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QUARTERLY STATEMENT

As of March 31, 2009

of the Condition and Affairs of the

UNITED FINANCIAL CASUALTY COMPANY

NAIC Group Code.....155, 155 (Current Period) (Prior Period) NAIC Company Code..... 11770 Employer's ID Number..... 36-3298008

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

Incorporated/Organized..... June 13, 1984 Commenced Business..... August 10, 1984

Statutory Home Office	6300 WILSON MILLS ROAD, W33….. CLEVELAND ..... OH ..... 44143-2182 *(Street and Number) (City or Town, State and Zip Code)*	
Main Administrative Office	6300 WILSON MILLS ROAD, W33….. CLEVELAND ..... OH ..... 44143-2182 *(Street and Number) (City or Town, State and Zip Code)*	440-461-5000 *(Area Code) (Telephone Number)*
Mail Address	P.O. BOX 89490….. CLEVELAND ..... OH ..... 44101-6490 *(Street and Number or P. O. Box) (City or Town, State and Zip Code)*	
Primary Location of Books and Records	6300 WILSON MILLS ROAD, W33….. CLEVELAND ..... OH ..... 44143-2182 *(Street and Number) (City or Town, State and Zip Code)*	440-395-4460 *(Area Code) (Telephone Number)*
Internet Web Site Address	PROGRESSIVE.COM	
Statutory Statement Contact	MARY BETH ANDREANO *(Name)*	440-395-4460 *(Area Code) (Telephone Number) (Extension)*
	FINANCIAL_REPORTING@PROGRESSIVE.COM *(E-Mail Address)*	440-446-7168 *(Fax Number)*

POLICYHOLDER SERVICES AND CLAIMS REPORTING -- 1-800-PROGRESSIVE (1-800-776-4737)

OFFICERS

Name	Title	Name	Title
MICHAEL WILLIAM BISSLER	PRESIDENT	PATRICIA MITCHELL CORWIN	SECRETARY
JOHN ANDREW BARBAGALLO	TREASURER		

OTHER

PATRICIA ONODY BEMER	(VICE PRESIDENT)	WILLIAM RAYMOND KAMPF	(VICE PRESIDENT)
SANDRA LEE RIHVALSKY	(VICE PRESIDENT)	MARGARET ANN ROSE	(ASST. SECRETARY)

DIRECTORS OR TRUSTEES

JOHN ANDREW BARBAGALLO	PATRICIA ONODY BEMER	MICHAEL WILLIAM BISSLER	WILLIAM RAYMOND KAMPF
DALE ALAN WILLIS			

State of..... OHIO
County of..... CUYAHOGA

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)
MICHAEL WILLIAM BISSLER	MARGARET ANN ROSE	JOHN ANDREW BARBAGALLO
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
PRESIDENT	ASSISTANT SECRETARY	TREASURER
(Title)	(Title)	(Title)

Subscribed and sworn to before me
This 8TH day of MAY, 2009

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

ASSETS

	Current Statement Date 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 December 31 Prior Year Net Admitted Assets
1. Bonds	1,371,784,329		1,371,784,329	1,285,344,236
2. Stocks:				
2.1 Preferred stocks	47,899,959		47,899,959	70,421,200
2.2 Common stocks	37,124,748	8,570,407	28,554,341	57,668,242
3. Mortgage loans on real estate:				
3.1 First liens			0	
3.2 Other than first liens			0	
4. Real estate:				
4.1 Properties occupied by the company (less $.....0 encumbrances)			0	
4.2 Properties held for the production of income (less $.....0 encumbrances)			0	
4.3 Properties held for sale (less $.....0 encumbrances)			0	
5. Cash ($.....0), cash equivalents ($.....2,800,000) and short-term investments ($.....437,929)	3,237,929		3,237,929	1,643,564
6. Contract loans (including $.....0 premium notes)			0	
7. Other invested assets			0	
8. Receivables for securities			0	141
9. Aggregate write-ins for invested assets	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	1,460,046,965	8,570,407	1,451,476,558	1,415,077,383
11. Title plants less $.....0 charged off (for Title insurers only)			0	
12. Investment income due and accrued	11,625,259		11,625,259	13,815,378
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	37,598,837	3,165,140	34,433,697	37,685,615
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $.....0 earned but unbilled premiums)	246,190,256		246,190,256	229,061,122
13.3 Accrued retrospective premiums	114,594	1,146	113,448	49,088
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers	(1,409)		(1,409)	(173)
14.2 Funds held by or deposited with reinsured companies			0	
14.3 Other amounts receivable under reinsurance contracts			0	
15. Amounts receivable relating to uninsured plans			0	
16.1 Current federal and foreign income tax recoverable and interest thereon			0	
16.2 Net deferred tax asset	92,534,697	45,323,969	47,210,728	47,613,710
17. Guaranty funds receivable or on deposit			0	
18. Electronic data processing equipment and software			0	
19. Furniture and equipment, including health care delivery assets ($.....0)			0	
20. Net adjustment in assets and liabilities due to foreign exchange rates			0	
21. Receivables from parent, subsidiaries and affiliates	47,475,309		47,475,309	39,256,388
22. Health care ($.....0) and other amounts receivable			0	
23. Aggregate write-ins for other than invested assets	1,060,166	545,070	515,096	493,230
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 through 23)	1,896,644,674	57,605,732	1,839,038,942	1,783,051,741
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	
26. Total (Lines 24 and 25)	1,896,644,674	57,605,732	1,839,038,942	1,783,051,741

DETAILS OF WRITE-INS

0901.			0	
0902.			0	
0903.			0	
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above)	0	0	0	0
2301. STATE UNEARNED SURCHARGE RECOVERABLE	515,096		515,096	493,230
2302. PREPAID EXPENSES	540,576	540,576	0	
2303. MISCELLANEOUS OTHER ASSETS	4,494	4,494	0	
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	1,060,166	545,070	515,096	493,230

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Statement Date	2 December 31 Prior Year
1.	Losses (current accident year $.....100,472,533)	642,640,038	646,920,974
2.	Reinsurance payable on paid losses and loss adjustment expenses	96,577,110	95,410,268
3.	Loss adjustment expenses	132,806,726	134,204,059
4.	Commissions payable, contingent commissions and other similar charges	115,690	407,026
5.	Other expenses (excluding taxes, licenses and fees)	121,866	156,413
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)	6,054,572	5,072,600
7.1	Current federal and foreign income taxes (including $.....(2,926,756) on realized capital gains (losses))	18,770,211	12,364,393
7.2	Net deferred tax liability		
8.	Borrowed money $.....0 and interest thereon $.....0		
9.	Unearned premiums (after deducting unearned premiums for ceded reinsurance of $.....0 and including warranty reserves of $.....0)	502,853,301	506,465,649
10.	Advance premium	6,035,120	5,077,208
11.	Dividends declared and unpaid:		
	11.1 Stockholders		
	11.2 Policyholders		
12.	Ceded reinsurance premiums payable (net of ceding commissions)	3,289	(9,764)
13.	Funds held by company under reinsurance treaties		
14.	Amounts withheld or retained by company for account of others		
15.	Remittances and items not allocated		
16.	Provision for reinsurance		
17.	Net adjustments in assets and liabilities due to foreign exchange rates		
18.	Drafts outstanding	18,783,332	20,864,520
19.	Payable to parent, subsidiaries and affiliates		
20.	Payable for securities		
21.	Liability for amounts held under uninsured plans		
22.	Capital notes $.....0 and interest thereon $.....0		
23.	Aggregate write-ins for liabilities	5,461,835	4,977,668
24.	Total liabilities excluding protected cell liabilities (Lines 1 through 23)	1,430,223,090	1,431,911,014
25.	Protected cell liabilities		
26.	Total liabilities (Lines 24 and 25)	1,430,223,090	1,431,911,014
27.	Aggregate write-ins for special surplus funds	0	0
28.	Common capital stock	3,008,000	3,008,000
29.	Preferred capital stock		
30.	Aggregate write-ins for other than special surplus funds	0	0
31.	Surplus notes		
32.	Gross paid in and contributed surplus	221,373,432	190,373,432
33.	Unassigned funds (surplus)	184,434,420	157,759,295
34.	Less treasury stock, at cost:		
	34.1 .....0.000 shares common (value included in Line 28 $.....0)		
	34.2 .....0.000 shares preferred (value included in Line 29 $.....0)		
35.	Surplus as regards policyholders (Lines 27 to 33, less 34)	408,815,852	351,140,727
36.	Totals	1,839,038,942	1,783,051,741

