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QUARTERLY STATEMENT

As of March 31, 2010

of the Condition and Affairs of the

Appalachian Insurance Company

NAIC Group Code.....65, 65 (Current Period) (Prior Period) NAIC Company Code..... 10316 Employer's ID Number..... 05-0284861

Organized under the Laws of Rhode Island State of Domicile or Port of Entry Rhode Island Country of Domicile US

Incorporated/Organized..... April 14, 1941 Commenced Business..... January 1, 1942

Statutory Home Office	270 Central Avenue….. Johnston ..... RI ..... 02919-4949 *(Street and Number) (City or Town, State and Zip Code)*	
Main Administrative Office	270 Central Avenue….. Johnston ..... RI ..... 02919-4949 *(Street and Number) (City or Town, State and Zip Code)*	401-275-3000 *(Area Code) (Telephone Number)*
Mail Address	P.O. Box 7500….. Johnston ..... RI ..... 02919-0750 *(Street and Number or P. O. Box) (City or Town, State and Zip Code)*	
Primary Location of Books and Records	270 Central Avenue….. Johnston ..... RI ..... 02919-4949 *(Street and Number) (City or Town, State and Zip Code)*	401-275-3000 *(Area Code) (Telephone Number)*
Internet Web Site Address	www.fmglobal.com	
Statutory Statement Contact	Jeffrey Black *(Name)*	401-415-1559 *(Area Code) (Telephone Number) (Extension)*
	jeffrey.black@fmglobal.com *(E-Mail Address)*	401-946-8306 *(Fax Number)*

OFFICERS

Name	Title	Name	Title
1. Shivan Sivaswamy Subramaniam	President and CEO	2. John James Pomeroy	Secretary and Sr. Vice President
3. William Alfred Mekrut	Treasurer		

OTHER

Antonius Rudolfus Henricus Bosman	Vice Chairman	Jeffrey Alfred Burchill	Senior Vice President
Jonathan William Hall	Executive Vice President	Paul Edward LaFleche	Senior Vice President
Thomas Alan Lawson	Executive Vice President	Jeanne Ruth Lieb	Senior Vice President
John James Pomeroy	Senior Vice President	Enzo Rebula	Senior Vice President

DIRECTORS OR TRUSTEES

Antonius Rudolfus Henricus Bosman	Walter Joseph Galvin	Mary Lynch Howell	John Anderson Luke, Jr.
Gracia Catherine Martore	Robert Joseph O'Toole	John Ross Paloian	David Pulman
Edward Joseph Rapp	Elisabeth Struckell	Shivan Sivaswamy Subramaniam	James Conrad Thyen
Alfred Joseph Verrecchia			

State of Rhode Island
County of Providence

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

(Signature)	(Signature)	(Signature)
Shivan Sivaswamy Subramaniam	John James Pomeroy	Theresa Ann Molloy
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President and CEO	Secretary and Sr. Vice President	VP Controller
(Title)	(Title)	(Title)

Subscribed and sworn to before me
This 3 rd day of May, 2010

John A. Soares III Notary Public
Expires July 5, 2013

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

ASSETS

	Current Statement Date 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 December 31 Prior Year Net Admitted Assets
1. Bonds	171,013,232		171,013,232	185,324,441
2. Stocks:				
2.1 Preferred stocks	2,500,000		2,500,000	2,500,000
2.2 Common stocks			0	
3. Mortgage loans on real estate:				
3.1 First liens			0	
3.2 Other than first liens			0	
4. Real estate:				
4.1 Properties occupied by the company (less $.....0 encumbrances)			0	
4.2 Properties held for the production of income (less $.....0 encumbrances)			0	
4.3 Properties held for sale (less $.....0 encumbrances)			0	
5. Cash ($.....16,076,047), cash equivalents ($.....0) and short-term investments ($.....0)	16,076,047		16,076,047	4,242,918
6. Contract loans (including $.....0 premium notes)			0	
7. Derivatives			0	
8. Other invested assets			0	
9. Receivables for securities	5,939,639		5,939,639	
10 Aggregate write-ins for invested assets	0	0	0	0
11. Subtotals, cash and invested assets (Lines 1 to 10)	195,528,918	0	195,528,918	192,067,359
12. Title plants less $.....0 charged off (for Title insurers only)			0	
13. Investment income due and accrued	1,913,399		1,913,399	2,198,516
14. Premiums and considerations:				
14.1 Uncollected premiums and agents' balances in the course of collection	14,486,239		14,486,239	15,995,636
14.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $.....0 earned but unbilled premiums)			0	
14.3 Accrued retrospective premiums			0	
15. Reinsurance:				
15.1 Amounts recoverable from reinsurers	6,760,551		6,760,551	11,275,148
15.2 Funds held by or deposited with reinsured companies			0	
15.3 Other amounts receivable under reinsurance contracts			0	
16. Amounts receivable relating to uninsured plans			0	
17.1 Current federal and foreign income tax recoverable and interest thereon			0	
17.2 Net deferred tax asset	308,000		308,000	296,000
18. Guaranty funds receivable or on deposit	30		30	30
19. Electronic data processing equipment and software			0	
20. Furniture and equipment, including health care delivery assets ($.....0)			0	
21. Net adjustment in assets and liabilities due to foreign exchange rates			0	
22. Receivables from parent, subsidiaries and affiliates			0	
23. Health care ($.....0) and other amounts receivable			0	
24. Aggregate write-ins for other than invested assets	15,460	0	15,460	15,875
25. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 11 through 24)	219,012,597	0	219,012,597	221,848,563
26. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	
27. Total (Lines 25 and 26)	219,012,597	0	219,012,597	221,848,563

