ANNUAL STATEMENT

OF THE

THE OHIO CASUALTY INSURANCE COMPANY

of FAIRFIELD

in the state of OHIO

TO THE

Insurance Department

OF THE

FOR THE YEAR ENDED

December 31, 2009

PROPERTY AND CASUALTY

2009

24074200920100100

ANNUAL STATEMENT

For the Year Ended December 31, 2009

OF THE CONDITION AND AFFAIRS OF THE

The Ohio Casualty Insurance Company

NAIC Group Code 0111 (Current Period) 0111 (Prior Period) **NAIC Company Code** 24074 **Employer's ID Number** 31-0396250

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

Country of Domicile United States of America

Incorporated/Organized: November 6, 1919 **Commenced Business:** March 1, 1920

Statutory Home Office: 9450 Seward Road (Street and Number), Fairfield, OH 45014 (City or Town, State and Zip Code)

Main Administrative Office: 9450 Seward Road (Street and Number)

Fairfield, OH 45014 (City or Town, State and Zip Code) 513-603-2400 (Area Code) (Telephone Number)

Mail Address: 175 Berkeley Street (Street and Number or P.O. Box), Boston, MA 02116 (City or Town, State and Zip Code)

Primary Location of Books and Records: 175 Berkeley Street (Street and Number) Boston, MA 02116 (City or Town, State and Zip Code) 617-357-9500 (Area Code) (Telephone Number)

Internet Web Site Address: www.LibertyMutualAgencyMarkets.com

Statutory Statement Contact: Joanne Connolly (Name) 617-357-9500 x44393 (Area Code) (Telephone Number) (Extension)

Statutory.Compliance@LibertyMutual.com (E-Mail Address) 617-574-5955 (Fax Number)

OFFICERS

Chairman of the Board

Gary Richard Gregg

	Name	Title
1.	Gary Richard Gregg	President and Chief Executive Officer
2.	Dexter Robert Legg	Secretary
3.	Michael Joseph Fallon	Treasurer and Chief Financial Officer

VICE-PRESIDENTS

Name	Title	Name	Title
Anthony Alexander Fontanes	EVP and Chief Investment Officer	Joseph Anthony Gilles	Executive Vice President
Scott Rhodes Goodby	EVP and Chief Operating Officer		

DIRECTORS OR TRUSTEES

Gary Richard Gregg	Michael Joseph Fallon	John Derek Doyle	Joseph Anthony Gilles
Scott Rhodes Goodby	Christopher Charles Mansfield		

State of Massachusetts

County of Suffolk 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.

(Signature)	(Signature)	(Signature)
Gary Richard Gregg	Dexter Robert Legg	Michael Joseph Fallon
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
President and Chief Executive Officer	Secretary	Treasurer and Chief Financial Officer
(Title)	(Title)	(Title)

Subscribed and sworn to (or affirmed) before me on this

1st day of February, 2010, by

a. Is this an original filing? [X] Yes [ ] No

b. If no: 1. State the amendment number

2. Date filed

3. Number of pages attached

ASSETS

	Current Year 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	Prior Year 4 Net Admitted Assets
1. Bonds (Schedule D)	3,530,250,767		3,530,250,767	3,220,070,491
2. Stocks (Schedule D):				
2.1 Preferred stocks	42,321,732		42,321,732	45,737,975
2.2 Common stocks	324,573,836		324,573,836	295,203,740
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	95,958,941		95,958,941	88,153,011
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less $ 0 encumbrances)	22,877,333		22,877,333	17,021,200
4.2 Properties held for the production of income (less $ 0 encumbrances)				
4.3 Properties held for sale (less $ 0 encumbrances)				
5. Cash ($ 134,266,576, Schedule E - Part 1), cash equivalents ($ 28,742,163, Schedule E - Part 2), and short-term investments ($ 141,278,031, Schedule DA)	304,286,770		304,286,770	357,035,851
6. Contract loans (including $ 0 premium notes)				
7. Other invested assets (Schedule BA)	3,503,635		3,503,635	1,396,864
8. Receivables for securities	3,524		3,524	232,181
9. Aggregate write-ins for invested assets				
10. Subtotals, cash and invested assets (Lines 1 to 9)	4,323,776,538		4,323,776,538	4,024,851,313
11. Title plants less $ 0 charged off (for Title insurers only)				
12. Investment income due and accrued	44,681,606		44,681,606	42,183,260
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	93,650,577	12,827,180	80,823,397	70,158,197
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $ (14,469,810) earned but unbilled premiums)	573,529,613	(356,119)	573,885,732	541,515,013
13.3 Accrued retrospective premiums	3,786,672	455,415	3,331,257	10,421,842
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers	14,200,483		14,200,483	28,352,760
14.2 Funds held by or deposited with reinsured companies				
14.3 Other amounts receivable under reinsurance contracts				
15. Amounts receivable relating to uninsured plans				
16.1 Current federal and foreign income tax recoverable and interest thereon				
16.2 Net deferred tax asset	209,625,270	38,713,870	170,911,400	108,846,497
17. Guaranty funds receivable or on deposit	3,776,800		3,776,800	2,691,806
18. Electronic data processing equipment and software	3,938,666	3,319,353	619,313	467,401
19. Furniture and equipment, including health care delivery assets ($ 0)	696,251	696,251		
20. Net adjustment in assets and liabilities due to foreign exchange rates				
21. Receivables from parent, subsidiaries and affiliates	41,834,825		41,834,825	4,732,376
22. Health care ($ 0) and other amounts receivable				
23. Aggregate write-ins for other than invested assets	24,415,594	5,052,814	19,362,780	36,051,099
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	5,337,912,895	60,708,764	5,277,204,131	4,870,271,564
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26. Total (Lines 24 and 25)	5,337,912,895	60,708,764	5,277,204,131	4,870,271,564

DETAILS OF WRITE-IN LINES				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 09 from overflow page				
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)				
2301. Cash Surrender Value Life Insurance	11,560,384		11,560,384	18,795,045
2302. Other assets	8,012,443	5,052,814	2,959,629	2,892,621
2303. Equities and deposits in pools and associations	4,842,767		4,842,767	14,363,433
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	24,415,594	5,052,814	19,362,780	36,051,099

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Year	2 Prior Year
1.	Losses (Part 2A, Line 35, Column 8)	1,917,660,827	2,009,472,054
2.	Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	123,630,282	105,085,154
3.	Loss adjustment expenses (Part 2A, Line 35, Column 9)	456,561,292	460,148,275
4.	Commissions payable, contingent commissions and other similar charges	54,340,596	54,691,354
5.	Other expenses (excluding taxes, licenses and fees)	64,934,634	67,654,392
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)	19,555,545	41,565,836
7.1	Current federal and foreign income taxes (including $ 0 on realized capital gains (losses))	54,849,695	84,195,704
7.2	Net deferred tax liability		
8.	Borrowed money $ 0 and interest thereon $ 0		
9.	Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of $ 205,483,696 and including warranty reserves of $ 0)	938,631,360	860,020,840
10.	Advance premium	6,681,252	5,612,436
11.	Dividends declared and unpaid:		
	11.1 Stockholders		
	11.2 Policyholders	1,731,955	1,220,753
12.	Ceded reinsurance premiums payable (net of ceding commissions)	24,425,143	28,699,698
13.	Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)		
14.	Amounts withheld or retained by company for account of others	(584,981)	3,815,632
15.	Remittances and items not allocated		
16.	Provision for reinsurance (Schedule F, Part 7)		
17.	Net adjustments in assets and liabilities due to foreign exchange rates		
18.	Drafts outstanding	67,032,896	12,330,372
19.	Payable to parent, subsidiaries and affiliates	19,041,613	21,090,954
20.	Payable for securities	31,054,690	
21.	Liability for amounts held under uninsured plans		
22.	Capital notes $ 0 and interest thereon $ 0		
23.	Aggregate write-ins for liabilities	161,485,646	79,263,074
24.	Total liabilities excluding protected cell liabilities (Lines 1 through 23)	3,941,032,445	3,834,866,528
25.	Protected cell liabilities		
26.	Total liabilities (Lines 24 and 25)	3,941,032,445	3,834,866,528
27.	Aggregate write-ins for special surplus funds	32,595,113	
28.	Common capital stock	4,500,000	4,500,000
29.	Preferred capital stock		
30.	Aggregate write-ins for other than special surplus funds		
31.	Surplus notes		
32.	Gross paid in and contributed surplus	502,278,647	502,278,647
33.	Unassigned funds (surplus)	796,797,926	528,626,389
34.	Less treasury stock, at cost:		
	34.1 0 shares common (value included in Line 28 $ 0)		
	34.2 0 shares preferred (value included in Line 29 $ 0)		
35.	Surplus as regards policyholders (Lines 27 to 33, less 34) (Page 4, Line 39)	1,336,171,686	1,035,405,036
36.	Totals (Page 2, Line 26, Col. 3)	5,277,204,131	4,870,271,564

	DETAILS OF WRITE-IN LINES		
2301.	Collateral held for securities loaned	104,210,522	17,784,720
2302.	Other liabilities	21,246,334	18,830,891
2303.	Retroactive reinsurance reserves	18,373,966	42,647,463
2398.	Summary of remaining write-ins for Line 23 from overflow page	17,654,824	
2399.	Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	161,485,646	79,263,074
2701.	SSAP 10R incremental change	28,528,164	
2702.	Special surplus from retroactive reinsurance	4,066,949	
2703.			
2798.	Summary of remaining write-ins for Line 27 from overflow page		
2799.	Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)	32,595,113	
3001.			
3002.			
3003.			
3098.	Summary of remaining write-ins for Line 30 from overflow page		
3099.	Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)		

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	2,137,212,088	2,033,633,437
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)	1,083,890,038	1,064,983,455
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	253,751,281	220,433,328
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	709,478,529	687,496,974
5. Aggregate write-ins for underwriting deductions	333,423	
6. Total underwriting deductions (Lines 2 through 5)	2,047,453,271	1,972,913,757
7. Net income of protected cells		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	89,758,817	60,719,680
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	182,531,918	226,578,479
10. Net realized capital gains (losses) less capital gains tax of $ (260,049) (Exhibit of Capital Gains (Losses))	(201,477)	(57,546,111)
11. Net investment gain (loss) (Lines 9 + 10)	182,330,441	169,032,368
OTHER INCOME		
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered $ 95,723 amount charged off $ 9,556,024)	(9,460,301)	(8,012,256)
13. Finance and service charges not included in premiums	18,221,295	8,981,992
14. Aggregate write-ins for miscellaneous income	(12,050,694)	(22,386,085)
15. Total other income (Lines 12 through 14)	(3,289,700)	(21,416,349)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	268,799,558	208,335,699
17. Dividends to policyholders	9,144,297	13,276,122
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)	259,655,261	195,059,577
19. Federal and foreign income taxes incurred	62,522,399	135,449,037
20. Net income (Line 18 minus Line 19) (to Line 22)	197,132,862	59,610,540
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	1,035,405,036	1,356,431,995
22. Net income (from Line 20)	197,132,862	59,610,540
23. Net transfers (to) from Protected Cell accounts		
24. Change in net unrealized capital gains or (losses) less capital gains tax of $ 9,861,031	31,959,245	(36,978,281)
25. Change in net unrealized foreign exchange capital gain (loss)		
26. Change in net deferred income tax	(57,877,699)	113,610,509
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 26, Col. 3)	98,213,317	(85,049,800)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)		1,864,715
29. Change in surplus notes		
30. Surplus (contributed to) withdrawn from protected cells		
31. Cumulative effect of changes in accounting principles	2,220,836	
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	(5,000,000)	(352,820,372)
36. Change in treasury stock (Page 3, Lines 34.1 and 34.2, Column 2 minus Column 1)		
37. Aggregate write-ins for gains and losses in surplus	34,118,089	(21,264,270)
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	300,766,650	(321,026,959)
39. Surplus as regards policyholders, as of December 31 current year (Lines 21 plus Line 38) (Page 3, Line 35)	1,336,171,686	1,035,405,036

DETAILS OF WRITE-IN LINES		
0501. Private Passenger Auto Escrow	333,423	
0502.		
0503.		
0598. Summary of remaining write-ins for Line 05 from overflow page		
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 05 above)	333,423	
1401. Retroactive reinsurance gain/(loss)	(275,540)	374,410
1402. Other income/(expenses)	(11,775,154)	(22,760,495)
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page		
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	(12,050,694)	(22,386,085)
3701. SSAP 10R incremental change	28,528,164	
3702. Other changes in surplus	5,589,925	(21,264,270)
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page		
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)	34,118,089	(21,264,270)

CASH FLOW

		1	2
	Cash from Operations	Current Year	Prior Year
1.	Premiums collected net of reinsurance	2,179,629,793	2,001,196,841
2.	Net investment income	191,237,020	240,171,230
3.	Miscellaneous income	16,287,629	(157,347,032)
4.	Total (Lines 1 through 3)	2,387,154,442	2,084,021,039
5.	Benefit and loss related payments	1,088,301,336	691,272,450
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	992,060,349	887,802,401
8.	Dividends paid to policyholders	8,633,098	12,958,569
9.	Federal and foreign income taxes paid (recovered) net of $ 0 tax on capital gains (losses)	91,608,359	12,541,935
10.	Total (Lines 5 through 9)	2,180,603,142	1,604,575,355
11.	Net cash from operations (Line 4 minus Line 10)	206,551,300	479,445,684
	Cash from Investments		
12.	Proceeds from investments sold, matured or repaid:		
	12.1 Bonds	1,005,905,522	778,944,054
	12.2 Stocks	42,368,897	157,501,859
	12.3 Mortgage loans	2,687,341	747,581
	12.4 Real estate		3,197,997
	12.5 Other invested assets	58,288	
	12.6 Net gains (or losses) on cash, cash equivalents and short-term investments		
	12.7 Miscellaneous proceeds	228,659	
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	1,051,248,707	940,391,491
13.	Cost of investments acquired (long-term only):		
	13.1 Bonds	1,333,535,891	760,318,372
	13.2 Stocks	19,870,774	14,471,445
	13.3 Mortgage loans	10,760,002	88,900,593
	13.4 Real estate	6,723,116	(42,739)
	13.5 Other invested assets	1,991,289	1,160,998
	13.6 Miscellaneous applications	(31,054,674)	10,189,543
	13.7 Total investments acquired (Lines 13.1 to 13.6)	1,341,826,398	874,998,212
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)	(290,577,691)	65,393,279
	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	5,000,000	352,820,372
	16.6 Other cash provided (applied)	36,277,310	5,779,944
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to Line 16.4 minus Line 16.5 plus Line 16.6)	31,277,310	(347,040,428)
	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)	(52,749,081)	197,798,535
19.	Cash, cash equivalents and short-term investments:		
	19.1 Beginning of year	357,035,851	159,237,316
	19.2 End of year (Line 18 plus Line 19.1)	304,286,770	357,035,851

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

20.0001			
20.0002			
20.0003			

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 – PREMIUMS EARNED

Line of Business	1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year- per Col. 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year- per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1. Fire	45,382,812	9,134,238	19,384,294	35,132,756
2. Allied lines	36,048,055	8,565,636	15,594,070	29,019,621
3. Farmowners multiple peril	15,139,922	7,123,181	7,564,495	14,698,608
4. Homeowners multiple peril	279,071,869	62,956,678	153,113,323	188,915,224
5. Commercial multiple peril	351,579,352	234,696,010	199,163,507	387,111,855
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine	34,555,937	19,389,455	16,979,969	36,965,423
10. Financial guaranty				
11.1 Medical professional liability—occurrence	320,048		82,483	237,565
11.2 Medical professional liability—claims-made	28,357		8,014	20,343
12. Earthquake	9,332,608	1,855,466	3,666,087	7,521,987
13. Group accident and health				
14. Credit accident and health (group and individual)				
15. Other accident and health	1,464,605		16,244	1,448,361
16. Workers' compensation	256,609,145	97,938,028	77,025,658	277,521,515
17.1 Other liability—occurrence	110,369,769	59,831,640	57,018,658	113,182,751
17.2 Other liability—claims-made	6,800,642	13,211	2,024,117	4,789,736
17.3 Excess Workers' Compensation	133,156	161,325	100,208	194,273
18.1 Products liability—occurrence	2,878,223	2,406,863	1,970,754	3,314,332
18.2 Products liability—claims-made				
19.1,19.2 Private passenger auto liability	426,187,497	77,338,493	115,957,922	387,568,068
19.3,19.4 Commercial auto liability	171,160,044	103,145,826	87,722,707	186,583,163
21. Auto physical damage	326,839,709	85,467,767	102,260,981	310,046,495
22. Aircraft (all perils)				
23. Fidelity	757,045	1,719,911	1,118,245	1,358,711
24. Surety	164,091,311	75,427,431	88,111,526	151,407,216
26. Burglary and theft	117,315	40,421	39,019	118,717
27. Boiler and machinery	28,933	33,329	6,913	55,349
28. Credit				
29. International				
30. Warranty				
31. Reinsurance-Nonproportional Assumed Property				
32. Reinsurance-Nonproportional Assumed Liability	22			22
33. Reinsurance-Nonproportional Assumed Financial Lines				
34. Aggregate write-ins for other lines of business				
35. TOTALS	2,238,896,376	847,244,909	948,929,194	2,137,212,091

DETAILS OF WRITE-IN LINES				
3401.				
3402.				
3403.				
3498. Sum of remaining write-ins for Line 34 from overflow page				
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)				

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A – RECAPITULATION OF ALL PREMIUMS

Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned but Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1. Fire	19,384,289	6			19,384,295
2. Allied lines	15,593,988	82			15,594,070
3. Farmowners multiple peril	7,564,495				7,564,495
4. Homeowners multiple peril	153,113,323				153,113,323
5. Commercial multiple peril	194,218,833		4,933,184	11,491	199,163,508
6. Mortgage guaranty					
8. Ocean marine					
9. Inland marine	16,873,651	106,274	45		16,979,970
10. Financial guaranty					
11.1 Medical professional liability—occurrence	82,483				82,483
11.2 Medical professional liablity—claims-made	8,014				8,014
12. Earthquake	3,666,087				3,666,087
13. Group accident and health					
14. Credit accident and health (group and individual)					
15. Other accident and health	16,244				16,244
16. Workers' compensation	72,926,374	22,521	3,927,360	149,402	77,025,657
17.1 Other liability—occurrence	55,771,584	283,672	941,118	22,284	57,018,658
17.2 Other liability—claims-made	2,017,832	3,894	2,391		2,024,117
17.3 Excess Workers' Compensation	100,208				100,208
18.1 Products liability—occurrence	1,653,189		317,565		1,970,754
18.2 Products liability—claims-made					
19.1,19.2 Private passenger auto liability	115,957,902		20		115,957,922
19.3,19.4 Commercial auto liability	86,717,183	1,012,548	45	(7,070)	87,722,706
21. Auto physical damage	102,030,273	230,708			102,260,981
22. Aircraft (all perils)					
23. Fidelity	410,108	708,137			1,118,245
24. Surety	38,464,450	49,647,076			88,111,526
26. Burglary and theft	39,019				39,019
27. Boiler and machinery	6,913				6,913
28. Credit					
29. International					
30. Warranty					
31. Reinsurance-Nonproportional Assumed Property					
32. Reinsurance-Nonproportional Assumed Liability					
33. Reinsurance-Nonproportional Assumed Financial Lines					
34. Aggregate write-ins for other lines of business					
35. TOTALS	886,616,442	52,014,918	10,121,728	176,107	948,929,195
36. Accrued retrospective premiums based on experience					(176,107)
37. Earned but unbilled premiums					(10,121,728)
38. Balance (Sum of Lines 35 through 37)					938,631,360

DETAILS OF WRITE-IN LINES					
3401.					
3402.					
3403.					
3498. Sum of remaining write-ins for Line 34 from overflow page					
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)					

(a) State here basis of computation used in each case Daily pro rata

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B – PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed 2 From Affiliates	Reinsurance Assumed 3 From Non-Affiliates	Reinsurance Ceded 4 To Affiliates	Reinsurance Ceded 5 To Non-Affiliates	6 Net Premiums Written Cols. 1 + 2 + 3 - 4 - 5
1. Fire	6,928,179	45,382,812		6,928,179		45,382,812
2. Allied lines	5,989,689	36,048,055		5,989,689		36,048,055
3. Farmowners multiple peril		15,139,922				15,139,922
4. Homeowners multiple peril	9,057,020	279,071,869		9,057,020		279,071,869
5. Commercial multiple peril	72,546,252	351,579,352		72,546,252		351,579,352
6. Mortgage guaranty						
8. Ocean marine						
9. Inland marine	12,961,330	34,555,937		12,961,330		34,555,937
10. Financial guaranty						
11.1 Medical professional liability--occurrence		320,048				320,048
11.2 Medical professional liability--claims-made		28,357				28,357
12. Earthquake	100,902	9,332,608		100,902		9,332,608
13. Group accident and health						
14. Credit accident and health (group and individual)						
15. Other accident and health	75,484	1,464,605		75,484		1,464,605
16. Workers' compensation	27,569,144	256,609,145		27,569,144		256,609,145
17.1 Other liability—occurrence	128,777,587	110,369,769		128,777,587		110,369,769
17.2 Other liability—claims-made	83,077	6,800,642		83,077		6,800,642
17.3 Excess Workers' Compensation	969,047	133,156		969,047		133,156
18.1 Products liability—occurrence	3,628,818	2,878,223		3,628,818		2,878,223
18.2 Products liability—claims-made						
19.1,19.2 Private passenger auto liability	10,691,314	426,187,497		10,691,314		426,187,497
19.3,19.4 Commercial auto liability	41,762,844	171,160,044		41,762,844		171,160,044
21. Auto physical damage	18,043,066	326,839,709		18,043,066		326,839,709
22. Aircraft (all perils)						
23. Fidelity	5,944,226	757,045		5,944,226		757,045
24. Surety	55,351,229	164,091,311		55,351,229		164,091,311
26. Burglary and theft	9,202	117,315		9,202		117,315
27. Boiler and machinery	2,677	28,933		2,677		28,933
28. Credit						
29. International						
30. Warranty						
31. Reinsurance-Nonproportional Assumed Property	X X X					
32. Reinsurance-Nonproportional Assumed Liability	X X X	22				22
33. Reinsurance-Nonproportional Assumed Financial Lines	X X X					
34. Aggregate write-ins for other lines of business						
35. TOTALS	400,491,087	2,238,896,376		400,491,087		2,238,896,376

DETAILS OF WRITE-IN LINES						
3401.						
3402.						
3403.						
3498. Sum of remaining write-ins for Line 34 from overflow page						
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)						

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

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

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

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2 – LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5	6	7	8
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)	Net Losses Unpaid Current Year (Part 2A, Col. 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Cols. 4 + 5 - 6)	Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
1. Fire	2,847,142	12,640,977	2,847,142	12,640,977	6,312,083	3,674,011	15,279,049	43.489
2. Allied lines	4,690,260	16,906,207	4,690,260	16,906,207	5,275,740	2,272,674	19,909,273	68.606
3. Farmowners multiple peril		10,406,442		10,406,442	4,978,241	5,071,598	10,313,085	70.164
4. Homeowners multiple peril	7,466,816	104,543,329	7,466,816	104,543,329	59,387,926	46,270,933	117,660,322	62.282
5. Commercial multiple peril	35,765,032	272,527,311	35,765,032	272,527,311	329,275,402	405,131,772	196,670,941	50.805
6. Mortgage guaranty								
8. Ocean marine		(26,303)		(26,303)	2,984		(23,319)	
9. Inland marine	4,492,363	15,007,635	4,492,363	15,007,635	5,402,307	6,425,579	13,984,363	37.831
10. Financial guaranty								
11.1 Medical professional liability—occurrence		(329,031)		(329,031)	443,790		114,759	48.306
11.2 Medical professional liability—claims-made		(124,937)		(124,937)	98,826		(26,111)	(128.354)
12. Earthquake		37,223		37,223	12,271	103,116	(53,622)	(0.713)
13. Group accident and health								
14. Credit accident and health (group and individual)								
15. Other accident and health	77,053	(1,235,211)	77,053	(1,235,211)	1,569,811		334,600	23.102
16. Workers' compensation	29,480,944	417,978,596	29,480,944	417,978,596	699,407,659	928,775,172	188,611,083	67.963
17.1 Other liability—occurrence	92,017,278	41,019,621	92,017,278	41,019,621	181,390,527	207,611,680	14,798,468	13.075
17.2 Other liability—claims-made		(6,210,641)		(6,210,641)	5,763,936	16,304	(463,009)	(9.667)
17.3 Excess Workers' Compensation	979,500	329,389	979,500	329,389	89,111	277,835	140,665	72.406
18.1 Products liability—occurrence	365,058	929,747	365,058	929,747	5,923,519	7,076,902	(223,636)	(6.748)
18.2 Products liability—claims-made		(320)		(320)	156		(164)	
19.1,19.2 Private passenger auto liability	12,036,689	29,714,154	12,036,689	29,714,154	299,832,927	124,100,914	205,446,167	53.009
19.3,19.4 Commercial auto liability	34,906,496	106,630,708	34,906,496	106,630,708	197,952,264	208,674,461	95,908,511	51.403
21. Auto physical damage	9,975,166	168,279,922	9,975,166	168,279,922	14,651,458	9,868,975	173,062,405	55.818
22. Aircraft (all perils)		(164,494)		(164,494)	(138,365)		(302,859)	
23. Fidelity	1,369,196	528,087	1,369,196	528,087	459,440	687,651	299,876	22.071
24. Surety	3,292,252	24,216,281	3,292,252	24,216,281	61,251,401	53,096,516	32,371,166	21.380
26. Burglary and theft		21,396		21,396	33,015	24,538	29,873	25.163
27. Boiler and machinery		17,574		17,574	10,597	68,877	(40,706)	(73.544)
28. Credit								
29. International								
30. Warranty								
31. Reinsurance-Nonproportional Assumed Property	XXX							
32. Reinsurance-Nonproportional Assumed Liability	XXX	(37,942,395)		(37,942,395)	38,273,802	242,547	88,860	403909.091
33. Reinsurance-Nonproportional Assumed Financial Lines	XXX							
34. Aggregate write-ins for other lines of business								
35. TOTALS	239,761,245	1,175,701,267	239,761,245	1,175,701,267	1,917,660,828	2,009,472,055	1,083,890,040	50.715

DETAILS OF WRITE-IN LINES								
3401.								
3402.								
3403.								
3498. Sum. of remaining write-ins for Line 34 from overflow page								
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)								

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2A – UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses				Incurred But Not Reported			8	9
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	4 Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1. Fire	960,042	4,512,963	960,042	4,512,963	157,358	1,799,120	157,358	6,312,083	781,275
2. Allied lines	804,710	4,658,795	804,710	4,658,795	140,676	616,944	140,676	5,275,739	527,986
3. Farmowners multiple peril		4,214,862		4,214,862		763,379		4,978,241	1,138,709
4. Homeowners multiple peril	2,416,644	44,916,453	2,416,644	44,916,453	676,509	14,471,473	676,509	59,387,926	12,534,778
5. Commercial multiple peril	35,405,485	200,256,586	35,405,485	200,256,586	36,839,463	129,018,817	36,839,463	329,275,403	164,219,166
6. Mortgage guaranty									
8. Ocean marine		2,984		2,984				2,984	
9. Inland marine	1,042,264	2,278,582	1,042,264	2,278,582	396,376	3,123,725	396,376	5,402,307	717,310
10. Financial guaranty									
11.1 Medical professional liablity—occurrence		181,887		181,887		261,902		443,789	197,401
11.2 Medical professional liablity—claims-made		84,660		84,660		14,166		98,826	23,955
12. Earthquake		12,271		12,271				12,271	(1,491)
13. Group accident and health								(a)	
14. Credit accident and health (group and individual)									
15. Other accident and health	377,121	1,569,811	377,121	1,569,811	125,271		125,271	(a) 1,569,811	(14)
16. Workers' compensation	115,036,520	385,880,290	115,036,520	385,880,290	76,116,422	313,527,368	76,116,422	699,407,658	96,227,714
17.1 Other liability—occurrence	87,216,836	66,963,987	87,216,836	66,963,987	275,133,851	114,426,540	275,133,851	181,390,527	61,593,395
17.2 Other liability—claims-made		3,044,188		3,044,188	25,153	2,719,748	25,153	5,763,936	3,681,587
17.3 Excess Workers' Compensation	293,720	121,836	293,720	121,836	(161,771)	(32,725)	(161,771)	89,111	(24,235)
18.1 Products liability—occurrence	1,142,460	3,792,675	1,142,460	3,792,675	2,383,342	2,130,844	2,383,342	5,923,519	2,915,346
18.2 Products liability—claims-made						156		156	
19.1,19.2 Private passenger auto liability	33,075,782	245,685,174	33,075,782	245,685,174	2,034,136	54,147,752	2,034,136	299,832,926	60,208,472
19.3,19.4 Commercial auto liability	25,506,429	117,646,498	25,506,429	117,646,498	24,034,624	80,305,765	24,034,624	197,952,263	30,444,577
21. Auto physical damage	1,236,690	8,345,864	1,236,690	8,345,864	170,119	6,305,594	170,119	14,651,458	4,322,127
22. Aircraft (all perils)		21,849		21,849		(160,213)		(138,364)	
23. Fidelity	250,240	107,975	250,240	107,975	669,538	351,465	669,538	459,440	94,000
24. Surety	3,841,231	(10,652,108)	3,841,231	(10,652,108)	12,351,353	71,903,509	12,351,353	61,251,401	16,905,537
26. Burglary and theft		31,542		31,542		1,473		33,015	12,909
27. Boiler and machinery						10,597		10,597	18,911
28. Credit									
29. International									
30. Warranty									
31. Reinsurance-Nonproportional Assumed Property	X X X				X X X				
32. Reinsurance-Nonproportional Assumed Liability	X X X	20,793,777		20,793,777	X X X	17,480,025		38,273,802	21,878
33. Reinsurance-Nonproportional Assumed Financial Lines	X X X				X X X				
34. Aggregate write-ins for other lines of business									
35. TOTALS	308,606,174	1,104,473,401	308,606,174	1,104,473,401	431,092,420	813,187,424	431,092,420	1,917,660,825	456,561,293

DETAILS OF WRITE-IN LINES									
3401.									
3402.									
3403.									
3498. Sum. of remaining write-ins for Line 34 from overflow page									
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)									

(a) Including $ 0 for present value of life indemnity claims.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct	3,959,440			3,959,440
1.2 Reinsurance assumed	72,365,490			72,365,490
1.3 Reinsurance ceded	3,959,440			3,959,440
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	72,365,490			72,365,490
2. Commission and brokerage:				
2.1 Direct, excluding contingent		61,827,352		61,827,352
2.2 Reinsurance assumed, excluding contingent		307,544,559		307,544,559
2.3 Reinsurance ceded, excluding contingent		61,827,352		61,827,352
2.4 Contingent—direct				
2.5 Contingent—reinsurance assumed		33,467,495		33,467,495
2.6 Contingent—reinsurance ceded				
2.7 Policy and membership fees				
2.8 Net commission and brokerage (2.1+2.2-2.3+2.4+2.5-2.6+2.7)		341,012,054		341,012,054
3. Allowances to manager and agents		170,392	4	170,396
4. Advertising	2,464,041	11,503,192	4,760	13,971,993
5. Boards, bureaus and associations	211,861	5,167,784	141	5,379,786
6. Surveys and underwriting reports	38,754	11,287,813	4,927	11,331,494
7. Audit of assureds' records				
8. Salary and related items:				
8.1 Salaries	86,476,560	137,258,418	889,099	224,624,077
8.2 Payroll taxes	5,189,785	12,148,272	51,022	17,389,079
9. Employee relations and welfare	17,436,484	43,032,631	49,483	60,518,598
10. Insurance	10,267,478	1,387,898	10,326	11,665,702
11. Directors' fees		5,438		5,438
12. Travel and travel items	4,604,703	8,847,555	16,272	13,468,530
13. Rent and rent items	10,162,110	16,720,706	16,161	26,898,977
14. Equipment	6,039,213	11,391,633	14,296	17,445,142
15. Cost or depreciation of EDP equipment and software	3,550,444	5,971,512	7,330	9,529,286
16. Printing and stationery	824,514	2,816,066	2,347	3,642,927
17. Postage, telephone and telegraph, exchange and express	3,548,495	11,427,347	29,357	15,005,199
18. Legal and auditing	663,144	2,722,757	234,279	3,620,180
19. Totals (Lines 3 to 18)	151,477,586	281,859,414	1,329,804	434,666,804
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of $ 751,891		51,547,840		51,547,840
20.2 Insurance department licenses and fees		4,447,495		4,447,495
20.3 Gross guaranty association assessments		(291,515)		(291,515)
20.4 All other (excluding federal and foreign income and real estate)		1,786,817		1,786,817
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)		57,490,637		57,490,637
21. Real estate expenses			2,468,695	2,468,695
22. Real estate taxes			326,440	326,440
23. Reimbursements by uninsured plans				
24. Aggregate write-ins for miscellaneous expenses	29,908,206	29,116,424	159,971	59,184,601
25. Total expenses incurred	253,751,282	709,478,529	4,284,910	(a) 967,514,721
26. Less unpaid expenses—current year	456,561,292	138,406,040	424,735	595,392,067
27. Add unpaid expenses—prior year	460,148,275	163,362,507	549,076	624,059,858
28. Amounts receivable relating to uninsured plans, prior year				
29. Amounts receivable relating to uninsured plans, current year				
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	257,338,265	734,434,996	4,409,251	996,182,512

DETAILS OF WRITE-IN LINES				
2401. Other expenses	11,261,412	29,116,424	159,971	40,537,807
2402. Change in unallocated expense reserves	18,646,794			18,646,794
2403.				
2498. Sum of remaining write-ins for Line 24 from overflow page				
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	29,908,206	29,116,424	159,971	59,184,601

(a) Includes management fees of $ 1,287,742 to affiliates and $ 204,842 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. Government bonds	(a) 14,116,014	16,173,657
1.1	Bonds exempt from U.S. tax	(a) 49,260,819	50,170,780
1.2	Other bonds (unaffiliated)	(a) 103,356,739	103,399,255
1.3	Bonds of affiliates	(a)	
2.1	Preferred stocks (unaffiliated)	(b) 3,382,103	3,340,460
2.11	Preferred stocks of affiliates	(b)	
2.2	Common stocks (unaffiliated)	195,337	195,337
2.21	Common stocks of affiliates		
3.	Mortgage loans	(c) 5,625,992	5,703,843
4.	Real estate	(d) 4,398,686	4,398,686
5.	Contract loans		
6.	Cash, cash equivalents and short-term investments	(e) 2,626,235	2,078,255
7.	Derivative instruments	(f)	
8.	Other invested assets		
9.	Aggregate write-ins for investment income	2,223,538	2,223,538
10.	Total gross investment income	185,185,463	187,683,811
11.	Investment expenses		(g) 4,284,910
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g)
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i) 866,983
15.	Aggregate write-ins for deductions from investment income		
16.	Total deductions (Lines 11 through 15)		5,151,893
17.	Net investment income (Line 10 minus Line 16)		182,531,918

	DETAILS OF WRITE-IN LINES		
0901.	Miscellaneous Income/(Expense)	1,262,306	1,262,306
0902.	Investment Income/(Expense) - Pooling Restatement	961,232	961,232
0903.			
0998.	Summary of remaining write-ins for Line 09 from overflow page		
0999.	Totals (Lines 0901 through 0903) plus 0998 (Line 09 above)	2,223,538	2,223,538
1501.			
1502.			
1503.			
1598.	Summary of remaining write-ins for Line 15 from overflow page		
1599.	Totals (Lines 1501 through 1503) plus 1598 (Line 15 above)		

