

QUARTERLY STATEMENT

OF THE



CASUALTY
INSURANCE
COMPANY

OF

Pittsburgh

IN THE COMMONWEALTH OF

Pennsylvania

TO THE

Pennsylvania Insurance Department

FOR THE PERIOD ENDED
June 30, 2012

2012

PROPERTY AND CASUALTY

2012



QUARTERLY STATEMENT

As of June 30, 2012
of the Condition and Affairs of the

HM Casualty Insurance Company

NAIC Group Code..... 0812, 0812 (Current Period) (Prior Period)	NAIC Company Code..... 13016	Employer's ID Number..... 87-0807723
Organized under the Laws of Pennsylvania	State of Domicile or Port of Entry Pennsylvania	Country of Domicile US
Incorporated/Organized..... April 16, 2007		Commenced Business..... January 1, 2008
Statutory Home Office	Fifth Avenue Place, 120 Fifth Avenue..... Pittsburgh PA 15222-3099 <i>(Street and Number) (City or Town, State and Zip Code)</i>	
Main Administrative Office	120 Fifth Avenue, Suite P6504..... Pittsburgh PA 15222-3099 <i>(Street and Number) (City or Town, State and Zip Code)</i>	800-328-5433 <i>(Area Code) (Telephone Number)</i>
Mail Address	P.O. Box 535061..... Pittsburgh PA 15253-5061 <i>(Street and Number or P. O. Box) (City or Town, State and Zip Code)</i>	
Primary Location of Books and Records	120 Fifth Avenue, Suite P6504..... Pittsburgh PA 15222-3099 <i>(Street and Number) (City or Town, State and Zip Code)</i>	800-328-5433 <i>(Area Code) (Telephone Number)</i>
Internet Web Site Address	www.hminsurancegroup.com	
Statutory Statement Contact	Leslie Ann Gelpi # <i>(Name)</i> leslie.gelpi@highmark.com <i>(E-Mail Address)</i>	800-328-5433 <i>(Area Code) (Telephone Number) (Extension)</i> 412-544-1053 <i>(Fax Number)</i>

OFFICERS

Chairman and CEO.....David Lynn Holmberg
 President and COO.....Michael Walsh Sullivan
 Treasurer and CFO.....Daniel Joseph Wright
 Corporate Secretary.....Edward August Bittner, Jr.

DIRECTORS OR TRUSTEES

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

David Lynn Holmberg
Chairman and CEO

Daniel Joseph Wright
Treasurer and CFO

Edward August Bittner, Jr.
Corporate Secretary

State of Texas
County of Bexar

David Lynn Holmberg subscribed and sworn to before me
This 17th day of AUGUST, 2012

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 _____

State of Pennsylvania
County of Dauphin

Daniel Joseph Wright subscribed and sworn to before me
This 24 day of July, 2012

State of Pennsylvania
County of Allegheny

Edward August Bittner, Jr., subscribed and sworn to before me
This 10th day of August, 2012

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Joan M. Fertenbaugh, Notary Public
Susquehanna Twp., Dauphin County
My Commission Expires Oct. 29, 2013
Member, Pennsylvania Association of Notaries

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Sara M. Malara, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Sept. 12, 2014
Member, Pennsylvania Association of Notaries

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....			.0	
2. Stocks:				
2.1 Preferred stocks.....			.0	
2.2 Common stocks.....			.0	
3. Mortgage loans on real estate:				
3.1 First liens.....			.0	
3.2 Other than first liens.....			.0	
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			.0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			.0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			.0	
5. Cash (\$....(109,857)), cash equivalents (\$.....0) and short-term investments (\$....9,700,000).....	9,590,143		9,590,143	9,001,968
6. Contract loans (including \$.....0 premium notes).....			.0	
7. Derivatives.....			.0	
8. Other invested assets.....			.0	
9. Receivables for securities.....			.0	
10. Securities lending reinvested collateral assets.....			.0	
11. Aggregate write-ins for invested assets.....	.0	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	9,590,143	.0	9,590,143	9,001,968
13. Title plants less \$.....0 charged off (for Title insurers only).....			.0	
14. Investment income due and accrued.....			.0	.735
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	1,852,570		1,852,570	1,148,561
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			.0	
15.3 Accrued retrospective premiums.....	57,707		57,707	79,370
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	1,347,109		1,347,109	1,293,456
16.2 Funds held by or deposited with reinsured companies.....			.0	
16.3 Other amounts receivable under reinsurance contracts.....			.0	
17. Amounts receivable relating to uninsured plans.....			.0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....			.0	
18.2 Net deferred tax asset.....	429,186		429,186	429,186
19. Guaranty funds receivable or on deposit.....			.0	
20. Electronic data processing equipment and software.....			.0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....			.0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0	
23. Receivables from parent, subsidiaries and affiliates.....			.0	
24. Health care (\$.....0) and other amounts receivable.....	272,958		272,958	
25. Aggregate write-ins for other than invested assets.....	884,353	884,353	.0	31,174
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	14,434,026	884,353	13,549,673	11,984,450
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
28. Total (Lines 26 and 27).....	14,434,026	884,353	13,549,673	11,984,450

DETAILS OF WRITE-INS

1101.....			.0	
1102.....			.0	
1103.....			.0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	.0	.0	.0	.0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	.0	.0	.0	.0
2501. Prepaid Other.....	884,353	884,353	.0	
2502. Unapplied claim refunds.....			.0	31,174
2503.....			.0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.0	.0	.0	.0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	884,353	884,353	.0	31,174