DETAILS OF WRITE-INS

2301.	STATE PLAN LIABILITY	4,873,505	4,471,196
2302.	OTHER LIABILITIES	381,801	351,010
2303.	ESCHEATABLE PROPERTY	206,529	155,462
2398.	Summary of remaining write-ins for Line 23 from overflow page	0	0
2399.	Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	5,461,835	4,977,668
2701.			
2702.			
2703.			
2798.	Summary of remaining write-ins for Line 27 from overflow page	0	0
2799.	Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	0	0
3001.			
3002.			
3003.			
3098.	Summary of remaining write-ins for Line 30 from overflow page	0	0
3099.	Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above)	0	0

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written $.....146,675,099)	151,724,553	168,270,760	660,882,452
1.2 Assumed (written $.....139,168,494)	137,731,388	137,459,761	561,056,409
1.3 Ceded (written $.....(1,693))	(1,693)	2,483	(12,610)
1.4 Net (written $.....285,845,286)	289,457,634	305,728,038	1,221,951,471
DEDUCTIONS:			
2. Losses incurred (current accident year $.....157,401,307):			
2.1 Direct	68,314,435	96,068,278	392,291,198
2.2 Assumed	81,618,077	88,399,555	349,942,436
2.3 Ceded	(1,719)	(177)	(9,506)
2.4 Net	149,934,232	184,468,010	742,243,141
3. Loss adjustment expenses incurred	29,032,186	33,027,754	143,103,916
4. Other underwriting expenses incurred	59,525,126	66,220,396	247,340,440
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	238,491,544	283,716,160	1,132,687,497
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	50,966,091	22,011,878	89,263,974
INVESTMENT INCOME			
9. Net investment income earned	15,119,097	16,107,477	64,965,940
10. Net realized capital gains (losses) less capital gains tax of $.....(2,926,756)	(4,062,013)	(2,011,669)	(107,905,654)
11. Net investment gain (loss) (Lines 9 + 10)	11,057,084	14,095,808	(42,939,714)
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered $.....38,011 amount charged off $.....2,388,097)	(2,350,086)	(2,195,718)	(9,435,864)
13. Finance and service charges not included in premiums	1,348,102	1,503,654	6,044,841
14. Aggregate write-ins for miscellaneous income	1,441,658	1,509,047	6,018,184
15. Total other income (Lines 12 through 14)	439,674	816,983	2,627,161
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	62,462,849	36,924,669	48,951,421
17. Dividends to policyholders			
18. Net income after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	62,462,849	36,924,669	48,951,421
19. Federal and foreign income taxes incurred	21,696,967	13,698,484	49,929,826
20. Net income (Line 18 minus Line 19) (to Line 22)	40,765,882	23,226,185	(978,405)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	351,140,727	416,075,360	416,075,360
22. Net income (from Line 20)	40,765,882	23,226,185	(978,405)
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of $.....(4,875,756)	(8,859,529)	(16,063,078)	(3,961,708)
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax	(805,315)	1,719,488	34,036,717
27. Change in nonadmitted assets	(4,428,123)	(7,605,440)	(49,129,534)
28. Change in provision for reinsurance			
29. Change in surplus notes			
30. Surplus (contributed to) withdrawn from protected cells			
31. Cumulative effect of changes in accounting principles			
32. Capital changes:			
32.1 Paid in			
32.2 Transferred from surplus (Stock Dividend)			
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in	31,000,000	2,659	2,659
33.2 Transferred to capital (Stock Dividend)			
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders			(45,000,000)
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus	2,210	0	95,638
38. Change in surplus as regards policyholders (Lines 22 through 37)	57,675,125	1,279,814	(64,934,633)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	408,815,852	417,355,174	351,140,727

DETAILS OF WRITE-INS

0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0
1401. FINANCE & SERVICE CHARGE REVENUE ASSUMED	1,318,018	1,150,356	4,927,737
1402. MISCELLANEOUS OTHER INCOME (EXPENSE)	93,661	(1,519)	104,783
1403. INTEREST INCOME ON INTERCOMPANY BALANCES	29,979	360,210	985,664
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	1,441,658	1,509,047	6,018,184
3701. CHANGE IN ELIMINATION IN DEFERRED UNREALIZED GAIN PER SSAP 25 NET OF CAPITAL GAINS TAX	2,210		95,638
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above)	2,210	0	95,638

CASH FLOW

	1 Current Year to Date	2 Prior Year Ended December 31
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance	273,363,136	1,209,559,769
2. Net investment income	21,662,682	86,910,034
3. Miscellaneous income	231,607	2,886,251
4. Total (Lines 1 through 3)	295,257,425	1,299,356,054
5. Benefit and loss related payments	153,047,090	637,734,246
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	89,298,556	380,101,964
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of $.....1,218,871 tax on capital gains (losses)	12,364,393	37,386,056
10. Total (Lines 5 through 9)	254,710,039	1,055,222,266
11. Net cash from operations (Line 4 minus Line 10)	40,547,387	244,133,788
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	469,498,644	589,661,289
12.2 Stocks	25,324,797	145,022,739
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds	141	825,519
12.8 Total investment proceeds (Lines 12.1 to 12.7)	494,823,582	735,509,547
13. Cost of investments acquired (long-term only):		
13.1 Bonds	553,885,185	894,923,090
13.2 Stocks	1,016,172	50,723,593
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications		
13.7 Total investments acquired (Lines 13.1 to 13.6)	554,901,357	945,646,683
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)	(60,077,775)	(210,137,136)
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	31,000,000	2,659
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		45,000,000
16.6 Other cash provided (applied)	(9,875,247)	12,286,863
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	21,124,753	(32,710,478)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	1,594,365	1,286,174
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	1,643,564	357,390
19.2 End of period (Line 18 plus Line 19.1)	3,237,929	1,643,564

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

20.0001		

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

D. Accounting Practices

The accompanying statutory-basis financial statements of United Financial Casualty Company (the "Company") were prepared on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance ("DOI").

The Ohio DOI requires insurance companies domiciled in the state of Ohio to prepare their statutory-basis financial statements in accordance with the National Association of Insurance Commissioners' ("NAIC") *Accounting Practices and Procedures Manual* subject to any deviations prescribed or permitted by the Ohio DOI. No deviations from NAIC statutory accounting policies ("NAIC SAP") were used in preparing these statutory-basis financial statements.

2. Accounting Changes and Corrections of Errors

No significant change

3. Business Combinations and Goodwill

No significant change

4. Discontinued Operations

No significant change

5. Investments

No significant change

6. Joint Ventures, Partnerships and Limited Liability Companies

No significant change

7. Investment Income

No significant change

8. Derivative Instruments

No significant change

9. Income Taxes

A. The components of the net deferred tax asset ("DTA") are as follows:

Description	March 31, 2009	December 31, 2008
Gross deferred tax assets	$ 95,097,085	$ 94,387,528
Gross deferred tax liabilities	2,562,388	5,924,462
Net deferred tax assets	92,534,697	88,463,066
Non-admitted deferred tax assets	45,323,969	40,849,356
Admitted deferred tax assets	$ 47,210,728	$ 47,613,710
Increase (decrease) in non-admitted deferred tax assets	$ 4,474,613	$ 40,047,343

B. Unrecognized Deferred Tax Liabilities

Not applicable

C. Current Tax and Change in Deferred Tax

The significant components of the provision for Federal income tax are as follows:

Description	2009	2008
Current income tax expense (benefit)	$ 18,770,211	$ 41,470,391
Prior year underaccrual (overaccrual)	--	198,497
Current income tax incurred including tax on realized gains (losses)	18,770,211	41,668,888
Income tax expense (benefit) on realized gains (losses)	(2,926,756)	(8,260,938)
Current income taxes incurred	$ 21,696,967	$ 49,929,826

The significant components of the DTAs and deferred tax liabilities ("DTLs") are as follows:

DTAs Resulting from Statutory/Tax Difference in	March 31, 2009	December 31, 2008	Change
Unpaid losses and LAE	$ 20,695,946	$ 20,842,861	$ (146,915)
Unearned premiums	35,425,856	35,642,829	(216,973)
Unrealized capital losses	5,179,116	3,503,635	1,675,481
Non-admitted assets	1,298,974	1,385,199	(86,225)
Non-deductible accruals	381,361	416,485	(35,124)
Investment writedowns	32,047,210	32,527,897	(480,687)
Intercompany deferred losses	68,622	68,622	--
Gross deferred tax assets	$ 95,097,085	$ 94,387,528	$ 709,557
Non-admitted deferred tax assets	$ 45,323,969	$ 40,849,356	$ 4,474,613

NOTES TO FINANCIAL STATEMENTS

DTLs Resulting from Statutory/Tax Difference in	March 31, 2009	December 31, 2008	Change
Bond market discount	$ 400,742	$ 551,938	$ (151,196)
Unrealized capital gains	495,550	3,697,015	(3,201,465)
Depreciable assets	552,739	552,739	--
Salvage and subrogation	632,692	632,692	--
Prepaid expenses	152,664	152,664	--
Intercompany deferred gains	199,150	199,150	--
Other	128,851	138,264	(9,413)
Gross deferred tax liabilities	$ 2,562,388	$ 5,924,462	$ (3,362,074)