(a) Includes $ 1,811,894 accrual of discount less $ 12,261,736 amortization of premium and less $ 4,630,408 paid for accrued interest on purchases.
(b) Includes $ 0 accrual of discount less $ 0 amortization of premium and less $ 0 paid for accrued dividends on purchases.
(c) Includes $ 0 accrual of discount less $ 0 amortization of premium and less $ 35,170 paid for accrued interest on purchases.
(d) Includes $ 4,398,686 for company's occupancy of its own buildings; and excludes $ 0 interest on encumbrances.
(e) Includes $ 130,802 accrual of discount less $ 0 amortization of premium and less $ 0 paid for accrued interest on purchases.
(f) Includes $ 0 accrual of discount less $ 0 amortization of premium.
(g) Includes $ 0 investment expenses and $ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes $ 0 interest on surplus notes and $ 0 interest on capital notes.
(i) Includes $ 866,983 depreciation on real estate and $ 0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds	16,698		16,698		
1.1	Bonds exempt from U.S. tax	828,299		828,299	144,475	
1.2	Other bonds (unaffiliated)	6,353,001	(16,275,938)	(9,922,937)	1,933,213	
1.3	Bonds of affiliates					
2.1	Preferred stocks (unaffiliated)	5,021,532	(6,601,900)	(1,580,368)	10,171,407	
2.11	Preferred stocks of affiliates					
2.2	Common stocks (unaffiliated)	10,195,559		10,195,559	16,231,269	
2.21	Common stocks of affiliates				13,434,095	
3.	Mortgage loans	(17,823)		(17,823)	(248,908)	
4.	Real estate					
5.	Contract loans					
6.	Cash, cash equivalents and short-term investments					
7.	Derivative instruments					
8.	Other invested assets	37,634	(18,587)	19,047	154,723	
9.	Aggregate write-ins for capital gains (losses)					
10.	Total capital gains (losses)	22,434,900	(22,896,425)	(461,525)	41,820,274	

	DETAILS OF WRITE-IN LINES					
0901.						
0902.						
0903.						
0998.	Summary of remaining write-ins for Line 09 from overflow page					
0999.	Totals (Lines 0901 through 0903) plus 0998 (Line 09 above)					

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			
3.2 Other than first liens			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income			
4.3 Properties held for sale			
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2), and short-term investments (Schedule DA)			
6. Contract loans			
7. Other invested assets (Schedule BA)			
8. Receivables for securities			
9. Aggregate write-ins for invested assets			
10. Subtotals, cash and invested assets (Lines 1 to 9)			
11. Title plants (for Title insurers only)			
12. Investment income due and accrued			
13. Premiums and considerations:			
13.1 Uncollected premiums and agents' balances in the course of collection	12,827,180	8,764,125	(4,063,055)
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due	(356,119)	2,212,708	2,568,827
13.3 Accrued retrospective premiums	455,415	1,029,614	574,199
14. Reinsurance:			
14.1 Amounts recoverable from reinsurers			
14.2 Funds held by or deposited with reinsured companies			
14.3 Other amounts receivable under reinsurance contracts			
15. Amounts receivable relating to uninsured plans			
16.1 Current federal and foreign income tax recoverable and interest thereon			
16.2 Net deferred tax asset	38,713,870	168,517,503	129,803,633
17. Guaranty funds receivable or on deposit			
18. Electronic data processing equipment and software	3,319,353	5,006,831	1,687,478
19. Furniture and equipment, including health care delivery assets	696,251	1,717,769	1,021,518
20. Net adjustment in assets and liabilities due to foreign exchange rates			
21. Receivables from parent, subsidiaries and affiliates			
22. Health care and other amounts receivable			
23. Aggregate write-ins for other than invested assets	5,052,814	201,695	(4,851,119)
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	60,708,764	187,450,245	126,741,481
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
26. Total (Lines 24 and 25)	60,708,764	187,450,245	126,741,481

DETAILS OF WRITE-IN LINES			
0901.			
0902.			
0903.			
0998. Summary of remaining write-ins for Line 09 from overflow page			
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)			
2301. Other assets	5,052,814	201,695	(4,851,119)
2302.			
2303.			
2398. Summary of remaining write-ins for Line 23 from overflow page			
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	5,052,814	201,695	(4,851,119)

NOTES TO FINANCIAL STATEMENTS

Note 1- Summary of Significant Accounting Policies

A. Accounting Practices

Effective January 1, 2001, and subject to any deviations prescribed or permitted by the State of Ohio, the accompanying financial statements of The Ohio Casualty Insurance Company (the "Company") have been prepared in conformity with the National Association of Insurance Commissioners ("NAIC") *Accounting Practices and Procedures Manual* ("APP Manual").

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

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses. It also requires estimates in the disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

C. Accounting Policies

Premiums are earned over the terms of the related policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro-rata methods. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

In addition, the Company uses the following accounting policies:

1. Short term investments are carried at cost, adjusted where appropriate for amortization of premium or discount, or fair value as specified by the Purposes and Procedures Manual of the NAIC Securities Valuation Office (SVO Manual).

2. Bonds are carried at cost, adjusted where appropriate for amortization of premium or discount, or fair value as specified by the SVO Manual.

3. Common stocks are carried at fair value except that investments in stocks of subsidiaries, controlled and affiliated ("SCA") companies are carried according to Note 1 C(7).

4. Preferred stocks are carried at cost or fair value as specified by the SVO Manual.

5. Mortgage loans are reported at unpaid principal balances, less impairments as specified by the SVO Manual.

6. Mortgage backed/asset backed securities are stated at amortized cost or fair value based on guidance in the SVO Manual. Prepayment assumptions for mortgage backed/asset backed securities are updated monthly using the Bloomberg data service. The retrospective adjustment method is used to value all mortgage backed/asset backed securities.

7. The Company carries its investments in SCA companies in accordance with SSAP No. 97, Investment in Subsidiaries, Controlled Entities and Affiliates, and the SVO Manual. Schedule D Part 6-Section 1 illustrates the valuation method used for each SCA company.

8. Investments in joint ventures, partnerships, and limited liability companies are carried in accordance with SSAP No. 48, Joint Ventures, Partnerships and Limited Liability Companies, and the SVO Manual.

9. Derivative Securities refer to Note 8.

10. The Company anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53*, Property Casualty Contracts - Premiums*.

11. Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates, and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods, for making such estimates and for establishing the resulting liability, are continually reviewed and follow current standards of practice. Any adjustments to the liability are reflected in the period that they are determined.

12. The Company did not change its capitalization policy in 2009.

13. The Company has no pharmaceutical rebate receivables.

Note 2- Accounting Changes and Correction of Errors

A. Effective December 31, 2009, the Company elected to admit Deferred Tax Assets (DTA's) pursuant to SSAP No. 10R, Income Taxes-Revised, a temporary replacement of SSAP No. 10. The change in DTA's resulting from adopting SSAP No. 10R, is disclosed as an aggregate write-in for gains and losses in surplus under the caption SSAP 10R incremental change. (Refer to Note 9.A)

NOTES TO FINANCIAL STATEMENTS

B. The Company adopted SSAP No. 43R, Loan-backed and Structured Securities (SSAP 43R), in the third quarter 2009. The cumulative effect of adopting SSAP No. 43R, $2,220,836, was reported through Surplus, as a change in accounting principles. The cumulative effect is not considered material.

Note 3- Business Combinations and Goodwill

A. Statutory Purchase Method

The Company did not enter into any statutory purchases during the year.

B. Statutory Mergers

Pursuant to the approval of the Ohio Department of Insurance, effective September 30, 2009, Ohio Casualty of New Jersey was merged into the Company. The Company was the surviving entity. The merger was accounted for under the statutory merger method. In accordance with the National Association of Insurance Commissioner's Annual Statement Instructions, the Company's prior year amounts were update to reflect the merger.

C. Impairment Loss

Not applicable

Note 4- Discontinued Operations

The Company has no discontinued operations to report.

Note 5- Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

During 2009, the company participated in direct investment in commercial mortgage loans using an experienced external manager, StanCorp Mortgage Investors.

(1) The maximum and minimum lending rates for mortgage loans during 2009 were 10.25% and 5.24% respectively.
(2) During 2009, the company did not reduce interest rates of any outstanding mortgage loans.
(3) The maximum loan to value of any loan written during 2009 was 75%.
(4) No loans had interest more than 180 days past due.
(5) There were $4,395 in taxes, assessments and any amounts advanced and not included in the mortgage loan.
(6) Total recorded investment in impaired loans as of December 31, 2009 was $698,752, of which there is a related allowance for credit losses of $248,908.
(7) There was no recorded investment in impaired loans without a related allowance for credit losses.
(8) The average recorded investment in impaired loans was $69,736 for 2009.
(9) There was no interest income recognized for impaired loans during 2009.
(10) There was no interest income recognized on a cash basis for impaired loans during 2009.
(11)
  a) The balance in the allowance for credit losses at the beginning of 2009 was $0 and at the beginning of 2008 was $0.
  b) There were $248,908 of additions to the allowance charged to operations in 2009 and $0 in 2008.
  c) There were no direct write-downs charged against the allowance.
  d) There were no recoveries of amounts previously charged off.
  e) The balance in the allowance for credit losses was $248,908 in 2009 and $0 in 2008.

(12) The company recognizes interest income on its impaired loans upon receipt.

B. Troubled Debt Restructuring for Creditors

(1) There was $722,978 of recorded investment in mortgage loans for which impairment has been recognized.
(2) There was no realized capital loss.
(3) There were no commitments to lend additional funds to debtors owing receivables whose terms have been modified in trouble debt restructuring.
(4) The company accrues interest income on impaired loans to the extent it is deemed collectible and the loan continues to perform under its original or restructured contractual terms. Interest income on non performing loans is generally recognized on a cash basis.

C. Reverse Mortgages

The company has no reverse mortgages.

D. Loan-Backed Securities

1. Not used.

2. Prepayment speed assumptions are updated monthly with data sourced from the Bloomberg data service.

3. Not used.

NOTES TO FINANCIAL STATEMENTS

4. All Loaned Backed Securities with a recognized other-than-temporary impairment disclosed in the aggregate during 2009 as of December 31, 2009:

	1 Amortized Cost Basis Before Other-than-Temporary Impairment	2 Other-than-Temporary Impairment Recognized in Loss	3 Fair Value (C1-C2)
Aggregate Intent to Sell			
Aggregate Intent & Ability	26,093,906	5,095,478	19,766,521

5. Each Loaned Backed Security with a recognized other-than-temporary impairment held by the company at December 31, 2009:

1 CUSIP	2 Book/Adj Carrying Value Amortized cost before current period OTTI	3 Projected Cash Flows	4 Recognized other-than-temporary impairment	5 Amortized cost after other-than-temporary impairment	6 Fair Value
021460AB6	1,867,033	1,720,134	146,900	1,720,134	1,201,209
06606WAM6	2,143,879	1,730,393	413,486	1,730,393	1,700,671
07387AGC3	3,549,538	2,987,604	561,934	2,987,604	2,195,961
126670QT8	1,362,936	737,787	625,149	737,787	1,169,368
126670QT8	3,333,203	2,291,289	1,041,914	2,291,289	2,283,894
17309BAB3	3,080,419	2,766,622	313,798	2,766,622	2,682,340
38011AAA2	840,654	773,262	67,392	773,262	758,621
65538PAE8	3,107,647	2,858,503	249,145	2,858,503	2,810,660
76110VHJ0	560,598	495,836	64,762	495,836	488,636
76110VNV6	6,247,999	4,636,999	1,610,999	4,636,999	4,475,162

6. All impaired Loaned Backed Securities for which an other-than-temporary impairment has not been recognized in earnings as a realized loss as of December 31, 2009:

	1 Less Than 12 Months	2 Greater Than 12 Months
Gross Unrealized Loss	(1,313,316)	(6,910,196)

7. The Company reviews fixed income securities for impairment on a quarterly basis. Securities are reviewed for both quantitative and qualitative considerations including, but not limited to: (a) the extent of the decline in fair value below book value, (b) the duration of the decline, (c) significant adverse changes in the financial condition or near term prospects of the investment or issuer, (d) significant change in the business climate or credit ratings of the issuer, (e) general market conditions and volatility, (f) industry factors, and (g) the past impairment of the security holding or the issuer. If the Company believes a decline in the value of a particular investment is temporary, the decline is recorded as an unrealized loss in policyholders' equity. If the decline is believed to be "other-than-temporary," and the Company believes it will not be able to collect all cash flows due on its fixed income securities, then the carrying value of the investment is written down to the expected cash flow amount and a realized loss is recorded as a credit impairment.

8. Not used.

E. Repurchase Agreements

1. The Company did not enter into any repurchase agreements during the year.

2. The Company maintained collateral for loaned securities.

   a) For loaned securities, Company policies require a minimum of 102% of the fair value of securities loaned to be maintained as collateral.

   b) The Company has not pledged any of its assets as collateral.

NOTES TO FINANCIAL STATEMENTS

3. Aggregate amount of contractually obligated open collateral positions for which the borrower may request the return of on demand:

	Under 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Total
Fair value of open reinvested collateral positions	31,217,295	33,010,656	27,103,092	12,879,479	104,210,523

4. Sources of collateral are cash and securities. Cash collateral is reinvested by the lending agent in short-term securities. The Company does not reinvest securities received as collateral.

F. Real Estate

1. The Company did not incur any impairments on real estate during the year.

2. The Company does not engage in retail land sale operations.

G. Investments in Low-Income Housing Tax Credits ("LIHTC")

1. There are no years remaining of unexpired tax credits. The required holding period for the LIHTC investment is five years.

2. The Company's LIHTC property is not currently subject to any regulatory reviews.

3. The carrying value of the Company's investment in LIHTC did not exceed 10% of its admitted assets.

4. The Company did not recognize any impairment loss on its LIHTC investment during the year.

5. The Company did not write-down its LIHTC investment or reclassify the LIHTC during the year due to the forfeiture or ineligibility of tax credits.

Note 6- Joint Ventures, Partnerships & Limited Liability Companies

A. The Company has no investments in joint ventures, partnerships, or limited liability companies that exceed 10% of its admitted assets.

B. The Company invests in limited partnerships that are reported in accordance with SSAP No. 48. These limited partnerships are valued by the equity method using traditional private equity valuation measures. Interim poor performance which indicates a probable inability to recover the carrying amount of the assets leads to impairment losses being recognized by management. The Company realized impairment losses of $18,587 during the year.

Note 7- Investment Income

A. Accrued Investment Income

The Company does not admit investment income due and accrued if amounts are over 90 days past due (180 days for mortgage loans).

B. Amounts Nonadmitted

No amounts were excluded as of December 31, 2009.

Note 8- Derivative Instruments

The Company's investment activities do not include derivatives. However, the Company may acquire derivatives as additions to bond, common stock, or preferred stock investments. These derivatives are ancillary to the overall investment and are immaterial to the underlying investment portfolio.

Note 9 - Income Taxes

A. The components of the net deferred tax assets (DTAs) and liabilities (DTLs) recognized in the Company's Assets, Liabilities, Surplus and Other Funds are as follows:

	December 31, 2009			December 31, 2008	Change
	Ordinary	Capital	Total	Total	
Total gross DTAs	205,224,646	50,074,174	255,298,820	322,557,000	(67,258,180)
Total gross DTLs	(35,399,100)	(10,274,450)	(45,673,550)	(45,193,000)	(480,550)
Net DTA (DTL)	169,825,546	39,799,724	209,625,270	277,364,000	(67,738,730)
Net DTA non-admitted			(38,713,870)	(168,518,000)	129,804,130
Net Admitted DTA (DTL)			170,911,400	108,846,000	62,065,400

Effective September 30, 2009, Ohio Casualty of New Jersey, Inc. was merged into the Ohio Casualty Insurance Company. All 2008 balances have been updated to reflect the merger.

NOTES TO FINANCIAL STATEMENTS

The Company has elected to admit additional DTAs pursuant to SSAP No. 10R, paragraph 10e. The current period election was not available at December 31, 2008. A statutory valuation allowance adjustment, as described in SSAP No. 10R, paragraph 6e, is not required. Accordingly, total adjusted gross DTAs equal total gross DTAs.

The increased amount, by tax character, of net admitted DTAs resulting from paragraph 10e:

Ordinary	28,528,164
Capital	0
Total increase in net admitted DTAs	28,528,164

The amount of each result or component of the calculation, by tax character, of paragraphs 10a., 10bi., 10bii., 10c.:

	December 31, 2009			December 31, 2008
	Ordinary	Capital	Total	Total
Recoverable through loss carrybacks (10a.)	97,687,000	31,683,000	129,370,000	30,488,000
Lesser of:				
Expected to be recognized within one year (10bi.)	4,896,686	8,116,550	13,013,236	81,076,000
10% of adjusted capital and surplus (10bii.)			117,178,060	107,113,000
Adj. gross DTAs offset against existing DTLs (10c.)	35,399,100	10,274,450	45,673,550	42,475,000

The amount of each result or component of the calculation, by tax character, of paragraphs 10ei., 10eiia., 10eiib., and 10eiii.:

	December 31, 2009		
	Ordinary	Capital	Total
Recoverable through loss carrybacks (10ei.)	117,345,000	31,683,000	149,028,000
Lesser of:			
Expected to be recognized within three years (10eiia.)	13,766,850	8,116,550	21,883,400
15% of adjusted capital and surplus (10eiib.)			175,767,090
Adj. gross DTAs offset against existing DTLs (10eiii.)	35,399,100	10,274,450	45,673,550

Risk-based capital level used in paragraph 10d:	December 31, 2009
Total adjusted capital	1,307,643,522
Authorized control level	200,778,589

The following amounts result from the calculation in paragraphs 10a., 10b., and 10c.:

	December 31, 2009
Admitted DTA	142,383,236
Admitted assets	5,248,675,967
Statutory surplus	1,307,643,522
Total adjusted capital	1,307,643,522

Admitted DTA, admitted assets and statutory surplus increased by $28,528,164 resulting from the use of paragraph 10e.