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$.....0).....		
2. Reinsurance payable on paid losses and loss adjustment expenses.....		
3. Loss adjustment expenses.....		
4. Commissions payable, contingent commissions and other similar charges.....		24,251
5. Other expenses (excluding taxes, licenses and fees).....	106,040	128,882
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	296,809	403,502
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....	278,741	93,666
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 \$....7,711,142 and including warranty reserves of \$.....0 and accrued accident and health experience rating refunds including \$.....0 for medical loss ratio rebate per the Public Health Service Act.....		
10. Advance premium.....	54,773	8,985
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....	941,682	559,327
12. Ceded reinsurance premiums payable (net of ceding commissions).....	5,042,894	4,865,771
13. Funds held by company under reinsurance treaties.....		
14. Amounts withheld or retained by company for account of others.....	1,472,953	1,017,281
15. Remittances and items not allocated.....	379,396	76,877
16. Provision for reinsurance.....		
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	674,964	1,087,594
20. Derivatives.....		
21. Payable for securities.....		
22. Payable for securities lending.....		
23. Liability for amounts held under uninsured plans.....		
24. Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	611,482	466,912
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	9,859,734	8,733,048
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	9,859,734	8,733,048
29. Aggregate write-ins for special surplus funds.....	0	0
30. Common capital stock.....	1,000,000	1,000,000
31. Preferred capital stock.....		
32. Aggregate write-ins for other than special surplus funds.....	0	0
33. Surplus notes.....		
34. Gross paid in and contributed surplus.....	1,000,000	1,000,000
35. Unassigned funds (surplus).....	1,689,939	1,251,402
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 30 \$.....0).....		
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0).....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36).....	3,689,939	3,251,402
38. Totals.....	13,549,673	11,984,450

DETAILS OF WRITE-INS

2501. Retrospective Premiums Payable.....	593,699	451,576
2502. Accrued Unclaimed Property.....	17,783	15,336
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	611,482	466,912
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	0	0
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 thru 3203 plus 3298) (Line 32 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 \$.....20,347,290).....	20,341,421	16,186,802	32,478,626
1.2 Assumed..... (written \$.....0).....			
1.3 Ceded..... (written \$.....20,347,290).....	20,341,421	16,186,802	32,478,626
1.4 Net..... (written \$.....(0)).....	0	0	0
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....0):			
2.1 Direct.....	11,717,852	10,500,174	20,607,872
2.2 Assumed.....			
2.3 Ceded.....	11,717,852	10,500,174	20,607,872
2.4 Net.....	0	0	0
3. Loss adjustment expenses incurred.....			2,927,674
4. Other underwriting expenses incurred.....	(1,288,930)	(1,068,505)	(4,927,842)
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	(1,288,930)	(1,068,505)	(2,000,168)
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	1,288,930	1,068,505	2,000,168
INVESTMENT INCOME			
9. Net investment income earned.....	4,850	3,702	6,988
10. Net realized capital gains (losses) less capital gains tax of \$.....0.....			
11. Net investment gain (loss) (Lines 9 + 10).....	4,850	3,702	6,988
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0).....	0		
13. Finance and service charges not included in premiums.....			
14. Aggregate write-ins for miscellaneous income.....	(13,323)	(1,658)	(7,107)
15. Total other income (Lines 12 through 14).....	(13,323)	(1,658)	(7,107)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	1,280,457	1,070,549	2,000,049
17. Dividends to policyholders.....	484,054	174,000	602,000
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).....	796,403	896,549	1,398,049
19. Federal and foreign income taxes incurred.....	278,741	313,792	555,639
20. Net income (Line 18 minus Line 19) (to Line 22).....	517,662	582,757	842,410
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	3,251,402	2,566,409	2,566,409
22. Net income (from Line 20).....	517,662	582,757	842,410
23. Net transfers (to) from Protected Cell accounts.....			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0.....			
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....			186,797
27. Change in nonadmitted assets.....	(79,125)	(310,898)	(344,214)
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.....			
33.2 Transferred to capital (Stock Dividend).....			
33.3 Transferred from capital.....			
34. Net remittances from or (to) Home Office.....			
35. Dividends to stockholders.....			
36. Change in treasury stock.....			
37. Aggregate write-ins for gains and losses in surplus.....	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37).....	438,537	271,859	684,993
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	3,689,939	2,838,268	3,251,402
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. Other income.....	280	20	25
1402. Other interest paid.....	(13,603)	(1,678)	(7,132)
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	(13,323)	(1,658)	(7,107)
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	0	0	0

CASH FLOW

	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
CASH FROM OPERATIONS			
1. Premiums collected net of reinsurance.....	(459,435)	(146,546)	635,388
2. Net investment income.....	5,585	4,218	7,167
3. Miscellaneous income.....	(13,323)	(1,658)	(7,107)
4. Total (Lines 1 through 3).....	(467,173)	(143,986)	635,448
5. Benefit and loss related payments.....	108,243	304,944	308,916
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	(1,189,734)	(1,061,164)	(2,147,216)
8. Dividends paid to policyholders.....	101,699	151,480	346,867
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	93,666	142,271	604,244
10. Total (Lines 5 through 9).....	(886,126)	(462,469)	(887,189)
11. Net cash from operations (Line 4 minus Line 10).....	418,953	318,483	1,522,637
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....			
12.2 Stocks.....			
12.3 Mortgage loans.....			
12.4 Real estate.....			
12.5 Other invested assets.....			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....			
12.7 Miscellaneous proceeds.....			
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	0	0	0
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....			
13.2 Stocks.....			
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).....	0	0	0
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).....	0	0	0
CASH FROM FINANCING AND MISCELLANEOUS SOURCES			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....			
16.2 Capital and paid in surplus, less treasury stock.....			
16.3 Borrowed funds.....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....			
16.5 Dividends to stockholders.....			
16.6 Other cash provided (applied).....	169,222	(67,488)	351,658
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	169,222	(67,488)	351,658
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).....	588,175	250,995	1,874,295
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	9,001,968	7,127,674	7,127,674
19.2 End of period (Line 18 plus Line 19.1).....	9,590,143	7,378,668	9,001,968