DETAILS OF WRITE-INS

1001 Loss Clearing			0	
1002 Miscellaneous Receivable			0	
1003.			0	
1098. Summary of remaining write-ins for Line 10 from overflow page	0	0	0	0
1099. Totals (Lines 1001 thru 1003 plus 1098) (Line 10 above)	0	0	0	0
2401. Loss Clearing	15,061		15,061	15,476
2402. Miscellaneous Recievable	399		399	399
2403.			0	
2498. Summary of remaining write-ins for Line 24 from overflow page	0	0	0	0
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above)	15,460	0	15,460	15,875

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Statement Date	2 December 31 Prior Year
1.	Losses (current accident year $.....0)	25,020,896	25,163,592
2.	Reinsurance payable on paid losses and loss adjustment expenses	6,506,072	23,087,961
3.	Loss adjustment expenses	12,214,359	12,460,261
4.	Commissions payable, contingent commissions and other similar charges		
5.	Other expenses (excluding taxes, licenses and fees)		
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)	309,809	16,062
7.1	Current federal and foreign income taxes (including $.....86,000 on realized capital gains (losses))	13,911,407	11,559,407
7.2	Net deferred tax liability		
8.	Borrowed money $.....0 and interest thereon $.....0		
9.	Unearned premiums (after deducting unearned premiums for ceded reinsurance of $.....13,173,036 and including warranty reserves of $.....0)	247,000	931
10.	Advance premium		
11.	Dividends declared and unpaid:		
	11.1 Stockholders		
	11.2 Policyholders		
12.	Ceded reinsurance premiums payable (net of ceding commissions)	121,018	119,679
13.	Funds held by company under reinsurance treaties		
14.	Amounts withheld or retained by company for account of others	270	
15.	Remittances and items not allocated		
16.	Provision for reinsurance	2,056,457	2,056,457
17.	Net adjustments in assets and liabilities due to foreign exchange rates		
18.	Drafts outstanding		
19.	Payable to parent, subsidiaries and affiliates	10,361,479	3,475,341
20.	Derivatives		
21.	Payable for securities		
22.	Liability for amounts held under uninsured plans		
23.	Capital notes $.....0 and interest thereon $.....0		
24.	Aggregate write-ins for liabilities	9,584	0
25.	Total liabilities excluding protected cell liabilities (Lines 1 through 24)	70,758,351	77,939,690
26.	Protected cell liabilities		
27.	Total liabilities (Lines 25 and 26)	70,758,351	77,939,690
28.	Aggregate write-ins for special surplus funds	0	0
29.	Common capital stock	3,525,000	3,525,000
30.	Preferred capital stock		
31.	Aggregate write-ins for other than special surplus funds	0	0
32.	Surplus notes		
33.	Gross paid in and contributed surplus	7,577,528	7,577,528
34.	Unassigned funds (surplus)	137,151,718	132,806,345
35.	Less treasury stock, at cost:		
	35.1 .....0.000 shares common (value included in Line 29 $.....0)		
	35.2 .....0.000 shares preferred (value included in Line 30 $.....0)		
36.	Surplus as regards policyholders (Lines 28 to 34, less 35)	148,254,246	143,908,873
37.	Totals	219,012,597	221,848,563