B. The Company does not have any DTLs described in SSAP No. 10R, Income Taxes, paragraph 6d.

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

	2009	2008
Federal	62,522,399	135,449,037
Foreign	0	0
Realized capital gains	(260,049)	(30,986,367)
Federal and foreign income taxes incurred	62,262,350	104,462,670

The Company's DTAs and DTLs result primarily from unearned premium reserve adjustments, discounting of unpaid losses and LAE reserves, goodwill amortization, postretirement benefits obligations, depreciation, permanent impairments, deferred intercompany transactions, unrealized gains and losses and non-admitted assets.

The change in deferred income taxes is comprised of the following:

	2009
Change in net deferred income tax (without unrealized gain or loss)	(57,877,699)
Change in tax effect of unrealized (gains) losses	(9,861,031)
Total change in net deferred income tax	(67,738,730)

D. Effective tax rates differ from the current statutory rate of 35% principally due to the effects of tax exempt interest, unearned premium reserve adjustment, discounting of unpaid losses and LAE reserves, postretirement benefits obligations, deferred intercompany transactions and goodwill amortization.

E. The amount of Federal income taxes incurred and available for recoupment in the event of future losses is $62,167,350 from the current year and $102,077,650 from the preceding year.

NOTES TO FINANCIAL STATEMENTS

At December 31, 2009, the Company did not have any unused net operating loss carryforwards available to offset against future net income.

The Company does not have deposits admitted under Section 6603 of the Internal Revenue Services Code.

The Company's Federal income tax return is consolidated with the following entities:

Access Insurance Services, Co.
AMBCO Capital Corporation
America First Insurance Company
America First Lloyds Insurance Company
American Ambassador Casualty Company (merged 10/21/2009)
American Economy Insurance Company
American Fire & Casualty Company
American States Insurance Company
American States Insurance Company of Texas
American States Lloyds Insurance Company
American States Preferred Insurance Company
Avomark Insurance Company
Barrier Ridge LLC
Berkeley Holding Company Associates, Inc.
Berkeley Management Corporation
Bridgefield Casualty Insurance Company
Bridgefield Employers Insurance Company
Capitol Court Corporation
Capitol Agency, Inc., The (Arizona corporation)
Capitol Agency, Inc., The (Ohio corporation)
Capitol Agency, Inc., The (Tennessee corporation)
Cascade Disability Management, Inc.
Colorado Casualty Insurance Company
Commercial Aviation Insurance, Inc.
Companies Agency of New York, Inc.
Companies Agency of Pennsylvania, Inc.
Consolidated Insurance Company
Copley Venture Capital, Inc.
Diversified Settlements, Inc.
Emerald City Insurance Agency, Inc.
Employers Insurance Company of Wausau
Excelsior Insurance Company
F.B. Beattie & Company, Inc.
First National Insurance Company of America
First State Agency Inc.
Florida State Agency, Inc.
General America Corporation
General America Corporation of Texas
General Insurance Company of America
Globe American Casualty Company (merged 12/30/2009)
Golden Eagle Insurance Corporation
Gulf States AIF, Inc.
Hawkeye-Security Insurance Company
Heritage-Summit HealthCare, Inc.
Indiana Insurance Company
Insurance Company of Illinois
LEXCO Limited
Liberty - USA Corporation
Liberty Assignment Corporation
Liberty Energy Canada, Inc.
Liberty Financial Services, Inc.
Liberty Hospitality Group, Inc.
Liberty Insurance Company of America (merged 9/17/2009)
Liberty Insurance Corporation
SCIT, Inc.
St. James Insurance Company Ltd.
State Agency, Inc. (Indiana corporation)
State Agency, Inc. (Wisconsin corporation)
Summit Consulting, Inc.
Summit Consulting, Inc. of Louisiana
Summit Holding Southeast, Inc.
The First Liberty Insurance Corporation
The Midwestern Indemnity Company
The National Corporation
The Netherlands Insurance Company
Liberty Insurance Holdings, Inc.
Liberty Insurance Underwriters, Inc.
Liberty International Europe Inc.*
Liberty International Holdings Inc.
Liberty Life Assurance Company of Boston
Liberty Life Holdings, Inc.
Liberty Lloyds of Texas Insurance Company
Liberty Management Services, Inc.
Liberty Mexico Holdings, Inc.
Liberty Mutual Fire Insurance Company
Liberty Mutual Group Inc.
Liberty Mutual Holding Company Inc.
Liberty Mutual Insurance Company
Liberty Mutual Personal Insurance Company
Liberty Northwest Insurance Corporation
Liberty Personal Insurance Company
Liberty RE (Bermuda) Limited
Liberty Sponsored Insurance (Vermont) Inc.
Liberty Surplus Insurance Corporation
LIH U.S. P&C Corporation
LIH-RE of America Corporation
LIU Specialty Insurance Agency Inc.
LM General Insurance Company
LM Insurance Corporation
LM Personal Insurance Company
LM Property & Casualty Insurance Company
LMHC Massachusetts Holdings Inc.
LRE Properties, Inc.
Mid-American Agency, Inc.
Mid-American Fire & Casualty Company
North Pacific Insurance Company
OCASCO Budget, Inc.
OCI Printing, Inc.
Ohio Casualty Corporation
Ohio Casualty of New Jersey, Inc. (merged 9/30/2009)
Ohio Security Insurance Company
Open Seas Solutions, Inc.
Oregon Automobile Insurance Company
Peerless Indemnity Insurance Company
Peerless Insurance Company
Pilot Insurance Services, Inc.
Rianoc Research Corporation
S.C. Bellevue, Inc.
Safecare Company, Inc.
Safeco Corporation
Safeco General Agency, Inc.
Safeco Insurance Company of America
Safeco Insurance Company of Illinois
Safeco Insurance Company of Indiana
Safeco Insurance Company of Oregon
Safeco Lloyds Insurance Company
Safeco National Insurance Company
Safeco Properties, Inc.
Safeco Surplus Lines Insurance Company
San Diego Insurance Company
The Ohio Casualty Insurance Company
The Ohio Life Brokerage Services, Inc.
Wausau Business Insurance Company
Wausau General Insurance Company
Wausau Service Corporation (dissolved 10/21/2009)
Wausau Underwriters Insurance Company
West American Insurance Company
Winmar Company, Inc.
Winmar of the Desert, Inc.
Winmar Oregon, Inc.
Winmar-Metro, Inc

NOTES TO FINANCIAL STATEMENTS

* This company joined the consolidated group in 2009 and its activity from the date it joined the group is included in the consolidated return.

The method of federal income tax allocation is subject to a written agreement. Allocation is based upon separate return calculations with credit applied for losses as appropriate. The Company has the enforceable right to recoup prior year payments in the event of future losses.

Note 10- Information concerning Parent, Subsidiaries and Affiliates

A. All of the outstanding shares of capital stock of the Company are held by Ohio Casualty Corporation ("OCC"), an Ohio insurance holding company. OCC is owned by Liberty Mutual Insurance Company ("LMIC" 78%), a Massachusetts insurance company; Liberty Mutual Fire Insurance Company ("LMFIC" 6%), a Wisconsin insurance company; Employers Insurance Company of Wausau ("EICOW 8%), a Wisconsin insurance company; and Peerless Insurance Company ("PIC" 8%), a New Hampshire insurance company. The ultimate parent of LMIC, LMFIC, EICOW and PIC is Liberty Mutual Holding Company Inc., a Massachusetts company.

B. Transactions between the Company and its affiliates are described in Schedule Y Part 2.

C. As of December 31, 2009, the Company did not have any capital transactions with its parent and subsidiaries.

D. At December 31, 2009, the Company reported $22,793,212 due from affiliates. In general, the terms of the inter-company arrangements require settlement at least quarterly.

E. The Company has made no guarantee or initiated an undertaking for the benefit of affiliates which result in a material contingent exposure of the Company's or affiliates' assets or liabilities.

F. Refer to Note 25 for information regarding the Amended and Restated Reinsurance Pooling Agreement.

The Company is a party to a services agreement (the "Agreement") with PIC and other affiliates. The Agreement allows PIC to provide services related to common management function including, but not limited to, coordinating marketing and advertising, information systems support, payroll and human resource services, actuarial support, accounting and other financial services, as well as consulting and other services as the parties may request.

The Company is a party to an investment management agreement with LMIC, an investment management agreement with Liberty Mutual Investment Advisors ("LMIA") and a cash management agreement with LMIA. Under these agreements, LMIA and LMIC provide services to the Company.

The Company is a party to a management services agreement with LMIC. Under the agreement, LMIC may provide services related to common management functions including, but not limited to, accounting, financial, tax and auditing, information technology and support, purchasing, payroll and employee benefits, policy administration, real estate management, legal, general administration, as well as consulting and other services as the parties may request.

The Company is party to a Federal Tax Sharing Agreement between LMIC and affiliates (Refer to Note 9F).

The Company is a party to a revolving credit agreement under which the Company may borrow up to $130,000,000 from LMIC. The purpose of the extension of credit is for operating liquidity to accommodate fluctuations in daily cash flow and to promote efficient management of investments. As of December 31, 2009, there have been no drawings under this agreement.

G. The Company is part of a holding company structure as illustrated in Schedule Y Part 1.

H. The Company does not own shares of any upstream intermediate or ultimate parent, either directly or indirectly via a downstream subsidiary, controlled or affiliated company.

I. The Company has no investments in SCA companies greater than 10% of its admitted assets.

J. The Company did not recognize any impairment write down for its SCA companies during the statement period.

K. The Company does not hold investments in foreign subsidiaries.

L. Investments in downstream non-insurance holding companies

The Company did not utilize the look-through approach for the valuation of its downstream non-insurance holding companies.

Note 11- Debt

A. Capital Notes

Not applicable

B. The Company has not entered into Federal Home Loan Bank Agreements.

NOTES TO FINANCIAL STATEMENTS

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

As the Company does not have direct employees, the Company does not have any direct obligations for a defined benefit plan, deferred compensation arrangements, compensated absences or other post retirement benefit plans. Services for the operation of the Company are provided under provisions of the management services agreements as described in Note 10 F.

As a result of, Liberty Mutual's acquisition of Safeco Corporation, the ultimate parent of fifteen property and casualty insurance companies (Safeco Companies), the Safeco Companies eligible U.S. employees became employees of Liberty Mutual and began participating in the Liberty Mutual benefit plans. The Safeco Corporation continues to sponsor a cash balance defined benefit pension plan (CBP) covering a wide range of former Safeco Company employees. Safeco Corporation terminated the CBP effective December 31, 2008 and will distribute plan assets to eligible participants as soon as administratively practicable. The distribution of assets is expected to occur within 2 to 3 years after the November 2008 filing of a request for approval of the plan termination with applicable regulators. The CBP pension costs are subject to the inter-company pooling agreement described in Note 25. These costs amounted to $290,905 and $123,216 in 2009 and 2008, respectively. Also, a CBP additional minimum liability of $1,012,659 and $1,993,369, also subject to the inter-company pooling agreement, was recognized in 2009 and 2008 respectively in accordance with SSAP 89 and is reported as a component of unassigned funds (surplus). The Company has no legal obligation for benefits under this plan.

Note 13- Capital and Surplus, Shareholders' Dividend restrictions and Quasi-Reorganizations

1. Common Stock

   The Company has 1,000,000 shares authorized, and 900,000 shares issued and outstanding as of December 31, 2009. All shares have a stated par value of $5.

2. Preferred Stock

   Not applicable

3. Dividend Restrictions

   Not applicable

4. The Company paid ordinary dividends to its parent in 2009 of:

   December $5,000,000

5. The maximum amount of dividends that can be paid by Ohio-domiciled insurance companies to shareholders without prior approval of the Insurance Director is the greater of (a) 10% of surplus, or (b) net income. The maximum dividend payout that may be made without prior approval in 2010 is $197,132,862.

6. As of December 31, 2009, the Company has restricted surplus of $28,528,164, from recording the increase in admitted adjusted gross DTA's as a result of applying the revised guidance in SSAP No. 10R (refer to Note 2A) and pre-tax restricted surplus of $4,066,949 resulting from retroactive reinsurance contracts.

7. The Company had no advances to surplus.

8. The Company did not hold stock for special purposes.

9. The Company had changes in special surplus funds resulting from prior year's retroactive reinsurance contracts during 2009 and from the adoption of the revised guidance on calculating admitted adjusted gross DTA's in SSAP 10R.

10. The portion of unassigned funds (surplus) represented by cumulative unrealized gains is $140,863,140 after applicable deferred taxes of $(10,130,652).

11. Surplus Notes

    Not applicable

12. Quasi re-organization (dollar impact)

    Not applicable

13. Quasi re-organization (effective date)

    Not applicable

Note 14- Contingencies

A. Contingent Commitments

   The Company has made no commitments or contingent commitments to affiliates except as indicated in Note 10 E. The Company has made no guarantees on behalf of affiliates.

NOTES TO FINANCIAL STATEMENTS

B. Assessments

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

The Company has accrued a liability for guaranty funds and other assessments of $16,266,322 that is offset by future premium tax credits of $2,717,009. This represents management's best estimate based on information received from the states in which the Company writes business and may change due to factors including the Company's share of the ultimate cost of current insolvencies. Current assessments are expected to be paid out in the next five years, while premium tax offsets are expected to be realized in the next eleven years, beginning in 2009.

During 2009 there were no material insolvencies to report. The company continues to remit payments relating to prior year insolvencies.

C. Gain Contingencies

Not applicable

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
Claims related ECO and bad faith losses paid during the reporting period	$125,000

Number of claims where amounts were paid to settle claims related extra contractual obligations or bad faith claims resulting from lawsuits during the reporting period.

(a) 0-25 Claims	(b) 26-50 Claims	(c) 51-100 Claims	(d) 101-500 Claims	(e) More than 500 Claims
X				

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

(f) Per Claim [x]   (g) Per Claimant [ ]

E. All other Contingencies

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

As disclosed in Note 9 F, the Company is a member of a controlled group for federal income tax purposes, and that group includes Liberty Mutual Group Inc. ("LMGI"). LMGI is the plan sponsor of the Liberty Mutual Retirement Benefit Plan, a qualified plan under federal law. Pursuant to federal law, if LMGI has not made the minimum required contributions with respect to the Liberty Mutual Retirement Benefit Plan, the Company, jointly and severally with all other members of the controlled group, would be contingently liable to make such contributions.

Pursuant to North Carolina General Statute #58-36-25, the potential interest payable to policyholders for the 2009 Private Passenger Automobile Escrow was $4,873.

Note 15- Leases

A. Aside from certain sale-leaseback transactions disclosed below, the Company is not involved in material lease arrangements.

The Company has entered into sale-leaseback arrangements with unrelated parties on certain property, plant and equipment. The transactions have been accounted for in accordance with SSAP No. 22. The Company has a purchase option for all PP&E at the end of each respective lease. The Company's minimum lease obligations under these agreements are as follows:

Year(s)	Sale Lease-back	All Other Operating Lease Arrangements
2010	$1,157,200	$10,105,668
2011	1,157,200	10,046,300
2012	1,157,200	8,849,583
2013	1,157,200	3,264,010
2014	96,433	2,771,865
2015 & thereafter	0	6,558,675
Total	$4,725,233	$41,596,101

NOTES TO FINANCIAL STATEMENTS

B. Leasing as a significant part of lessor's business activities

Not applicable

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

The Company is not exposed to financial instruments with off-balance sheet risk or with concentrations of credit risk.

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

A. The Company did not sell premium receivables.

B. Transfers and servicing of financial assets:

The Company participates in a Securities Lending Program to generate additional income, whereby certain fixed income and mortgage backed securities are loaned for a period of time from the Company's portfolio to qualifying third parties, via a lending agent. The Company does not participate in term loans; therefore, the company does not have contractual collateral transactions that extend beyond one year from the reporting date. Borrowers of these securities provide collateral equal to or in excess of 102% of the market value of the loaned securities. Acceptable collateral may be in the form of cash or U.S. Government securities, such as Treasuries and Agency Bonds. The market value of the loaned securities is monitored and additional collateral is obtained if the market value of the collateral falls below 102% of the market value of the loaned securities. Additionally, the lending agent indemnifies the Company against borrower defaults. Cash collateral is carried as an asset with an offsetting liability on the balance sheet, as the Company can exercise discretion as to how the collateral is invested. The loaned securities remain a recorded asset of the Company.

At December 31, 2009 the total fair value of securities on loan was $127,844,678 with corresponding collateral value of $131,761,468 of which $104,210,523 represents cash collateral.

C. Wash Sales

The Company did not have any wash sale transactions during the year.

Note 18-Gain or Loss from Uninsured Accident and Health Plans and the Uninsured Portion of Partially Insured Plans

A. Administrative Services Only (ASO) Plans

Not applicable

B. Administrative Services Contract (ASC) Plans

In 2008, the Company's affiliate, Safeco Insurance Company of America and other members of the Peerless Amended and Restated Reinsurance Pooling Agreement (refer to note 25) agreed to become participating insurers of the California Earthquake Authority ("CEA"), a publicly-managed, privately funded organization that provides residential earthquake insurance in California. As participating insurers of the CEA, the companies act as a third party administrator and perform certain administrative services on behalf of the CEA, including underwriting, policy issuance, premium collection, and claims payment. The CEA reimburses the companies for commissions and claims paid on behalf of the CEA. The companies also receive an administrative fee equal to 3.43% of premium and 9% of claims paid. These administrative fees are subject to the inter-company pooling agreement. In 2009, the Company recorded CEA administrative fees of $212,160.

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contracts

Not applicable

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

The Company has no direct premiums written through managing general agents or third party administrators.

