



QUARTERLY STATEMENT

AS OF JUNE 30, 2015
OF THE CONDITION AND AFFAIRS OF THE

Permanent General Assurance Corporation

NAIC Group Code00473, 00473NAIC Company Code37648Employer's ID Number13-2960609

(Current Period)(Prior Period)

Organized under the Laws ofOhio, State of Domicile or Port of EntryOhio

Country of DomicileUnited States

Incorporated/Organized09/28/1994Commenced Business09/28/1994

Statutory Home Office9700 Rockside Road, Suite 250Valley View, OH, US 44125

(Street and Number)(City or Town, State, Country and Zip Code)

Main Administrative Office2636 Elm Hill Pike, Suite 510Nashville, TN, US 37214615-242-1961

(Street and Number)(City or Town, State, Country and Zip Code)(Area Code) (Telephone Number)

Mail AddressP.O. Box 305054Nashville, TN, US 37230-5054

(Street and Number or P.O. Box)(City or Town, State, Country and Zip Code)

Primary Location of Books and Records2636 Elm Hill Pike, Suite 510Nashville, TN, US 37214615-744-1221

(Street and Number)(City or Town, State, Country and Zip Code)(Area Code) (Telephone Number)

Internet Web Site Addresswww.pgac.com

Statutory Statement ContactR Burton Barnes Jr615-744-1221

(Name)(Area Code) (Telephone Number) (Extension)

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(E-Mail Address)(Fax Number)

OFFICERS

Name	Title	Name	Title
David Lee Hettinger	Sr.V.P., Chief Administrative Officer	Brian Michael Donovan	CFO, Treasurer & Assistant Secretary
Randy Philip Parker	Chairman, President & CEO		

OTHER OFFICERS

Robert Eugene Nelson	Assistant Secretary	Sherrill Cleek Kaiser	Secretary
Allison Walker Garretson	Sr. V.P., Operations	Barry Scot Dice	V.P., Direct Sales & Marketing
Thomas John Vyneman	V.P., Product Development	William Joseph Yeager	Sr. V.P., Claims
John Allen Hollar	Executive V.P.	Eileen Manners	Assistant V.P., Claims
Kenton Lee Fourman	V.P., Chief Information Officer	Eric William Bur	V.P., IA Sales & Distribution
	Sr. V.P., Corporate-wide Sales & Distribution		
Andrew Peter Martin		Elizabeth Ann Roberts	V.P., Human Resources
Todd Raymond Hakala	V.P., Actuary Services		

DIRECTORS OR TRUSTEES

Randy Philip Parker	David Lee Hettinger	Brian Michael Donovan	Andrew Peter Martin
Elizabeth Ann Roberts			

State ofTENNESSEECounty ofDAVIDSON.ss

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

David Lee HettingerSr.V.P., Chief Administrative OfficerBrian Michael DonovanCFO, Treasurer & Assistant SecretarySherrill Cleek KaiserSecretary

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

Subscribed and sworn to before me this11th day ofAugust, 2015

Susan Hawk, Notary PublicMay 6, 2019

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	152,043,642		152,043,642	147,231,307
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks	1,345,150	1,345,150	0	0
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$200,000), cash equivalents (\$0) and short-term investments (\$4,217,953)	4,417,953		4,417,953	2,489,200
6. Contract loans (including \$ premium notes)			0	0
7. Derivatives	0		0	0
8. Other invested assets	0		0	0
9. Receivables for securities	1,021,386		1,021,386	0
10. Securities lending reinvested collateral assets			0	0
11. Aggregate write-ins for invested assets	34	0	34	7
12. Subtotals, cash and invested assets (Lines 1 to 11)	158,828,165	1,345,150	157,483,015	149,720,514
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	1,163,593		1,163,593	1,214,151
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	20,329,672	212,517	20,117,155	19,696,487
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)	84,909,250		84,909,250	74,268,650
15.3 Accrued retrospective premiums			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	4,417,169		4,417,169	4,380,224
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	861,557		861,557	1,771,580
18.2 Net deferred tax asset	9,894,885	395,405	9,499,480	9,063,308
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software			0	0
21. Furniture and equipment, including health care delivery assets (\$)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	213,721		213,721	0
24. Health care (\$) and other amounts receivable			0	0
25. Aggregate write-ins for other-than-invested assets	0	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	280,618,012	1,953,072	278,664,940	260,114,914
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	280,618,012	1,953,072	278,664,940	260,114,914
DETAILS OF WRITE-INS				
1101. Income due on security	34		34	7
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	34	0	34	7
2501.			0	0
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0	0	0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$36,597,044)	60,601,060	54,135,748
2. Reinsurance payable on paid losses and loss adjustment expenses		0
3. Loss adjustment expenses	9,669,139	8,769,698
4. Commissions payable, contingent commissions and other similar charges	295,707	174,565
5. Other expenses (excluding taxes, licenses and fees)		1,572
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	789,411	1,528,727
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))		0
7.2 Net deferred tax liability		0
8. Borrowed money \$ and interest thereon \$		0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$81,139,172 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)	112,049,781	87,532,292
10. Advance premium	325,666	295,059
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders		0
12. Ceded reinsurance premiums payable (net of ceding commissions)		11,226,325
13. Funds held by company under reinsurance treaties		0
14. Amounts withheld or retained by company for account of others		0
15. Remittances and items not allocated		0
16. Provision for reinsurance (including \$ certified)		0
17. Net adjustments in assets and liabilities due to foreign exchange rates		0
18. Drafts outstanding		0
19. Payable to parent, subsidiaries and affiliates		6,612,871
20. Derivatives	0	0
21. Payable for securities		0
22. Payable for securities lending		0
23. Liability for amounts held under uninsured plans		0
24. Capital notes \$ and interest thereon \$		0
25. Aggregate write-ins for liabilities	0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	183,730,764	170,276,857
27. Protected cell liabilities		0
28. Total liabilities (Lines 26 and 27)	183,730,764	170,276,857
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	5,000,000	5,000,000
31. Preferred capital stock		0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes		0
34. Gross paid in and contributed surplus	34,765,951	34,765,951
35. Unassigned funds (surplus)	55,168,225	50,072,106
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		0
36.2 shares preferred (value included in Line 31 \$)		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	94,934,176	89,838,057
38. Totals (Page 2, Line 28, Col. 3)	278,664,940	260,114,914
DETAILS OF WRITE-INS		
2501.		
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 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 through 3203 plus 3298) (Line 32 above)	0	0

STATEMENT OF INCOME

	1	2	3
	Current Year	Prior Year	Prior Year Ended
	to Date	to Date	December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 135,993,948)	122,763,082	103,898,917	212,462,905
1.2 Assumed (written \$ 93,980,637)	64,939,974	54,783,288	106,998,679
1.3 Ceded (written \$ 96,589,325)	78,835,284	65,127,069	134,327,905
1.4 Net (written \$ 133,385,260)	108,867,772	93,555,136	185,133,679
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 64,515,233):			
2.1 Direct	74,303,386	55,195,326	121,212,544
2.2 Assumed	37,518,203	31,731,271	65,197,435
2.3 Ceded	47,571,310	36,119,409	78,534,413
2.4 Net	64,250,279	50,807,188	107,875,566
3. Loss adjustment expenses incurred	9,215,039	8,489,729	16,695,155
4. Other underwriting expenses incurred	46,205,687	42,037,243	82,637,939
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	119,671,005	101,334,160	207,208,660
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(10,803,233)	(7,779,024)	(22,074,981)
INVESTMENT INCOME			
9. Net investment income earned	1,716,391	1,868,749	3,886,616
10. Net realized capital gains (losses) less capital gains tax of \$	4,255,609	(74,034)	(117,223)
11. Net investment gain (loss) (Lines 9 + 10)	5,972,000	1,794,715	3,769,393
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)	0	0	0
13. Finance and service charges not included in premiums	12,425,721	10,410,347	21,210,850
14. Aggregate write-ins for miscellaneous income	14,219	17,956	35,776
15. Total other income (Lines 12 through 14)	12,439,940	10,428,303	21,246,626
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	7,608,707	4,443,994	2,941,038
17. Dividends to policyholders	0	0	0
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)	7,608,707	4,443,994	2,941,038
19. Federal and foreign income taxes incurred	2,948,442	2,493,112	3,458,080
20. Net income (Line 18 minus Line 19)(to Line 22)	4,660,265	1,950,882	(517,042)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	89,838,057	87,476,537	87,476,537
22. Net income (from Line 20)	4,660,265	1,950,882	(517,042)
23. Net transfers (to) from Protected Cell accounts		0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 6,658	213,399	300,677	219,244
25. Change in net unrealized foreign exchange capital gain (loss)		0	0
26. Change in net deferred income tax	467,531	1,029,625	2,537,618
27. Change in nonadmitted assets	(245,076)	120,787	121,695
28. Change in provision for reinsurance	0	0	0
29. Change in surplus notes		0	0
30. Surplus (contributed to) withdrawn from protected cells		0	0
31. Cumulative effect of changes in accounting principles		0	0
32. Capital changes:			
32.1 Paid in		0	0
32.2 Transferred from surplus (Stock Dividend)		0	0
32.3 Transferred to surplus		0	0
33. Surplus adjustments:			
33.1 Paid in		0	0
33.2 Transferred to capital (Stock Dividend)		0	0
33.3 Transferred from capital		0	0
34. Net remittances from or (to) Home Office		0	0
35. Dividends to stockholders		0	0
36. Change in treasury stock		0	0
37. Aggregate write-ins for gains and losses in surplus	0	6	5
38. Change in surplus as regards policyholders (Lines 22 through 37)	5,096,119	3,401,977	2,361,520
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	94,934,176	90,878,514	89,838,057
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0
1401. FINANCE ROYALTY INCOME		0	0
1402. OTHER INTEREST (EXPENSE)	(666)	(1,168)	3,414
1403. OTHER INCOME		0	0
1498. Summary of remaining write-ins for Line 14 from overflow page	14,885	19,124	32,362
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	14,219	17,956	35,776
3701. OTHER INCREASES / (DECREASES)		6	5
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	0	6	5