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

20.0001			
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NOTES TO FINANCIAL STATEMENTS

PROPERTY & CASUALTY

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NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of HM Casualty Insurance Company (the "Corporation") are presented on the basis of accounting practices prescribed by the Pennsylvania Insurance Department (the "Department"). The Department recognizes only statutory accounting practices prescribed or permitted by the Commonwealth of Pennsylvania for determining and reporting the financial condition and results of operations of an insurance company in order to assess its solvency under Pennsylvania insurance law and regulations. The National Association of Insurance Commissioners' ("NAIC") *Accounting Practices and Procedures Manual* ("NAIC SAP") has been adopted as a component of prescribed or permitted practices by Pennsylvania. The Pennsylvania Insurance Commissioner has the right to permit other specific practices that deviate from prescribed practices.

For the period ended June 30, 2012, there was no differences between NAIC SAP and practices prescribed or permitted by Pennsylvania.

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

No change.

C. Accounting Policies

No change.

2. Accounting Changes and Corrections of Errors

SSAP No. 101, Income Taxes, A Replacement of SSAP No. 10R and SSAP No.10, was adopted by the NAIC effective January 1, 2012. Refer to Note 9 - Income Taxes for the effect of this change on the statutory financial statements.

3. Business Combinations and Goodwill

None.

4. Discontinued Operations

None.

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

None.

B. Debt Restructuring

None.

C. Reverse Mortgages

None.

D. Loan-Backed Securities

None.

E. Repurchase Agreements and/or Securities Lending Transactions

None.

F. Real Estate

None.

G. Low-Income Housing Tax Credits

None.

6. Joint Ventures, Partnerships and Limited Liability Companies

None.

7. Investment Income

No change.

8. Derivative Instruments

None.

NOTES TO FINANCIAL STATEMENTS

9. Income Taxes

A., C. Components and Changes in Deferred Taxes

On November 6, 2011, SSAP No. 101, Income Taxes, A Replacement of SSAP No 10R and SSAP No 10, was adopted by the NAIC effective on January 1, 2012. This guidance provides that the deferred tax asset admissibility guidance is no longer elective, and the reversal and surplus limitation parameters in the admissibility tests are determined based on the risk-based capital level. It also requires gross deferred tax assets to be reduced by a statutory valuation allowance if it is more likely than not that some portion or all of the gross deferred tax assets will not be realized. Finally, the guidance sets a more likely than not threshold for the recording of contingent liabilities. The cumulative effect of adopting this pronouncement is not material to the Corporation.

B. Unrecognized Deferred Tax Liabilities

None.

D. Rate Reconciliation

No significant change.

E. Income Tax Carryforwards and Carrybacks

None.

F. Consolidation of Federal Return

No change.

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

A. Information Concerning Parent Company

No change.

B., C. & F. Transactions with Related Parties

No change.

D. Related Party Receivables and Payables

No significant change.

E. Commitments and Contingencies to Subsidiaries, Controlled and Affiliated Entities ("SCAs")

None.

G. Relationships with Enterprises under Common Ownership

No change.

H. Amounts Deducted from Value of an Upstream Intermediate Entity

None.

I. Investments in SCA that exceed 10% of Admitted Assets

None.

J. Impairment in SCAs

None.

K. Investments in Foreign Insurance Subsidiaries

None.

L. Downstream Noninsurance Holding Companies

None.

11. Debt

None.

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

None.

NOTES TO FINANCIAL STATEMENTS

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

A. Capital Stock

The Corporation has 200,000 shares of common stock authorized, issued and outstanding with no par value.

B. Preferred Stock

None.

C, D. & E. Dividend Restrictions

No significant change.

F. Surplus Restrictions

None.

G. Mutual Surplus Advances

Not applicable.

H. Company Stock Held for Special Purposes

None.

I. Special Surplus Funds

None.

J. Changes in Surplus

At June 30, 2012, no portion of surplus was represented or reduced by cumulative unrealized gains and losses.

K. Surplus Notes

None.

L & M. Quasi-Reorganizations

None.

14. Contingencies

A. Contingent Commitments

None.

B. Assessments

None.

C. Gain Contingencies

None.

D. Claims Related Extra Contractual Obligations and Bad Faith Losses Stemming from Lawsuits

None.

E. All Other Contingencies

The Corporation is subject to various contingencies, including legal and compliance actions and proceedings that arise in the ordinary course of its business. In the opinion of management, based on consultation with legal counsel, adequate provision has been made in the financial statements for any potential liability related to these matters, and the amount of ultimate liability is not expected to materially affect the financial position or results from operations of the Corporation.

15. Leases

None.

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

None.

NOTES TO FINANCIAL STATEMENTS

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

A. Transfers of Receivables Reported as Sales

None.

B. Transfer and Servicing of Financial Assets

None.

C. Wash Sales

None.

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

None.

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

None.