Note 20- Other Items

A. The Company has no extraordinary items to report.

B. Troubled Debt Restructuring for Debtors

Not applicable

C. Other Disclosures

1) Assets in the amount of $9,525,282 and $9,520,687 as of December 31, 2009 and 2008, respectively, were on deposit with government authorities or trustees as required by law.

2) 2009 North Carolina Private Passenger Automobile Escrow

As mandated by North Carolina Statute #58-7-26(C), the escrow account of the company was $298,947 at December 31, 2009.

NOTES TO FINANCIAL STATEMENTS

3) During the current year, certain members of the Peerless Pool, of which the Company is a member, changed the nature of their cash disbursement accounts, so that disbursement transactions reflect the characteristics of drafts. In prior years, cash disbursement transactions were accounted for as checks. The Company's cash accounts were not changed. The Company's year end drafts outstanding balance increased by $60,744,075.92, which represents the Company's pool share of the Peerless Pool's increase in drafts outstanding. (Refer to Note 25)

4) Interrogatory 6.1

In 2009, as a member of an inter-company reinsurance pooling arrangement, the Company had the benefit of Workers' Compensation Catastrophe reinsurance with limits of $1,038,000 part of $1,175,000 xs $25,000,000 purchased by Peerless Insurance Company, the lead company of the inter-company reinsurance pool, individually or with affiliates within the Liberty Mutual Group covering workers' compensation business ceded to the pool.

Interrogatory 6.3

As a member of the inter-company pooling arrangement in which Peerless Insurance Company is the lead company, the Company has the benefit of $825,000,000 xs $500,000,000 of traditional XOL reinsurance covering its business ceded to the pool. In December 2008, Peerless Insurance Company purchased a 31.725% QS treaty for its direct and assumed from affiliates US Homeowners portfolio, which includes business assumed from the Company.

D. The Company routinely assesses the collectability of its premium receivable. Based upon Company experience, amounts in excess of non-admitted amounts are not believed to be material.

E. Business Interruption Insurance Recoveries

The Company does not purchase business interruption coverage.

F. State Transferable Tax Credits

The Company does not hold transferable state tax credits.

G. Sub-Prime Lending

1. The Company has not purchased securities characterized by the market as subprime. The Company looks at such factors as average FICO scores, loan to value ratios, and levels of documentation when evaluating securities. The Company's only exposure to subprime was inherited through past acquisitions of insurance companies.

2. The Company does not have any direct exposure through investments in sub-prime mortgage loans.

3. The Company has direct exposure through their investment in residential mortgage-backed securities.

Actual Cost	Book Adjusted Carrying Value	Fair Value	Other Then Temporary Impairments Recognized
$28,592,787	$28,694,411	$27,863,220	$11,536,705

4. The Company does not have underwriting exposure to sub-prime mortgage risk.

Note 21- Events Subsequent

The Company evaluated subsequent events through February 24, 2010, the date the financial statements were available to be issued.

There were no events subsequent to December 31, 2009 that would require disclosure.

Note 22- Reinsurance

A. Excluding amounts arising pursuant to the inter-company Reinsurance Agreement, as described in Note 25, there are no unsecured reinsurance recoverables with an individual reinsurer which exceed 3% of policyholders surplus.

B. There are no reinsurance recoverables in dispute from an individual reinsurer which exceed 5% of the Company's surplus. In addition, the aggregate reinsurance recoverables in dispute do not exceed 10% of the Company's surplus.

C. Reinsurance Assumed & Ceded

1. The following table sets forth the maximum return premium and commission equity due the reinsurer or the Company if all of the Company's assumed and ceded reinsurance were canceled as of December 31, 2009.

	Assumed Reinsurance		Ceded Reinsurance		Net Reinsurance	
	UEP	Commission Equity	UEP	Commission Equity	UEP	Commission Equity
Affiliates	938,631,360	131,408,390	205,483,696	28,767,717	733,147,664	102,640,673

NOTES TO FINANCIAL STATEMENTS

All Other	-	-	-	-	-	-
Total	938,631,360	131,408,390	205,483,696	28,767,717	733,147,664	102,640,673

Direct Unearned Premium Reserve of 205,483,696

2. There are no sliding scale adjustments, or other profit sharing commissions for direct, assumed or ceded business. The following are the contingent commissions for direct, assumed and ceded business.

Direct	$9,054,555
Assumed	52,423,216
Ceded	(9,054,555)
Net	$52,423,216

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

D. The Company did not write off any uncollectible balances in 2009.

E. The Company did not commute any reinsurance treaties in the current year.

F. The Company has one assumed retroactive contract that transferred liabilities for losses that had already occurred. The impact of the Inter-Company Reinsurance Agreement is also shown.

		Assumed	Ceded
a.	Reserves Transferred:		
	1. Initial Reserves	$96,862,589	
	2. Adjustment – Prior Year(s)	(75,453,017)	
	3. Adjustment – Current Year	(3,035,606)	
	4. Total	18,373,966	
b.	Consideration Paid or Received:		
	1. Initial Reserves	105,207,366	
	2. Adjustment – Prior Year(s)	3,038,158	
	3. Adjustment – Current Year	-	
	4. Total	108,245,524	
c.	Amounts Recovered / Paid - Cumulative		
	1. Initial Reserves	0	
	2. Adjustment – Prior Year(s)	92,891,294	
	3. Adjustment – Current Year	5,457,621	
	4. Total	98,348,914	
d.	Special Surplus from Retroactive Reinsurance		
	1. Initial Reserves	(5,358,496)	
	2. Adjustment – Prior Year(s)	(14,395,368)	
	3. Adjustment – Current Year	425,495	
	4. Total	(4,066,949)	
	5. Cumulative Total Transferred to Unassigned Funds	(23,395,318)	
e.	Other insurers included in the above transactions:		
	Peerless Insurance Company	18,373,966	

There are no reinsurance contracts covering losses that have occurred prior to the inception of the contract that have not been accounted for in conformity with the NAIC Accounting Practices and Procedures Manual.

G. The Company has not entered into any deposit type agreements as of December 31, 2009.

Note 23 - Retrospectively Rated Contracts and Contracts Subject to Redetermination

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

B. Accrued retrospective premiums are recorded as a component of written premiums.

C. For detail of net premium written subject to retrospective rating features see Schedule P - Part 7A.

NOTES TO FINANCIAL STATEMENTS

D. Ten percent of the amount not offset by retrospective return premiums or collateral has been designated non-admitted and charged to surplus.

a. Total accrued retro premium	$3,786,672
b. Less: Non-admitted amount	455,415
c. Admitted amount	$3,331,257

Note 24 - Changes in Incurred Losses and Loss Adjustment Expenses

Incurred loss and loss adjustment expense attributed to insured events on prior years has decreased $157,341,052 during 2009. This decrease was primarily the result of improving loss trends in the Other Liability $58,320,785, Private Passenger Auto Liability $31,814,240, Commercial Mulit-Peril $24,240,032, Workers' Compensation $18,277,318, Fidelity/Surety $11,807,876 and Commercial Auto Liability $8,405,608 lines. Prior estimates are revised as additional information becomes known regarding individual claims.

Note 25- Intercompany Pooling Arrangements

The Company is a member of the PIC Amended and Restated Reinsurance Pooling Agreement consisting of the following affiliated companies:

		NAIC Company Number	2009 Pooling Percentage
Lead Company	Peerless Insurance Company ("PIC")	24198	25.20%
Affiliated Pool Companies	The Ohio Casualty Insurance Company ("OCIC")	24074	20.40%
	Safeco Insurance Company of America ("SICOA")	24740	15.20%
	General Insurance Company of America ("GICA")	24732	9.20%
	American States Insurance Company ("ASIC")	19704	7.60%
	American Economy Insurance Company ("AEIC")	19690	5.60%
	Indiana Insurance Company ("IIC")	22659	4.80%
	Golden Eagle Insurance Corporation ("GEIC")	10836	3.00%
	Peerless Indemnity Insurance Company ("PIIC")	18333	3.00%
	Safeco Insurance Company of Illinois ("SICIL")	39012	2.00%
	The Netherlands Insurance Company ("NIC")	24171	1.80%
	American States Preferred Insurance Company ("ASPCO")	37214	0.80%
	First National Insurance Company of America ("FNICA")	24724	0.80%
	American Fire and Casualty Company ("AFCIC")	24066	0.60%
	America First Insurance Company ("AFIC")	12696	0.00%
	America First Lloyd's Insurance Company ("AFLIC")	11526	0.00%
	American States Insurance Company of Texas ("ASICT")	19712	0.00%
	American States Lloyds Insurance Company ("ASLCO")	31933	0.00%
	Avomark Insurance Company ("AVOIC")	10792	0.00%
	Colorado Casualty Insurance Company ("CCIC")	41785	0.00%
	Consolidated Insurance Company ("CIC")	22640	0.00%
	Excelsior Insurance Company ("EIC")	11045	0.00%
	Hawkeye-Security Insurance Company ("HSIC")	36919	0.00%
	Insurance Company of Illinois ("ICIL")	26700	0.00%
	Liberty Mutual Mid-Atlantic Insurance Company ("LMMAIC")	14486	0.00%
	Mid-American Fire & Casualty Company ("MAFCC")	23507	0.00%
	The Midwestern Indemnity Company ("MWIC")	23515	0.00%
	Montgomery Mutual Insurance Company ("MMIC")	14613	0.00%
	National Insurance Association ("NIA")	27944	0.00%
	Ohio Security Insurance Company ("OSIC")	24082	0.00%
	Safeco Insurance Company of Indiana ("SICIN")	11215	0.00%
	Safeco Insurance Company of Oregon ("SICOR")	11071	0.00%
	Safeco Lloyds Insurance Company ("SLICO")	11070	0.00%
	Safeco National Insurance Company ("SNIC")	24759	0.00%
	Safeco Surplus Lines Insurance Company ("SSLIC")	11100	0.00%
	West American Insurance Company ("WAIC")	44393	0.00%
			100.00%
100% Quota Share Affiliated Companies	Bridgefield Employers Insurance Company ("BEIC")	10701	0.00%
	Bridgefield Casualty Insurance Company ("BCIC")	10335	0.00%
	Liberty Northwest Insurance Corporation ("LNW")	41939	0.00%
	North Pacific Insurance Company ("NPIC")	23892	0.00%
	Oregon Automobile Insurance Company ("OAIC")	23922	0.00%

Under the terms of the Reinsurance Agreements, the sequence of transactions is as follows:

(a) Each Affiliated Pool Company cedes its net underwriting activity to the Lead Company.

(b) Each 100% Quota Share Affiliated Company cedes its net underwriting activity to the Lead Company.

(c) After recording the assumed affiliate transactions noted above, the Lead Company records 100% of its external assumed and ceded reinsurance activity.

NOTES TO FINANCIAL STATEMENTS

(d) The Lead Company's remaining underwriting activity, after processing all internal and external reinsurance is retroceded to the pool members in accordance with each company's pool participation percentage, as noted above.

(e) There were no members that are parties to reinsurance agreements with non-affiliated reinsurers covering business subject to the pooling agreement that have a contractual right of direct recovery from the non-affiliated reinsurer per the terms of such reinsurance agreements.

(f) There were no discrepancies between entries regarding pooled business on the assumed and ceded reinsurance schedules of the Lead Company and corresponding entries on the assumed and ceded reinsurance schedules of other pooled participants.

(g) The write-off of uncollectible reinsurance is pooled and the Provision for Reinsurance is recognized by the entity placing the outbound external reinsurance.

(h) Amount due from affiliated entity participating in the Peerless inter-company pool as at December 31, 2009:

Affiliate:	Amount:
Peerless Insurance Company	$43,388,068

During 2009, American Ambassador Insurance Company, Globe American Insurance Company and Ohio Casualty of New Jersey merged with Peerless Indemnity Insurance Company, The Midwestern Indemnity Company, and Ohio Casualty Insurance Company, respectively. Peerless Indemnity Insurance Company, The Midwestern Indemnity Company and Ohio Casualty Insurance Company were the surviving entities.

During 2009, ICIL merged with an affiliate, Liberty Insurance Company of America (LICA). ICIL became the surviving entity. Concurrent with the merger, ICIL entered into a Quota Share Reinsurance Agreement with Liberty Mutual Insurance Company (LMIC), covering the business written by LICA. ICIL continued as a participant in the Peerless Amended and Restated Reinsurance Agreement. Effective January 1, 2010, ICIL terminated the Quota Share Reinsurance Agreement with LMIC and became a participant in the Liberty Mutual inter-company Pool, with a 0.00% participation in the Pool. As a participant in the Liberty Mutual inter-company Reinsurance Agreement, ICIL cedes the business of LICA to the Pool. Concurrent with entering into the Liberty Mutual inter-company Reinsurance Agreement, ICIL terminated its participation in the Peerless Amended and Restated Reinsurance Agreement and entered into a Quota Share Reinsurance Agreement with PIC, covering the business written by ICIL.

Effective January 1, 2010, Bridgefield Casualty Insurance Company and Bridgefield Employers Insurance Company canceled their 100% Quota Share Reinsurance Agreements with PIC and entered into 100% Reinsurance Agreements with Liberty Mutual Insurance Company.

Pursuant to the approval of the appropriate state insurance departments, effective January 1, 2010, the Peerless Insurance Company Pool structure was revised as follows:

		NAIC Company Number	2010 Pooling Percentage
Lead Company	Peerless Insurance Company ("PIC")	24198	25.20%
Affiliated Pool Companies	The Ohio Casualty Insurance Company ("OCIC")	24074	20.40%
	Safeco Insurance Company of America ("SICOA")	24740	15.20%
	General Insurance Company of America ("GICA")	24732	9.20%
	American States Insurance Company ("ASIC")	19704	7.60%
	American Economy Insurance Company ("AEIC")	19690	5.60%
	Indiana Insurance Company ("IIC")	22659	4.80%
	Golden Eagle Insurance Corporation ("GEIC")	10836	3.00%
	Peerless Indemnity Insurance Company ("PIIC")	18333	3.00%
	Safeco Insurance Company of Illinois ("SICIL")	39012	2.00%
	The Netherlands Insurance Company ("NIC")	24171	1.80%
	American States Preferred Insurance Company ("ASPCO")	37214	0.80%
	First National Insurance Company of America ("FNICA")	24724	0.80%
	American Fire and Casualty Company ("AFCIC")	24066	0.60%
	America First Insurance Company ("AFIC")	12696	0.00%
	America First Lloyd's Insurance Company ("AFLIC")	11526	0.00%
	American States Insurance Company of Texas ("ASICT")	19712	0.00%
	American States Lloyds Insurance Company ("ASLCO")	31933	0.00%
	Avomark Insurance Company ("AVOIC")	10792	0.00%
	Colorado Casualty Insurance Company ("CCIC")	41785	0.00%
	Consolidated Insurance Company ("CIC")	22640	0.00%
	Excelsior Insurance Company ("EIC")	11045	0.00%
	Hawkeye-Security Insurance Company ("HSIC")	36919	0.00%
	Liberty Mutual Mid-Atlantic Insurance Company ("LMMAIC")	14486	0.00%
	Mid-American Fire & Casualty Company ("MAFCC")	23507	0.00%
	The Midwestern Indemnity Company ("MWIC")	23515	0.00%
	Montgomery Mutual Insurance Company ("MMIC")	14613	0.00%
	National Insurance Association ("NIA")	27944	0.00%

NOTES TO FINANCIAL STATEMENTS

	Ohio Security Insurance Company ("OSIC")	24082	0.00%
	Safeco Insurance Company of Indiana ("SICIN")	11215	0.00%
	Safeco Insurance Company of Oregon ("SICOR")	11071	0.00%
	Safeco Lloyds Insurance Company ("SLICO")	11070	0.00%
	Safeco National Insurance Company ("SNIC")	24759	0.00%
	Safeco Surplus Lines Insurance Company ("SSLIC")	11100	0.00%
	West American Insurance Company ("WAIC")	44393	0.00%
			100.00%
100% Quota Share Affiliated Companies	Liberty Northwest Insurance Corporation ("LNW")	41939	0.00%
	North Pacific Insurance Company ("NPIC")	23892	0.00%
	Oregon Automobile Insurance Company ("OAIC")	23922	0.00%

Note 26- Structured Settlements

A. As a result of purchased annuities with the claimant as payee, the Company no longer carries reserves of $23,879,775 after applying Reinsurance Agreement percentages. The Company is contingently liable should the issuers of the purchased annuities fail to perform under the terms of the annuities. The amount of unrecorded loss contingencies related to the purchased annuities was $23,879,775 as of December 31, 2009.

B. Not applicable

Note 27 - Health Care Receivables

Not applicable

Note 28 - Participating Policies

Not applicable

Note 29 – Premium Deficiency Reserves

As of December 31, 2009, the Company had no liabilities related to premium deficiency reserves.

Note 30- High Dollar Deductible Policies

The Company does not have any high deductible policies.

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

For Workers Compensation, the Company discounts its reserves for unpaid losses using a tabular discount on the long-term annuity portion of certain workers compensation claims. The tabular discount is based on the Unit Statistical Plan tables as approved by the respective states at an annual discount rate of 4.0%. The December 31, 2009 liabilities subject to discount were carried at a value representing a discount of $30,697,254 net of all reinsurance.

For all other lines, the Company does not discount its reserves for unpaid losses and loss adjustment expenses.

Note 32 - Asbestos/Environmental Reserves

The Company has exposure to asbestos and environmental claims which emanate principally from general liability policies written prior to the mid-1980's. In establishing the Company's asbestos and environmental reserves, the Company estimates case basis reserves for anticipated losses and bulk reserves for loss adjustment expenses and incurred but not reported losses. The Company maintained casualty excess of loss reinsurance during the relevant periods. The reserves are reported net of expected recoveries from reinsurers and include any reserves reported by ceding reinsurers on assumed reinsurance contracts.