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance.....	111,108,935	97,694,680	186,440,053
2. Net investment income	2,221,286	2,284,907	4,673,122
3. Miscellaneous income	12,439,940	10,428,303	21,246,626
4. Total (Lines 1 to 3)	125,770,161	110,407,890	212,359,801
5. Benefit and loss related payments	57,821,912	52,807,742	110,152,452
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	55,141,030	50,585,945	98,526,804
8. Dividends paid to policyholders	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	2,038,419	5,708,849	7,351,509
10. Total (Lines 5 through 9)	115,001,361	109,102,536	216,030,765
11. Net cash from operations (Line 4 minus Line 10)	10,768,800	1,305,354	(3,670,964)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	155,124,772	7,150,907	16,592,349
12.2 Stocks	0	0	0
12.3 Mortgage loans	0	0	0
12.4 Real estate	0	0	0
12.5 Other invested assets	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(908)	0	0
12.7 Miscellaneous proceeds	0	864	10,720
12.8 Total investment proceeds (Lines 12.1 to 12.7)	155,123,864	7,151,771	16,603,069
13. Cost of investments acquired (long-term only):			
13.1 Bonds	156,115,903	1,195,936	56,107,660
13.2 Stocks	0	0	0
13.3 Mortgage loans	0	0	0
13.4 Real estate	0	0	0
13.5 Other invested assets	0	0	0
13.6 Miscellaneous applications	1,021,416	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	157,137,319	1,195,936	56,107,660
14. Net increase (or decrease) in contract loans and premium notes	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(2,013,455)	5,955,835	(39,504,591)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0	0
16.5 Dividends to stockholders	0	0	0
16.6 Other cash provided (applied).....	(6,826,592)	5,424,025	14,263,175
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	(6,826,592)	5,424,025	14,263,175
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	1,928,753	12,685,214	(28,912,381)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	2,489,200	31,401,580	31,401,580
19.2 End of period (Line 18 plus Line 19.1)	4,417,953	44,086,794	2,489,200

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. The accompanying financial statements of Permanent General Assurance Corporation have been prepared in accordance with the NAIC Accounting Practices and Procedures Manual except to the extent that Ohio law differs. However, as of this Statement date, there have been no requests from the State of Ohio to depart from the prescribed NAIC guidelines.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the state of Ohio is shown below:

	2015	2014
Net Income		
(1) Ohio company state basis (Page 4, Line 20, Column 1 & 3)	\$4,660,265	(\$517,042)
(2) State prescribed practices that increase / (decrease) NAIC SAP:		
(3) State permitted practices that increase / (decrease) NAIC SAP:		
(4) NAIC SAP	\$4,660,265	(\$517,042)
Surplus		
(5) Ohio company state basis (Page 3, Line 37, Column 1 & 2)	\$94,934,176	\$89,838,057
(6) State prescribed practices that increase / (decrease) NAIC SAP:		
(7) State permitted practices that increase / (decrease) NAIC SAP:		
(8) NAIC SAP	\$94,934,176	\$89,838,057

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

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

C. Accounting Policy

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

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

- (1) Investments in short-term bonds rated “1” (highest quality), or “2” (high quality) by the Securities Valuation Office (“SVO”) of the NAIC are reported in the financial statements at amortized cost. Bonds rated “3” (medium quality), “4” (low quality), “5” (lower quality), or “6” (lowest quality) by the SVO are reported at the lower of amortized cost or fair value. The interest method is used to amortize any purchase premium or discount, including estimates of future prepayments obtained from independent sources. Money market mutual funds are recorded at amortized cost, which approximates fair market value.
- (2) Investments in bonds rated "1" (highest quality), or "2" (high quality) by the Securities Valuation Office ("SVO") of the NAIC are reported in the financial statements at amortized cost. Bonds rated "3" (medium quality), "4" (low quality), "5" (lower quality), or "6" (lowest quality) by the SVO are reported at the lower of amortized cost or fair value. Investments in commercial mortgage backed securities (CMBS) and non-agency residential mortgage backed securities (RMBS) utilize a two step process to obtain a valuation and rating in accordance with SSAP 43R, Loan Backed and Structured Securities. The first step derives a rating for valuation by comparing the current amortized cost to the modeled range of values assigned to the six NAIC designations for each security. This determines whether the securities are stated at the lower of amortized cost or fair value per the above rules. The second step utilizes the same modeled range of values to derive a rating for reporting using the current carrying value as determined in the first step.

Ratings and valuations for investments in asset backed securities, loan backed securities, and structured securities (other than Equipment Trust Certificates and Credit Tenant Leases) that are otherwise rated by a credit rating provider (CRP) are calculated using a two step process. The first step derives a rating for valuation based on the CRP rating and the NAIC model valuation table. The second step utilizes the model valuation table to derive a rating for reporting using the current carrying value as determined in the first step. Securities whose initial rating is NAIC 1 or NAIC 6 in step one are not further modified by step two. The interest method is used to amortize any purchase premium or discount, including estimates of future prepayments obtained from independent sources.

- (3) Common stocks, if owned are stated at market with exception to the stock of PGAC’s wholly owned subsidiary (which is valued as described in the NAIC Valuation of Securities Manual).
- (4) The Company holds no preferred stock as of the statement date.
- (5) The Company holds no mortgage loans.
- (6) Loan-backed securities are valued at amortized cost using the interest method, including anticipated prepayments at the date of purchase. These values are adjusted for updated prepayment information using the retrospective method.
- (7) The Company values PGA Service Corporation (a wholly owned subsidiary) in accordance with the NAIC policies and procedures manual.
- (8) The company has no investments in joint ventures, partnerships & limited liability company.
- (9) The company has no investments in derivatives.
- (10) The Company does not anticipate investment income as a factor in the premium deficiency calculation.
- (11) Reserve for losses represents the estimated liability for claims reported to the Company and an amount, based on actuarially determined reserves for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability is continually reviewed and any adjustments are reflected in the period determined.
- (12) The Company has not modified its capitalization policy from the prior year.
- (13) The Company has no pharmaceutical rebate receivables.

2. Accounting Changes and Corrections of Errors:
None.

3. Business Combinations and Goodwill
None.

NOTES TO FINANCIAL STATEMENTS

4. Discontinued Operations
None.

5. Investments
A) The Company has no mortgage loans.
B) The Company did not restructure any debt.
C) The Company has no reverse mortgages.
D) The Company has no Loan-Backed Securities.
E) The Company has no repurchase agreements.
F) The Company has no real estate investments
G) The Company has no low-income housing tax credits (LIHTC)
H) Restricted Assets.

(1) Restricted Assets (Including Pledged) as of June 30, 2015.

	Gross Restricted	Gross Restricted	Gross Restricted	Gross Restricted	Gross Restricted	Gross Restricted	Gross Restricted		Percentage	Percentage
	Current Yr	CurrentYr	Current Yr	Current Yr	Current Yr					
	1	2	3	4	5	6	7	8	9	10
		G/A Supp.	Total	Protected						
	Total	Protected	Protected	Cell	Account			Total		Admitted
Restricted	General	Account	Account	Account	Supporting			Current Yr	Gross	Restricted
Asset	Account	Activity	Restricted	G/A Actvty	Assets	Total	Increase/	Admitted	Restricted	To Total
Category	(G/A)	(a)	Assets	(b)	(1 plus 3)	Total From	(5 minus 6)	Restricted	To Total	Admitted
a. Subject to contractual obligation for which liability is not shown										
b. Collateral held under security lending agreement										
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. FHLB capital stock										
j. On deposit with states	\$3,324,705				\$3,324,705	\$2,861,666	\$463,039	\$3,324,705	1.2%	1.2%
k. On deposit with other regulatory bodies										
l. Pledged as collateral to FHLB (including assets backing funding agreements)										
m. Pledged as collateral not captured in other categories										
n. Other restricted assets										
o. Total restricted assets	\$3,324,705				\$3,324,705	\$2,861,666	\$463,039	\$3,324,705	1.2%	1.2%

(a) Subset of column 1
(b) Subset of column 3

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories.
Not applicable.
(3) Detail of Other Restricted Assets.
Not applicable.

I) Working Capital Finance Investments.
None.
J) Offsetting and Netting of Assets and Liabilities.
None.
K) Structured Notes.

Cusip Identification	Actual Cost	Fair Value	Book/Adjusted Carry Value	Mortgage Referenced Security (Yes/No)
574218KL6	\$650,000	\$655,376	\$650,000	No
Total	\$650,000	\$655,376	\$650,000	XXX

6. Joint Ventures, Partnerships and Limited Liability Companies
None.

7. Investment Income
All investment income due and accrued is admitted.

8. Derivative Instruments
None.

9. Income Taxes
No change.

NOTES TO FINANCIAL STATEMENTS

10.

Information Concerning Parent, Subsidiaries Affiliates and Other Related Parties

A,B,C. No change.

D. At June 30, 2015, the Company reported \$213,721 net receivable from it's parent and affiliates. The terms of the settlement require these amounts are settled within 90 days.

E. The Company has made no guarantees or undertakings for the benefit of the parent or affiliates.

F. PGAC has a service agreement in place with its parent Permanent General Companies, Inc (PGC), which is also a wholly owned subsidiary of PGC Holdings Corp. Under this agreement PGC performs administrative services on behalf of PGAC. These services include; claims administration, underwriting, policy issuance and record keeping, legal services, data processing and accounting.