The change in net deferred income tax is comprised of the following (this analysis excludes non-admitted assets; the change in non-admitted assets is reported separately from the change in net deferred income tax in the Underwriting and Investment Exhibit):

Description	March 31, 2009	December 31, 2008	Change
Total deferred tax assets	$ 95,097,085	$ 94,387,528	$ 709,557
Total deferred tax liabilities	2,562,388	5,924,462	(3,362,074)
Net deferred tax asset (liability)	$ 92,534,697	$ 88,463,066	4,071,631
Tax effect of unrealized gains (losses)			(4,876,946)
Change in net deferred income tax			$ (805,315)

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

The provision for Federal income tax in the accompanying Underwriting and Investment Exhibit differs from the statutory rate. The significant statutory to tax adjustments are as follows:

Description	Amount	Tax Effect at 35%
Provision computed at statutory rate	$ 20,837,632	35 %
Exempt interest income	(1,282,870)	(2)
Dividends received deduction	(65,460)	--
Total	$ 19,489,302	33 %
Federal and foreign income taxes incurred	$ 18,770,211	32 %
Change in net deferred income tax	805,315	1
Change in deferred income tax from non-admitted assets	(86,225)	--
Other miscellaneous adjustments	1	--
Total statutory income taxes	$ 19,489,302	33 %

E. Operating Loss and Tax Credit Carryforwards

1) At March 31, 2009, the Company had no operating loss or tax credit carryforwards available for tax purposes.

2) The amount of Federal income taxes incurred and available for recoupment by the Company in the event of future net losses is equal to approximately $18,770,211 for the current tax year and $41,470,391 for the first preceding year. The amounts that can be recouped may be subject to the alternative minimum tax rules, and therefore may be limited.

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

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

The Company received a $31,000,000 capital contribution from Progressive Commercial Holdings, Inc., a holding company incorporated in Delaware, on January 26, 2009.

11. Debt

No significant change

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

No significant change

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

No significant change

14. Contingencies

E. All Other Contingencies

The Company is named as defendant in various lawsuits arising out of its insurance operations. All legal actions relating to claims made under insurance policies are considered by the Company in establishing its loss and loss adjustment expense ("LAE") reserves. The Company also has potential exposure relating to lawsuits due to its participation in management agreements for which it is allocated litigation expenses.

As of March 31, 2009, there was a putative class action lawsuit challenging the Company's use of certain automated database vendors or software to assist in the adjustment of bodily injury claims. Plaintiffs allege that these databases or software systematically undervalue the claims. The Company does not consider a loss from this case to be probable and is unable to estimate a range of loss, if any, at this time.

NOTES TO FINANCIAL STATEMENTS

As of March 31, 2009, there were five class action lawsuits challenging certain aspects of the Company's use of credit information and compliance with notice requirements under the federal Fair Credit Reporting Act. In 2004, the Company entered into a settlement agreement to resolve these cases and had received preliminary court approval of the settlement. In February 2005, the Company was advised that the court denied final approval of the proposed settlement. In 2006, an amended settlement received final trial court approval. After objecting class members filed an appeal, the Court of Appeals affirmed the trial court's decision to approve the settlement, which is currently being administered.

15. Leases

No significant change

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

No significant change

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

C. Wash Sales

The Company had no wash sales of securities with a National Association of Insurance Commissioners' rating of 3 or below during the year.

18. Gain or Loss from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

No significant change

19. Direct Premiums Written / Produced by Managing General Agents / Third Party Administrators

No significant change

20. Other Items

J. Agents' Balances Certification, Florida Statute 625.012 (5):

At March 31, 2009, the Company reported net admitted premiums and agents' balances in course of collection of $34,433,697. Of this amount there were no premiums due from a controlled or controlling person as defined in Florida statute 625.012 (5).

21. Events Subsequent

No significant change

22. Reinsurance

No significant change

23. Retrospectively Rated Contracts and Contracts Subject to Redetermination

No significant change

24. Changes in Incurred Losses and Loss Adjustment Expenses

Incurred losses and LAE attributable to insured events of prior years decreased by $14,380,000, in the first quarter of 2009, which is approximately 1.8% of the total prior year net unpaid losses and LAE of $781,125,033. Commercial Auto Liability favorable development is approximately $10,000,000 and Private Passenger Auto Liability had favorable development of $3,000,000. The estimated severity for accident year 2008 decreased 1.1% for both lines of business. This prior accident year development is a result of claim settlements during the current year and re-estimation of unpaid losses and LAE due to the ongoing analysis of recent loss development trends.

25. Intercompany Pooling Arrangements

No significant change

26. Structured Settlements

No significant change

27. Health Care Receivables

No significant change

28. Participating Accident and Health Policies

No significant change

29. Premium Deficiency Reserves

No significant change

30. High Deductibles

No significant change

31. Discounting of Liabilities for Unpaid Losses and Unpaid Loss Adjustment Expenses

No significant change

32. Asbestos and Environmental Reserves

No significant change

33. Subscriber Savings Accounts

No significant change

NOTES TO FINANCIAL STATEMENTS

34. Multiple Peril Crop Insurance

No significant change

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted)

PART 1 - COMMON INTERROGATORIES

GENERAL

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

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

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

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

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

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

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

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

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

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2007.....

6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2002.....

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 12/21/2003.....

6.4 By what department or departments?
OHIO

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

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

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

7.2 If yes, give full information:

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

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

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

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

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC

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

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

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

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

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

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted)

PART 1 - COMMON INTERROGATORIES

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

FINANCIAL

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

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

INVESTMENT

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

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

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: $.....0

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

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

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	$.....0	$.....
14.22 Preferred Stock	$.....0	$.....
14.23 Common Stock	$.....8,370,541	$.....8,570,407
14.24 Short-Term Investments	$.....0	$.....
14.25 Mortgage Loans on Real Estate	$.....0	$.....
14.26 All Other	$.....0	$.....
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	$.....8,370,541	$.....8,570,407
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	$.....	$.....

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

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

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

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

1 Name of Custodian(s)	2 Custodian Address
STATE STREET	801 PENNSYLVANIA AVE KANSAS CITY, MO 64105
CITIBANK, N.A.	338 GREENWICH STREET NEW YORK, NY 10013

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

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
NONE		

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

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

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
NONE			

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

1 Central Registration Depository	2 Name(s)	3 Address
30107	STATE STREET GLOBAL MARKETS, LLC	225 FRANKLIN ST BOSTON, MA 02110

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

17.2 If no, list exceptions:

GENERAL INTERROGATORIES (continued)

PART 2
PROPERTY & CASUALTY INTERROGATORIES

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

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

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes [ ] No [X]
3.2 If yes, give full and complete information thereto:

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

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

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Name of Reinsurer	4 Location	5 Is Insurer Authorized? (YES or NO)