Factors Contributing to Uncertainty in Establishing Adequate Reserves
The process of establishing reserves for asbestos and environmental claims is subject to greater uncertainty than the establishment of reserves for liabilities relating to other types of insurance claims. A number of factors contribute to this greater uncertainty surrounding the establishment of asbestos and environmental reserves, including, without limitation: (i) the lack of available and reliable historical claims data as an indicator of future loss development, (ii) the long waiting periods between exposure and manifestation of any bodily injury or property damage, (iii) the difficulty in identifying the source of asbestos or environmental contamination, (iv) the difficulty in properly allocating liability for asbestos or environmental damage, (v) the uncertainty as to the number and identity of insured's with potential exposure, (vi) the cost to resolve claims, and (vii) the collectability of reinsurance.

The uncertainties associated with establishing reserves for asbestos and environmental losses and loss adjustment expenses are compounded by the differing, and at times inconsistent, court rulings on environmental and asbestos coverage issues involving: (i) the differing interpretations of various insurance policy provisions and whether asbestos and environmental losses are or were ever intended to be covered, (ii) when the loss occurred and what policies provide coverage, (iii) whether there is an insured obligation to defend, (iv) whether a compensable loss or injury has occurred, (v) how policy limits are determined, (vi) how policy exclusions are applied and interpreted, (vii) the impact of entities seeking bankruptcy protection as a result of asbestos-related liabilities, (viii) whether clean-up costs are covered as insured property damage, and (ix) applicable coverage defenses or determinations, if any, including the determination as to whether or not an asbestos claim is a products/completed operation claim subject to an aggregate limit and the available coverage, if any, for that claim.

NOTES TO FINANCIAL STATEMENTS

In the last few years the Company, as well as the industry generally, has seen decreases in the number of asbestos claims being filed. This turn to a more favorable trend is due to a number of factors. Screening activity used by some lawyers to find new plaintiffs has been as a result of questionable practices discovered in the Federal Silica Multi District Litigation. Court decisions in several key states have been favorable to defendants. More importantly, several states have enacted legislation in the past few years that contain medical criteria provisions aimed at reducing the number of lawsuits filed by unimpaired plaintiffs and providing prompt and fair compensation to those who meet the criteria.

Uncertainty Regarding Reserving Methodologies
As a result of the significant uncertainty inherent in determining a company's asbestos and environmental liabilities and establishing related reserves, the amount of reserves required to adequately fund the Company's asbestos and environmental claims cannot be accurately estimated using conventional reserving methodologies based upon historical data and trends. As a result, the use of conventional reserving methodologies frequently has to be supplemented by subjective considerations including managerial judgment.

Effect of Uncertainty in Reserving For Asbestos and Environmental Claims on Company's Financial Condition
The methods of determining estimates for reported and unreported losses and establishing resulting reserves and related reinsurance recoverables are periodically reviewed and updated, and adjustments resulting from this review are reflected in income currently.

As a direct result of the significant uncertainties associated with estimating its asbestos and environmental exposures and establishing appropriate levels of reserves, the ultimate liability of the Company for asbestos and environmental exposures may vary materially from the reserves currently recorded. The Company and other industry members have and will continue to litigate the broadening judicial interpretation of policy coverage and the liability issues. If the courts continue to expand the scope of the coverage provided, additional liabilities could emerge for amounts in excess of reserves held. This emergence, as well as the other uncertainties noted above, cannot now be reasonably estimated, but could have a material impact on the Company’s future operating results, and financial condition.

The table below summarizes reserve and loss activity for the Company’s asbestos and environmental loss and loss adjustment expenses for each of the five most recent calendar years. Gross reserves for both asbestos and environmental are representative of the companies included in note 25. Net reserves for asbestos and environmental are allocated based on the Company’s Inter-company Reinsurance Agreement, as discussed in Note 25.

Asbestos:

	2005	2006	2007	2008	2009
Direct Basis					
Beginning Reserves	24,369,825	30,256,440	34,982,085	33,001,800	34,145,999
Incurred losses and LAE	8,329,244	7,198,194	1,910,692	5,031,725	436,086
Calendar year payments	2,442,629	2,472,549	3,482,972	3,887,526	2,635,659
Ending Reserves	30,256,440	34,982,085	33,409,805	34,145,999	31,946,426
Assumed Reinsurance Basis					
Beginning Reserves	22,052,166	22,271,509	21,969,367	27,133,137	23,225,771
Incurred losses and LAE	1,501,652	962,301	6,251,652	(921,951)	11,481,000
Calendar year payments	1,282,309	1,264,443	2,104,797	2,985,415	2,350,710
Ending Reserves	22,271,509	21,969,367	26,116,222	23,225,771	32,356,061
Net of Ceded Reinsurance Basis					
Beginning Reserves	37,878,275	43,255,706	46,006,721	48,726,792	46,743,996
Incurred losses and LAE	8,926,135	6,145,275	6,749,739	2,456,613	12,962,772
Calendar year payments	3,548,704	3,394,260	4,652,293	4,439,409	4,666,265
Ending Reserves	43,255,706	46,006,721	48,104,167	46,743,996	55,040,503

Ending Reserves for Bulk + IBNR included above (Loss & LAE)	
Direct Basis	18,109,242
Assumed Reinsurance Basis	18,211,021
Net of Ceded Reinsurance Basis	33,502,901
Ending Reserves for LAE included above (Case, Bulk & IBNR)	
Direct Basis	10,911,664
Assumed Reinsurance Basis	59,333
Net of Ceded Reinsurance Basis	9,201,276

NOTES TO FINANCIAL STATEMENTS

Environmental:	2005	2006	2007	2008	2009
Direct Basis					
Beginning Reserves	36,665,781	40,947,524	39,894,009	37,930,446	32,404,758
Incurred losses and LAE	8,965,861	3,767,016	10,495,986	835,151	(1,406,612)
Calendar year payments	4,684,118	4,820,531	7,584,896	6,360,839	3,394,669
Ending Reserves	40,947,524	39,894,009	42,805,099	32,404,758	27,603,477
Assumed Reinsurance Basis					
Beginning Reserves	11,363,819	8,300,374	7,492,870	7,282,685	7,002,815
Incurred losses and LAE	(2,535,188)	165,114	109,444	410	(1,784,742)
Calendar year payments	528,257	972,618	191,068	280,280	177,280
Ending Reserves	8,300,374	7,492,870	7,411,246	7,002,815	5,040,793
Net of Ceded Reinsurance Basis					
Beginning Reserves	45,362,043	44,817,232	41,730,622	41,728,507	35,588,663
Incurred losses and LAE	3,874,850	2,236,091	11,580,665	(734,768)	(3,760,776)
Calendar year payments	4,419,661	5,322,701	6,436,121	5,405,076	3,357,697
Ending Reserves	44,817,232	41,730,622	46,875,166	35,588,663	28,470,190

Ending Reserves for Bulk + IBNR included above (Loss & LAE)	
Direct Basis	18,357,960
Assumed Reinsurance Basis	3,174,920
Net of Ceded Reinsurance Basis	18,788,387
Ending Reserves for LAE included above (Case, Bulk & IBNR)	
Direct Basis	9,376,845
Assumed Reinsurance Basis	22,704
Net of Ceded Reinsurance Basis	9,136,539

Upon entering the PIC Pool, effective January 1, 2008 (refer to Note 25), the Ohio Casualty Companies’ asbestos and environmental claims coding was revised to reflect the definition employed by the Peerless “Pool”, which is consistent with industry practice. As a result, the 2007 ending balances for asbestos and environmental reserves, which is the sum of the former PIC Pool’s amounts and the Ohio Casualty Companies’ Pool amounts, differ from the 2008 beginning balances, which reflect a single common definition.

Note 33- Subscriber Savings Accounts

The Company is not a reciprocal insurance company.

Note 34 - Multiple Peril Crop Insurance

Not applicable

Note 35 – Financial Guarantee Insurance Contracts

Not applicable

GENERAL INTERROGATORIES

PART 1 – COMMON INTERROGATORIES

GENERAL

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

1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [ ] N/A [ ]

1.3 State Regulating? Ohio

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

2.2 If yes, date of change:

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2008

3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2008

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 10/05/2006

3.4 By what department or departments?
Ohio Department of Insurance

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

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

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

4.11 sales of new business? Yes [ ] No [X]
4.12 renewals? Yes [ ] No [X]

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

4.21 sales of new business? Yes [ ] No [X]
4.22 renewals? Yes [ ] No [X]

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

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

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
Ohio Casualty of New Jersey, Inc.	10937	OH
	00000	
	00000	

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

GENERAL INTERROGATORIES

6.2 If yes, give full information:

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

7.2 If yes,

7.21 State the percentage of foreign control.

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

1 Nationality	2 Type of Entity

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

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

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

8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e., the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the 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. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young, LLP
200 Clarendon Street
Boston, MA 02116

10. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
William M Finn, FCAS, MAAA
62 Maple Avenue Keene, NH 03431
Vice President & Chief Actuary of Liberty Mutual Agency Markets

11.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [ ] No [X]

11.11 Name of real estate holding company

11.12 Number of parcels involved 0

11.13 Total book/adjusted carrying value $ 0

11.2 If yes, provide explanation:

GENERAL INTERROGATORIES

12. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

12.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

12.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [ ] No [X]

12.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [X]

12.4 If answer to (12.3) is yes, has the domiciliary or entry state approved the changes? Yes [ ] No [ ] N/A [X]

13.1 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 [ ]

13.11 If the response to 13.1 is no, please explain:

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

13.21 If the response to 13.2 is yes, provide information related to amendment(s).

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

13.31 If the response to 13.3 is yes, provide the nature of any waiver(s).

BOARD OF DIRECTORS

14. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No [ ]

15. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No [ ]

16. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No [ ]

FINANCIAL

17. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [ ] No [X]

18.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

18.11	To directors or other officers	$ 0
18.12	To stockholders not officers	$ 0
18.13	Trustees, supreme or grand (Fraternal only)	$ 0

GENERAL INTERROGATORIES

18.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

18.21	To directors or other officers	$ 0
18.22	To stockholders not officers	$ 0
18.23	Trustees, supreme or grand (Fraternal only)	$ 0

19.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [ ] No [X]

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

19.21	Rented from others	$ 0
19.22	Borrowed from others	$ 0
19.23	Leased from others	$ 0
19.24	Other	$ 0

20.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [ ] No [X]

20.2 If answer is yes:

20.21	Amount paid as losses or risk adjustment	$ 0
20.22	Amount paid as expenses	$ 0
20.23	Other amounts paid	$ 0

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

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

INVESTMENT

22.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 22.3) Yes [X] No [ ]

22.2 If no, give full and complete information relating thereto:

22.3 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 16 where this information is also provided)

Please reference note 17B.

22.4 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [X] No [ ] N/A [ ]

22.5 If answer to 22.4 is yes, report amount of collateral. $ 131,761,468

22.6 If answer to 22.4 is no, report amount of collateral. $ 0

23.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 19.1 and 22.3.) Yes [X] No [ ]

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

23.21	Subject to repurchase agreements	$ 0
23.22	Subject to reverse repurchase agreements	$ 0
23.23	Subject to dollar repurchase agreements	$ 0
23.24	Subject to reverse dollar repurchase agreements	$ 0
23.25	Pledged as collateral	$ 52,956,528
23.26	Placed under option agreements	$ 0
23.27	Letter stock or securities restricted as to sale	$ 0
23.28	On deposit with state or other regulatory body	$ 9,525,282
23.29	Other	$ 0

GENERAL INTERROGATORIES

23.3 For category (23.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount
		0
		0
		0

24.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [ ] No [X]

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

25.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [ ] No [X]

25.2 If yes, state the amount thereof at December 31 of the current year. $ 0

26. 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 [ ]

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

1 Name of Custodian(s)	2 Custodian's Address
JP Morgan Chase	3 Chase Metro Tech Center, Brooklyn, NY 11245
US Bank Corporate Trust Services	21 South Street, 3rd Floor, Morristown, NJ 07960

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

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

26.03 Have there been any changes, including name changes, in the custodian(s) identified in 26.01 during the current year? Yes [ ] No [X]

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

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

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

1 Central Registration Depository Number(s)	2 Name(s)	3 Address
N/A	Liberty Mutual Insurance Company	175 Berkeley St., Boston MA 02116
N/A	Liberty Mutual Investment Advisors, LL	175 Berkeley St., Boston MA 02116
N/A	Stancorp Mortgage Investors	1100 SW Sixth Avenue, Portland OR 97204

27.1 Does the reporting entity have any diversified mutual funds reported in Schedule D – Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])? Yes [ ] No [X]

GENERAL INTERROGATORIES

27.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
		0
		0
		0
27.2999 TOTAL		0

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
		0	
		0	
		0	

28. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
28.1 Bonds	3,700,270,961	3,819,339,805	119,068,844
28.2 Preferred stocks	42,321,732	43,040,732	719,000
28.3 Totals	3,742,592,693	3,862,380,537	119,787,844

28.4 Describe the sources or methods utilized in determining the fair values:
The primary source is published unit prices from the NAIC Securities Valuation Office. The secondary source is the pricing vendor, Interactive Data Corporation, followed by backfill from Bloomberg. Lastly, management determines fair value based on quoted market prices of similar financial instruments or by using industry recognized valuation techniques.

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

29.2 If yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [ ] No [X]

29.3 If no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

The Company reviews the pricing methodology of its vendors on an annual basis. The company has also established acceptable price change and tolerance guidelines. Vendor prices falling outside the guidelines are furthered reviewed by management on a monthly basis. All prices determined internally by the insurer are reviewed and signed off by the Chief Investment Officer.

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

30.2 If no, list exceptions:

OTHER

31.1 Amount of payments to Trade associations, service organizations and statistical or Rating Bureaus, if any? $ 14,231

GENERAL INTERROGATORIES

31.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
NCCI Holdings Inc	14,231
	0
	0

32.1 Amount of payments for legal expenses, if any? $ 33,563

32.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
BRENNAN & CLARK LTD	15,304
	0
	0

33.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? $ 20

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

1 Name	2 Amount Paid
CUYAHOGA COUNTY PROBATE COURT	20
	0
	0

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [ ] No [X]

1.2 If yes, indicate premium earned on U.S. business only. $ 0

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? $ 0
1.31 Reason for excluding

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. $ 0
1.5 Indicate total incurred claims on all Medicare Supplement insurance. $ 0
1.6 Individual policies:

Most current three years:

1.61	Total premium earned	$ 0
1.62	Total incurred claims	$ 0
1.63	Number of covered lives	0

All years prior to most current three years:

1.64	Total premium earned	$ 0
1.65	Total incurred claims	$ 0
1.66	Number of covered lives	0

1.7 Group policies:

Most current three years:

1.71	Total premium earned	$ 0
1.72	Total incurred claims	$ 0
1.73	Number of covered lives	0

All years prior to most current three years:

1.74	Total premium earned	$ 0
1.75	Total incurred claims	$ 0
1.76	Number of covered lives	0

2. Health Test:

		1 Current Year	2 Prior Year
2.1	Premium Numerator	$ 1,448,360	$ 5,485
2.2	Premium Denominator	$ 2,137,212,088	$ 2,033,633,437
2.3	Premium Ratio (2.1/2.2)	0.00	0.00
2.4	Reserve Numerator	$ 1,586,055	$ 0
2.5	Reserve Denominator	$ 3,436,483,761	$ 3,434,726,323
2.6	Reserve Ratio (2.4/2.5)	0.00	0.00

3.1 Does the reporting entity issue both participating and non-participating policies? Yes [X] No [ ]

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

3.21	Participating policies	$ 18,277
3.22	Non-participating policies	$ 400,472,810

4. For Mutual reporting entities and Reciprocal Exchanges only:

4.1 Does the reporting entity issue assessable policies? Yes [ ] No [X]

4.2 Does the reporting entity issue non-assessable policies? Yes [ ] No [X]

4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? 0

4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. $ 0

5. For Reciprocal Exchanges Only:

5.1 Does the exchange appoint local agents? Yes [ ] No [X]

5.2 If yes, is the commission paid:

5.21	Out of Attorney's-in-fact compensation	Yes [ ] No [ ] N/A [X]
5.22	As a direct expense of the exchange	Yes [ ] No [ ] N/A [X]

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

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

5.5 If yes, give full information

6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit loss:
See Note 20C

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:
The Company employs industry recognized catastrophe modeling software to estimate the Probable Maximum Loss. For property exposures, we employ RiskLink v9.0 from RMS and AIR Clasic/2 v11.0. For WC, Liberty Mutual utilizes RiskLink v9.0 from RMS.