G. All outstanding shares of the company are owned by the parent company, Permanent General Companies, Inc., a non-insurance holding company domiciled in the State of Tennessee.

H. The Company wholly owns PGA Service Corporation, an insurance premium finance company domiciled in the State of Tennessee.

I.J. The Company has no investments in an SCA entity that exceeds 10% of admitted assets.

K. None.

L. None.
11.

Debt

The company has no capital note obligations, FHLB agreements or other long-term debt.
12.

Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans.

None.
13.

Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

(1) The company has 20,000 shares authorized; 10,000 shares issued of \$500 par common stock; & 10,000 shares outstanding. All shares are Class A.

(2) The company has no preferred stock issued.

(3) The maximum amount of dividends which can be paid by an Ohio domiciled company without approval of the insurance commissioner is subject to restrictions based upon statutory surplus.

(4) The company has not paid a dividend during the first half of 2015.

(5) The portion of the Company's profits that may be paid as ordinary dividends to stockholders is limited by # (3) above. However, the maximum dividend payout which can be made in 2015 without prior approval is \$8,983,806.

(6) The company has no restrictions on the unassigned surplus.

(7) The company has not made advances of surplus.

(8) The stock of the company has not been allocated for any special purposes.

(9) The company has no special surplus funds.

(10) Refer to page 4 lines 21 through 37 and Exhibit of Capital Gain (Losses) .

(11) The company has no surplus notes.

(12) The company has not been reorganized.

(13) N/A
14.

Liabilities, Contingencies and Assessments.

(A) The company has no contingent commitments to an SCA entity, joint ventures, partnerships, or limited liability companies.

(B) The company has not been notified of any assessments that could have a material financial effect.

(C) The company has no gain contingencies.

(D) Claims related extra contractual obligations and bad faith losses stemming from lawsuits.

The company paid the following amounts in the reporting period to settle claims related extra contractual obligations or bad faith claims stemming from lawsuits.

	Direct
Claim payments made during reporting period	\$310,000

Number of claims where amounts were paid to settle claims resulting from lawsuits during the reporting period.

(A)	(B)	(C)	(D)	(E)
0-25	26-50	51-100	101-500	More than 500 Claims
X				

Indicate whether claim count information is disclosed per claim or claimant.

- (F) Per Claim [X]

(G) Per Claimant []
- (E) The company has no warranty liabilities.

(F) The company has no joint and several liabilities.

(G) All Other Contingencies.

Various lawsuits against the Company have arisen in the course of the Company's business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position

NOTES TO FINANCIAL STATEMENTS

of the Company.

The Company routinely assesses the collectibility of premium and agent balances. The uncollectible amounts are not material to the Company's financial condition.

15. Leases.
None.
16. Information about Financial Instruments with Off-balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk.
None.
17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities.
None.
18. Gain or Loss to the Report Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans.
None.
19. Direct Premium Written/Produced by MGA/3rd Party Administration
None.
20. Fair Value Measurements.

A. (1) The following summarizes the Company's financial assets carried at fair value as of June 30, 2015.

Description	Level 1	Level 2	Level 3	Total
<u>Assets at fair value</u>				
<u>Bonds</u>				
RMBS	-	-	-	-
Municipal	=	=	=	=
Total Bonds	-	-	-	-
Short-term investments	\$4,217,953	=	=	\$4,217,953
Total Assets at fair value	\$4,217,953	=	=	\$4,217,953

There were no material transfers between Levels 1 and 2 during the first half of 2015.

- (2) The Company held no Level 3 assets carried at fair value as of June 30, 2015.
- (3) There were no material transfers into or out of Level 3 during the first half of 2015.
- (4) The Financial assets recorded on the Balance Sheet at fair value are categorized based on the reliability of inputs to the valuation techniques as follows:

Level 1 Financial assets and financial liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that the Company can access.

Level 2 Financial assets and financial liabilities whose values are based on the following:
Quoted prices for similar assets or liabilities in active markets;
Quoted Prices for identical or similar assets or liabilities in non-active markets; or
Valuation models whose inputs are observable, directly or indirectly, for substantially the full term of the asset or liability.

Level 3 Financial assets and financial liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs may reflect the Company's estimates of the assumptions that market participants would use in valuing the financial assets and financial liabilities.

The availability of observable inputs varies by instrument. In situations where fair value is based on internally developed pricing models or inputs that are unobservable in the market, the determination of fair value requires more judgment. In many instances, inputs used to measure fair value fall into different levels of the fair value hierarchy. In those instances, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement is categorized is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The fair value guidance establishes a hierarchy for inputs used in determining fair value that maximize the use of observable inputs and minimizes the use of unobservable inputs by requiring that observable inputs be used when available.

Fair value is a market-based measure considered from the perspective of a market participant who owns an asset or owes a liability. Accordingly, when market observable data is not readily available, the Company's own assumptions are set to reflect those that market participants would be presumed to use in pricing the asset at the measurement date. The Company uses prices and inputs that are current as of the measurement date, including during periods of market disruption. In periods of market disruption, the ability to observe prices and inputs may be reduced for many instruments. This condition could cause an instrument to be reclassified from Level 1 to Level 2 or from Level 2 to Level 3.

When available, the Company uses the market approach to estimate the fair value of its financial instruments, which is based on quoted prices in active markets that are readily and regularly available. Generally, these are the most liquid of the Company's holdings and valuation of these securities does not involve management judgment. Matrix pricing and other similar techniques are other examples of the market approach.

When quoted prices in active markets are not available, the Company uses the income approach, or a combination of the market and income approaches, to estimate the fair value of its financial instruments. The income approach involves using discounted cash flow and other standard valuation methodologies. The inputs in applying these market standard valuation methodologies include, but are not limited to interest rates, benchmark yields, bid/ask spreads, dealer quotes, liquidity, term to

NOTES TO FINANCIAL STATEMENTS

maturity, estimated future cash flows, credit risk and default projections, collateral performance, deal and tranche attributes, and general market data.

The following valuation techniques and inputs were used to estimate the fair value of each class of significant financial instruments:

Level 1 Measurements

Short-term Investments: Comprised of actively traded money market funds that have daily quoted net asset values for identical assets that the Company can access.

Level 2 Measurements

Bonds: The vast majority of the Company’s fixed income securities are carried at amortized cost. Those carried at fair value are valued using the market and income approaches by leading, nationally recognized providers of market data and analytics. When available, recent trades of identical or similar assets are used to price these securities. However because many fixed income securities do not actively trade on a daily basis, pricing models are often used to determine security prices. The pricing models discount future cash flows at estimated market interest rates. These rates are derived by calculating the appropriate spreads over comparable U.S. Treasury securities based on credit quality, industry, and structure of the asset. Observable inputs used by the models include benchmark yields, bid/ask spreads, dealer quotes, liquidity, term to maturity, credit risk and default projections, collateral performance, deal and tranche attributes, and general market data. Inputs may vary depending on type of security. Pricing for specific security types is as follows:

Residential Mortgage Backed Securities (RMBS): RMBS are valued based on inputs including quoted prices for identical or similar assets in markets that are not active, benchmark yield curves, bid/ask spreads, and credit quality.

Municipals: Valued based on inputs including quoted prices for identical or similar assets in markets that are not active, benchmark yield curves, bid/ask spreads, and credit quality.

The Company held no level 3 securities carried at fair value as of June 30, 2015.

(5) Not Applicable.

B. Not applicable.

C. Valuation, Methods, and Assumptions.

(1) The following table summarizes the fair value of the Company's financial assets as of June 30, 2015.

Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carry Value)
Bonds	\$151,641,959	\$152,043,642	\$4,606,564	\$147,035,395	-	-
Short-Term Investments	\$4,217,953	\$4,217,953	\$4,217,953	-	-	-

(2) The following valuation methods and assumptions were used to measure the fair values of each type of financial asset and liability:

Bonds: The fair value of Level 1 bonds, consisting of U.S. Treasury Notes, is determined using unadjusted quoted prices in an active market. Valuation methods and assumptions for the majority of Level 2 bonds are discussed in Note 20.A.4. A small segment of Level 2 and all Level 3 bonds are valued internally using matrix pricing, broker quotes, discounted cash flow models, and benchmark and spread analysis, or externally using a pricing vendor that specializes in esoteric securities.

Short-Term Investments: Valuation methods and assumptions for Level 1 short-term investments are discussed in Note 20.A.4.

D. Not applicable.

21. Other Items.

A. Extraordinary Items
None.

B. Troubled Debt Restructuring. Debtors
None.

C. Other Disclosers
Assets in the amount of \$3,324,705 and \$2,861,666 at June 30, 2015 and December 31, 2014, respectively, were on deposit with government authorities or trustees as required by law.

D. Business Interruption Insurance Recoveries.
None.

E. State Transferable and Non-transferable Tax Credits
None.

F. Subprime Mortgage Related Risk Exposure

(1) The Company defines our exposure to subprime mortgage related risk as any mortgage backed security that contains underlying mortgages designated as subprime. We reviewed all our residential mortgage backed pools and collateralized mortgage obligations for any such risk. Since our direct exposure through investments in subprime mortgage related risk is nil and our direct exposure through "other" investments is immaterial, we have not had the need to mitigate that risk exposure.

(2) Direct Exposure through investment in subprime mortgage loans.

NOTES TO FINANCIAL STATEMENTS

Not applicable.

(3) Direct Exposure through other investments.

Description	Actual Cost	Book/Adjusted Carrying Value (excluding interest)	Fair Value	OTTI Losses Recognized
A. Residential mortgage-backed securities	\$0	\$0	\$0	\$0
B. Commercial mortgage-backed securities	0	0	0	0
C. Collateralized debt obligations	0	0	0	0
D. Structured securities	0	0	0	0
E. Equity investment in SCA's	0	0	0	0
F. Other Assets	0	0	0	0
G.Total	\$0	\$0	\$0	\$0

All amounts shown in the table above are deemed to be exposure to Alt-A investments.