NONE

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

		1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
	States, Etc.	Active Status	2 Current Year to Date	3 Prior Year to Date	4 Current Year to Date	5 Prior Year to Date	6 Current Year to Date	7 Prior Year to Date
1.	Alabama AL	L					1	27
2.	Alaska AK	L	1,559,386	551,807	384,042		1,294,447	15,708
3.	Arizona AZ	L	5,333,519	6,991,618	2,872,276	3,367,641	15,311,138	8,503,086
4.	Arkansas AR	L	5,104,894	5,639,967	1,292,055	1,734,293	9,509,095	5,443,577
5.	California CA	L	41,907,688	53,215,525	23,946,862	23,339,140	115,937,121	87,270,852
6.	Colorado CO	L	2,103,085	3,088,836	863,020	1,059,709	4,707,478	3,789,572
7.	Connecticut CT	L	(12)	(60)			9	233
8.	Delaware DE	L	987,029	1,490,541	370,726	304,738	3,328,032	2,291,213
9.	District of Columbia DC	L						
10.	Florida FL	L	(4)	(69)			5	4,340
11.	Georgia GA	L		(30)		(100)	9	2,859
12.	Hawaii HI	L						955
13.	Idaho ID	L	1,649,630	1,981,676	759,477	843,029	2,245,857	2,669,406
14.	Illinois IL	L		(436)	(1,049)	(3,147)	50,409	45,463
15.	Indiana IN	L	(98)	(194)			(14)	(1)
16.	Iowa IA	L						13
17.	Kansas KS	L	2,501,240	2,154,513	615,797	764,372	2,803,870	2,557,287
18.	Kentucky KY	L	7,304,467	8,524,347	4,518,466	3,570,299	13,505,253	8,874,989
19.	Louisiana LA	L						
20.	Maine ME	L	6,733,497	6,411,309	3,671,770	3,292,026	8,501,236	6,430,638
21.	Maryland MD	L	3,559,951	5,230,512	2,906,433	2,529,163	11,897,152	15,714,990
22.	Massachusetts MA	L	963,973	576,818	310,428	143,037	887,108	441,843
23.	Michigan MI	L						(13)
24.	Minnesota MN	L	1,335,123	1,043,550	799,504	397,892	2,177,535	1,247,897
25.	Mississippi MS	L						9
26.	Missouri MO	L	1,907,123	2,700,462	793,028	1,236,696	4,422,215	7,695,190
27.	Montana MT	L	2,531,165	2,850,343	2,252,251	1,827,055	5,042,697	3,306,309
28.	Nebraska NE	L						
29.	Nevada NV	L	4,464,142	2,644,445	978,913	648,493	9,994,580	4,945,943
30.	New Hampshire NH	L	988,567	946,123	464,353	578,022	3,609,323	3,336,759
31.	New Jersey NJ	L	(5)	(241)			48	961
32.	New Mexico NM	L	2,906,515	3,325,091	542,164	51,273	2,113,631	126,672
33.	New York NY	L	2,423,864	3,250,812	2,327,692	1,789,359	19,757,657	23,814,260
34.	North Carolina NC	L	4,507,494	5,317,310	1,092,285	1,133,250	9,405,067	7,473,027
35.	North Dakota ND	L	270,694	229,925	111,158	29,722	348,138	183,348
36.	Ohio OH	L	4,459,956	6,235,822	2,254,624	3,238,878	15,660,316	13,589,470
37.	Oklahoma OK	L	7,172,709	7,589,835	2,052,417	3,159,528	12,958,964	6,070,245
38.	Oregon OR	L		(276)			2,174	872
39.	Pennsylvania PA	L	14,202,366	15,182,258	6,734,744	5,620,918	31,695,135	23,510,542
40.	Rhode Island RI	L	1,877,470	2,204,189	907,949	906,904	6,566,351	4,162,186
41.	South Carolina SC	L	5,726,744	6,856,759	2,079,741	2,362,142	15,771,925	13,057,655
42.	South Dakota SD	L	318,492	282,726	126,476	19,657	764,721	680,745
43.	Tennessee TN	L		(7,707)	51,809	173,603	2,416,669	3,681,850
44.	Texas TX	L				(325)	1	39
45.	Utah UT	L	2,029,151	3,075,407	1,765,717	931,753	5,960,242	5,082,477
46.	Vermont VT	L	1,709,750	1,896,068	882,612	985,662	3,116,971	3,195,478
47.	Virginia VA	L	1,313,674	3,753,942	929,994	1,348,225	6,775,910	5,575,352
48.	Washington WA	L	4,551,452	5,367,657	1,833,099	2,186,530	13,674,369	13,799,200
49.	West Virginia WV	L	2,270,422	1,950,914	1,554,242	403,604	3,641,303	1,538,299
50.	Wisconsin WI	L	(14)				(4)	7
51.	Wyoming WY	L						
52.	American Samoa AS	N						
53.	Guam GU	N						
54.	Puerto Rico PR	N						
55.	US Virgin Islands VI	N						
56.	Northern Mariana Islands MP	N						
57.	Canada CN	N						
58.	Aggregate Other Alien OT	XXX	0	0	0	0	0	0
59.	Totals	(a) 51	146,675,099	172,552,094	73,045,075	69,973,041	365,854,144	290,131,829

DETAILS OF WRITE-INS

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

(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

NONE

PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date 1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	4 Prior Year to Date Direct Loss Percentage
1. Fire			0.0	
2. Allied lines			0.0	
3. Farmowners multiple peril			0.0	
4. Homeowners multiple peril			0.0	
5. Commercial multiple peril			0.0	
6. Mortgage guaranty			0.0	
8. Ocean marine			0.0	
9. Inland marine	896,127	234,018	26.1	40.1
10. Financial guaranty			0.0	
11.1. Medical professional liability - occurrence			0.0	
11.2. Medical professional liability - claims made			0.0	
12. Earthquake			0.0	
13. Group accident and health			0.0	
14. Credit accident and health			0.0	
15. Other accident and health			0.0	
16. Workers' compensation			0.0	
17.1 Other liability-occurrence	212,301	2,613	1.2	14.5
17.2 Other liability-claims made			0.0	
18.1 Products liability-occurrence			0.0	
18.2 Products liability-claims made			0.0	
19.1, 19.2 Private passenger auto liability	2,956,611	1,378,555	46.6	38.8
19.3, 19.4 Commercial auto liability	105,717,884	44,137,774	41.8	54.4
21. Auto physical damage	41,941,133	22,549,502	53.8	65.1
22. Aircraft (all perils)			0.0	
23. Fidelity			0.0	
24. Surety			0.0	
26. Burglary and theft			0.0	
27. Boiler and machinery			0.0	
28. Credit			0.0	
29. International			0.0	
30. Warranty			0.0	
31. Reinsurance-nonproportional assumed property	XXX	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed liability	XXX	XXX	XXX	XXX
33. Reinsurance-nonproportional assumed financial lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	497	11,972	2,408.9	88.9
35. Totals	151,724,553	68,314,434	45.0	57.1
DETAILS OF WRITE-INS				
3401. GAP ADDENDUM	497	11,972	2,408.9	88.9
3402.			0.0	
3403.			0.0	
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	XXX
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34)	497	11,972	2,408.9	88.9

PART 2 - DIRECT PREMIUMS WRITTEN

Lines of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire			
2. Allied lines			
3. Farmowners multiple peril			
4. Homeowners multiple peril			
5. Commercial multiple peril			
6. Mortgage guaranty			
8. Ocean marine			
9. Inland marine	1,303,480	1,303,480	842,958
10. Financial guaranty			
11.1. Medical professional liability - occurrence			
11.2. Medical professional liability - claims made			
12. Earthquake			
13. Group accident and health			
14. Credit accident and health			
15. Other accident and health			
16. Workers' compensation			
17.1. Other liability-occurrence	285,670	285,670	234,856
17.2. Other liability-claims made			
18.1. Products liability-occurrence			
18.2. Products liability-claims made			
19.1, 19.2 Private passenger auto liability	3,189,011	3,189,011	3,138,024
19.3, 19.4 Commercial auto liability	102,536,168	102,536,168	119,030,314
21. Auto physical damage	39,361,075	39,361,075	49,307,771
22. Aircraft (all perils)			
23. Fidelity			
24. Surety			
26. Burglary and theft			
27. Boiler and machinery			
28. Credit			
29. International			
30. Warranty			
31. Reinsurance-nonproportional assumed property	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed liability	XXX	XXX	XXX
33. Reinsurance-nonproportional assumed financial lines	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	(305)	(305)	(1,830)
35. Totals	146,675,099	146,675,099	172,552,093
DETAILS OF WRITE-INS			
3401. GAP ADDENDUM	(305)	(305)	(1,830)
3402.			
3403.			
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34)	(305)	(305)	(1,830)

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

Years in Which Losses Occurred	1 Prior Year-End Known Case Loss and LAE Reserves	2 Prior Year-End IBNR Loss and LAE Reserves	3 Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	4 2009 Loss and LAE Payments on Claims Reported as of Prior Year-End	5 2009 Loss and LAE Payments on Claims Unreported as of Prior Year-End	6 Total 2009 Loss and LAE Payments (Cols. 4 + 5)	7 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	8 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	9 Q.S. Date IBNR Loss and LAE Reserves	10 Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	11 Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1)	12 Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	13 Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2006 + Prior	118,412	16,443	134,855	19,219	(295)	18,924	94,638	4,595	14,080	113,313	(4,555)	1,937	(2,618)
2. 2007	199,016	32,141	231,157	28,496	634	29,130	163,532	9,266	25,417	198,215	(6,988)	3,176	(3,812)
3. Subtotals 2007 + Prior	317,428	48,584	366,012	47,715	339	48,054	258,170	13,861	39,497	311,528	(11,543)	5,113	(6,430)
4. 2008	317,309	97,807	415,116	56,243	10,554	66,797	247,399	30,179	62,791	340,369	(13,667)	5,717	(7,950)
5. Subtotals 2008 + Prior	634,737	146,391	781,128	103,958	10,893	114,851	505,569	44,040	102,288	651,897	(25,210)	10,830	(14,380)
6. 2009	XXX	XXX	XXX	XXX	69,793	69,793	XXX	78,393	45,161	123,554	XXX	XXX	XXX
7. Totals	634,737	146,391	781,128	103,958	80,686	184,644	505,569	122,433	147,449	775,451	(25,210)	10,830	(14,380)
8. Prior Year-End's Surplus As Regards Policyholders	351,141										Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1. (4.0)%	2. 7.4 %	3. (1.8)%
													Col. 13, Line 7 Line 8
													4. (4.1)%

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

Explanation:

1.
2.
3.