DETAILS OF WRITE-INS

2401.	Misc. Accounts Payable	9,584	
2402.			
2403.			
2498.	Summary of remaining write-ins for Line 24 from overflow page	0	0
2499.	Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above)	9,584	0
2801.			
2802.			
2803.			
2898.	Summary of remaining write-ins for Line 28 from overflow page	0	0
2899.	Totals (Lines 2801 thru 2803 plus 2898) (Line 28 above)	0	0
3101.			
3102.			
3103.			
3198.	Summary of remaining write-ins for Line 31 from overflow page	0	0
3199.	Totals (Lines 3101 thru 3103 plus 3198) (Line 31 above)	0	0

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written $.....17,747,513)	4,378,107	4,566,959	18,490,493
1.2 Assumed (written $.....14,486,239)	14,486,239	14,554,830	60,170,754
1.3 Ceded (written $.....17,432,203)	4,308,865	4,494,304	18,156,566
1.4 Net (written $.....14,801,549)	14,555,480	14,627,485	60,504,682
DEDUCTIONS:			
2. Losses incurred (current accident year $.....5,953,144):			
2.1 Direct	953,467	25,000	(52,319,847)
2.2 Assumed	5,953,144	5,435,036	38,637,223
2.3 Ceded	343,862	(32,209)	(36,571,882)
2.4 Net	6,562,749	5,492,245	22,889,259
3. Loss adjustment expenses incurred	591,120	383,719	2,452,881
4. Other underwriting expenses incurred	3,013,790	2,970,356	15,296,936
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	10,167,660	8,846,320	40,639,076
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	4,387,820	5,781,165	19,865,606
INVESTMENT INCOME			
9. Net investment income earned	2,050,975	1,870,361	11,475,467
10. Net realized capital gains (losses) less capital gains tax of $.....86,000	160,114	1,465,343	1,739,454
11. Net investment gain (loss) (Lines 9 + 10)	2,211,089	3,335,704	13,214,921
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered $.....521 amount charged off $.....0)	521		
13. Finance and service charges not included in premiums			
14. Aggregate write-ins for miscellaneous income	(58)	113	1,861
15. Total other income (Lines 12 through 14)	463	113	1,861
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	6,599,373	9,116,982	33,082,388
17. Dividends to policyholders			
18. Net income after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	6,599,373	9,116,982	33,082,388
19. Federal and foreign income taxes incurred	2,266,000	2,643,000	10,437,000
20. Net income (Line 18 minus Line 19) (to Line 22)	4,333,373	6,473,982	22,645,388
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	143,908,873	122,111,451	122,111,451
22. Net income (from Line 20)	4,333,373	6,473,982	22,645,388
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of $.....0		(201,894)	
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax	12,000	(35,000)	(473,000)
27. Change in nonadmitted assets		11,000	422,000
28. Change in provision for reinsurance	(0)	(0)	(796,965)
29. Change in surplus notes			
30. Surplus (contributed to) withdrawn from protected cells			
31. Cumulative effect of changes in accounting principles			
32. Capital changes:			
32.1 Paid in			
32.2 Transferred from surplus (Stock Dividend)			
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in			
33.2 Transferred to capital (Stock Dividend)			
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders			
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37)	4,345,373	6,248,088	21,797,423
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	148,254,246	128,359,539	143,908,873

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 thru 0503 plus 0598) (Line 5 above)	0	0	0
1401. Miscellaneous balances (charged off) / recovered	(58)	113	1,861
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	(58)	113	1,861
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above)	0	0	0

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	16,312,285	13,648,107	57,826,009
2. Net investment income	2,416,847	2,202,138	11,299,708
3. Miscellaneous income	463	113	1,861
4. Total (Lines 1 through 3)	18,729,596	15,850,358	69,127,578
5. Benefit and loss related payments	18,772,323	4,268,354	25,946,563
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	3,557,066	3,456,528	12,905,940
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of $.....0 tax on capital gains (losses)			2,565,234
10. Total (Lines 5 through 9)	22,329,389	7,724,882	41,417,736
11. Net cash from operations (Line 4 minus Line 10)	(3,599,793)	8,125,476	27,709,841
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	20,298,761	28,867,003	43,330,331
12.2 Stocks			
12.3 Mortgage loans			
12.4 Real estate			
12.5 Other invested assets			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments			
12.7 Miscellaneous proceeds		46,375	
12.8 Total investment proceeds (Lines 12.1 to 12.7)	20,298,761	28,913,378	43,330,331
13. Cost of investments acquired (long-term only):			
13.1 Bonds	5,822,193	25,115,148	75,843,403
13.2 Stocks			
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets			
13.6 Miscellaneous applications	5,939,639		
13.7 Total investments acquired (Lines 13.1 to 13.6)	11,761,832	25,115,148	75,843,403
14. Net increase (decrease) in contract loans and premium notes			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	8,536,929	3,798,230	(32,513,072)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes			
16.2 Capital and paid in surplus, less treasury stock			
16.3 Borrowed funds			
16.4 Net deposits on deposit-type contracts and other insurance liabilities			
16.5 Dividends to stockholders			
16.6 Other cash provided (applied)	6,895,993	(16,137,251)	1,270,992
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	6,895,993	(16,137,251)	1,270,992
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	11,833,129	(4,213,545)	(3,532,238)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	4,242,918	7,775,156	7,775,156
19.2 End of period (Line 18 plus Line 19.1)	16,076,047	3,561,611	4,242,918