20. Fair Value of Financial Instruments

A. Assets and Liabilities Measured at Fair Value

In accordance with SSAP No. 100, financial assets and liabilities recorded at fair value in the statements of assets, liabilities, capital and surplus are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Input levels, as defined by NAIC SAP, are as follows:

Level 1 – Pricing inputs are based on unadjusted quoted market prices for identical financial assets in active markets. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are based on other than quoted prices in active markets included in Level 1 that are observable unadjusted quoted market prices for similar financial assets or liabilities in active markets or quoted market prices for identical assets in inactive markets.

The following methods and assumptions were used to determine the fair value of each class of the following assets and liabilities recorded at fair value in the statements of assets, liabilities, capital and surplus:

Cash and cash equivalents: Cash equivalents include commercial paper, discount notes or securities with a maturity of 3 months or less, and bank deposits that are purchased or deposited daily with specified yield rates.

Short-term – Short-term investments include Class 1 and exempt money market accounts, and securities with a maturity of less than one year but greater than 90 days at the date of purchase. Fair values of short-term securities are based on quoted market prices, where available. These fair values are obtained primarily from a third party pricing service, which generally use Level 1 or Level 2 inputs, for the determination of fair value to facilitate fair value measurements and disclosures. U.S. Government securities represent Level 1 securities, while Level 2 securities include corporate securities. Inputs that are often used in the valuation methodologies include, but are not limited to, broker quotes, benchmark yields, credit spreads, default rates, and prepayment speeds.

C. Fair Value and Admitted Value of All Financial Assets

The following table summarizes the aggregate fair value for all financial assets by level and the related admitted values at June 30, 2012:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Short-term assets	9,700,000	9,700,000	9,700,000	-	-	-
Cash	(109,857)	(109,857)	(109,857)	-	-	-
Total	<u>\$ 9,590,143</u>	<u>\$ 9,590,143</u>	<u>\$ 9,590,143</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

D. Estimated Fair Values Not Practicable

None.

21. Other Items

A. Extraordinary Items

None.

B. Troubled Debt Restructuring: Debtors

None.

NOTES TO FINANCIAL STATEMENTS

C. Other Disclosures

The Corporation has a quota share reinsurance agreement (the "agreement") with Highmark Casualty Insurance Company, an affiliate of the Corporation (the "affiliate"). Under the terms of the agreement, the affiliate assumes 100% of the Corporation's risk with respect to all workers' compensation policies. In accordance with the agreement, the Corporation has recorded the following for the period ended June 30, 2012:

	<u>06/30/2012</u>
Premiums earned - ceded	\$ 20,341,421
Losses incurred - ceded	8,377,100
Loss adjustment expenses incurred - ceded	5,637,524
Other underwriting expenses incurred - ceded	6,113,891

D. Uncollectible Receivable Balances

None.

E. Business Interruption Insurance Recoveries

None.

F. State Transferable Tax Credits

None.

G. Subprime Mortgage Related Risk Exposures

None.

22. Events Subsequent

None.

23. Reinsurance

A. Unsecured Reinsurance Recoverables

The Corporation's unsecured reinsurance balances (including ceded case and IBNR reserves) in excess of 3% of policyholders' surplus with any one reinsurer are displayed below:

NAIC Code	Federal Tax ID	Name of Reinsurer	Amount
35599	25-1334623	Highmark Casualty Insurance Company	\$ 58,087,629

B. Reinsurance Recoverable in Dispute

None.

C. Reinsurance Assumed and Ceded

No significant change.

D. Uncollectible Reinsurance

None.

E. Commutation of Ceded Reinsurance

None.

F. Retroactive Reinsurance

None.

G. Reinsurance Accounted for as a Deposit

None.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

No change.

25. Change in Incurred Losses and Loss Adjustment Expenses

None.

26. Intercompany Pooling Arrangements

None.

NOTES TO FINANCIAL STATEMENTS

27. Structured Settlements

None.

28. Health Care Receivables

None.

29. Participating Policies

None.

30. Premium Deficiency Reserves

None.

31. High Deductibles

None.

32. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

No change.

33. Asbestos/Environmental Reserves

None.

34. Subscriber Savings Accounts

None.

35. Multiple Peril Crop Insurance

None.

36. Financial Guaranty Insurance

None.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [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. 12/31/2011.....
- 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. 10/1/2007.....
- 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). 11/8/2007.....
- 6.4 By what department or departments?
Pennsylvania Insurance Department

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 Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator].

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

9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [] No [X]

- (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 [X] No []

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
In May 2012, the Corporation's Board of Directors approved a modified Code of Conduct containing three additional sections entitled "Knowing and Complying with Our Policies," "Insider Trading" and "Marketing and Advertising Activities."

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

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

PART 1 - FINANCIAL

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

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

PART 1 - 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 [] No [X]

14.2 If yes, please complete the following:

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

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

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

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 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, 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
The Bank of New York Mellon	One Wall Street, New York, NY 10286

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

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

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

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

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

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

1 Central Registration Depository	2 Name(s)	3 Address
	Highmark Inc	120 Fifth Avenue, Pittsburgh, PA 15222

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 [] N/A [X]
 If yes, attach an explanation.