(4) Underwriting exposure to subprime mortgage risk through Mortgage Guaranty or Financial Guaranty insurance coverage.
Not applicable.

G. Offsetting and Netting of Assets and Liabilities.
None.

22. Events Subsequent.
None.

23. Reinsurance
A. Unsecured Reinsurance Recoverable
None.
B. Reinsurance Recoverable in Dispute.
None.
C. Reinsurance Assumed and Ceded

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	\$76,413,319	\$21,395,729	\$81,139,172	\$25,153,143	\$(4,725,853)	\$(3,757,414)
b. All Other						
c. Total	\$76,413,319	\$21,395,729	\$81,139,172	\$25,153,143	\$(4,725,853)	\$(3,757,414)
d. Dir. UE Prem Res.	\$116,775,633					

D. Uncollectible Reinsurance.
None.
E. Commutation of Ceded Reinsurance
None.
F. Retroactive Reinsurance
None.
G. Reinsurance Accounted for as a Deposit.
None.
H. Transfer of Property and Casualty Run-Off Agreements.
None.
I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation.
None.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination.
None.

25. Change in Incurred Losses and Loss Adjustment Expenses
Loss & lae reserves as of December 31, 2014 were \$62,905,000. As of June 30, 2015, \$32,701,000 has been paid for incurred loss & lae expenses attributable to insured events or prior years. Reserves remaining for prior years are now \$29,940,000 as a result of re-estimation of unpaid claims and lae expenses. Therefore, there has been a \$264,000 favorable prior year development from 12/31/2014 to 06/30/2015 principally on liability lines of business.

There was adverse development during the 2nd quarter of 2015 of just over \$1,160,000 dollars; half of this was in California Liability - just over \$580,000 - due to the severity of claims being higher than projected. Arizona had unfavorable Liability development of around \$193,000 from the three most recent accident years because of incurred loss severity and Tennessee Liability had development of \$137,000 from the 2014 Accident Year. Countrywide, the Physical Damage line had unfavorable development of \$161,000 due to Salvage and Subrogation recoveries coming in less than expected. All other states and lines had either favorable development or negligible adverse development.

The development is generally the result of an ongoing analysis of recent loss development trends and are increased or decreased as additional information becomes known regarding individual claims. The Company has no retrospectively rated policies that are subject to premium adjustments.

26. Intercompany Pooling Arrangements
Effective January 1, 2010, the Company (lead entity) entered into a reinsurance pooling agreement with PGAC of Ohio (NAIC company code - 22906) and The General Automobile Insurance Company, Inc. (GAIC) (NAIC company code - 13703), both of which are affiliated property and casualty insurance companies incorporated in Ohio. The business includes private passenger auto liability & auto physical damage with PGAC receiving 58%, PGAC-Ohio receiving 25%, & GAIC receiving 17%. This Agreement applies only to that portion of any insurance or reinsurance which the parties hereto retain net for their own account and in calculating the amount of any loss hereunder, only loss or losses in respect of that portion of any insurance or reinsurance which the parties hereto retain net for their own

NOTES TO FINANCIAL STATEMENTS

account shall be included. The Company has a net receivable balance of \$4,484,053 at 06/30/2015.

27.

Structured Settlements

None.
28.

Health Care Receivables

None.
29.

Participating Policies

None.
30.

Premium Deficiency Reserves

1. Liability carried for premium deficiency reserves.

\$0

2. Date of the most recent evaluation of this liability.

06/30/2015

3. Was anticipated investment income utilized in the calculation?

Yes ☐ No ☒
31.

High Deductibles

None.
32.

Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

None.
33.

Asbestos/Environmental Reserves

None.
34.

Subscriber Savings Accounts

None.
35.

Multi Peril Crop Insurance

None.
36.

Financial Guaranty Insurance

None.

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 ☒
- 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 ☐ No ☒
- 2.2

If yes, date of change:
- 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 ☒ 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 ☒
- 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 ☒
- 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 ☒ NA ☐
- 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.

12/31/2014
- 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).

02/28/2011
- 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 ☐ NA ☒
- 6.6

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

Yes ☒ No ☐ NA ☐
- 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 ☒
- 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 ☒
- 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 ☒
- 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

GENERAL INTERROGATORIES

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 [X] No []

10.2

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

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]

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:\$0

13.

Amount of real estate and mortgages held in short-term investments:\$0

14.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes [X] No []

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	\$1,144,116	\$1,345,150
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).....	\$1,144,116	\$1,345,150
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?

Yes [] No []

If no, attach a description with this statement.

GENERAL INTERROGATORIES

- 16 For the reporting entity’s security lending program, state the amount of the following as of the current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

\$0
- 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

\$0
- 16.3 Total payable for securities lending reported on the liability page

\$0

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	2
Name of Custodian(s)	Custodian Address
U.S. Bank.....	777 E. Wisconsin Ave., Milwaukee, Wi. 53202.....

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

- 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	2	3	4
Old Custodian	New Custodian	Date of Change	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	2	3
Central Registration Depository	Name(s)	Address
33642.....	Blackrock Investments, Inc.....	40 East 52 nd Street, New York, N.Y.....

- 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] NA []
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:

			TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
1	2	3	4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Discount Rate	Unpaid Losses	Unpaid LAE	IBNR	TOTAL	Unpaid Losses	Unpaid LAE	IBNR	TOTAL
.....
.....
.....
.....
.....
TOTAL			0	0	0	0	0	0	0	0

5. Operating Percentages:
5.1 A&H loss percent 0.0 %
5.2 A&H cost containment percent 0.0 %
5.3 A&H expense percent excluding cost containment expenses 0.0 %

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

[illegible]