Bar Code:

Overflow Page for Write-Ins

Additional Write-ins for Assets:

	Current Statement Date			4
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	December 31, Prior Year Net Admitted Assets
2304. STATE TAX CREDITS			0	
2397. Summary of remaining write-ins for Line 23	0	0	0	0

SCHEDULE A - VERIFICATION

Real Estate

NONE

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

SCHEDULE B - VERIFICATION

Mortgage Loans

NONE

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

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

NONE

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

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	1,421,804,221	1,353,649,300
2. Cost of bonds and stocks acquired	554,901,357	945,646,683
3. Accrual of discount	1,218,868	5,213,798
4. Unrealized valuation increase (decrease)	(13,730,865)	(6,482,452)
5. Total gain (loss) on disposals	5,267,790	(5,926,653)
6. Deduct consideration for bonds and stocks disposed of	494,823,441	734,684,028
7. Deduct amortization of premium	5,572,336	25,372,488
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized	12,256,559	110,239,939
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	1,456,809,035	1,421,804,221
11. Deduct total nonadmitted amounts	8,570,407	8,370,541
12. Statement value at end of current period (Line 10 minus Line 11)	1,448,238,628	1,413,433,680

SCHEDULE D - PART 1B

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

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a)	1,166,035,565	557,364,183	453,316,161	(22,601,414)	1,247,482,173			1,166,035,565
2. Class 2 (a)	117,861,231		7,757,956	(10,989,771)	99,113,504			117,861,231
3. Class 3 (a)	3,091,000			20,115,100	23,206,100			3,091,000
4. Class 4 (a)				3,234,276	3,234,276			
5. Class 5 (a)				1,986,204	1,986,204			
6. Class 6 (a)								
7. Total Bonds	1,286,987,796	557,364,183	461,074,117	(8,255,605)	1,375,022,257	0	0	1,286,987,796
PREFERRED STOCK								
8. Class 1	5,500,000			21,140,350	26,640,350			5,500,000
9. Class 2	42,502,430			(37,252,430)	5,250,000			42,502,430
10. Class 3	12,069,750			3,939,859	16,009,609			12,069,750
11. Class 4	10,349,020			(10,349,020)				10,349,020
12. Class 5								
13. Class 6								
14. Total Preferred Stock	70,421,200	0	0	(22,521,241)	47,899,959	0	0	70,421,200
15. Total Bonds and Preferred Stock	1,357,408,996	557,364,183	461,074,117	(30,776,846)	1,422,922,216	0	0	1,357,408,996

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation:
NAIC 1 $.....298,071; NAIC 2 $.....0; NAIC 3 $.....0; NAIC 4 $.....0; NAIC 5 $.....0; NAIC 6 $.....0.

SCHEDULE DA - PART 1

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals	437,929	XXX	440,837		5,558

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	43,564	357,390
2. Cost of short-term investments acquired	678,999	5,989,470
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	281,726	6,303,296
7. Deduct amortization of premium	2,908	
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	437,929	43,564
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	437,929	43,564

Sch. DB-Part F-Section 1
NONE

Sch. DB-Part F-Section 2
NONE

SCHEDULE E- VERIFICATION

Cash Equivalents

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	1,600,000	
2. Cost of cash equivalents acquired	2,800,000	8,566,712,739
3. Accrual of discount		2,787
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	1,600,000	8,565,115,526
7. Deduct amortization of premium		
8. Total foreign exchange change in book/ adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	2,800,000	1,600,000
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	2,800,000	1,600,000

Sch. A-Part 2
NONE

Sch. A-Part 3
NONE

Sch. B-Part 2
NONE

Sch. B-Part 3
NONE

Sch. BA-Part 2
NONE

Sch. BA-Part 3
NONE

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
Bonds - U.S. Government									
912828 JV 3	US TREASURY NOTE 0.875% 12/31/10		01/26/2009	Progressive Investment Co. Inc.		30,678,300	30,640,000	19,256	1
912828 KC 3	US TREASURY NOTE 1.375% 02/15/12		02/25/2009	Various		52,938,430	53,000,000	12,573	1
912828 KD 1	US TREASURY NOTE 2.750% 02/15/19		03/19/2009	Goldman Sachs		51,083,150	50,000,000	125,345	1
912828 KG 4	US TREASURY NOTE 1.375% 03/15/12		03/19/2009	CSFBdirect		189,669,251	188,400,000	35,197	1
912828 KH 2	US TREASURY NOTE 0.875% 03/31/11		03/26/2009	CSFBdirect		19,973,438	20,000,000		1
912828 KJ 8	US TREASURY NOTE 1.750% 03/31/14		03/19/2009	Barclays Capital		209,542,616	207,800,000		1
0399999.	Total - Bonds - U.S. Government					553,885,185	549,840,000	192,371	XXX
8399997.	Total - Bonds - Part 3					553,885,185	549,840,000	192,371	XXX
8399999.	Total - Bonds					553,885,185	549,840,000	192,371	XXX
Common Stocks - Industrial and Miscellaneous									
060505 10 4	BANK OF AMERICA CORP		01/02/2009	Tax Free Exchange	75,034.000	1,016,172	XXX		L
9099999.	Total - Common Stocks - Industrial & Miscellaneous					1,016,172	XXX	0	XXX
9799997.	Total - Common Stocks - Part 3					1,016,172	XXX	0	XXX
9799999.	Total - Common Stocks					1,016,172	XXX	0	XXX
9899999.	Total - Preferred and Common Stocks					1,016,172	XXX	0	XXX
9999999.	Total - Bonds, Preferred and Common Stocks					554,901,357	XXX	192,371	XXX