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

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

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

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

5. Operating Percentages:

5.1 A&H loss percent 0.0 %

5.2 A&H cost containment percent 0.0 %

5.3 A&H expense percent excluding cost containment expenses 0.0 %

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

6.2 If yes, please provide the amount of custodial funds held as of the reporting date. 0

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

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

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

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

NONE

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, Etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		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	N						
2. Alaska.....AK	N						
3. Arizona.....AZ	N						
4. Arkansas.....AR	N						
5. California.....CA	N						
6. Colorado.....CO	N						
7. Connecticut.....CT	N						
8. Delaware.....DE	N						
9. District of Columbia.....DC	N						
10. Florida.....FL	N						
11. Georgia.....GA	N						
12. Hawaii.....HI	N						
13. Idaho.....ID	N						
14. Illinois.....IL	N						
15. Indiana.....IN	N						
16. Iowa.....IA	N						
17. Kansas.....KS	N						
18. Kentucky.....KY	N						
19. Louisiana.....LA	N						
20. Maine.....ME	N						
21. Maryland.....MD	N						
22. Massachusetts.....MA	N						
23. Michigan.....MI	N						
24. Minnesota.....MN	N						
25. Mississippi.....MS	N						
26. Missouri.....MO	N						
27. Montana.....MT	N						
28. Nebraska.....NE	N						
29. Nevada.....NV	N						
30. New Hampshire.....NH	N						
31. New Jersey.....NJ	N						
32. New Mexico.....NM	N						
33. New York.....NY	N						
34. North Carolina.....NC	N						
35. North Dakota.....ND	N						
36. Ohio.....OH	N						
37. Oklahoma.....OK	N						
38. Oregon.....OR	N						
39. Pennsylvania.....PA	L	20,347,290	16,520,649	6,840,635	5,119,359	35,052,945	25,677,459
40. Rhode Island.....RI	N						
41. South Carolina.....SC	N						
42. South Dakota.....SD	N						
43. Tennessee.....TN	N						
44. Texas.....TX	N						
45. Utah.....UT	N						
46. Vermont.....VT	N						
47. Virginia.....VA	N						
48. Washington.....WA	N						
49. West Virginia.....WV	N						
50. Wisconsin.....WI	N						
51. Wyoming.....WY	N						
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).....1	20,347,290	16,520,649	6,840,635	5,119,359	35,052,945	25,677,459

DETAILS OF WRITE-INS

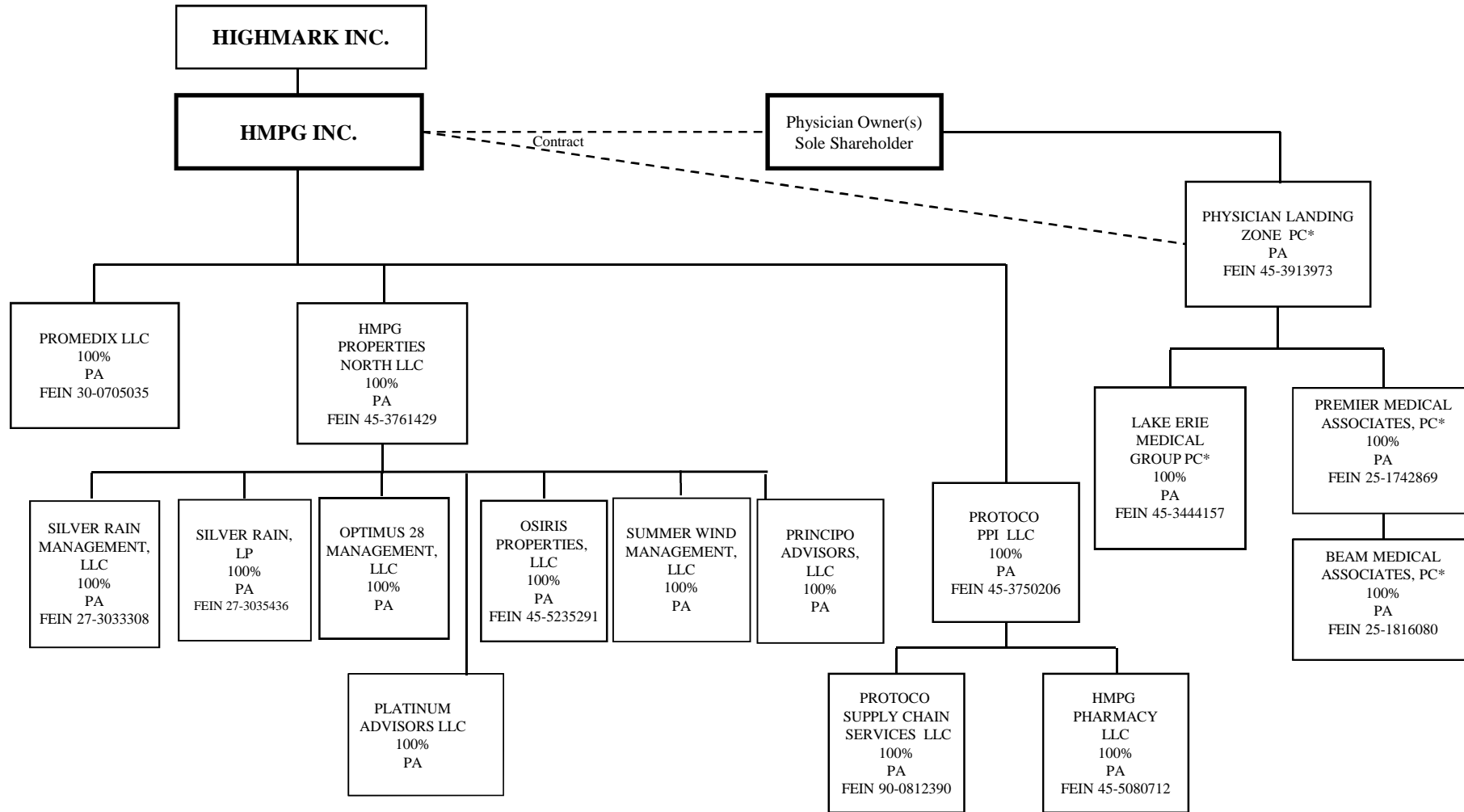
5801.....	XXX						
5802.....	XXX						
5803.....	XXX						
5898. Summary of remaining write-ins for Line 58 from overflow page.....	XXX	0	0	0	0	0	0
5899. Totals (Lines 5801 thru 5803 + Line 5898) (Line 58 above).....	XXX	0	0	0	0	0	0

