUS	360.000	27,104			L
949746-10-1	WELLS FARGO & CO		03/03/2014	VARIOUS	686.000	31,274			L
983919-10-1	XILINX INC		03/12/2014	VARIOUS	1,690.000	84,692			L
9099999	Total Common Stock Industrial and Miscellaneous (Unaffiliated)				X X X	2,421,928	X X X		X X X
9799997	Total Common Stock Part 3				X X X	2,421,928	X X X		X X X
9799998	Summary Item from Part 5 for Common Stocks				X X X	X X X	X X X	X X X	X X X
9799999	Total Common Stock				X X X	2,421,928	X X X		X X X
9899999	Total Preferred and Common Stock				X X X	2,421,928	X X X		X X X
9999999	Totals				X X X	8,327,845	X X X	21,470	X X X

E04.2

(a) For all common stock bearing the NAIC market indicator 'U' provide: the number of such issues 2.

### SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	For eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consid-eration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amort-ization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Design-ation or Market Indicator (a)
912828-PZ-7	US TREASURY N/B		03/17/2014	Maturity		250,000	250,000.00	249,776	249,985		15		15		250,000				1,563	03/15/2014	1
0599999	Total - Bonds - U.S. Governments				X X X	250,000	250,000.00	249,776	249,985		15		15		250,000				1,563	X X X	X X X
31398A-VD-1	FANNIE MAE		02/05/2014	Maturity		500,000	500,000.00	520,332	500,857		(857)		(857)		500,000				6,875	02/05/2014	1
3134A4-UM-4	FREDDIE MAC		01/15/2014	Maturity		500,000	500,000.00	509,186	500,069		(69)		(69)		500,000				11,250	01/15/2014	1
3134G3-RK-8	FREDDIE MAC		03/14/2014	Redemption		500,000	500,000.00	503,700	500,655		(655)		(655)		500,000				2,500	03/14/2016	1
3134G3-SP-6	FREDDIE MAC		03/28/2014	Redemption		340,000	340,000.00	342,220	340,545		(545)		(545)		340,000				1,785	09/28/2016	1
312945-ZD-3	RMBS - FG A97040		03/17/2014	Direct		21,276	21,275.83	22,432	22,593		(1)		(1)		22,592		(1,316)	(1,316)	134	02/01/2041	1
3128M7-4G-8	RMBS - FG G05923		03/17/2014	Direct		16,570	16,569.56	18,035	18,552		(1)		(1)		18,550		(1,981)	(1,981)	141	02/01/2040	1
31368H-MY-6	RMBS - FN 190375		03/25/2014	Direct		16,281	16,281.49	17,813	18,315		(1)		(1)		18,313		(2,032)	(2,032)	139	11/01/2036	1
31368H-M4-2	RMBS - FN 190379		03/25/2014	Direct		2,470	2,470.17	2,645	2,700						2,700		(230)	(230)	22	05/01/2037	1
31385W-SB-6	RMBS - FN 555014		03/25/2014	Direct		17,220	17,219.52	18,775	18,293		(21)		(21)		18,272		(1,052)	(1,052)	155	11/01/2017	1