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

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value 11	12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Government																					
912828 HR 4	US TREASURY NOTE 3.500% 02/15/18		03/19/2009	Goldman Sachs		42,751,031	39,300,000	41,766,429	41,752,481		(50,592)		(50,592)		41,701,889		1,049,142	1,049,142	813,141	02/15/2018	1
912828 JT 8	US TREASURY NOTE 2.000% 11/30/13		03/19/2009	Barclays Capital		313,035,000	305,400,000	305,399,835	305,397,720		(1,431)		(1,431)		305,396,288		7,638,712	7,638,712	1,845,824	11/30/2013	1
912828 KC 3	US TREASURY NOTE 1.375% 02/15/12		03/19/2009	CSFBdirect		53,397,500	53,000,000	52,938,430			1,628		1,628		52,940,058		457,442	457,442	66,433	02/15/2012	1
0399999.	Total - Bonds - U.S. Government					409,183,531	397,700,000	400,104,694	347,150,201	0	(50,395)	0	(50,395)	0	400,038,235	0	9,145,296	9,145,296	2,725,398	XXX	XXX
Bonds - U.S. States, Territories and Possessions																					
646039 FS 1	NEW JERSEY ST 6.000% 02/15/13		02/06/2009	JP Morgan Securities		11,609,800	10,000,000	11,701,600	10,957,255		(23,643)		(23,643)		10,933,612		676,188	676,188	293,333	02/15/2013	1FE
882721 B6 9	TEXAS ST 5.000% 08/01/16		02/05/2009	Citicorp Securities Inc.		8,809,923	7,495,000	7,952,645	7,895,023		(4,703)		(4,703)		7,890,319		919,603	919,603	196,744	08/01/2016	1FE
1799999.	Total - Bonds - U.S. States, Territories & Possessions					20,419,723	17,495,000	19,654,245	18,852,278	0	(28,346)	0	(28,346)	0	18,823,931	0	1,595,791	1,595,791	490,077	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment																					
13034P DD 6	CALIFORNIA HSG FIN 5.000% 02/01/42		02/01/2009	Call 100.0000		180,000	180,000	187,393	185,340		(5,340)		(5,340)		180,000			0	4,500	02/01/2016	1FE
13034P EP 8	CALIFORNIA HSG FIN 5.500% 08/01/42		02/23/2009	RBC Dain Rauscher Inc.		4,636,720	4,840,000	5,114,815	5,046,476		922		922		5,047,397		(410,677)	(410,677)	151,586	08/01/2016	1FE
13034P EP 8	CALIFORNIA HSG FIN 5.500% 08/01/42		02/01/2009	Call 100.0000		170,000	170,000	179,653	177,252		(7,252)		(7,252)		170,000			0	4,675	08/01/2016	1FE
196454 DZ 2	COLORADO DEPT TRANS 5.250% 06/15/12.		02/05/2009	Citicorp Securities Inc.		6,685,860	6,000,000	6,706,800	6,363,984		(10,960)		(10,960)		6,353,024		332,836	332,836	48,125	06/15/2012	1FE
34073N ZT 0	FLORIDA HSG FIN CORP 5.100% 01/01/36		01/01/2009	Call 100.0000		1,095,000	1,095,000	1,144,352	1,117,901		(22,901)		(22,901)		1,095,000			0	27,923	01/01/2013	1FE
46246L PK 0	IOWA FIN AUTH SF MTG 3.500% 07/01/33		01/01/2009	Call 100.0000		325,000	325,000	323,232	324,339		661		661		325,000			0	5,688	07/01/2033	1FE
49130P JG 0	KENTUCKY HSG CORP 3.415% 07/01/13		01/01/2009	Call 100.0000		1,035,000	1,035,000	993,828	1,006,037		28,963		28,963		1,035,000			0	17,673	07/01/2013	1FE
60415N MU 3	MINNESOTA ST HSG FIN 5.250% 01/01/35		01/01/2009	Call 100.0000		615,000	615,000	627,177	617,553		(2,553)		(2,553)		615,000			0	16,144	01/01/2010	1FE
60415N QU 9	MINNESOTA ST HSG FIN 5.000% 01/01/33		01/01/2009	Call 100.0000		1,250,000	1,250,000	1,308,613	1,272,966		(22,966)		(22,966)		1,250,000			0	31,250	07/01/2012	1FE
60415N VV 1	MINNESOTA ST HSG FIN 5.000% 01/01/36		01/01/2009	Call 100.0000		455,000	455,000	479,019	466,765		(11,765)		(11,765)		455,000			0	11,375	01/01/2014	1FE
60636X JQ 7	MISSOURI ST HSG SF 5.550% 09/01/34		03/01/2009	Call 100.0000		345,000	345,000	364,907	356,168		(11,168)		(11,168)		345,000			0	9,574	09/01/2012	1FE
613349 G4 5	MONTGOMERY CNTY MD 5.750% 07/01/32		01/01/2009	Call 100.0000		440,000	440,000	473,040	454,593		(14,593)		(14,593)		440,000			0	12,650	01/01/2013	1FE
63967C 3T 7	NEBRASKA FIN SF HSG 5.750% 03/01/36		01/01/2009	Call 100.0000		390,000	390,000	412,920	403,360		(13,360)		(13,360)		390,000			0	7,475	03/01/2014	1FE
64469D EF 4	NEW HAMPSHIRE HSG 5.750% 01/01/37		01/01/2009	Call 100.0000		35,000	35,000	37,468	36,811		(1,811)		(1,811)		35,000			0	1,006	07/01/2016	1FE
647200 PY 4	NEW MEXICO MTG FIN 5.750% 07/01/38		01/01/2009	Call 100.0000		300,000	300,000	323,250	316,734		(16,734)		(16,734)		300,000			0	8,625	01/01/2018	1FE
676907 FG 8	OHIO HSG FIN AGY 5.250% 09/01/31		03/01/2009	Call 100.0000		575,000	575,000	603,123	588,245		(13,245)		(13,245)		575,000			0	15,094	09/01/2012	1FE
676907 GU 6	OHIO HSG FIN AGY 5.000% 03/01/35		03/01/2009	Call 100.0000		1,020,000	1,020,000	1,065,053	1,044,452		(24,452)		(24,452)		1,020,000			0	25,500	03/01/2015	1FE
686087 EJ 2	OREGON ST HSG 5.875% 07/01/38		01/01/2009	Call 100.0000		305,000	305,000	325,337	320,459		(15,459)		(15,459)		305,000			0	8,959	07/01/2016	1FE
68608R 5G 4	OREGON ST HSG 5.125% 01/01/29		01/01/2009	Call 100.0000		10,000	10,000	10,506	10,261		(261)		(261)		10,000			0	256	07/01/2012	1FE
68608R 5Y 5	OREGON ST HSG 5.100% 01/01/30		01/01/2009	Call 100.0000		85,000	85,000	89,094	87,360		(2,360)		(2,360)		85,000			0	2,168	07/01/2013	1FE
68608R V5 9	OREGON ST HSG 3.900% 07/01/29		01/01/2009	Call 100.0000		195,000	195,000	194,659	194,847		153		153		195,000			0	3,803	07/01/2029	1FE
796252 8E 7	SAN ANTONIO TX E&G 0.000% 02/01/09		02/01/2009	Maturity		7,000,000	7,000,000	6,253,660	6,981,847		18,153		18,153		7,000,000			0		02/01/2009	2
88275F HE 2	TEXAS ST HSG & CMNTY 5.000% 03/01/35		03/01/2009	Call 100.0000		1,840,000	1,840,000	1,903,719	1,861,197		(21,197)		(21,197)		1,840,000			0	46,000	09/01/2011	1FE
88275F HQ 5	TEXAS ST HSG & CMNTY 5.000% 03/01/35		03/01/2009	Call 100.0000		675,000	675,000	697,410	680,941		(5,941)		(5,941)		675,000			0	16,875	09/01/2010	1FE
97689P 2G 2	WISCONSIN HSG & ECON 4.875% 03/01/36		03/01/2009	Call 100.0000		1,250,000	1,250,000	1,302,250	1,276,678		(26,678)		(26,678)		1,250,000			0	30,469	03/01/2014	1FE
3199999.	Total - Bonds - U.S. Special Revenue & Assessment					30,912,580	30,430,000	31,121,278	31,192,566	0	(202,144)	0	(202,144)	0	30,990,421	0	(77,841)	(77,841)	507,393	XXX	XXX
Bonds - Industrial and Miscellaneous																					
045424 CJ 5	ASC 1996-D3 ACS2 IO 1.573% 10/11/26		03/11/2009	Paydown				12,427	8,119		(8,119)		(8,119)					0	902	09/11/2011	1FE
05947U X7 8	BACM 2005-4 XP IO 0.317% 07/10/45		03/01/2009	Paydown				281,779	152,246		(152,246)		(152,246)					0	10,397	09/01/2012	1FE
07383F YP 7	BSCMS 2004-PWR3 X2 IO 1.152% 02/11/41		03/01/2009	Paydown				150,911	69,085		(69,085)		(69,085)					0	5,848	03/01/2012	1FE
07387A GH 2	BSARM 2005-12 25A1 5.922% 02/25/36		03/01/2009	Paydown		89,621	89,621	60,183	60,195		29,426		29,426		89,621			0	760	02/25/2036	1FE
07388N AA 4	BSCMS 2006-T24 A1 4.905% 10/12/41		03/01/2009	Paydown		376,460	376,460	372,687	373,980		2,480		2,480		376,460			0	3,276	10/12/2041	1FE
31392C MS 0	FNW 2002-W1 2A 7.500% 02/25/42		03/01/2009	Paydown		3,533	3,533	3,713	3,839		(306)		(306)		3,533			0	41	12/01/2031	1FE
32027E AD 3	FFML 2006-FF5 2A2 0.632% 04/25/36		03/25/2009	Paydown		886,080	886,080	851,745	866,786		19,294		19,294		886,080			0	796	04/25/2036	1FE
361849 ZR 6	GMACC 2003-C3 A2 4.223% 04/10/40		03/01/2009	Paydown		718,174	718,174	703,221	711,157		7,017		7,017		718,174			0	5,306	04/10/2040	1FE
36228C BG 7	GSMS 1998-GLII F 8.011% 04/13/31		03/01/2009	Paydown		140,447	140,447	148,057	144,597		(4,150)		(4,150)		140,447			0	1,876	06/01/2010	2FE
36228C TH 6	GSMS 2004-GG2 A6 5.396% 08/10/38		01/22/2009	Barclays Capital		3,688,793	4,206,000	4,078,177	4,092,618		1,239		1,239		4,093,858		(405,064)	(405,064)	35,304	08/10/2038	1FE
36228C XG 3	GSMS 2006-GG6 XP IO 0.188% 04/10/38		03/01/2009	Paydown				177,710	83,485		(83,485)		(83,485)					0	4,044	03/01/2013	1FE
46625M CT 4	JPMCC 2001-CIB2 A2 6.244% 04/01/35		03/01/2009	Paydown		241,185	241,185	242,386	240,847		338		338		241,185			0	1,740	07/01/2010	1FE
46625Y QW 6	JPMCC 2005-CB12 X2 IO 0.490% 09/12/37		01/01/2009	Paydown				180,305	127,460		(127,460)		(127,460)					0	3,493	07/01/2012	1FE