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

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

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

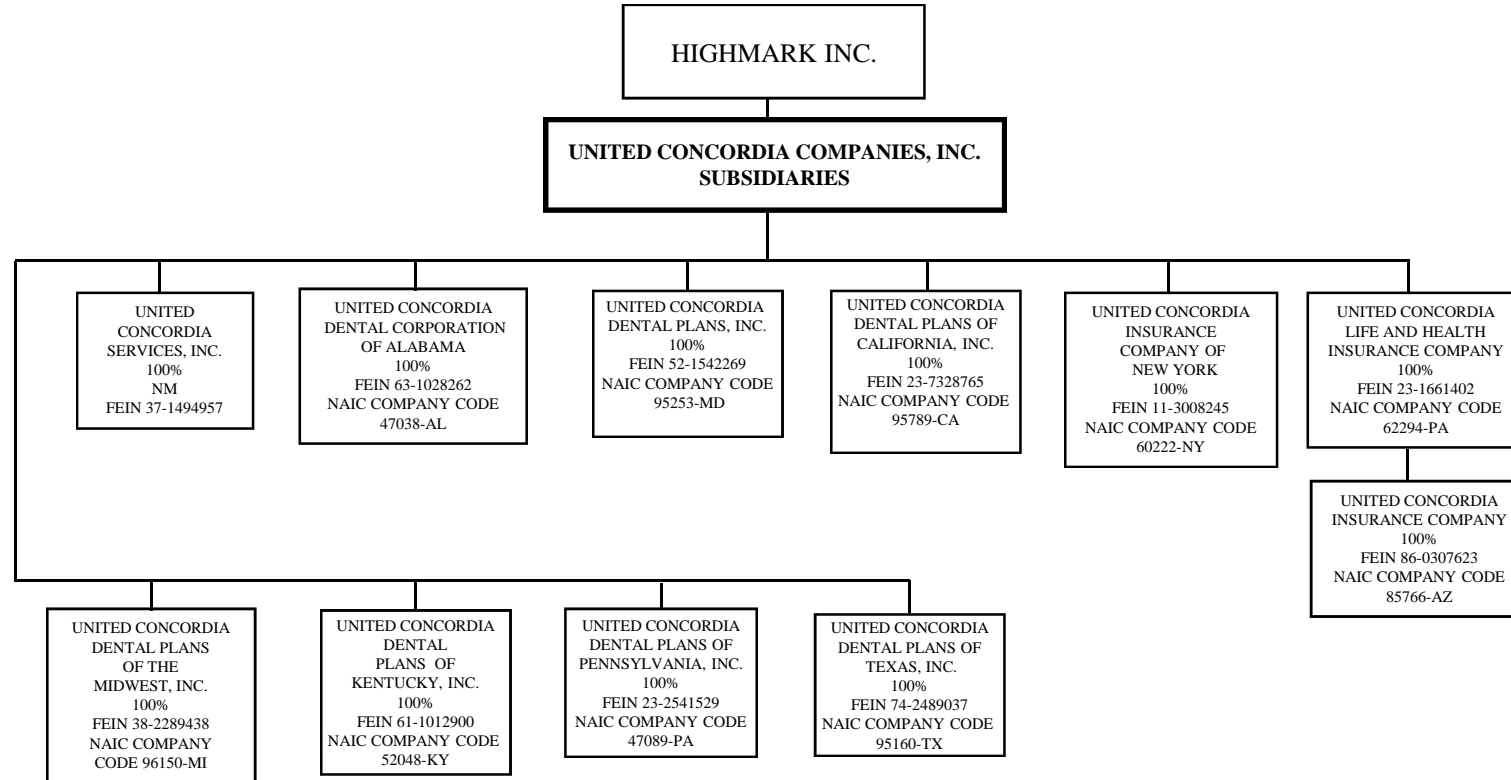
SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
Part 1 – ORGANIZATION CHART