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

20.0001			

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

A. Accounting Practices (required NAIC disclosure regardless of whether there is any significant change)

The annual statement of Factory Mutual Insurance Company ("Company") has been completed in accordance with the NAIC Accounting Practices and Procedures manual and the state laws of Rhode Island.

B. Use of Estimates

No significant changes.

C. Accounting Policies

No significant changes.

Note 2 - Accounting Changes and Corrections of Errors

No significant change.

Note 3 - Business Combinations and Goodwill

No significant change.

Note 4 - Discontinued Operations

No significant change.

Note 5 - Investments

A. Mortgage Loans

No significant change.

B. Troubled Debt Restructuring for Creditors

No significant change.

C. Reverse Mortgages

No significant change.

D. Loan-Backed Securities (required NAIC disclosure regardless of whether there is any significant change)

Not applicable.

E. Repurchase Agreements and/or Securities Lending Transactions

No significant change.

F. Real Estate

No significant change.

G. Investments in low -income housing tax credits

No significant change.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

No significant change.

Note 7 - Investment Income

No significant change.

Note 8 - Derivative Instruments

No significant change.

Note 9 - Income Taxes

No significant change.

NOTES TO FINANCIAL STATEMENTS

Note 10 - Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

No significant change.

Note 11 - Debt

No significant change.

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

No significant change.

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

No significant change.

Note 14 - Contingencies

No significant change.

Note 15 - Leases

No significant change.

Note 16 - Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

No significant change.

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

A. Transfers of receivables reported as sales

No significant change

B. Transfer and servicing of financial assets

No significant change.

C. Wash Sales (required NAIC disclosure regardless of whether there is any significant change)

Not Applicable

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

No significant change.

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

No significant change.

Note 20 - Other Items

No significant change.

Note 21 - Events Subsequent

No significant change.

Note 22 - Reinsurance

No significant change.

NOTES TO FINANCIAL STATEMENTS

Note 23 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

No significant change.

Note 24 - Change in Incurred Losses and Loss Adjustment Expenses

No significant change.

Note 25 - Intercompany Pooling Arrangements

No significant change.

Note 26 - Structured Settlements

No significant change.

Note 27 - Health Care Receivables

No significant change.

Note 28 - Participating Policies

No significant change.

Note 29 - Premium Deficiency Reserves

No significant change.

Note 30 - High Deductibles

No significant change.

Note 31 - Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

No significant change.

Note 32 - Asbestos/Environmental Reserves

No significant change.

Note 33 - Subscriber Savings Accounts

No significant change.

Note 34 - Multiple Peril Crop Insurance

No significant change.

Note 35 - Financial Guaranty Insurance

A. No significant change.

B. Schedule of Insured Financial Obligations (required NAIC disclosure regardless of whether there is any significant change)

Not Applicable

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

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

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

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

2.2 If yes, date of change: .....

3. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [ ] No [X]
If yes, complete the Schedule Y-Part 1 - Organizational chart.

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

4.2 If yes, provide 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 [X] N/A [ ]
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. 12/31/2008.....

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. 12/31/2004.....

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). 4/28/2006.....

6.4 By what department or departments?
Rhode Island Division 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 [X] No [ ] N/A [ ]

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

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

7.2 If yes, give full information:

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

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

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

8.4 If the 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 Office of Thrift Supervision (OTS), 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 OTS	6 FDIC	7 SEC

9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No [ ]
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

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]

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

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

FINANCIAL

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

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

INVESTMENT

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

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 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	$ 0	$ 0
14.22 Preferred Stock	$ 2,500,000	$ 2,500,000
14.23 Common Stock	$ 0	$ 0
14.24 Short-Term Investments	$ 0	$ 0
14.25 Mortgage Loans on Real Estate	$ 0	$ 0
14.26 All Other	$ 0	$ 0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	$ 2,500,000	$ 2,500,000
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	$ 0	$ 0

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.