6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?
See Note 20C

6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? Yes [X] No [ ]

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

7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)? Yes [X] No [ ]

7.2 If yes, indicate the number of reinsurance contracts containing such provisions. 1

7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)? Yes [X] No [ ]

8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured? Yes [ ] No [X]

8.2 If yes, give full information

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

9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:
(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract. Yes [ ] No [X]

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

9.4 Except for transactions meeting the requirements of paragraph 32 of SSAP No. 62, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? Yes [ ] No [X]

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

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

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes [X] No [ ] N/A [ ]

11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force: Yes [ ] No [X]
11.2 If yes, give full information

12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 13.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:

12.11 Unpaid losses $ 10,273,721
12.12 Unpaid underwriting expenses (including loss adjustment expenses) $ 1,141,445

12.2 Of the amount on Line 13.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds? $ 3,170,942

12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes [X] No [ ] N/A [ ]

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

12.41 From 0.00
12.42 To 9.00

12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? Yes [X] No [ ]

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

12.61 Letters of Credit $ 7,720,652
12.62 Collateral and other funds $ 73,418,671

13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): $ 87,737,940

13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes [ ] No [X]

13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount. 1

14.1 Is the company a cedant in a multiple cedant reinsurance contract? Yes [ ] No [X]

14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:

14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes [ ] No [X]

14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? Yes [X] No [ ]

14.5 If the answer to 14.4 is no, please explain:

15.1 Has the reporting entity guaranteed any financed premium accounts? Yes [ ] No [X]

15.2 If yes, give full information

16.1 Does the reporting entity write any warranty business? Yes [ ] No [X]
If yes, disclose the following information for each of the following types of warranty coverage:

		1 Direct Losses Incurred	2 Direct Losses Unpaid	3 Direct Written Premium	4 Direct Premium Unearned	5 Direct Premium Earned
16.11	Home	$ 0	$ 0	$ 0	$ 0	$ 0
16.12	Products	$ 0	$ 0	$ 0	$ 0	$ 0
16.13	Automobile	$ 0	$ 0	$ 0	$ 0	$ 0
16.14	Other*	$ 0	$ 0	$ 0	$ 0	$ 0

* Disclose type of coverage:

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F – Part 3 that it excludes from Schedule F – Part 5. Yes [ ] No [X]

Incurred but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from inclusion in Schedule F – Part 5. Provide the following information for this exemption:

17.11	Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5	$ 0
17.12	Unfunded portion of Interrogatory 17.11	$ 0
17.13	Paid losses and loss adjustment expenses portion of Interrogatory 17.11	$ 0
17.14	Case reserves portion of Interrogatory 17.11	$ 0
17.15	Incurred but not reported portion of Interrogatory 17.11	$ 0
17.16	Unearned premium portion of Interrogatory 17.11	$ 0
17.17	Contingent commission portion of Interrogatory 17.11	$ 0

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

17.18	Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5	$ 0
17.19	Unfunded portion of Interrogatory 17.18	$ 0
17.20	Paid losses and loss adjustment expenses portion of Interrogatory 17.18	$ 0
17.21	Case reserves portion of Interrogatory 17.18	$ 0
17.22	Incurred but not reported portion of Interrogatory 17.18	$ 0
17.23	Unearned premium portion of Interrogatory 17.18	$ 0
17.24	Contingent commission portion of Interrogatory 17.18	$ 0

18.1	Do you act as a custodian for health savings accounts?	Yes [ ] No [X]
18.2	If yes, please provide the amount of custodial funds held as of the reporting date.	$ 0
18.3	Do you act as an administrator for health savings accounts?	Yes [ ] No [X]
18.4	If yes, please provide the balance of the funds adminstered as of the reporting date.	$ 0

FIVE – YEAR HISTORICAL DATA

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

	1 2009	2 2008	3 2007	4 2006	5 2005
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3,	1,187,968,712	1,499,009,659	654,693,919	705,595,446	881,409,918
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	496,308,804	385,503,736	220,451,992	221,276,590	279,544,517
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	727,426,025	888,761,762	456,301,607	485,421,934	631,145,450
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	227,683,900	257,106,776	62,318,215	60,672,803	71,889,136
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	22				
6. Total (Line 35)	2,639,387,463	3,030,381,933	1,393,765,733	1,472,966,773	1,863,989,021
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3,	974,486,881	1,084,558,992	603,986,106	652,947,059	819,105,475
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	452,276,436	298,867,262	219,476,939	220,381,612	279,014,715
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	645,820,076	733,095,049	451,396,385	480,617,899	627,789,910
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	166,312,961	155,607,313	60,485,129	58,459,260	69,589,720
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	22				
12. Total (Line 35)	2,238,896,376	2,272,128,616	1,335,344,559	1,412,405,830	1,795,499,820
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	89,758,817	60,719,680	33,433,529	94,543,462	98,940,910
14. Net investment gain (loss) (Line 11)	182,330,441	169,032,368	182,455,170	182,755,795	482,574,233
15. Total other income (Line 15)	(3,289,700)	(21,416,349)	(8,236,227)	(19,373,622)	(24,105,249)
16. Dividends to policyholders (Line 17)	9,144,297	13,276,122	982,552	1,074,907	1,238,242
17. Federal and foreign income taxes incurred (Line 19)	62,522,399	135,449,037	64,837,057	50,824,266	141,169,682
18. Net income (Line 20)	197,132,862	59,610,540	141,832,863	206,026,462	415,001,970
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 24, Col. 3)	5,277,204,131	4,943,004,035	4,581,054,663	4,349,755,979	4,271,271,351
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 13.1)	80,823,397	70,158,197	50,684,131	46,564,122	35,473,929
20.2 Deferred and not yet due (Line 13.2)	573,885,732	541,515,013	281,834,256	301,038,867	299,800,577
20.3 Accrued retrospective premiums (Line 13.3)	3,331,257	10,421,842			
21. Total liabilities excluding protected cell business (Page 3, Line 24)	3,941,032,445	3,834,866,528	3,224,622,680	3,267,058,181	3,266,726,024
22. Losses (Page 3, Line 1)	1,917,660,827	2,009,472,054	1,677,965,466	1,691,731,260	1,636,791,897
23. Loss adjustment expenses (Page 3, Line 3)	456,561,292	460,148,275	431,360,327	425,810,931	410,074,555
24. Unearned premiums (Page 3, Line 9)	938,631,360	860,020,840	608,749,439	633,754,616	645,578,755
25. Capital paid up (Page 3, Lines 28 & 29)	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
26. Surplus as regards policyholders (Page 3, Line 35)	1,336,171,686	1,108,137,507	1,356,431,987	1,082,717,796	1,004,545,315
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	206,551,300	479,445,684	90,829,372	282,882,523	1,766,159,164
Risk-Based Capital Analysis					
28. Total adjusted capital	1,336,171,686	1,035,405,036	1,356,431,987	1,082,717,796	1,004,545,315
29. Authorized control level risk-based capital	200,799,926	197,456,092	208,590,041	190,041,651	180,248,168
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Item divided by Page 2, Line 10, Col. 3) x 100.0					
30. Bonds (Line 1)	81.6	78.6	79.2	77.5	81.7
31. Stocks (Lines 2.1 & 2.2)	8.5	10.1	16.6	21.1	18.0
32. Mortgage loans on real estate (Lines 3.1 and 3.2)	2.2	2.2			
33. Real estate (Lines 4.1, 4.2 & 4.3)	0.5	0.4	0.5	0.7	0.7
34. Cash, cash equivalents and short-term investments (Line 5)	7.0	8.7	3.8	0.5	(0.4)
35. Contract loans (Line 6)					
36. Other invested assets (Line 7)	0.1	0.0			
37. Receivables for securities (Line 8)		0.0		0.3	0.1
38. Aggregate write-ins for invested assets (Line 9)					
39. Cash, cash equivalents and invested assets (Line 10)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
40. Affiliated bonds, (Sch. D, Summary, Line 12, Col. 1)					
41. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1)					
42. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1)	280,770,518	340,068,880	348,118,468	354,290,617	322,750,686
43. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)					
44. Affiliated mortgage loans on real estate					
45. All other affiliated	49,851				
46. Total of above Lines 40 to 45	280,820,369	340,068,880	348,118,468	354,290,617	322,750,686
47. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 46 above divided by Page 3, Col. 1, Line 35 x 100.0)	21.0	30.7	25.7	32.7	32.1

FIVE – YEAR HISTORICAL DATA
(Continued)

	1 2009	2 2008	3 2007	4 2006	5 2005
Capital and Surplus Accounts (Page 4)					
48. Net unrealized capital gains (losses) (Line 24)	31,959,245	(38,874,289)	(27,360,394)	42,333,892	(379,125,972)
49. Dividends to stockholders (Line 35)	(5,000,000)	(352,820,372)	(95,000,000)	(195,000,000)	(138,300,000)
50. Change in surplus as regards policyholders for the year (Line 38)	300,766,650	(322,922,967)	273,714,190	78,172,500	32,505,297
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
51. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3,	759,723,251	(132,905,381)	390,970,421	402,980,363	(239,664,290)
52. Property lines (Lines 1, 2, 9, 12, 21 & 26)	234,898,291	75,299,439	106,598,704	103,496,831	102,937,735
53. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	430,535,707	253,094,993	206,814,784	216,516,744	20,807,189
54. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	28,247,658	(23,805,607)	5,544,512	8,688,831	6,181,667
55. Nonproportional reinsurance lines (Lines 31, 32 & 33)	(37,942,395)	(251,170)			
56. Total (Line 35)	1,415,462,512	171,432,274	709,928,421	731,682,769	(109,737,699)
Net Losses Paid (Page 9, Part 2, Col. 4)					
57. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3,	589,937,286	349,355,375	330,592,437	340,961,213	(292,634,458)
58. Property lines (Lines 1, 2, 9, 12, 21 & 26)	212,893,360	131,411,743	106,891,886	103,118,442	102,144,929
59. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	387,303,859	302,802,191	205,698,729	213,937,452	19,668,672
60. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	23,509,157	(20,739,857)	4,625,604	5,926,310	2,784,129
61. Nonproportional reinsurance lines (Lines 31, 32 & 33)	(37,942,395)	(251,170)			
62. Total (Line 35)	1,175,701,267	762,578,282	647,808,656	663,943,417	(168,036,728)
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
63. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
64. Losses incurred (Line 2)	50.7	52.4	46.6	51.0	50.7
65. Loss expenses incurred (Line 3)	11.9	10.8	11.4	10.8	10.8
66. Other underwriting expenses incurred (Line 4)	33.2	33.8	39.5	31.6	31.7
67. Net underwriting gain (loss) (Line 8)	4.2	3.0	2.5	6.6	6.8
Other Percentages					
68. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0	31.9	31.2	40.9	33.2	27.0
69. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	62.6	63.2	58.0	61.8	61.5
70. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 35, Col. 1 x 100.0)	167.6	219.4	98.4	130.5	178.7
One Year Loss Development (000 omitted)					
71. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11)	(157,349)	(181,011)	(135,058)	(68,659)	(31,708)
72. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 71 above divided by Page 4, Line 21, Col. 1 x 100.0)	(15.2)	(13.3)	(12.5)	(6.8)	(3.3)
Two Year Loss Development (000 omitted)					
73. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12)	(226,742)	(312,691)	(156,266)	(82,286)	(29,019)
74. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 73 above divided by Page 4, Line 21, Col. 2 x 100.0)	(16.7)	(28.9)	(15.6)	(8.5)	(3.3)

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

If no, please explain:

SCHEDULE P – ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P – PART 1 – SUMMARY

($000 omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	
				4	5	6	7	8	9			
	Direct and Assumed	Ceded	Net (Cols. 1–2)	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Salvage and Subrogation Received	Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	Number of Claims Reported - Direct and Assumed
1. Prior	X X X	X X X	X X X	23,702	8,961	7,412	617	2,168	113	853	23,591	X X X
2. 2000	1,749,455	106,893	1,642,562	1,200,733	75,704	81,816	5,403	131,433	3,852	63,570	1,329,023	X X X
3. 2001	1,758,718	106,193	1,652,525	1,120,213	75,786	81,104	4,211	135,431	4,174	60,402	1,252,577	X X X
4. 2002	1,928,104	182,836	1,745,268	1,052,345	100,770	76,578	7,003	133,215	6,413	60,110	1,147,952	X X X
5. 2003	2,113,383	169,583	1,943,800	1,025,660	85,183	69,993	5,005	149,849	6,803	60,319	1,148,511	X X X
6. 2004	2,297,069	120,560	2,176,509	1,050,432	40,572	63,647	2,254	149,498	3,036	75,916	1,217,715	X X X
7. 2005	2,420,560	92,200	2,328,360	1,062,320	40,400	65,151	2,337	155,343	2,207	69,865	1,237,870	X X X
8. 2006	2,440,344	101,530	2,338,814	1,026,933	21,843	55,772	2,765	153,971	3,254	59,408	1,208,814	X X X
9. 2007	2,465,024	113,322	2,351,702	981,265	20,372	43,589	2,379	150,073	1,963	57,052	1,150,213	X X X
10. 2008	2,434,337	86,096	2,348,241	995,253	27,618	29,774	1,198	162,449	1,407	49,044	1,157,253	X X X
11. 2009	2,273,093	135,881	2,137,212	590,057	41,005	9,871	1,861	115,801	664	25,982	672,199	X X X
12. Totals	X X X	X X X	X X X	10,128,913	538,214	584,707	35,033	1,439,231	33,886	582,521	11,545,718	X X X

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR						
	13	14	15	16	17	18	19	20	21	22			
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Salvage and Subrogation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstanding Direct and Assumed
1. Prior	214,696	61,814	122,441	14,652	9,482	899	31,042	3,091	19,901	581	4,160	316,525	X X X
2. 2000	28,232	8,162	11,796	2,854	283	147	4,199	476	2,490	191	422	35,170	X X X
3. 2001	29,397	8,019	13,621	2,808	579	123	4,873	351	3,205	164	1,063	40,210	X X X
4. 2002	30,817	5,580	15,087	2,722	632	24	5,784	368	2,796	59	776	46,363	X X X
5. 2003	24,898	3,379	19,851	2,918	769	7	7,267	351	3,134	15	1,776	49,249	X X X
6. 2004	33,976	6,022	24,878	3,417	980	6	9,043	436	4,019	4	4,316	63,011	X X X
7. 2005	54,524	4,513	35,518	4,770	1,815	6	13,422	700	6,734	5	2,809	102,019	X X X
8. 2006	94,687	6,988	52,058	6,934	3,122	9	22,000	1,030	10,514	8	7,614	167,412	X X X
9. 2007	162,338	6,789	82,088	9,696	5,026	12	37,877	1,536	17,095	12	7,333	286,379	X X X
10. 2008	229,928	5,636	171,923	22,321	6,050	23	60,116	2,948	29,216	21	17,324	466,284	X X X
11. 2009	331,483	13,600	345,128	8,110	4,192	51	74,130	904	69,337	7	50,669	801,598	X X X
12. Totals	1,234,976	130,502	894,389	81,202	32,930	1,307	269,753	12,191	168,441	1,067	98,262	2,374,220	X X X

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34	Net Balance Sheet Reserves After Discount	
	26	27	28	29	30	31	32	33		35	36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense	Inter-Company Pooling Participation Percentage	Losses Unpaid	Loss Expenses Unpaid
1. Prior	X X X	X X X	X X X	X X X	X X X	X X X			X X X	260,671	55,854
2. 2000	1,460,982	96,789	1,364,193	83.511	90.548	83.053			20.400	29,012	6,158
3. 2001	1,388,423	95,636	1,292,787	78.945	90.059	78.231			20.400	32,191	8,019
4. 2002	1,317,254	122,939	1,194,315	68.319	67.240	68.432			20.400	37,602	8,761
5. 2003	1,301,421	103,661	1,197,760	61.580	61.127	61.620			20.400	38,452	10,797
6. 2004	1,336,473	55,747	1,280,726	58.182	46.240	58.843			20.400	49,415	13,596
7. 2005	1,394,827	54,938	1,339,889	57.624	59.586	57.546			20.400	80,759	21,260
8. 2006	1,419,057	42,831	1,376,226	58.150	42.186	58.843			20.400	132,823	34,589
9. 2007	1,479,351	42,759	1,436,592	60.014	37.732	61.087			20.400	227,941	58,438
10. 2008	1,684,709	61,172	1,623,537	69.206	71.051	69.138			20.400	373,894	92,390
11. 2009	1,539,999	66,202	1,473,797	67.749	48.721	68.959			20.400	654,901	146,697
12. Totals	X X X	X X X	X X X	X X X	X X X	X X X			X X X	1,917,661	456,559

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

SCHEDULE P – PART 2 – SUMMARY

Years in Which Losses Were Incurred	Incurred Net Losses and Defense and Cost Containment Expenses Reported At Year End ($000 OMITTED)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	One Year	Two Year
1. Prior	967,258	1,007,606	1,039,780	1,085,223	1,096,241	1,129,987	1,147,988	1,160,155	1,160,919	1,199,254	38,335	39,099
2. 2000	1,159,586	1,202,199	1,214,792	1,235,649	1,234,220	1,237,056	1,235,713	1,236,753	1,230,967	1,236,290	5,323	(463)
3. 2001	XXX	1,151,624	1,145,971	1,153,710	1,158,490	1,160,681	1,154,332	1,159,876	1,152,200	1,160,315	8,115	439
4. 2002	XXX	XXX	1,115,860	1,108,244	1,097,920	1,074,908	1,073,117	1,065,236	1,060,666	1,066,417	5,751	1,181
5. 2003	XXX	XXX	XXX	1,113,003	1,090,123	1,063,109	1,058,469	1,064,279	1,056,081	1,053,085	(2,996)	(11,194)
6. 2004	XXX	XXX	XXX	XXX	1,265,869	1,226,613	1,208,286	1,156,294	1,145,209	1,132,026	(13,183)	(24,268)
7. 2005	XXX	XXX	XXX	XXX	XXX	1,327,206	1,278,225	1,210,040	1,195,929	1,181,602	(14,327)	(28,438)
8. 2006	XXX	XXX	XXX	XXX	XXX	XXX	1,322,985	1,284,201	1,243,944	1,216,927	(27,017)	(67,274)
9. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,409,017	1,359,554	1,273,193	(86,361)	(135,824)
10. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,506,127	1,435,138	(70,989)	XXX
11. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,290,468	XXX	XXX
										12. Totals	(157,349)	(226,742)

SCHEDULE P – PART 3 – SUMMARY

Years in Which Losses Were Incurred	Cumulative Paid Net Losses and Defense and Cost Containment Expenses Reported At Year End ($000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009		
1. Prior	000	290,024	486,138	608,037	685,810	743,874	792,495	830,040	866,803	888,339	XXX	XXX
2. 2000	595,772	869,737	999,440	1,085,271	1,134,406	1,164,666	1,179,534	1,189,691	1,195,948	1,201,442	XXX	XXX
3. 2001	XXX	570,932	824,516	942,191	1,018,234	1,060,898	1,086,314	1,101,413	1,113,968	1,121,320	XXX	XXX
4. 2002	XXX	XXX	499,088	737,460	852,493	932,596	973,667	997,995	1,012,921	1,021,151	XXX	XXX
5. 2003	XXX	XXX	XXX	507,971	736,407	849,172	921,592	970,437	992,177	1,005,464	XXX	XXX
6. 2004	XXX	XXX	XXX	XXX	529,783	799,909	928,413	1,004,609	1,049,082	1,071,253	XXX	XXX
7. 2005	XXX	XXX	XXX	XXX	XXX	547,764	816,887	947,796	1,031,739	1,084,733	XXX	XXX
8. 2006	XXX	XXX	XXX	XXX	XXX	XXX	558,171	837,601	960,516	1,058,097	XXX	XXX
9. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	577,393	867,413	1,002,103	XXX	XXX
10. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	664,974	996,210	XXX	XXX
11. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	557,062	XXX	XXX