Q11.1

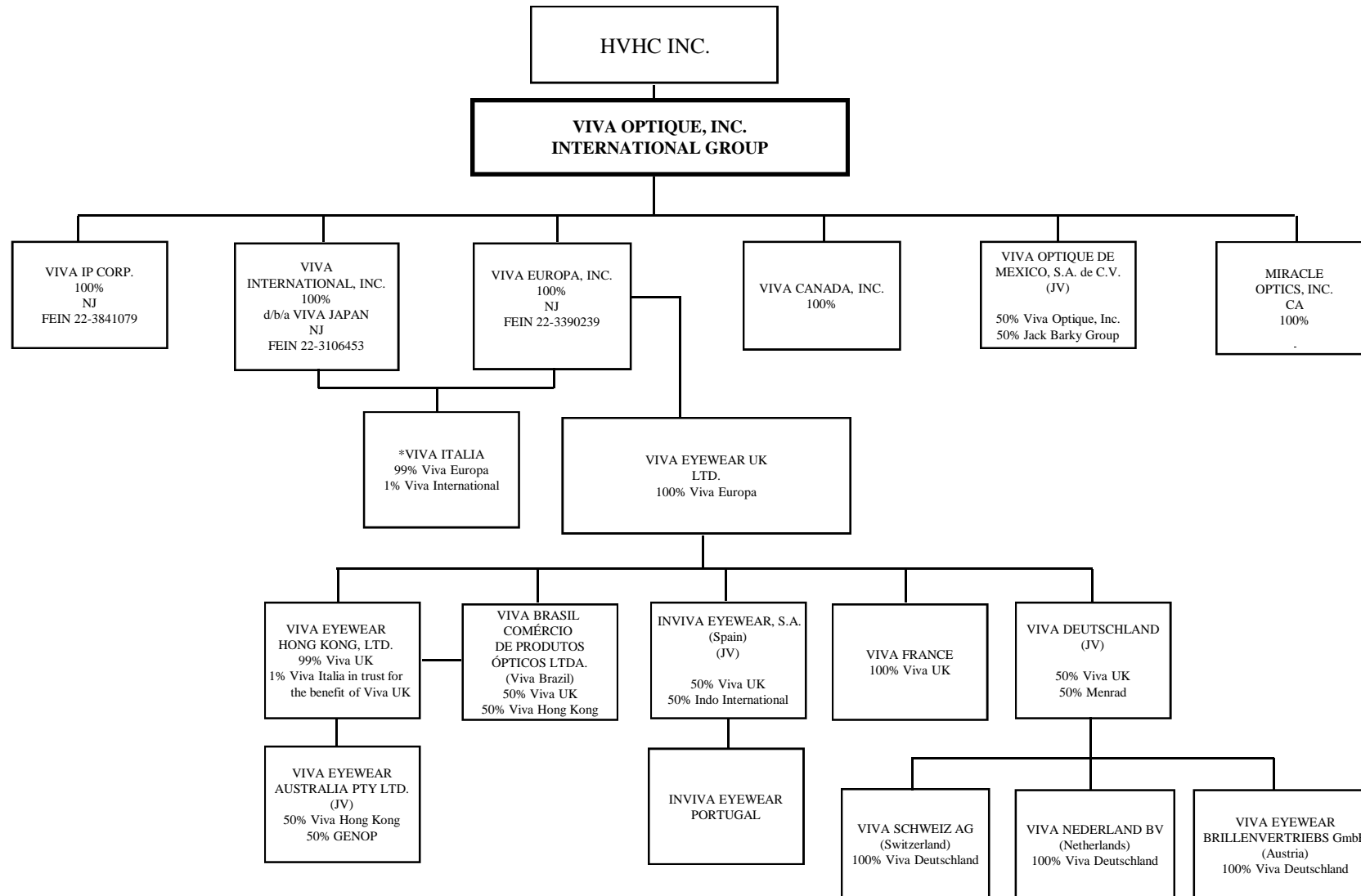
*Captive PC

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
Part 1 – ORGANIZATION CHART



Q11.2

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
Part 1 – ORGANIZATION CHART