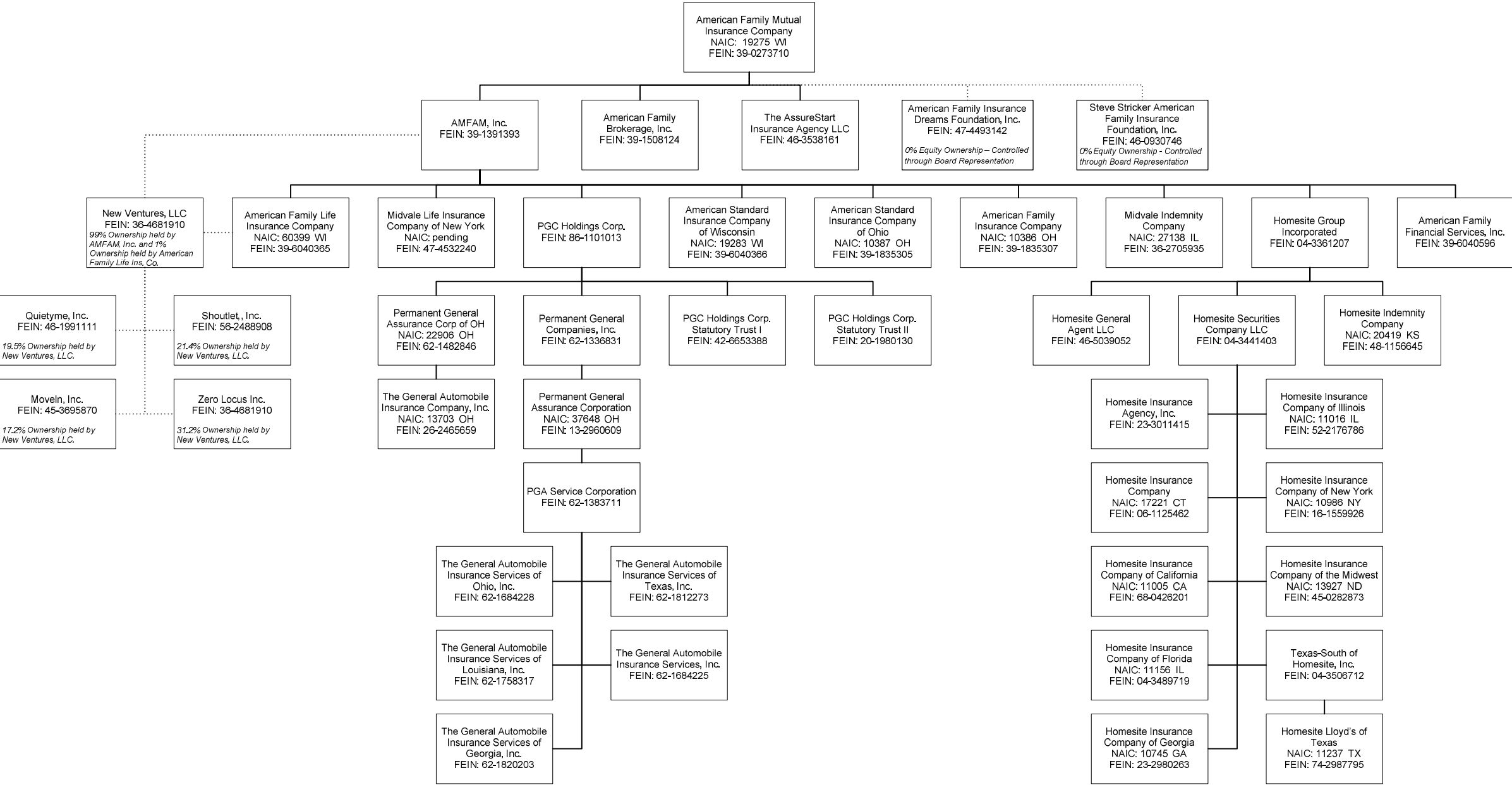
SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories							
States, etc.	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2	3	4	5	6	7
	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	3,604,592	2,579,594	1,433,309	1,146,256	1,734,421	1,532,478
2. Alaska	AK L		0		0		0
3. Arizona	AZ L	8,885,182	6,913,873	3,902,046	3,064,196	4,248,118	3,346,463
4. Arkansas	AR L	1,288,093	448,707	429,180	32,311	328,970	60,054
5. California	CA L	24,602,388	22,598,419	12,855,939	10,668,302	11,803,047	10,287,176
6. Colorado	CO L	10,919,454	5,625,879	4,856,840	2,674,264	4,984,581	3,024,006
7. Connecticut	CT L	2,967,953	1,727,797	1,023,194	746,398	1,314,755	1,063,515
8. Delaware	DE L		0		0		0
9. Dist. Columbia	DC L		0		0		0
10. Florida	FL L	19,461,591	13,287,929	8,212,909	5,718,033	9,136,877	5,777,921
11. Georgia	GA L	1,833,069	2,161,324	1,142,450	2,765,094	1,666,541	2,057,330
12. Hawaii	HI N		0		0		0
13. Idaho	ID L	257,838	0	33,827	0	125,190	0
14. Illinois	IL L	3,400,658	1,742,015	985,326	943,881	1,220,502	922,993
15. Indiana	IN L	6,780,555	3,993,973	2,719,050	2,233,862	2,443,687	1,773,966
16. Iowa	IA L	800,600	98,811	317,762	0	302,912	0
17. Kansas	KS L	1,475,605	377,491	347,027	26,460	409,826	14,283
18. Kentucky	KY N		0		0		0
19. Louisiana	LA L	3,266,369	2,067,004	1,487,268	1,134,405	1,852,822	937,522
20. Maine	ME L	144,775	0	126	0	4,308	0
21. Maryland	MD L		0		0		0
22. Massachusetts	MA L		0		0		0
23. Michigan	MI N		0		0		0
24. Minnesota	MN L	398,905	0	33,261	0	203,694	0
25. Mississippi	MS L	1,394,777	1,307,648	798,136	499,720	710,382	604,082
26. Missouri	MO L	4,203,328	2,641,651	1,290,189	1,563,743	1,645,384	1,546,972
27. Montana	MT L	199,752	0	8,201	0	20,837	0
28. Nebraska	NE L	649,601	76,854	185,900	4,939	163,958	10,622
29. Nevada	NV L	4,715,475	2,494,658	2,112,139	1,233,382	2,369,240	1,375,962
30. New Hampshire	NH N		0		0		0
31. New Jersey	NJ L		0		0		0
32. New Mexico	NM N		0		0		0
33. New York	NY L	558,922	538,068	791,587	977,190	1,483,926	1,439,409
34. No. Carolina	NC L		0		0		0
35. No. Dakota	ND L	105,641	0	14,165	0	48,363	0
36. Ohio	OH L	2,085,822	1,569,070	945,969	870,863	1,228,259	56,838
37. Oklahoma	OK L	5,643,544	3,781,190	2,134,679	1,533,898	2,203,699	1,706,946
38. Oregon	OR L		0		0		0
39. Pennsylvania	PA L	3,979,930	12,229,263	5,183,218	5,757,701	5,411,479	6,625,216
40. Rhode Island	RI L	887,679	0	125,109	0	271,162	0
41. So. Carolina	SC L	1,360,805	930,277	927,361	960,363	619,314	1,058,862
42. So. Dakota	SD L	140,261	0	12,616	0	12,590	0
43. Tennessee	TN L	10,368,190	11,655,559	5,104,699	4,634,499	6,109,493	4,176,517
44. Texas	TX L	943,440	3,775,960	1,605,451	2,700,858	1,290,946	2,324,447
45. Utah	UT L	734,203	505,622	302,528	109,185	392,665	214,507
46. Vermont	VT L		0		0		0
47. Virginia	VA L	1,960,326	5,215,001	2,139,713	2,625,364	2,838,702	3,523,134
48. Washington	WA L	2,328,375	591,260	453,238	94,318	641,928	110,113
49. West Virginia	WV L	1,363,979	532,696	277,967	45,435	311,302	109,054
50. Wisconsin	WI L	2,282,271	1,493,981	945,815	733,200	1,238,247	786,003
51. Wyoming	WY N		0		0		0
52. American Samoa	AS N		0		0		0
53. Guam	GU N		0		0		0
54. Puerto Rico	PR N		0		0		0
55. U.S. Virgin Islands	VI N		0		0		0
56. Northern Mariana Islands	MP N		0		0		0
57. Canada	CAN N		0		0		0
58. Aggregate Other Alien	OT XXX	0	0	0	0	0	0
59. Totals	(a) 45	135,993,948	112,961,574	65,138,194	55,498,120	70,792,127	56,466,391
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
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX	0	0	0	0	0	0

(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	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name 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)	*
00473	American Family Insurance Group	19275	39-0273710				American Family Mutual Insurance Company	WI		American Family Mutual Insurance Company - Board of Directors	Board of Directors	0.0	American Family Mutual Insurance Company - Board of Directors	0
		00000	39-1508124				American Family Brokerage, Inc.	WI	DS	American Family Mutual Insurance Company	Ownership	100.0	American Family Mutual Insurance Company	0
		00000	39-1391393				AMFAM, Inc.	WI	DS	American Family Mutual Insurance Company	Ownership	100.0	American Family Mutual Insurance Company	0
00473	American Family Insurance Group	19283	39-6040366				American Standard Insurance Co. of WI	WI	IA	AMFAM, Inc.	Ownership	100.0	American Family Mutual Insurance Company	0
00473	American Family Insurance Group	10386	39-1835307				American Family Insurance Company	OH	IA	AMFAM, Inc.	Ownership	100.0	American Family Mutual Insurance Company	0
00473	American Family Insurance Group	10387	39-1835305				American Standard Insurance Co. of OH	OH	IA	AMFAM, Inc.	Ownership	100.0	American Family Mutual Insurance Company	0
00473	American Family Insurance Group	60399	39-6040365				American Family Life Insurance Co.	WI	IA	AMFAM, Inc.	Ownership	100.0	American Family Mutual Insurance Company	0
		00000	39-6040596				American Family Financial Services, Inc.	WI	IA	AMFAM, Inc.	Ownership	100.0	American Family Mutual Insurance Company	0
		00000	36-4681910				New Ventures, LLC	WI	NIA	AMFAM, Inc.	Ownership	99.0	American Family Mutual Insurance Company	0
		00000	36-4681910				New Ventures, LLC	WI	NIA	American Family Life Insurance Co.	Ownership	1.0	American Family Mutual Insurance Company	0
00473	American Family Insurance Group	27138	36-2705935				Midvale Indemnity Company	IL	IA	AMFAM, Inc.	Ownership	100.0	American Family Mutual Insurance Company	0
		00000	86-1101013				PGC Holdings Corporation	DE	NIA	AMFAM, Inc.	Ownership	100.0	American Family Mutual Insurance Company	0
		00000	42-6653388				PGC Holdings Statutory Trust 1	DE	NIA	PGC Holdings Corporation	Ownership	100.0	American Family Mutual Insurance Company	0
		00000	20-1980130				PGC Holdings Statutory Trust 2	DE	NIA	PGC Holdings Corporation	Ownership	100.0	American Family Mutual Insurance Company	0
00473	American Family Insurance Group	22906	62-1482846				PGAC of Ohio	OH	IA	PGC Holdings Corporation	Ownership	100.0	American Family Mutual Insurance Company	0

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	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name 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)	*
00473	American Family Insurance Group	37648	13-2960609				Permanent General Assurance Corporation	OH	IA	Permanent General Companies, Inc.	Ownership	100.0	American Family Mutual Insurance Company	0
		00000	62-1336831				Permanent General Companies, Inc.	TN	NIA	PGC Holdings Corporation	Ownership	100.0	American Family Mutual Insurance Company	0
		00000	62-1383711				PGA Service Corporation	TN	NIA	Permanent General Assurance Corporation	Ownership	100.0	American Family Mutual Insurance Company	0
		00000	62-1684228				The General Auto Insurance Services of Ohio, Inc.	OH	NIA	PGA Service Corporation	Ownership	100.0	American Family Mutual Insurance Company	0
		00000	62-1684225				The General Auto Insurances Services of California, Inc.	CA	NIA	PGA Service Corporation	Ownership	100.0	American Family Mutual Insurance Company	0
00473	American Family Insurance Group	00000	62-1758317				The General Auto Insurances Services of Louisiana, Inc.	LA	NIA	PGA Service Corporation	Ownership	100.0	American Family Mutual Insurance Company	0
		13703	26-2465659				The General Automobile Insurance Company, Inc.	OH	IA	PGAC of Ohio	Ownership	100.0	American Family Mutual Insurance Company	0
		00000	62-1820203				The General Auto Insurance Services of Georgia, Inc.	GA	NIA	PGA Service Corporation	Ownership	100.0	American Family Mutual Insurance Company	0
		00000	62-1812273				The General Auto Insurance Services of Texas, Inc.	TX	NIA	PGA Service Corporation	Ownership	100.0	American Family Mutual Insurance Company	0
		00000	46-3538161				The AssureStart Insurance Agency	WI	NIA	American Family Mutual Insurance Company	Ownership	100.0	American Family Mutual Insurance Company	0
00473	Homesite Insurance Group	00000	04-3361207				Homesite Group Incorporated	DE	NIA	AMFAM, Inc.	Ownership	100.0	American Family Mutual Insurance Company	0
		00000	04-3441403				Homesite Securities Company LLC	DE	NIA	Homesite Group Incorporated	Ownership	100.0	American Family Mutual Insurance Company	0
		13927	45-0282873				Homesite Insurance Company of the Midwest	ND	IA	Homesite Securities Company LLC	Ownership	100.0	American Family Mutual Insurance Company	0
		17221	06-1125462				Homesite Insurance Company	CT	IA	Homesite Securities Company LLC	Ownership	100.0	American Family Mutual Insurance Company	0
		20419	48-1156645				Homesite Indemnity Company	KS	IA	Homesite Group Incorporated	Ownership	100.0	American Family Mutual Insurance Company	0