31402C-PL-0	RMBS - FN 725027		03/25/2014	Direct		15,844	15,843.87	17,073	17,241		(2)		(2)		17,240		(1,396)	(1,396)	125	11/01/2033	1
31403C-6L-0	RMBS - FN 745275		03/25/2014	Direct		13,731	13,731.13	14,877	15,165		(1)		(1)		15,164		(1,433)	(1,433)	108	02/01/2036	1
31403D-DX-4	RMBS - FN 745418		03/25/2014	Direct		25,969	25,968.48	28,279	28,764		(2)		(2)		28,762		(2,794)	(2,794)	225	04/01/2036	1
31410F-VW-2	RMBS - FN 888129		03/25/2014	Direct		2,604	2,603.61	2,788	2,839						2,838		(235)	(235)	23	02/01/2037	1
31410K-JY-1	RMBS - FN 889579		03/25/2014	Direct		17,984	17,983.51	19,744	20,306		(1)		(1)		20,305		(2,321)	(2,321)	172	05/01/2038	1
31412P-RQ-6	RMBS - FN 931195		03/25/2014	Direct		1,121	1,120.68	1,188	1,196						1,195		(75)	(75)	8	05/01/2024	1
31416B-QD-3	RMBS - FN 995152		03/25/2014	Direct		25,522	25,521.89	27,915	27,457		(30)		(30)		27,427		(1,905)	(1,905)	225	01/01/2021	1
31416B-TW-8	RMBS - FN 995265		03/25/2014	Direct		2,044	2,043.67	2,219	2,218		(1)		(1)		2,217		(174)	(174)	18	01/01/2024	1
31417V-N6-6	RMBS - FN AC8512		03/25/2014	Direct		1,153	1,152.58	1,222	1,237						1,237		(84)	(84)	8	12/01/2039	1
31418N-YK-0	RMBS - FN AD1613		03/25/2014	Direct		15,403	15,402.60	16,500	16,590		(4)		(4)		16,585		(1,183)	(1,183)	103	02/01/2025	1
31418R-GS-4	RMBS - FN AD3808		03/25/2014	Direct		3,858	3,858.43	4,043	4,085						4,084		(226)	(226)	27	04/01/2040	1
3138A4-Y5-8	RMBS - FN AH3431		03/25/2014	Direct		8,956	8,956.16	9,382	9,384		(2)		(2)		9,382		(426)	(426)	51	01/01/2026	1
3138AM-UJ-2	RMBS - FN AI7784		03/25/2014	Direct		13,376	13,376.13	14,254	14,430		(1)		(1)		14,429		(1,053)	(1,053)	88	07/01/2041	1
3138EG-FA-7	RMBS - FN AL0160		03/25/2014	Direct		9,506	9,505.76	10,150	10,216		(1)		(1)		10,215		(709)	(709)	67	05/01/2041	1
3199999	U.S. Total - Bonds - Special Revenue and Special Assessment Non-Guaranteed Obl				X X X	2,070,888	2,070,885.07	2,124,772	2,093,707		(2,195)		(2,195)		2,091,507		(20,625)	(20,625)	24,249	X X X	X X X
8399997	Total - Bonds - Part 4				X X X	2,320,888	2,320,885.07	2,374,548	2,343,692		(2,180)		(2,180)		2,341,507		(20,625)	(20,625)	25,812	X X X	X X X
8399998	Summary Item from Part 5 for Bonds				X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
8399999	Total Bonds				X X X	2,320,888	2,320,885.07	2,374,548	2,343,692		(2,180)		(2,180)		2,341,507		(20,625)	(20,625)	25,812	X X X	X X X