16. 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 3, III. Conducting Examinations, F-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No [ ]

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

1 Name of Custodian(s)	2 Custodian Address
JP Morgan Worldwide Securities Services	1 Chase Manhattan Plaza New York, NY 10005-1489

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

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

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? Yes [ ] No [X]

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

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

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

1 Central Registration Depository	2 Name(s)	3 Address

17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes [X] No [ ]

17.2 If no, list exceptions:

GENERAL INTERROGATORIES (continued)

PART 2

PROPERTY & CASUALTY INTERROGATORIES

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

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

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

3.2 If yes, give full and complete information thereto:

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

4.2 If yes, complete the following schedule:

1	2	3	Total Discount				Discount Taken During Period			
			4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Disc. Rate	Unpaid Losses	Unpaid LAE	IBNR	Total	Unpaid Losses	Unpaid LAE	IBNR	Total
						0				0
Total	XXX	XXX	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. 0

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

6.4 If yes, please provide the amount of funds administered as of the reporting date. 0

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Name of Reinsurer	4 Location	5 Is Insurer Authorized? (YES or NO)
All Other Insurers				
	AA-1460025	BALOISE INSURANCE CO LTD	BASLE, SWITZERLAND	NO
	AA-1120106	MARLBOROUGH UN DERWRITING AGENCY LTD	LONDON,ENGLAND	NO
	AA--1120097	MARKETFORM MANAGING AGENCY LIMITED	LONDON, ENGLAND	NO
		SANDVIK FORSAKRINGS AB	SWEDEN	NO

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

		1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
	States, Etc.	Active Status	2 Current Year to Date	3 Prior Year to Date	4 Current Year to Date	5 Prior Year to Date	6 Current Year to Date	7 Prior Year to Date
1.	Alabama AL	E	600,065	559,547				
2.	Alaska AK	E						
3.	Arizona AZ	E	846,132	806,533				
4.	Arkansas AR	E	690	690				
5.	California CA	E	2,765,863	2,981,482	53,939	76,950	1,727,985	1,760,719
6.	Colorado CO	E	296,911	340,578				
7.	Connecticut CT	E					12,136,717	16,350,990
8.	Delaware DE	E	22,904	18,329				
9.	District of Columbia DC	E					45,055	45
10.	Florida FL	E	5,455,253	6,053,278			15,621	354,506
11.	Georgia GA	E	585,395	645,528			98	53
12.	Hawaii HI	E						
13.	Idaho ID	E						
14.	Illinois IL	E	1,838	1,814			16,419	621
15.	Indiana IN	E	95,167	96,816				
16.	Iowa IA	E	26,115	24,431				
17.	Kansas KS	E						
18.	Kentucky KY	E	844,117	804,624				
19.	Louisiana LA	E	26,777	33,772			9,006	204,387
20.	Maine ME	E						
21.	Maryland MD	E	74,122	84,051				
22.	Massachusetts MA	E	6,343	6,278			0	4
23.	Michigan MI	E	56	56				
24.	Minnesota MN	E						
25.	Mississippi MS	E		294			19	29
26.	Missouri MO	E	19,885	36,181			98	253
27.	Montana MT	E						
28.	Nebraska NE	E	34,807	49,689				
29.	Nevada NV	E	389,524	397,359				
30.	New Hampshire NH	E						
31.	New Jersey NJ	E	523	494				
32.	New Mexico NM	E	101,099	141,532				
33.	New York NY	E	28,120	36,306			36,423,702	64,242,980
34.	North Carolina NC	E	324,065	356,531				
35.	North Dakota ND	E						
36.	Ohio OH	E	436,146	492,543				
37.	Oklahoma OK	E	95,596	20,410				
38.	Oregon OR	E	68,742	47,428				
39.	Pennsylvania PA	E	488,833	490,798	514,812	2,422,179	3,089,977	31,545,160
40.	Rhode Island RI	L					1,269	1,925
41.	South Carolina SC	E	175,211	199,134			7	164
42.	South Dakota SD	E						
43.	Tennessee TN	E	473,489	511,442				
44.	Texas TX	E	3,254,100	3,032,026		1,649,951	10,905	5,989
45.	Utah UT	E	1,253	36,801				
46.	Vermont VT	E						
47.	Virginia VA	E						
48.	Washington WA	E	204,204	157,512			7	63,090
49.	West Virginia WV	E	4,168	3,713			1,000	1,000
50.	Wisconsin WI	E			953,467			
51.	Wyoming WY	E		12,326				
52.	American Samoa AS	N						
53.	Guam GU	E						
54.	Puerto Rico PR	E						
55.	US Virgin Islands VI	E						
56.	Northern Mariana Islands MP	N						
57.	Canada CN	E						
58.	Aggregate Other Alien OT	XXX	0	0	0	0	0	0
59.	Totals	(a) 1	17,747,513	18,480,326	1,522,218	4,149,080	53,477,884	114,531,915