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	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name 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)	*
00473	Homesite Insurance Group	11005	68-0426201				Homesite Insurance Company of California	CA	IA	Homesite Securities Company LLC	Ownership	100.0	American Family Mutual Insurance Company	.0
00473	Homesite Insurance Group	10986	16-1559926				Homesite Insurance Company of New York	NY	IA	Homesite Securities Company LLC	Ownership	100.0	American Family Mutual Insurance Company	.0
00473	Homesite Insurance Group	10745	23-2980263				Homesite Insurance Company of Georgia	GA	IA	Homesite Securities Company LLC	Ownership	100.0	American Family Mutual Insurance Company	.0
00473	Homesite Insurance Group	11016	52-2176786				Homesite Insurance Company of Illinois	IL	IA	Homesite Securities Company LLC	Ownership	100.0	American Family Mutual Insurance Company	.0
00473	Homesite Insurance Group	11156	04-3489719				Homesite Insurance Company of Florida	IL	IA	Homesite Securities Company LLC	Ownership	100.0	American Family Mutual Insurance Company	.0
00473	Homesite Insurance Group	11237	74-2987795				Homesite Lloyds's of Texas	TX	IA	Texas-South of Homesite, Inc.	Attorney-In-Fact	.0.0	American Family Mutual Insurance Company	.0
		00000	23-3011415				Homesite Insurance Agency, Inc.	MA	NIA	Homesite Securities Company LLC	Ownership	100.0	American Family Mutual Insurance Company	.0
		00000	04-3506712				Texas-South of Homesite, Inc.	TX	NIA	Homesite Securities Company LLC	Ownership	100.0	American Family Mutual Insurance Company	.0
		00000	56-2488908				Shoutlet, Inc.	DE	OTH	New Ventures, LLC	Influence	.0.0	Shoutlet, Inc.	.1
		00000	36-4681910				Zero Locus Inc.	WI	OTH	New Ventures, LLC	Influence	.0.0	Zero Locus Inc.	.1
		00000	46-5039052				Homesite General Agent, LLC	DE	NIA	Homesite Group Incorporated	Ownership	100.0	American Family Mutual Insurance Company	.0
		00000	46-0930746				Steve Stricker American Family Insurance Foundation, Inc.	WI	OTH	American Family Mutual Insurance Company	Board of Directors	.0.0	Steve Stricker American Family Insurance Foundation, Inc.	.1
00000		00000	46-1991111				Quietyme, Inc.	WI	OTH	New Ventures, LLC	Influence	.0.0	Quietyme, Inc.	.1
		00000	45-3695870				MoveIn, Inc.	WI	OTH	New Ventures, LLC	Ownership	17.2	MoveIn, Inc.	.1
00000		00000	47-4532240				Midvale Life Insurance Company of New York	NY	IA	AMFAM, Inc.	Ownership	100.0	American Family Mutual Insurance Company	
00000		00000	47-4493142				American Family Insurance Dreams Foundation, Inc.	WI	OTH	American Family Mutual Insurance Company	Board of Directors	.0.0	American Family Insurance Dreams Foundation, Inc.	.2

SCHEDULE Y
PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

Asterisk	Explanation
1	Companies Listed as OTH are Investments Held by New Ventures, LLC where a controlling interest is presumed to exist due to a greater than 10% ownership interest
1	501(c)(3) organization with greater than 50% board of director control.....

PART 1 - LOSS EXPERIENCE

Line 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			0.0	0.0
2.	Allied lines			0.0	0.0
3.	Farmowners multiple peril			0.0	0.0
4.	Homeowners multiple peril			0.0	0.0
5.	Commercial multiple peril			0.0	0.0
6.	Mortgage guaranty			0.0	0.0
8.	Ocean marine			0.0	0.0
9.	Inland marine			0.0	0.0
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			0.0	0.0
13.	Group accident and health			0.0	0.0
14.	Credit accident and health			0.0	0.0
15.	Other accident and health			0.0	0.0
16.	Workers' compensation			0.0	0.0
17.1	Other liability occurrence			0.0	0.0
17.2	Other liability-claims made			0.0	0.0
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	91,937,132	57,517,431	62.6	54.3
19.3,19.4	Commercial auto liability			0.0	0.0
21.	Auto physical damage	30,825,950	16,785,955	54.5	49.5
22.	Aircraft (all perils)			0.0	0.0
23.	Fidelity			0.0	0.0
24.	Surety			0.0	0.0
26.	Burglary and theft			0.0	0.0
27.	Boiler and machinery			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	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	0	0	0.0	0.0
35.	TOTALS	122,763,082	74,303,386	60.5	53.1
DETAILS OF WRITE-INS					
3401.	.....			
3402.	.....			
3403.	.....			
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business		1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1.	Fire	0		0
2.	Allied lines	0		0
3.	Farmowners multiple peril	0		0
4.	Homeowners multiple peril	0		0
5.	Commercial multiple peril	0		0
6.	Mortgage guaranty	0		0
8.	Ocean marine	0		0
9.	Inland marine	0		0
10.	Financial guaranty	0		0
11.1	Medical professional liability-occurrence	0		0
11.2	Medical professional liability-claims made	0		0
12.	Earthquake	0		0
13.	Group accident and health	0		0
14.	Credit accident and health	0		0
15.	Other accident and health	0		0
16.	Workers' compensation	0		0
17.1	Other liability occurrence	0		0
17.2	Other liability-claims made	0		0
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	38,782,215	100,912,577	86,089,167
19.3,19.4	Commercial auto liability	0		0
21.	Auto physical damage	14,217,970	35,081,371	26,872,407
22.	Aircraft (all perils)	0		0
23.	Fidelity	0		0
24.	Surety	0		0
26.	Burglary and theft	0		0
27.	Boiler and machinery	0		0
28.	Credit	0		0
29.	International	0		0
30.	Warranty	0		0
31.	Reinsurance - Nonproportional Assumed Property	XXX	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	0	0	0
35.	TOTALS	53,000,185	135,993,948	112,961,574
DETAILS OF WRITE-INS				
3401.	.....		
3402.	.....		
3403.	.....		
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0

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)	2015 Loss and LAE Payments on Claims Reported as of Prior Year-End	2015 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2015 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 and 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 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2012 + Prior	3,831	1,247	5,078	2,492	25	2,517	2,190	22	516	2,728	851	(684)	167
2. 2013	9,336	1,444	10,780	5,702	58	5,760	5,128	52	864	6,044	1,494	(470)	1,024
3. Subtotals 2013 + prior	13,167	2,691	15,858	8,194	83	8,277	7,318	74	1,380	8,772	2,345	(1,154)	1,191
4. 2014	32,418	14,629	47,047	24,180	244	24,424	16,927	171	4,070	21,168	8,689	(10,144)	(1,455)
5. Subtotals 2014 + prior	45,585	17,320	62,905	32,374	327	32,701	24,245	245	5,450	29,940	11,034	(11,298)	(264)
6. 2015	XXX	XXX	XXX	XXX	33,400	33,400	XXX	27,433	12,897	40,330	XXX	XXX	XXX
7. Totals	45,585	17,320	62,905	32,374	33,727	66,101	24,245	27,678	18,347	70,270	11,034	(11,298)	(264)
8. Prior Year-End Surplus As Regards Policy-holders	89,838										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. 24.2	2. (65.2)	3. (0.4)
											Col. 13, Line 7 Line 8		
											4. (0.3)		

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:

- 1.
- 2.
- 3.
- 4.


Bar Code:

1.




37648201549000002

2.




37648201545500002

3.



37648201536500002

4.



37648201550500002

OVERFLOW PAGE FOR WRITE-INS

PQ004 Additional Aggregate Lines for Page 04 Line 14.
*STMTINCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1404. SUBROGATION FEES.....	14,885	19,124	33,529
1405. LEGAL DEFENSE FEES.....		0	(1,167)
1497. Summary of remaining write-ins for Line 14 from Page 04	14,885	19,124	32,362

SCHEDULE A – VERIFICATION

Real Estate

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		0
2.2 Additional investment made after acquisition		0
3. Current year change in encumbrances		0
4. Total gain (loss) on disposals		0
5. Deduct amounts received on disposals		0
6. Total foreign exchange change in book/adjusted carrying value		0
7. Deduct current year's other-than-temporary impairment recognized		0
8. Deduct current year's depreciation		0
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)	0	0
10. Deduct total nonadmitted amounts	0	0
11. Statement value at end of current period (Line 9 minus Line 10)	0	0

SCHEDULE B – VERIFICATION

Mortgage Loans

	1	2
	Year To Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		0
2.2 Additional investment made after acquisition		0
3. Capitalized deferred interest and other		0
4. Accrual of discount		0
5. Unrealized valuation increase (decrease)		0
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and mortgage interest points and commitment fees		0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		0
10. Deduct current year's other-than-temporary impairment recognized		0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0
12. Total valuation allowance		0
13. Subtotal (Line 11 plus Line 12)	0	0
14. Deduct total nonadmitted amounts	0	0
15. Statement value at end of current period (Line 13 minus Line 14)	0	0

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		0
2.2 Additional investment made after acquisition		0
3. Capitalized deferred interest and other		0
4. Accrual of discount		0
5. Unrealized valuation increase (decrease)		0
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and depreciation		0
9. Total foreign exchange change in book/adjusted carrying value		0
10. Deduct current year's other-than-temporary impairment recognized		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0
12. Deduct total nonadmitted amounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	0	0