SCHEDULE P – PART 4 – SUMMARY

Years in Which Losses Were Incurred	Bulk and IBNR Reserves On Net Losses and Defense and Cost Containment Expenses Reported At Year End ($000 OMITTED)									
	1	2	3	4	5	6	7	8	9	10
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
1. Prior	379,444	278,543	227,580	215,280	169,770	155,304	141,004	126,065	137,087	149,450
2. 2000	238,918	116,296	70,700	51,859	37,361	29,416	27,129	20,734	13,975	14,642
3. 2001	XXX	272,874	130,472	74,267	54,790	38,196	33,388	22,026	19,596	17,162
4. 2002	XXX	XXX	348,831	177,883	103,045	60,843	43,728	28,630	21,622	19,421
5. 2003	XXX	XXX	XXX	323,769	161,587	93,585	65,592	48,006	36,325	25,340
6. 2004	XXX	XXX	XXX	XXX	412,528	206,138	137,155	77,835	55,907	31,844
7. 2005	XXX	XXX	XXX	XXX	XXX	457,375	230,384	123,885	76,401	45,049
8. 2006	XXX	XXX	XXX	XXX	XXX	XXX	412,666	218,844	132,936	68,020
9. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	442,936	229,120	110,528
10. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	468,054	208,609
11. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	411,382

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated By States and Territories

States, Etc.		1 Active Status	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken 2 Direct Premiums Written	3 Direct Premiums Earned	4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premium Written for Federal Purchasing Groups (Included in Col. 2)
1. Alabama	AL	L	4,296,452	4,685,156		1,087,868	(1,875,197)	8,282,311	26,250	
2. Alaska	AK	L	14,336,681	29,337,899		4,456,105	6,404,450	12,811,905	87,593	
3. Arizona	AZ	L	4,213,344	5,039,261		13,619,114	3,515,633	11,770,167	25,742	
4. Arkansas	AR	L	2,224,350	2,850,643		1,117,790	942,873	3,956,548	13,590	
5. California	CA	L	2,152,293	990,158			4,205,774	4,205,774	13,150	
6. Colorado	CO	L	2,817,746	3,189,991		4,181,469	958,396	4,559,890	17,216	
7. Connecticut	CT	L	8,418,580	8,795,923		3,504,157	11,831,091	27,016,264	51,435	
8. Delaware	DE	L	790,885	751,106		133,576	207,266	1,789,241	4,832	
9. District of Columbia	DC	L	788,374	848,686		680,642	(303,762)	1,358,449	4,817	
10. Florida	FL	L	21,859,886	21,851,632		9,697,785	(3,081,424)	35,758,943	133,557	
11. Georgia	GA	L	5,208,706	5,144,463		784,859	(4,857,529)	13,373,241	31,824	
12. Hawaii	HI	L	277,267	177,435			18,615	245,809	1,694	
13. Idaho	ID	L	2,240,560	(207,343)		918,372	373,851	1,798,261	13,689	
14. Illinois	IL	L	11,652,012	12,169,533		5,905,956	1,463,830	34,635,202	71,190	
15. Indiana	IN	L	6,201,692	6,433,683		3,364,380	2,662,650	10,748,978	37,890	
16. Iowa	IA	L	408,612	397,172		226,087	(594,420)	2,151,072	2,496	
17. Kansas	KS	L	2,736,628	2,701,885		13,715,599	10,203,657	3,279,948	16,720	
18. Kentucky	KY	L	20,801,473	20,750,136		11,386,939	5,880,294	21,527,520	127,091	
19. Louisiana	LA	L	5,005,058	5,493,609		2,074,383	1,230,628	4,042,590	30,579	
20. Maine	ME	L	873,800	796,848		1,067	(265,523)	943,108	5,339	
21. Maryland	MD	L	18,812,096	20,104,731		15,166,361	16,024,274	29,083,106	114,936	
22. Massachusetts	MA	L	7,958,098	8,816,604		7,380,771	3,373,323	34,682,471	48,622	
23. Michigan	MI	L	4,903,381	5,697,979		6,204,085	(218,754)	10,954,064	29,958	
24. Minnesota	MN	L	1,408,105	1,521,134		531,690	(310,275)	3,707,231	8,603	
25. Mississippi	MS	L	4,297,144	3,950,059		648,341	(254,196)	3,836,693	26,254	
26. Missouri	MO	L	6,137,550	7,003,479		2,816,274	(26,377)	9,968,735	37,499	
27. Montana	MT	L	1,256,165	574,897		99,532	131,577	426,018	7,675	
28. Nebraska	NE	L	636,288	811,676		1,493,172	938,132	1,758,112	3,888	
29. Nevada	NV	L	441,455	351,706			(61,476)	424,522	2,697	
30. New Hampshire	NH	L	798,998	656,924		140,288	1,223,576	2,204,623	4,882	
31. New Jersey	NJ	L	42,999,641	45,202,800		35,462,468	18,800,791	147,755,006	262,714	
32. New Mexico	NM	L	6,245,354	6,923,000		7,363,776	5,236,992	4,994,762	38,157	
33. New York	NY	L	15,937,583	11,046,781		14,320,579	(13,517)	53,336,586	97,374	
34. North Carolina	NC	L	19,852,866	22,964,378		10,219,313	(331,502)	22,484,993	121,295	
35. North Dakota	ND	L	206,604	206,847		(352)	(118,135)	388,532	1,262	
36. Ohio	OH	L	15,949,584	15,584,741		5,796,992	(5,462,195)	18,028,916	97,447	
37. Oklahoma	OK	L	16,989,124	18,702,286		8,148,439	6,563,966	15,948,148	103,798	
38. Oregon	OR	L	11,687,333	9,583,056		3,632,559	(799,090)	8,107,281	71,406	
39. Pennsylvania	PA	L	25,188,304	26,602,475		12,413,891	8,456,441	48,290,053	153,893	
40. Rhode Island	RI	L	954,512	923,782		218,851	(423,364)	2,563,390	5,832	
41. South Carolina	SC	L	5,583,992	7,087,191		4,375,093	2,148,638	16,914,322	34,116	
42. South Dakota	SD	L	113,867	118,481		903,004	850,724	105,681	696	
43. Tennessee	TN	L	7,138,622	6,783,678		2,862,605	1,420,578	11,960,748	43,615	
44. Texas	TX	L	24,164,919	27,595,579		10,748,788	(4,897,907)	36,250,636	147,640	
45. Utah	UT	L	4,628,337	5,728,112		1,367,167	705,063	4,234,335	28,278	
46. Vermont	VT	L	51,299	43,866			(21,728)	16,109	313	
47. Virginia	VA	L	6,637,414	7,059,054	8,194	2,102,944	2,959,739	15,572,738	40,553	
48. Washington	WA	L	25,436,612	14,177,864		7,008,620	675,498	24,525,243	155,410	
49. West Virginia	WV	L	973,505	1,122,952		251,687	(73,224)	968,122	5,948	
50. Wisconsin	WI	L	3,389,749	3,650,784		555,229	(1,235,733)	4,205,004	20,710	
51. Wyoming	WY	L	2,408,193	2,521,912		672,912	551,638	1,747,203	14,713	
52. American Samoa	AS	N								
53. Guam	GU	N								
54. Puerto Rico	PR	N								
55. U.S. Virgin Islands	VI	N								
56. Northern Mariana Islands	MP	N								
57. Canada	CN	N								
58. Aggregate Other Alien	OT	XXX								
59. Totals		(a) 51	400,491,093	415,316,684	8,194	239,761,227	94,734,630	739,698,604	2,446,878	

DETAILS OF WRITE-INS									
5801.	XXX								
5802.	XXX								
5803.	XXX								
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX								
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX								

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

*Location of coverage - Fire, Allied Lines, Homeowners Multi Peril, Commercial Multi Peril, Earthquake, Boiler and Machinery

*State of employee's main work place - Worker's Compensation *Location of Court - Surety

*Location of Principal place of garaging of each individual car - Auto Liability, Auto Physical Damage *Address of Assured - Other Accident and Health

*Principal Location of business or location of coverage - Liability other than Auto, Fidelity, Warranty *Location of Properties covered - Burglary and Theft

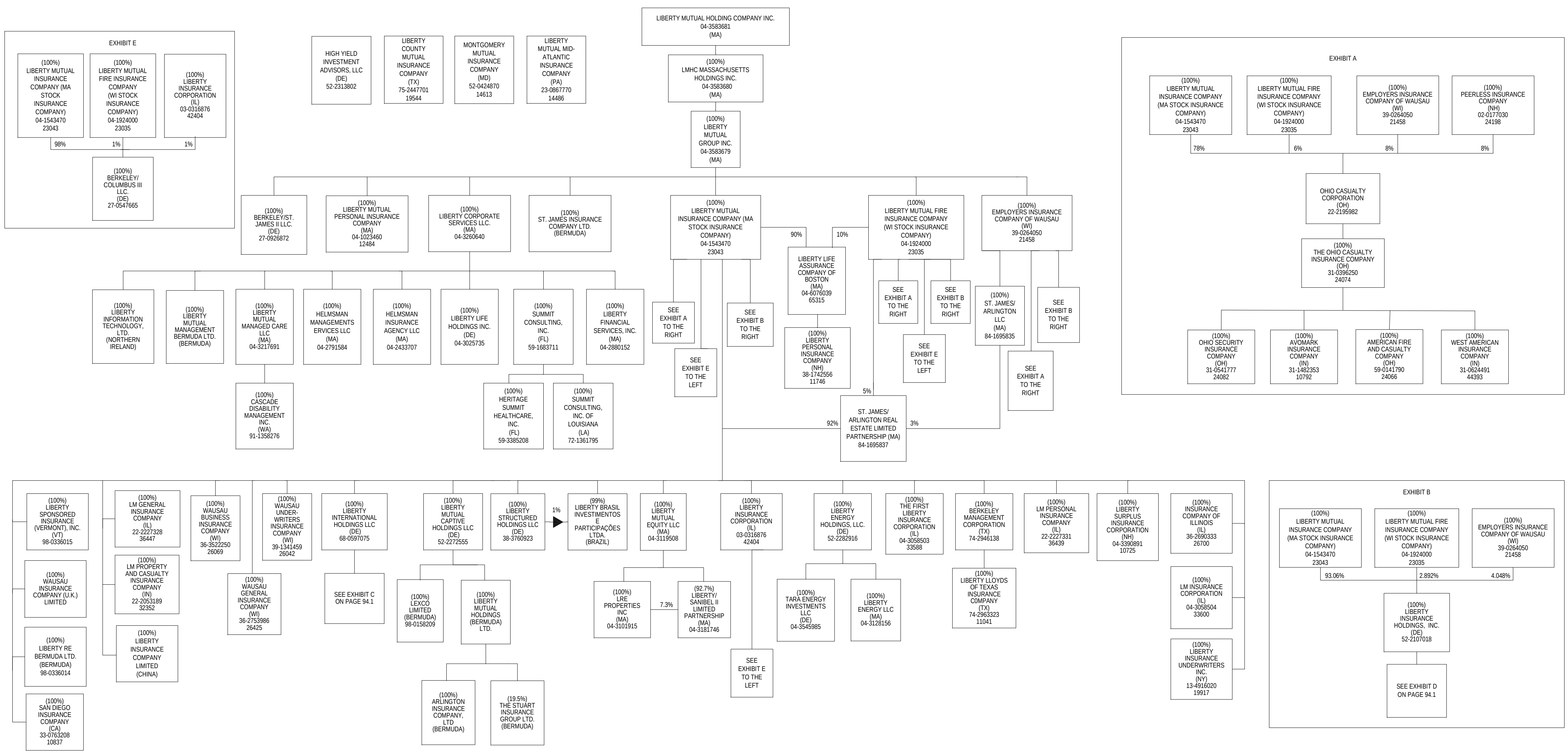
*Point of origin of shipment or principal location of assured - Inland Marine *Principal Location of Assured - Ocean Marine, Credit

*State in which employees regularly work - Group Accident and Health *Primary Residence of Assured - Aircraft (all perils)

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

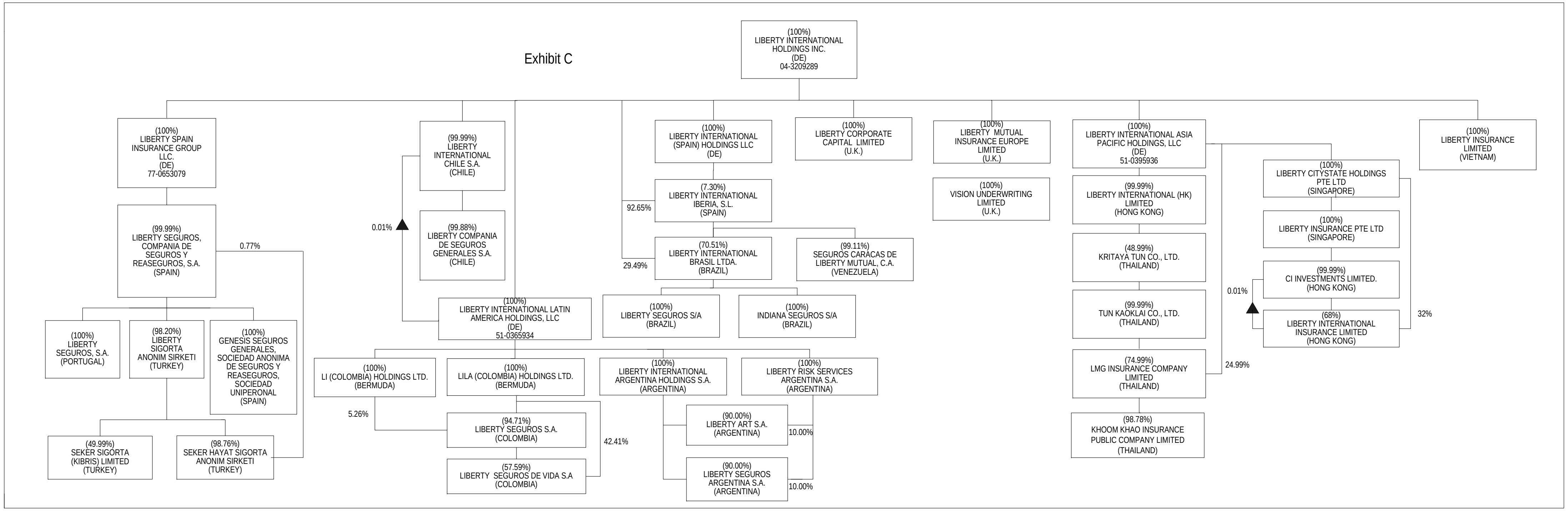
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

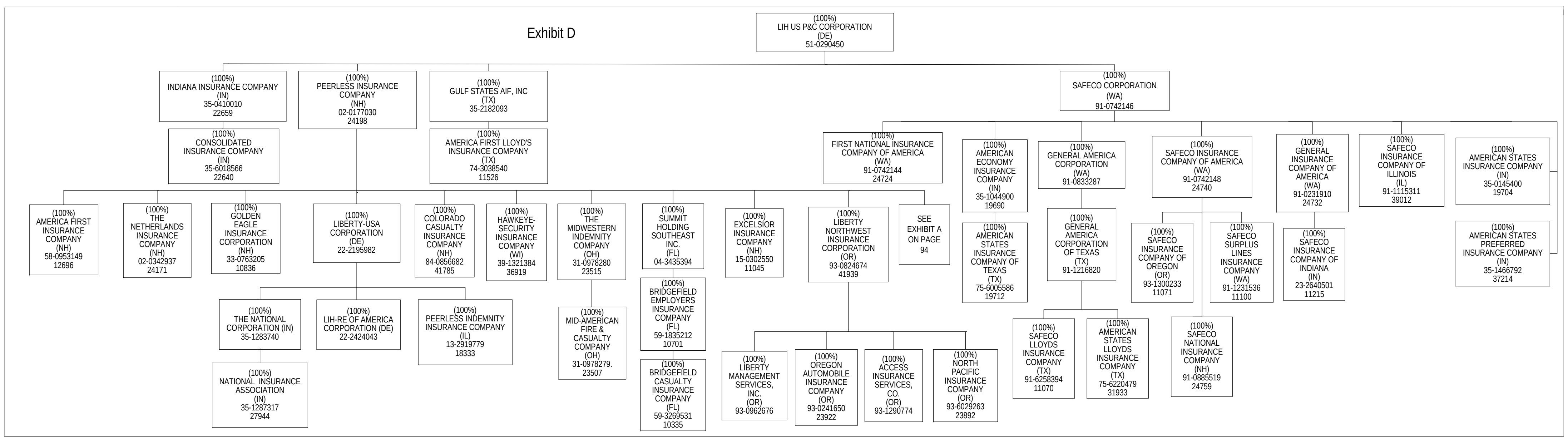
PART 1 - ORGANIZATIONAL CHART



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

PART 1 - ORGANIZATIONAL CHART





OVERFLOW PAGE FOR WRITE-INS

Page 3 - Continuation

REMAINING WRITE-INS AGGREGATED AT LINE 23 FOR LIABILITIES	1 Current Year	2 Prior Year
2304. Amounts held under uninsured plans	14,790,598	
2305. Accrued return retrospective premiums	2,530,803	
2306. Private Passenger Auto Escrow	333,423	
2397. Totals (Lines 2304 through 2396) (Page 3, Line 2398)	17,654,824	

ALPHABETICAL INDEX TO PROPERTY ANNUAL STATEMENT

ALPHABETICAL INDEX TO PROPERTY ANNUAL STATEMENT