DETAILS OF WRITE-INS

5801.		XXX						
5802.		XXX						
5803.		XXX						
5898.	Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0
5899.	Totals (Lines 5801 thru 5803 + Line 5898) (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

NOT REQUIRED FOR QUARTERLY FILING

PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date 1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	4 Prior Year to Date Direct Loss Percentage
1. Fire	639,401		0.0	
2. Allied lines	943,465		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	739,407		0.0	
9. Inland marine	2,055,834		0.0	1.2
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			0.0	
19.3, 19.4 Commercial auto liability			0.0	
21. Auto physical damage			0.0	
22. Aircraft (all perils)			0.0	
23. Fidelity			0.0	
24. Surety			0.0	
26. Burglary and theft			0.0	
27. Boiler and machinery		953,467	0.0	
28. Credit			0.0	
29. International			0.0	
30. Warranty			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	
35. Totals	4,378,107	953,467	21.8	0.5
DETAILS OF WRITE-INS				
3401.			0.0	
3402.			0.0	
3403.			0.0	
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	XXX
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34)	0	0	0.0	

PART 2 - DIRECT PREMIUMS WRITTEN

Lines of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire	2,592,283	2,592,283	2,668,392
2. Allied lines	3,824,175	3,824,175	4,013,008
3. Farmowners multiple peril			
4. Homeowners multiple peril			
5. Commercial multiple peril			
6. Mortgage guaranty			
8. Ocean marine	2,997,329	2,997,329	3,121,092
9. Inland marine	8,333,726	8,333,726	8,677,834
10. Financial guaranty			
11.1 Medical professional liability - occurrence			
11.2 Medical professional liability - claims made			
12. Earthquake			
13. Group accident and health			
14. Credit accident and health			
15. Other accident and health			
16. Workers' compensation			
17.1 Other liability-occurrence			
17.2 Other liability-claims made			
17.3 Excess workers' compensation			
18.1 Products liability-occurrence			
18.2 Products liability-claims made			
19.1 19.2 Private passenger auto liability			
19.3 19.4 Commercial auto liability			
21. Auto physical damage			
22. Aircraft (all perils)			
23. Fidelity			
24. Surety			
26. Burglary and theft			
27. Boiler and machinery			
28. Credit			
29. International			
30. Warranty			
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	17,747,513	17,747,513	18,480,326
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 thru 3403 plus 3498) (Line 34)	0	0	0

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

Years in Which Losses Occurred	1 Prior Year-End Known Case Loss and LAE Reserves	2 Prior Year-End IBNR Loss and LAE Reserves	3 Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	4 2010 Loss and LAE Payments on Claims Reported as of Prior Year-End	5 2010 Loss and LAE Payments on Claims Unreported as of Prior Year-End	6 Total 2010 Loss and LAE Payments (Cols. 4 + 5)	7 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	8 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	9 Q.S. Date IBNR Loss and LAE Reserves	10 Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	11 Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1)	12 Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	13 Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2007 + Prior	11,447	26,177	37,624	389	1	389	8,055		29,181	37,235	(3,004)	3,004	0
2. 2008			0			0				0	0	0	0
3. Subtotals 2008 + Prior	11,447	26,177	37,624	389	1	389	8,055	0	29,181	37,235	(3,004)	3,004	0
4. 2009			0			0				0	0	0	0
5. Subtotals 2009 + Prior	11,447	26,177	37,624	389	1	389	8,055	0	29,181	37,235	(3,004)	3,004	0
6. 2010	XXX	XXX	XXX	XXX	7,154	7,154	XXX			0	XXX	XXX	XXX
7. Totals	11,447	26,177	37,624	389	7,154	7,543	8,055	0	29,181	37,235	(3,004)	3,004	0
8. Prior Year-End's Surplus As Regards Policyholders	143,909										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. (26.2)%	2. 11.5 %	3. 0.0 %
													Col. 13, Line 7 Line 8
													4. 0.0 %

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

Explanation:

1.
2.
3.