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	148,375,423	109,627,596
2. Cost of bonds and stocks acquired	156,115,900	56,107,660
3. Accrual of discount	25,044	270,882
4. Unrealized valuation increase (decrease)	220,057	250,559
5. Total gain (loss) on disposals	4,256,517	(117,223)
6. Deduct consideration for bonds and stocks disposed of	155,124,768	16,592,349
7. Deduct amortization of premium	479,381	1,171,702
8. Total foreign exchange change in book/adjusted carrying value		0
9. Deduct current year's other-than-temporary impairment recognized		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	153,388,792	148,375,423
11. Deduct total nonadmitted amounts	1,345,150	1,144,116
12. Statement value at end of current period (Line 10 minus Line 11)	152,043,642	147,231,307

STATEMENT AS OF JUNE 30, 2015 OF THE Permanent General Assurance Corporation

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
BONDS								
1. NAIC 1 (a).....	98,695,814	42,120,990	34,681,440	(1,033,347)	98,695,814	105,102,017	0	127,000,726
2. NAIC 2 (a).....	47,418,521	8,907,032	5,981,514	815,538	47,418,521	51,159,577	0	20,709,088
3. NAIC 3 (a).....	0				0	0	0	1,366,111
4. NAIC 4 (a).....	0				0	0	0	0
5. NAIC 5 (a).....	0				0	0	0	0
6. NAIC 6 (a).....	0				0	0	0	434,957
7. Total Bonds	146,114,335	51,028,022	40,662,954	(217,809)	146,114,335	156,261,594	0	149,510,882
PREFERRED STOCK								
8. NAIC 1	0				0	0	0	0
9. NAIC 2	0				0	0	0	0
10. NAIC 3	0				0	0	0	0
11. NAIC 4	0				0	0	0	0
12. NAIC 5	0				0	0	0	0
13. NAIC 6	0				0	0	0	0
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	146,114,335	51,028,022	40,662,954	(217,809)	146,114,335	156,261,594	0	149,510,882

(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 \$4,217,953 ; 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	4,217,953	XXX	4,217,953	76	

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.....	2,279,575	31,201,514
2. Cost of short-term investments acquired	71,992,079	31,915,229
3. Accrual of discount		0
4. Unrealized valuation increase (decrease).....		0
5. Total gain (loss) on disposals	(908)	0
6. Deduct consideration received on disposals	70,049,501	60,837,168
7. Deduct amortization of premium.....	3,292	0
8. Total foreign exchange change in book/adjusted carrying value.....		0
9. Deduct current year's other-than-temporary impairment recognized.....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	4,217,953	2,279,575
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	4,217,953	2,279,575

Schedule DB - Part A - Verification

NONE

Schedule DB - Part B - Verification

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

NONE

Schedule E - Verification

NONE

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

Schedule BA - Part 2

NONE

Schedule BA - Part 3

NONE

STATEMENT AS OF JUNE 30, 2015 OF THE Permanent General Assurance Corporation

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator ^(a)
Bonds - U.S. Governments									
912828-D5-6	US TREASURY NOTES 2.375%08/15/24 2.375		05/27/2015	Stifel Nicolaus		153,422	150,000	1,004	1
912828-G3-8	US TREASURY NOTES 2.25%11/15/24 2.250%		06/29/2015	Various		3,463,874	3,500,000	9,844	1
912828-J2-7	US TREASURY NOTES 2%02/15/25 2.000% 02		06/15/2015	Various		712,229	725,000	4,051	1
912828-J7-6	US TREASURY NOTES 1.75%03/31/22 1.750%		04/17/2015	Deutsche Bank AG		428,122	425,000	447	1
912828-XB-1	US TREASURY NOTES 2.125%05/15/25 2.125		05/29/2015	Goldman Sachs		800,095	800,000	878	1
912828-XG-0	US TREASURY NOTES 2.125%06/30/22 2.125		06/29/2015	Nomura Securities Inc.		753,576	750,000		1
912828-XH-8	US TREASURY NOTES 1.625%06/30/20 1.625		06/24/2015	Citigroup Global Mkrt		2,987,830	3,000,000		1
0599999 - Bonds - U.S. Governments						9,299,148	9,350,000	16,224	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)									
00206R-CL-4	AT&T INC FR 2.45%063020 2.450% 06/30/2		04/23/2015	JP Morgan		334,829	335,000		2
00206R-CN-0	AT&T INC FR 3.4%051525 3.400% 05/15/25		04/23/2015	JP Morgan		772,706	775,000		2FE
00287Y-AL-3	ABBYIE INC-WHEN ISSUED ABBVw SR NT 2.9%2		04/07/2015	UBS Securities LLC		29,961	30,000	372	2FE
00287Y-AQ-2	ABBYIE INC-WHEN ISSUED ABBVw SR NT 3.6%2		06/30/2015	Various		754,495	760,000	2,600	2FE
00287Y-AT-6	ABBYIE INC-WHEN ISSUED ABBVw SR NT 2.5%2		05/05/2015	Deutsche Bank AG		368,483	370,000		2FE
037833-BE-9	APPLE INC FLT SR FLT NT 20 0.577% 05/0		05/06/2015	Goldman Sachs		750,000	750,000		1FE
037833-BG-4	APPLE INC SR NT 3.2%25 3.200% 05/13/25		06/30/2015	RBC Dain Rauscher		498,435	500,000	2,356	1FE
05531F-AU-7	BB&T CORPORATION FR 2.625%062920 2.625		06/22/2015	Deutsche Bank AG		1,199,328	1,200,000		1FE
06051G-FP-9	BANK OF AMERICA NA SUB NT 3.95%25 3.95		04/16/2015	Bank of America		493,540	495,000		2FE
07177M-AC-7	BAXALTA INC SR 144A NT 20 2.875% 06/23		06/18/2015	UBS Securities LLC		214,931	215,000		2FE
101137-AQ-0	BOSTON SCIENTIFIC CORP SR NT 3.375%22		05/07/2015	Barclays Capital Inc.		571,343	575,000		2FE
172967-JP-7	CITIGROUP INC FR 3.3%042725 3.300% 04/		04/22/2015	Citigroup Global Mkrt		309,423	310,000		2
20030N-BL-4	COMCAST CORP NEW CL A SR GBLB NT 25 3		04/17/2015	Goldman Sachs		317,850	300,000	1,884	1FE
25466A-AD-3	DISCOVER BK SR GBLB ACR NT23 4.200% 08		05/12/2015	Citigroup Global Mkrt		256,448	250,000	2,829	2FE
29379V-BG-7	ENTERPRISE PRODS OPER LLC SR NT 1.65%18		05/04/2015	Wells Fargo Securities		239,714	240,000		2FE
337738-AN-8	FISERV INC SR NT 2.7%20 2.700% 06/01/2		05/19/2015	Bank of America		249,580	250,000		2FE
37045X-AR-7	GENERAL MTRS FINL CO INC SR GBLB NT 20		06/22/2015	RBC Dain Rauscher		978,629	975,000	13,863	2FE
38148L-AB-2	THE GOLDMAN SACHS GROUP INC FLT SR FLT N		04/21/2015	Loop Capital Markets, LLC		1,011,080	1,000,000	40	1FE
38148L-AD-8	THE GOLDMAN SACHS GROUP INC FLT SUB FLT		05/19/2015	Goldman Sachs		500,000	500,000		1FE
42217K-BF-2	HEALTH CARE REIT INC NT 4%25 4.000% 06		05/20/2015	UBS Securities LLC		184,863	185,000		2FE
423074-BA-0	HEINZ H J CO SR 144A NT3.5%22 3.500% 0		06/23/2015	Citigroup Global Mkrt		164,611	165,000		2FE
423074-BH-5	HEINZ H J CO SR 144A NT 2%18 2.000% 07		06/23/2015	JP Morgan		773,450	775,000		2FE
428236-BQ-5	HEWLETT PACKARD CO COM GBLB NT 4.375%21		04/01/2015	Citigroup Global Mkrt		351,754	325,000	869	2FE
446438-RN-5	HUNTINGTON NATIONAL BANK SR NT 2%18 2		06/25/2015	Goldman Sachs		997,110	1,000,000		1FE
46625H-LW-8	JP MORGAN CHASE & CO FR 2.75%061520 2		06/18/2015	JP Morgan		748,710	750,000		1FE
539830-BE-8	LOCKHEED MARTIN CORP COM SR NT 2.9%25		06/30/2015	Wells Fargo Securities		480,600	500,000	5,478	1FE
617446-8B-8	MORGAN STANLEY FR 2.2%120718 2.200% 12		06/03/2015	Morgan Stanley		284,781	285,000		1FE
61761J-B3-2	MORGAN STANLEY FR 2.8%061620 2.800% 06		06/11/2015	Morgan Stanley		1,263,482	1,265,000		1FE
68389X-BB-0	ORACLE CORPORATION COM SR NT 2.5%22 2		04/28/2015	JP Morgan		298,944	300,000		1FE
747525-AD-5	QUALCOMM INC COM SR NT 2.25%20 2.250%		05/13/2015	Goldman Sachs		744,404	745,000		1FE
747525-AF-0	QUALCOMM INC COM SR NT 3.45%25 3.450%		06/30/2015	Suntrust Robinson Humphrey		341,985	350,000	1,543	1FE
761713-BG-0	RJ REYNOLDS TOBACCO HOLDINGS R SR NT 4.4		06/09/2015	JP Morgan		229,303	230,000		2FE
90131H-AQ-8	21ST CENTY FOX AMER INC SR GBLB NT4.5%21		04/06/2015	Tax Free Exchange		221,040	200,000		2FE
976657-AJ-5	WISCONSIN ENERGY CORP SR NT 1.65%18 1		06/04/2015	JP Morgan		244,863	245,000		2FE
05579T-ED-4	BNP PARIBAS 2.375% 05/21/20	F	05/14/2015	BNP Paribas SA		1,087,144	1,090,000		1FE
06738E-AG-0	BARCLAYS PLC SR NT 2.875%20 2.875% 06/	F	06/01/2015	Barclays Capital Inc.		248,938	250,000		2FE
22546Q-AV-9	CREDIT SUISSE NEW YORK BRANCH FR 1.7%042	F	04/24/2015	Credit Suisse 1stBstn.		1,158,724	1,160,000		1FE
29358Q-AE-9	ENSCO INTERNATIONAL PLC SR NT 5.2%25 5	F	06/15/2015	Citigroup Global Mkrt		177,772	175,000	2,427	2FE
53944V-AG-4	LLOYDS BANK PLC SR NT 1.75%18 1.750% 0	F	05/11/2015	Bank of America		469,549	470,000		1FE
714295-AC-6	PERRIGO FINANCE PLC SR NT 3.9%24 3.900	F	05/15/2015	Bank of America		203,906	200,000	3,640	2FE
822582-BD-3	SHELL INTERNATIONAL FIN BV SR NT 3.25%25	F	06/30/2015	Citigroup Global Mkrt		645,860	650,000	3,227	1FE
822582-BG-6	SHELL INTERNATIONAL FIN BV SR NT 2.125%2	F	05/06/2015	Barclays Capital Inc.		234,502	235,000		1FE
90261X-HK-1	UBS AG BRH MTN SR DEP NT BE SR NT 2.35%2	F	05/27/2015	UBS Securities LLC		358,661	360,000	1,528	1FE
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						21,765,731	21,740,000	42,656	XXX
8399997 - Subtotals - Bonds - Part 3						31,064,879	31,090,000	58,880	XXX
8399999 - Subtotals - Bonds						31,064,879	31,090,000	58,880	XXX
9999999 Totals						31,064,879	XXX	58,880	XXX