(a) For all common stock bearing the NAIC market indicator 'U' provide: the number of such issues 0.

### SCHEDULE D - PART 4

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

1 CUSIP Ident- ification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consid- eration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Desig- nation or Market Indicator (a)	
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amort- ization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.								
009158-10-6	AIR PRODUCTS & CHEMICALS INC		02/28/2014	Stifel Nicolaus & Co.	265.00	32,232		28,545	29,622	(1,077)			(1,077)		28,545		3,688	3,688		188		L
03076C-10-6	AMERIPRISE FINANCIAL INC		01/27/2014	VARIOUS	628.00	70,181		39,242	72,251	(33,009)			(33,009)		39,242		30,939	30,939				L
037833-10-0	APPLE INC		01/13/2014	CITATION GROUP	75.00	40,644		38,989	42,077	(3,087)			(3,087)		38,989		1,655	1,655				L
166764-10-0	CHEVRON CORP		03/10/2014	VARIOUS	950.00	110,774		106,411	93,683	(10,400)			(10,400)		106,411		4,362	4,362		530		L
17275R-10-2	CISCO SYSTEMS INC		03/18/2014	VARIOUS	4,613.00	100,235		98,969	103,470	(4,500)			(4,500)		98,969		1,266	1,266		784		L
172967-42-4	CITIGROUP INC		01/27/2014	JP MORGAN SECURIT	668.00	32,440		30,791	34,809	(4,019)			(4,019)		30,791		1,649	1,649				L
20030N-10-1	COMCAST CORP-CLASS A		03/19/2014	Stifel Nicolaus & Co.	701.00	34,910		32,926	36,427	(3,501)			(3,501)		32,926		1,984	1,984		137		L
231021-10-6	CUMMINS INC		01/27/2014	JP MORGAN SECURIT	231.00	28,812		29,276	32,564	(3,288)			(3,288)		29,276		(465)	(465)				L
G29183-10-3	EATON CORP PLC	R	03/21/2014	Stifel Nicolaus & Co.	689.00	48,855		36,689	52,447	(15,758)			(15,758)		36,689		12,166	12,166		123		L
278865-10-0	ECOLAB INC		01/15/2014	CITATION GROUP	539.00	55,858		39,928	51,405	(16,340)			(16,340)		39,928		15,930	15,930		136		L
30231G-10-2	EXXON MOBIL CORP		03/10/2014	VARIOUS	642.00	60,937		55,166	64,970	(9,805)			(9,805)		55,166		5,772	5,772		404		L
369604-10-3	GENERAL ELECTRIC CO		02/06/2014	Stifel Nicolaus & Co.	1,336.00	33,106		27,549	37,448	(9,899)			(9,899)		27,549		5,557	5,557		294		L
37045V-10-0	GENERAL MOTORS CO		01/27/2014	Stifel Nicolaus & Co.	1,121.00	40,744		41,113	45,815	(4,703)			(4,703)		41,113		(369)	(369)				L
460146-10-3	INTERNATIONAL PAPER CO		01/27/2014	JP MORGAN SECURIT	618.00	28,043		27,716	27,702	(2,589)			(2,589)		27,716		327	327				L
776696-10-6	ROPER INDUSTRIES INC		03/12/2014	Stifel Nicolaus & Co.	538.00	71,816		62,120	57,691	(12,095)			(12,095)		62,120		9,695	9,695		83		L
783549-10-8	RYDER SYSTEM INC		02/06/2014	Stifel Nicolaus & Co.	438.00	30,517		21,517	32,316	(10,799)			(10,799)		21,517		9,000	9,000				L
887317-30-3	TIME WARNER INC		01/13/2014	JP MORGAN SECURIT	643.00	42,479		32,398	40,926	(12,236)			(12,236)		32,398		10,081	10,081				L
918204-10-8	VF CORP		02/28/2014	CITATION GROUP	989.00	58,046		36,699	61,654	(24,955)			(24,955)		36,699		21,347	21,347				L
931142-10-3	WAL-MART STORES INC		02/28/2014	Stifel Nicolaus & Co.	289.00	21,669		22,012	22,741	(729)			(729)		22,012		(343)	(343)		136		L
9099999	Total - Common Stock - Industrial and Miscellaneous (Unaffiliated)				X X X	942,298		808,056	940,018	(182,789)			(182,789)		808,056		134,241	134,241		2,815	X X X	X X X
9799997	Total - Common Stock - Part 4				X X X	942,298	X X X	808,056	940,018	(182,789)			(182,789)		808,056		134,241	134,241		2,815	X X X	X X X
9799998	Summary Item from Part 5 for Common Stocks				X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
9799999	Total Common Stocks				X X X	942,298	X X X	808,056	940,018	(182,789)			(182,789)		808,056		134,241	134,241		2,815	X X X	X X X
9899999	Total Preferred and Common Stocks				X X X	942,298	X X X	808,056	940,018	(182,789)			(182,789)		808,056		134,241	134,241		2,815	X X X	X X X
9999999	Totals					3,263,186	X X X	3,182,604	3,283,710	(182,789)	(2,180)		(184,969)		3,149,563		113,616	113,616		28,627	X X X	X X X

(a) For all common stock bearing the NAIC market indicator 'U' provide: the number of such issues 0.

- NONE**    **Schedule DB - Part A - Section 1**
- NONE**    **Schedule DB - Part B - Section 1**
- NONE**    **Schedule DB - Part D - Section 1**
- NONE**    **Schedule DB - Part D - Section 2**
- NONE**    **Schedule DL - Part 1**
- NONE**    **Schedule DL - Part 2**



**NONE Schedule E - Part 2**