Bar Code:

Overflow Page for Write-Ins

Additional Write-ins for Liabilities:

	1 Current Statement Date	2 December 31, Prior Year
2804.		
2805.		
2897. Summary of remaining write-ins for Line 28	0	0

Additional Write-ins for Liabilities:

	1 Current Statement Date	2 December 31, Prior Year
3104.		
3105.		
3197. Summary of remaining write-ins for Line 31	0	0

SCHEDULE A - VERIFICATION

Real Estate

NONE

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

SCHEDULE B - VERIFICATION

Mortgage Loans

NONE

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

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

NONE

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

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	187,824,441	152,744,374
2. Cost of bonds and stocks acquired	5,822,193	75,843,403
3. Accrual of discount	87,367	532,346
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals	246,114	2,676,454
6. Deduct consideration for bonds and stocks disposed of	20,298,761	43,330,331
7. Deduct amortization of premium	168,123	641,805
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	173,513,232	187,824,441
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	173,513,232	187,824,441

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity

During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	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. Class 1 (a)	158,166,318	5,822,193	17,267,327	(58,337)	146,662,847			158,166,318
2. Class 2 (a)	26,168,144		2,785,319	(23,488)	23,359,337			26,168,144
3. Class 3 (a)	989,979			1,069	991,048			989,979
4. Class 4 (a)								
5. Class 5 (a)								
6. Class 6 (a)								
7. Total Bonds	185,324,441	5,822,193	20,052,646	(80,756)	171,013,232	0	0	185,324,441
PREFERRED STOCK								
8. Class 1	2,500,000				2,500,000			2,500,000
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock	2,500,000	0	0	0	2,500,000	0	0	2,500,000
15. Total Bonds and Preferred Stock	187,824,441	5,822,193	20,052,646	(80,756)	173,513,232	0	0	187,824,441

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation:
NAIC 1 $.....0; NAIC 2 $.....0; NAIC 3 $.....0; NAIC 4 $.....0; NAIC 5 $.....0; NAIC 6 $.....0.

Sch. DA-Pt 1
NONE

Sch. DA-Verification
NONE

Sch. DB-Pt A-Verification
NONE

Sch. DB-Pt B-Verification
NONE

Sch. DB-Pt C-Sn 1
NONE

Sch. DB-Pt C-Sn 2
NONE

Sch. DB-Verification
NONE

Sch. E-Verification
NONE

Sch. A-Pt 2
NONE

Sch. A-Pt 3
NONE

Sch. B-Pt 2
NONE

Sch. B-Pt 3
NONE

Sch. BA-Pt 2
NONE

Sch. BA-Pt 3
NONE

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
Bonds - U.S. Government									
912828 ME 7	UNITED STATES TREAS NTS		02/08/2010	BARCLAYS US FUND		5,822,193	5,710,000	16,562	1
0399999.	Total - Bonds - U.S. Government					5,822,193	5,710,000	16,562	XXX
8399997.	Total - Bonds - Part 3					5,822,193	5,710,000	16,562	XXX
8399999.	Total - Bonds					5,822,193	5,710,000	16,562	XXX
9999999.	Total - Bonds, Preferred and Common Stocks					5,822,193	XXX	16,562	XXX