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

STATEMENT AS OF JUNE 30, 2015 OF THE Permanent General Assurance Corporation

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	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ 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 Designation or Market Indicator (a)
Bonds - U.S. Governments																					
912828-G3-8...	US TREASURY NOTES 2.25%11/15/24 2.250%		06/30/2015	Goldman Sachs.....		3,478,255	3,500,000	3,463,874			.12		.12		3,463,887		.14,368	.14,368	10,058	11/15/2024	1
912828-J2-7...	US TREASURY NOTES 2%02/15/25 2.000% 02		06/17/2015	Various.....		711,793	725,000	712,229			.1		.1		712,230		(.438)	(.438)	4,280	02/15/2025	1
912828-J7-6...	US TREASURY NOTES 1.75%03/31/22 1.750%		04/23/2015	Citigroup Global Mrkt.....		426,377	425,000	428,122					.0		428,122		(.1,745)	(.1,745)	.488	03/31/2022	1
912828-XB-1...	US TREASURY NOTES 2.125%05/15/25 2.125%		06/02/2015	Various.....		790,981	800,000	800,095					.0		800,095		(.9,115)	(.9,115)	.878	05/15/2025	1
912828-XG-0...	US TREASURY NOTES 2.125%06/30/22 2.125%		06/30/2015	Citigroup Global Mrkt.....		753,221	750,000	753,576			(.1)		(.1)		753,574		(.353)	(.353)	.43	06/30/2022	1
0599999 - Bonds - U.S. Governments						6,160,627	6,200,000	6,157,896	0	0	12	0	12	0	6,157,908	0	2,717	2,717	15,747	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																					
103575-CL-8...	BOYNTON BEACH FLA PUB SVC TAX TAX REV BD.....		06/19/2015	Call 100.0000.....		100,000	100,000	101,171	100,000				.0		100,000			.0	3,167	11/01/2015	1FE
88045R-DW-1...	TENNESSEE HDA HOMEOWNERSHIP PROG BDS		06/01/2015	Call 100.0000.....		15,000	15,000	13,719	13,770		.17		.17		13,788		1,212	1,212	.688	07/01/2032	1FE
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						115,000	115,000	114,890	113,770	0	17	0	17	0	113,788	0	1,212	1,212	3,855	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
00206R-BD-3...	AT&T INC GLBL NT 3%22 3.000% 02/15/22.....		05/29/2015	Credit Suisse 1stBstn.....		397,728	400,000	396,844		.85			.85		396,929		.799	.799	3,600	02/15/2022	2FE
00206R-CL-4...	AT&T INC FR 2.45%063020 2.450% 06/30/2.....		05/29/2015	JP Morgan.....		331,650	335,000	334,829					.0		334,829		(.3,179)	(.3,179)	.661	06/30/2020	2
00206R-CN-0...	AT&T INC FR 3.4%051525 3.400% 05/15/25.....		06/10/2015	Citigroup Global Mrkt.....		155,569	165,000	164,512		.4			.4		164,516		(.8,947)	(.8,947)	.639	05/15/2025	2
002824-BA-7...	ABBOTT LABORATORIES COMMON STO NT 2.55%2.....		04/17/2015	UBS Securities LLC.....		433,827	430,000	429,286		.10			.10		429,297		4,530	4,530	1,279	03/15/2022	1FE
025816-BG-3...	AMERICAN EXPRESS CO SR GLBL NT 18 1.55.....		06/15/2015	Millenium/Nyfix.....		248,020	250,000	249,388		.72			.72		249,459		(.1,439)	(.1,439)	2,217	05/22/2018	1FE
029912-AY-8...	AMERICAN TOWER CORP SR NT 7.25%19 7.25.....		04/28/2015	Millenium/Nyfix.....		876,083	750,000	837,445	819,990	(.4,801)			(.4,801)		815,190		.60,893	.60,893	25,073	05/15/2019	2FE
05531F-AK-9...	BB&T CORPORATION FR 2.15%032217 2.150%.....		05/15/2015	Barclays Capital Inc.....		1,019,420	1,000,000	1,021,060		(.2,985)			(.2,985)		1,018,075		1,345	1,345	14,214	03/22/2017	1FE
060516-FF-1...	BANK OF AMERICA NA FR 4%040124 4.000%.....		04/17/2015	Bank of America.....		795,848	750,000	805,012		(.1,077)			(.1,077)		803,935		(.8,088)	(.8,088)	16,750	04/01/2024	1FE
125509-BS-7...	CIGNA CORP SR NT 4%22 4.000% 02/15/22.....		06/24/2015	JP Morgan.....		515,015	500,000	540,770		(.2,111)			(.2,111)		538,659		(23,644)	(.23,644)	17,444	02/15/2022	2FE
172967-JP-7...	CITIGROUP INC FR 3.3%042725 3.300% 04/.....		05/06/2015	Wells Fargo Securities.....		302,219	310,000	309,423		.2			.2		309,425		(.7,206)	(.7,206)	398	04/27/2025	2
254709-AJ-7...	DISCOVER FINL SVCS COM STK SR GLBL NT 22.....		05/12/2015	Citigroup Global Mrkt.....		201,546	200,000	207,746		(.220)			(.220)		207,526		(.5,980)	(.5,980)	3,722	11/21/2022	2FE
254709-AL-2...	DISCOVER FINL SVCS COM STK SR GLBL NT 25.....		05/19/2015	Citigroup Global Mrkt.....		24,378	25,000	24,971		.1			.1		24,972		(.593)	(.593)	203	03/04/2025	2FE
26875P-AM-3...	EOG RESOURCES INC COM STK USD0 SR NT 3.1.....		04/08/2015	Credit Suisse 1stBstn.....		252,884	245,000	244,998		.0			.0		244,998		.7,886	.7,886	.557	04/01/2025	1FE
40428H-PJ-5...	HSBC USA INC NEW SR NT 2.625%18 2.625%.....		05/07/2015	Keybank.....		1,025,170	1,000,000	1,034,870		(.2,672)			(.2,672)		1,032,198		(.7,028)	(.7,028)	16,625	09/24/2018	1FE
459200-HZ-7...	INTL BUSINESS MACHINES CORP SR NT 1.125%.....		05/07/2015	Wells Fargo Securities.....		498,510	500,000	498,475		.131			.131		498,606		(.96)	(.96)	1,500	02/06/2018	1FE
460146-CG-6...	INTERNATIONAL PAPER CO. NT 4.75%22 4.7.....		06/12/2015	Redemption 111.5610.....		39,046	35,000	39,093		(.203)			(.203)		38,890		.157	.157	1,372	02/15/2022	2FE
460690-BL-3...	INTERPUBLIC GROUP OF COMPANIES SR NT 4.2.....		06/22/2015	Various.....		649,871	613,000	647,463		(.762)			(.762)		646,701		3,170	3,170	13,317	04/15/2024	2FE
46625H-JX-9...	JP MORGAN CHASE & CO SR GLBL NT 24 3.6.....		05/12/2015	Nomura Securities Inc.....		709,562	700,000	731,480		(.819)			(.819)		730,661		(21,099)	(.21,099)	12,828	05/13/2024	1FE
49327W-2G-8...	KEYBANK NATIONAL ASSOCIATION 0 2.25% BDS.....		06/05/2015	First Tennessee Bank.....		616,531	625,000	624,038		.59			.59		624,097		(.7,565)	(.7,565)	4,609	03/16/2020	1FE
59156R-BM-9...	METLIFE INC COM ISIN US59156R1 SR NT 3%2.....		04/24/2015	Mizuho.....		216,236	215,000	213,770		.16			.16		213,786		2,450	2,450	.968	03/01/2025	1FE
652482-CB-4...	NEWS AMER INC SR GLBL NT4.5%21 4.500%.....		04/06/2015	Tax Free Exchange.....		221,040	200,000	221,528		(.488)			(.488)		221,040			.0	4,500	02/15/2021	2FE

SCHEDULE D - PART 4

[illegible]

E05.1

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 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter							
1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
NONE							
8699999 Total Cash Equivalents					0	0	0