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value 11	12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
576433 UF 1	MARM 2004-13 3A1 3.788% 02/25/35		03/01/2009	Paydown		245,242	245,242	238,756	237,596		7,646		7,646		245,242			0	1,668	02/25/2035	1FE
61746W GB 0	MSDWC 2001-TOP1 A4 6.660% 02/15/33		03/01/2009	Paydown		54,952	54,952	58,664	56,399		(1,446)		(1,446)		54,952			0	645	01/01/2011	1FE
61746W ZH 6	MSDWC 2003-TOP9 X2 IO 1.560% 11/13/36		02/01/2009	Paydown				244,203	149,767		(149,767)		(149,767)					0	15,504	02/01/2011	1FE
65535V AA 6	NAA 2001-R1A A1 7.000% 02/01/30		03/01/2009	Paydown		11,634	11,634	11,790	11,794		(160)		(160)		11,634			0	153	05/01/2027	1FE
65535V BZ 0	NAA 2003-A3 A1 5.000% 08/25/33		03/01/2009	Paydown		8,567	8,567	8,589	8,751		(184)		(184)		8,567			0	83	10/01/2028	1FE
806605 AJ 0	SCHERING-PLOUGH 6.000% 09/15/17		01/23/2009	BB&T Capital Markets		614,838	600,000	619,284	617,616		(107)		(107)		617,509		(2,671)	(2,671)	13,300	09/15/2017	2FE
855541 AB 4	STARM 2007-S1 2A1 4.867% 01/25/37		03/01/2009	Paydown		101,590	101,590	99,967	99,555		2,035		2,035		101,590			0	716	01/25/2037	1FE
90331H LG 6	USBNA 2007-1 A 5.920% 05/25/12		03/01/2009	Paydown		182,462	182,462	182,426	182,235		227		227		182,462			0	1,945	05/25/2012	1FE
929766 KH 5	WBCMT 2003-C7 A1 4.241% 10/15/35		03/01/2009	Paydown		157,643	157,643	153,905	155,410		2,232		2,232		157,643			0	1,163	10/15/2035	1FE
92977Q AF 5	WBCMT 2006-C27 XP IO 0.488% 07/15/45		02/01/2009	Paydown				508,074	329,834		(329,834)		(329,834)					0	14,708	08/01/2013	1FE
94980Q AA 7	WFMBS 2004-W A1 4.542% 11/25/34		03/01/2009	Paydown		760,532	760,532	750,074	736,479		24,052		24,052		760,532			0	6,538	11/25/2034	1FE
94983C AD 9	WFMBS 2005-AR10 2A1 4.191% 06/25/35		03/01/2009	Paydown		650,315	650,315	638,122	631,137		19,178		19,178		650,315			0	5,238	06/25/2035	1FE
902118 AX 6	TYCO INTL GROUP 6.375% 02/15/06	F	03/04/2009	Class Action Litigation Settlement		50,742							0				50,742	50,742		04/22/2004	3FE
3899999.	Total - Bonds - Industrial & Miscellaneous					8,982,810	9,434,437	10,777,155	10,150,987	0	(811,185)	0	(811,185)	0	9,339,804	0	(356,993)	(356,993)	135,444	XXX	XXX
8399997.	Total - Bonds - Part 4					469,498,644	455,059,437	461,657,372	407,346,032	0	(1,092,070)	0	(1,092,070)	0	459,192,391	0	10,306,253	10,306,253	3,858,312	XXX	XXX
8399999.	Total - Bonds					469,498,644	455,059,437	461,657,372	407,346,032	0	(1,092,070)	0	(1,092,070)	0	459,192,391	0	10,306,253	10,306,253	3,858,312	XXX	XXX
Common Stocks - Industrial and Miscellaneous																					
00763M 10 8	ADVANCED MEDICAL OPTICS		02/27/2009	State Street Bank	100.000	2,200	XXX	2,018	661	1,357			1,357		2,018		182	182		XXX	L
035710 40 9	ANNALY MTG MGMT INC		03/24/2009	State Street Bank	9,600.000	138,631	XXX	155,882	152,352	3,530			3,530		155,882		(17,251)	(17,251)	4,800	XXX	L
045487 10 5	ASSOCIATED BANC-CORP		03/24/2009	State Street Bank	9,900.000	147,698	XXX	205,863	207,207	(1,344)			(1,344)		205,863		(58,164)	(58,164)	3,168	XXX	L
060505 10 4	BANK OF AMERICA CORP		03/24/2009	Various	131,785.000	996,359	XXX	1,855,538	1,855,538				0		1,855,538		(859,179)	(859,179)	1,318	XXX	L
075896 10 0	BED BATH & BEYOND INC		03/24/2009	State Street Bank	4,600.000	112,016	XXX	144,075	116,932	27,143			27,143		144,075		(32,059)	(32,059)		XXX	L
126408 10 3	CSX CORPORATION		03/24/2009	State Street Bank	9,900.000	268,918	XXX	375,309	321,453	53,856			53,856		375,309		(106,391)	(106,391)	2,178	XXX	L
151020 10 4	CELGENE CORP		03/24/2009	State Street Bank	11,300.000	528,677	XXX	601,435	624,664	(23,229)			(23,229)		601,435		(72,758)	(72,758)		XXX	L
159864 10 7	CHARLES RIVER LABORATOR		03/24/2009	State Street Bank	500.000	14,364	XXX	23,099	13,100	9,999			9,999		23,099		(8,735)	(8,735)		XXX	L
178566 10 5	CITY NATIONAL CORP		03/24/2009	State Street Bank	9,100.000	311,788	XXX	378,429	443,170	(64,741)			(64,741)		378,429		(66,641)	(66,641)	2,275	XXX	L
20030N 10 1	COMCAST CORP		03/24/2009	State Street Bank	87.000	1,223	XXX	2,104	1,469	635			635		2,104		(880)	(880)	5	XXX	L
200340 10 7	COMERICA INC		03/24/2009	State Street Bank	12,900.000	257,414	XXX	369,522	256,065	113,457			113,457		369,522		(112,108)	(112,108)	4,257	XXX	L
21036P 10 8	CONSTELLATION BRANDS IN		03/24/2009	State Street Bank	14,700.000	194,946	XXX	303,249	231,819	71,430			71,430		303,249		(108,303)	(108,303)		XXX	L
244199 10 5	DEERE & CO		03/24/2009	State Street Bank	13,800.000	480,835	XXX	571,458	528,816	42,642			42,642		571,458		(90,623)	(90,623)	3,864	XXX	L
26875P 10 1	EOG RESOURCES INC		03/24/2009	State Street Bank	400.000	25,741	XXX	25,684	26,632	(948)			(948)		25,684		57	57	54	XXX	L
278642 10 3	EBAY INC		03/24/2009	State Street Bank	50,000.000	634,541	XXX	698,000	698,000	906,000			906,000		698,000		(63,459)	(63,459)		XXX	L
307000 10 9	FAMILY DOLLAR STORES		03/24/2009	State Street Bank	9,900.000	311,435	XXX	201,366	258,093	(56,727)			(56,727)		201,366		110,069	110,069	1,238	XXX	L
311900 10 4	FASTENAL CO		03/24/2009	State Street Bank	6,900.000	223,979	XXX	240,995	240,465	530			530		240,995		(17,016)	(17,016)	2,415	XXX	L
38259P 50 8	GOOGLE INC-CL A		03/24/2009	State Street Bank	7,800.000	2,717,710	XXX	3,173,586	2,399,670	773,916			773,916		3,173,586		(455,876)	(455,876)		XXX	L
406216 10 1	HALLIBURTON CO		03/24/2009	State Street Bank	14,100.000	255,207	XXX	460,224	256,338	203,886			203,886		460,224		(205,017)	(205,017)	1,269	XXX	L
436440 10 1	HOLOGIC INC		03/24/2009	State Street Bank	100.000	1,279	XXX	2,226	1,307	919			919		2,226		(947)	(947)		XXX	L
438516 10 6	HONEYWELL INTERNATIONAL		03/24/2009	State Street Bank	4,100.000	118,967	XXX	165,845	134,603	31,242			31,242		165,845		(46,878)	(46,878)	1,240	XXX	L
458140 10 0	INTEL CORP		03/24/2009	State Street Bank	170,100.000	2,574,721	XXX	2,493,666	2,493,666	901,530			901,530		2,493,666		81,055	81,055	23,814	XXX	L
459200 10 1	INTL BUSINESS MACHINES		03/24/2009	State Street Bank	39,500.000	3,891,830	XXX	3,627,285	3,324,320	302,965			302,965		3,627,285		264,545	264,545	19,750	XXX	L
46126P 10 6	INVERNESS MEDICAL INNOV		03/24/2009	State Street Bank	7,000.000	183,281	XXX	219,167	132,370	86,797			86,797		219,167		(35,886)	(35,886)		XXX	L
472319 10 2	JEFFERIES GROUP INC (NE		03/24/2009	State Street Bank	1,800.000	25,685	XXX	32,760	25,308	7,452			7,452		32,760		(7,075)	(7,075)		XXX	L
495582 10 8	KING PHARMACEUTICALS IN		03/24/2009	State Street Bank	28,100.000	190,610	XXX	253,883	298,422	(44,539)			(44,539)		253,883		(63,273)	(63,273)		XXX	L
532457 10 8	ELI LILLY & CO		03/24/2009	State Street Bank	22,400.000	752,860	XXX	902,048	902,048	219,713			219,713		902,048		(149,188)	(149,188)	10,976	XXX	L
539830 10 9	LOCKHEED MARTIN CORPORA		03/24/2009	State Street Bank	5,200.000	359,185	XXX	450,684	437,216	13,468			13,468		450,684		(91,499)	(91,499)	2,964	XXX	L
590188 10 8	MERRILL LYNCH & CO INC		01/02/2009	Tax Free Exchange	87,300.000	1,016,172	XXX	1,016,172	1,016,172	1,174,709			1,174,709		1,016,172			0		XXX	L
620076 10 9	MOTOROLA INC		03/24/2009	State Street Bank	12,180.000	51,550	XXX	81,362	53,957	27,405			27,405		81,362		(29,812)	(29,812)	609	XXX	L
628530 10 7	MYLAN LABORATORIES		03/24/2009	State Street Bank	14,500.000	196,383	XXX	170,060	143,405	26,655			26,655		170,060		26,322	26,322		XXX	L
674599 10 5	OCCIDENTAL PETROLEUM CO		03/24/2009	State Street Bank	27,100.000	1,601,265	XXX	1,264,215	1,625,729	(361,514)			(361,514)		1,264,215		337,050	337,050	8,672	XXX	L