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

SCHEDULE D - PART 4

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

1	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	Foreign	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	Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Government																					
36200Q 2T 0	GNMA PASS-THRU		03/01/2010	MORTGAGE PAYDOWN		2,129	2,129	2,175	2,129				0		2,129			0	15	02/01/2032	1
912828 DL 1	U S TREASURY		03/10/2010	VARIOUS		11,620,000	11,620,000	11,084,164	11,601,063		18,937		18,937		11,620,000			0	199,675	02/15/2010	1
0399999.	Total - Bonds - U.S. Government					11,622,129	11,622,129	11,086,339	11,603,192	0	18,937	0	18,937	0	11,622,129	0	0	0	199,690	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment																					
3128K6 VR 8	FHLMC		03/01/2010	MORTGAGE PAYDOWN		475,107	475,107	455,435	474,544		563		563		475,107			0	4,221	07/01/2035	1
31294K M4 4	FHLMC		03/01/2010	MORTGAGE PAYDOWN		53,990	53,990	56,023	54,029		(39)		(39)		53,990			0	497	01/01/2018	1
31296S M5 2	FHLMC		03/01/2010	MORTGAGE PAYDOWN		221,177	221,177	229,126	221,342		(165)		(165)		221,177			0	2,405	01/01/2034	1
31297P WK 3	FHLMC		03/01/2010	MORTGAGE PAYDOWN		2,600	2,600	2,704	2,600				0		2,600			0	28	04/01/2035	1
31297T WF 6	FHLMC		03/01/2010	MORTGAGE PAYDOWN		182,747	182,747	174,723	182,664		83		83		182,747			0	2,041	09/01/2035	1
31298N UG 8	FHLMC		03/01/2010	MORTGAGE PAYDOWN		8,074	8,074	8,329	8,075		(1)		(1)		8,074			0	52	05/01/2031	1
31383V S6 1	FEDERAL NATL MG		02/01/2010	MORTGAGE PAYDOWN		1,659	1,659	1,623	1,659				0		1,659			0	18	10/01/2014	1
31389K WT 4	FNMA PASS-THRU		02/01/2010	MORTGAGE PAYDOWN		24,735	24,633	21,528	20,358		4,450		4,450		24,808		(72)	(72)	164	02/01/2017	1
31411A JG 1	FEDERAL NATL MG		02/01/2010	MORTGAGE PAYDOWN		127,732	127,732	128,560	127,737		(6)		(6)		127,732			0	1,512	11/01/2036	1
3199999.	Total - Bonds - U.S. Special Revenue & Assessment					1,097,821	1,097,719	1,078,051	1,093,008	0	4,885	0	4,885	0	1,097,894	0	(72)	(72)	10,938	XXX	XXX
Bonds - Industrial and Miscellaneous																					
22541L AB 9	CREDIT SUISSE FIRST BOSTON		03/23/2010	CS FIRST		3,224,700	3,000,000	3,243,750	3,068,772		(8,345)		(8,345)		3,060,427		164,273	164,273	66,865	11/15/2011	1FE
25156P AB 9	DEUTSCHE TELEKOM INTL FIN		02/08/2010	MESEROW		2,819,768	2,750,000	3,331,078	2,796,712		(11,393)		(11,393)		2,785,319		34,448	34,448	36,361	06/15/2010	2FE
260003 AD 0	DOVER CORP		03/18/2010	MESEROW		1,525,879	1,450,000	1,664,600	1,485,485		(7,071)		(7,071)		1,478,413		47,465	47,465	57,074	02/15/2011	1FE
361856 DA 2	GMAC MORTGAGE COPRORATION LOA CMO		12/28/2009	MORTGAGE PAYDOWN		8,464	8,464	6,180	6,241		2,223		2,223		8,464			0	30	10/25/2033	1FE
3899999.	Total - Bonds - Industrial & Miscellaneous					7,578,811	7,208,464	8,245,608	7,357,210	0	(24,586)	0	(24,586)	0	7,332,623	0	246,186	246,186	160,330	XXX	XXX
8399997.	Total - Bonds - Part 4					20,298,761	19,928,312	20,409,998	20,053,410	0	(764)	0	(764)	0	20,052,646	0	246,114	246,114	370,958	XXX	XXX
8399999.	Total - Bonds					20,298,761	19,928,312	20,409,998	20,053,410	0	(764)	0	(764)	0	20,052,646	0	246,114	246,114	370,958	XXX	XXX
9999999.	Total - Bonds, Preferred and Common Stocks					20,298,761	XXX	20,409,998	20,053,410	0	(764)	0	(764)	0	20,052,646	0	246,114	246,114	370,958	XXX	XXX

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

Sch. DB-Pt A-Sn 1
NONE

Sch. DB-Pt A-Sn 1
NONE

Sch. DB-Pt B-Sn 1
NONE

Sch. DB-Pt B-Sn 1
NONE

Sch. DB-Pt B-Sn 1B
NONE

Sch. DB-Pt D
NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1	2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
					6	7	8	
Depository	Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
Open Depositories								
JP MORGAN/CHASE NEW YORK, NY		VARIOUS	1,318		4,939,017	10,907,769	16,232,225	XXX
0199998. Deposits in 2 depositories that do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories	XXX	XXX			(30,073)	(75,934)	(156,178)	XXX
0199999. Total Open Depositories	XXX	XXX	1,318	0	4,908,944	10,831,835	16,076,047	XXX
0399999. Total Cash on Deposit	XXX	XXX	1,318	0	4,908,944	10,831,835	16,076,047	XXX
0599999. Total Cash	XXX	XXX	1,318	0	4,908,944	10,831,835	16,076,047	XXX

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