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
67622P 10 1	OFFICEMAX INC.		03/24/2009	State Street Bank	19,300.000	58,772	XXX	135,208	147,452	(12,244)			(12,244)		135,208		(76,436)	(76,436)		XXX	L
690742 10 1	OWENS CORNING INC.		03/24/2009	State Street Bank	9,400.000	91,228	XXX	173,307	162,620	10,687			10,687		173,307		(82,079)	(82,079)		XXX	L
693475 10 5	PNC FINANCIAL SERVICES.		03/24/2009	State Street Bank	7,200.000	237,756	XXX	422,933	352,800	70,133			70,133		422,933		(185,177)	(185,177)	4,752	XXX	L
713448 10 8	PEPSICO INC.		03/24/2009	State Street Bank	47,200.000	2,434,935	XXX	3,003,808	2,585,144	418,664			418,664		3,003,808		(568,873)	(568,873)	40,120	XXX	L
717081 10 3	PFIZER INC.		03/24/2009	State Street Bank	60,300.000	843,267	XXX	1,053,441	1,067,913	(14,472)			(14,472)		1,053,441		(210,174)	(210,174)	19,296	XXX	L
73278L 10 5	POOL CORP.		03/24/2009	State Street Bank	7,600.000	104,917	XXX	150,866	136,572	14,294			14,294		150,866		(45,949)	(45,949)	988	XXX	L
750438 10 3	RADIOSHACK CORPORATION.		03/24/2009	State Street Bank	13,900.000	128,017	XXX	232,408	165,966	66,442			66,442		232,408		(104,391)	(104,391)		XXX	L
7591EP 10 0	REGIONS FINANCIAL CORP.		03/24/2009	State Street Bank	7,390.000	33,610	XXX	60,968	58,824	2,143			2,143		60,968		(27,358)	(27,358)	739	XXX	L
783764 10 3	RYLAND GROUP INC.		03/24/2009	State Street Bank	1,000.000	17,055	XXX	25,429	17,670	7,759			7,759		25,429		(8,374)	(8,374)	30	XXX	L
790148 10 0	THE ST JOE COMPANY.		03/24/2009	State Street Bank	10,400.000	164,501	XXX	291,171	252,928	38,243			38,243		291,171		(126,670)	(126,670)		XXX	L
817315 10 4	SEPRACOR INC.		03/24/2009	State Street Bank	3,900.000	53,657	XXX	42,822	42,822	29,899			29,899		42,822		10,835	10,835		XXX	L
881624 20 9	TEVA PHARMACEUTICAL.		03/24/2009	State Street Bank	7,000.000	318,127	XXX	292,753	298,004	(5,250)			(5,250)		292,753		25,373	25,373	784	XXX	L
88579Y 10 1	3M CO.		03/24/2009	State Street Bank	4,700.000	229,083	XXX	373,462	270,438	103,024			103,024		373,462		(144,379)	(144,379)	2,397	XXX	L
919794 10 7	VALLEY NATIONAL BANCORP.		03/24/2009	State Street Bank	10,300.000	122,863	XXX	175,152	208,575	(33,424)			(33,424)		175,152		(52,289)	(52,289)	2,060	XXX	L
92532F 10 0	VERTEX PHARMACEUTICALS.		03/24/2009	State Street Bank	11,500.000	339,498	XXX	357,076	349,370	7,706			7,706		357,076		(17,578)	(17,578)		XXX	L
92826C 83 9	VISA INC-CLASS A SHARES.		03/24/2009	State Street Bank	4,900.000	264,145	XXX	257,005	257,005	145,614			145,614		257,005		7,140	7,140	515	XXX	L
947890 10 9	WEBSTER FINANCIAL CORP.		03/24/2009	State Street Bank	18,000.000	84,306	XXX	355,306	248,040	107,266			107,266		355,306		(270,999)	(270,999)	180	XXX	L
966612 10 3	WHITNEY HOLDING CORP.		03/24/2009	State Street Bank	27,800.000	333,593	XXX	525,648	444,522	81,126			81,126		525,648		(192,055)	(192,055)	5,560	XXX	L
971807 10 2	WILMINGTON TRUST CORP.		03/24/2009	State Street Bank	10,500.000	109,096	XXX	310,471	233,520	76,951			76,951		310,471		(201,375)	(201,375)	1,811	XXX	L
989701 10 7	ZIONS BANCORPORATION.		03/24/2009	State Street Bank	1,100.000	12,055	XXX	43,155	26,961	16,194			16,194		43,155		(31,100)	(31,100)	44	XXX	L
004826 55 8	TRANSOCEAN LTD.	F	03/24/2009	State Street Bank	11,400.000	726,556	XXX	1,575,586	538,650	1,036,936			1,036,936		1,575,586		(849,030)	(849,030)		XXX	L
G54050 10 2	LAZARD LTD CL A.	F	03/24/2009	State Street Bank	1,000.000	30,290	XXX	38,077	29,740	8,337			8,337		38,077		(7,787)	(7,787)	100	XXX	L
9099999.	Total - Common Stocks - Industrial & Miscellaneous.					25,324,797	XXX	30,363,261	27,116,503	6,624,222	0	0	6,624,222	0	30,363,261	0	(5,038,463)	(5,038,463)	174,242	XXX	XXX
9799997	Total - Common Stocks - Part 4.					25,324,797	XXX	30,363,261	27,116,503	6,624,222	0	0	6,624,222	0	30,363,261	0	(5,038,463)	(5,038,463)	174,242	XXX	XXX
9799999.	Total - Common Stocks.					25,324,797	XXX	30,363,261	27,116,503	6,624,222	0	0	6,624,222	0	30,363,261	0	(5,038,463)	(5,038,463)	174,242	XXX	XXX
9899999.	Total - Preferred and Common Stocks.					25,324,797	XXX	30,363,261	27,116,503	6,624,222	0	0	6,624,222	0	30,363,261	0	(5,038,463)	(5,038,463)	174,242	XXX	XXX
9999999.	Total - Bonds, Preferred and Common Stocks.					494,823,441	XXX	492,020,633	434,462,535	6,624,222	(1,092,070)	0	5,532,152	0	489,555,652	0	5,267,790	5,267,790	4,032,554	XXX	XXX

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

Sch. DB-Part A-Section 1
NONE

Sch. DB-Part B-Section 1
NONE

Sch. DB-Part C-Section 1
NONE

Sch. DB-Part D-Section 1
NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1	2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
					6	7	8	
Depository	Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
Open Depositories								
CITIBANK NEW YORK, NY								XXX
0199999. Total Open Depositories	XXX	XXX	0	0	0	0	0	XXX
0399999. Total Cash on Deposit	XXX	XXX	0	0	0	0	0	XXX
0599999. Total Cash	XXX	XXX	0	0	0	0	0	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations							
BRANCH BANKING & TRUST		03/30/2009	0.031	04/01/2009	2,800,000	5	
3299999. Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations					2,800,000	5	0
3899999. Total - Industrial and Miscellaneous (Unaffiliated)					2,800,000	5	0
Total							
7799999. Subtotals - Issuer Obligations					2,800,000	5	0
8399999. Subtotals - Bonds					2,800,000	5	0
8699999. Total - Cash Equivalents					2,800,000	5	0