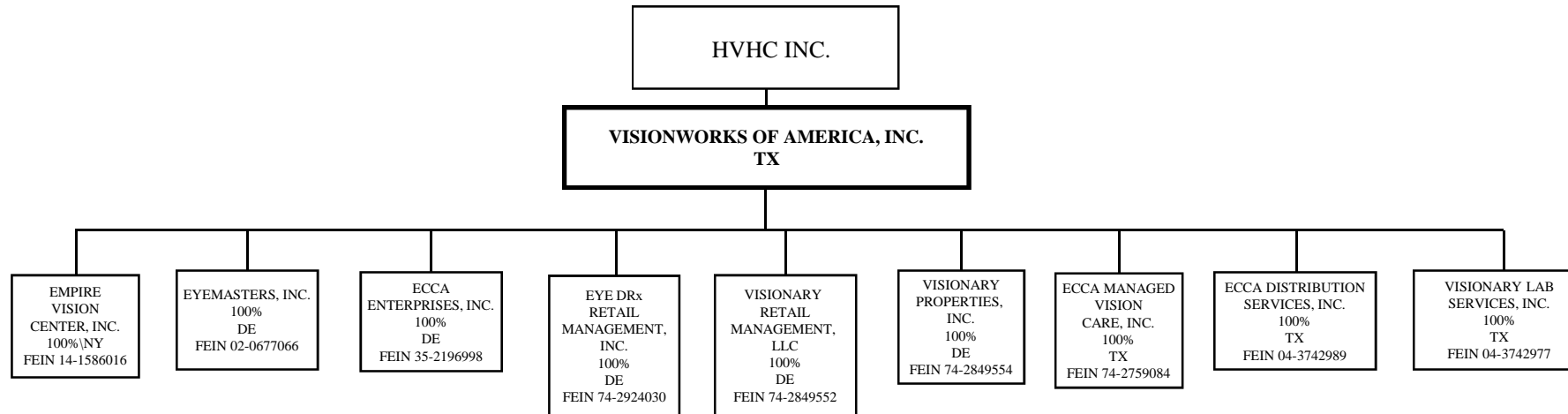


Viva Optique Group

*Viva Italia Operations ceased September 2004
– In process of dissolution

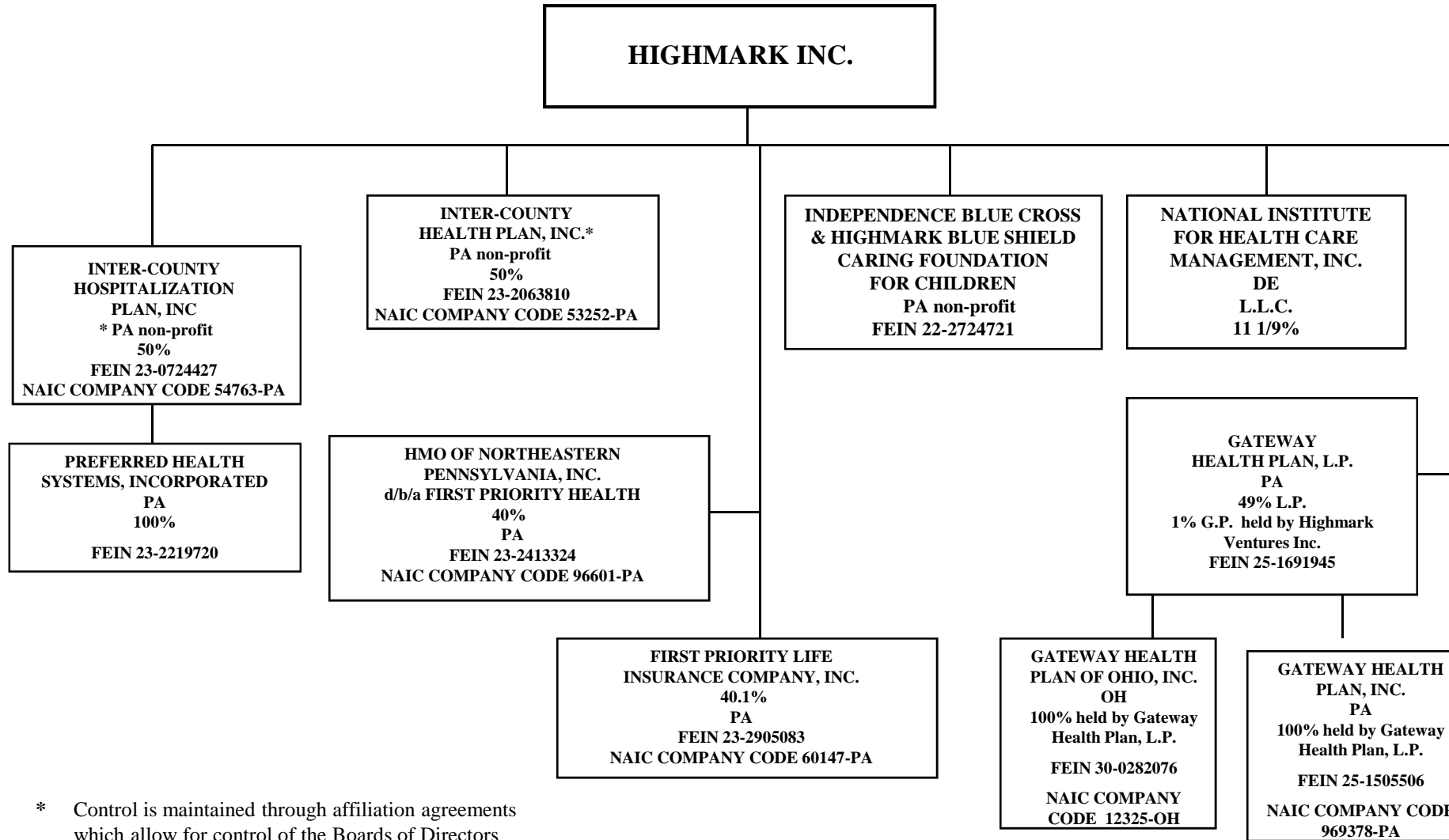
Q11.3

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
Part 1 – ORGANIZATION CHART



Q11.4

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
Part 1 – ORGANIZATION CHART



* Control is maintained through affiliation agreements which allow for control of the Boards of Directors

Q11.5

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1 Group Code	2 Group Name	3 NAIC Company Code	4 Federal ID Number	5 Federal RSSD	6 CIK	7 Name of Securities Exchange if Publicly Traded (U.S. or International)	8 Names of Parent, Subsidiaries or Affiliates	9 Domiciliary Location	10 Relationship to Reporting Entity	11 Directly Controlled by (Name of Entity/Person)	12 Type of Control (Ownership Board, Management Attorney-in-Fact, Influence, Other)	13 If Control is Ownership Provide Percentage	14 Ultimate Controlling Entity(ies)/Person(s)	15 *
Members														
0000		11435	75-3002215				HCI, INC.	VT	DS	HIGHMARK INC	OWNERSHIP	100.000	HIGHMARK INC	
0000		54828	55-0624615				HIGHMARK WEST VIRGINIA INC	WV	IA	HIGHMARK INC	BOARD		HIGHMARK INC	
0000		00000	55-0625743				PARKER BENEFITS, INC	WV	DS	HIGHMARK WEST VIRGINIA INC	OWNERSHIP	100.000	HIGHMARK INC	
0000		71768	54-1637426				HM HEALTH INSURANCE COMPANY	PA	DS	HIGHMARK INC	OWNERSHIP	100.000	HIGHMARK INC	
0000		00000	45-3999145				HIGHMARK HIE, LLC	PA	DS	HIGHMARK INC	OWNERSHIP	100.000	HIGHMARK INC	
0000		00000	25-1645888				HIGHMARK VENTURES INC	PA	DS	HIGHMARK INC	OWNERSHIP	100.000	HIGHMARK INC	
0000		95048	25-1522457				KEYSTONE HEALTH PLAN WEST, INC	PA	DS	HIGHMARK INC	OWNERSHIP	100.000	HIGHMARK INC	
0000		00000	25-1845908				UNION BENEFIT MANAGEMENT, INC	PA	DS	KEYSTONE HEALTH PLAN WEST, INC	OWNERSHIP	100.000	HIGHMARK INC	
0000		00000	25-1824465				EMPLOYEE BENEFIT DATA SERVICES COMPANY	PA	NIA	UNION BENEFIT MANAGEMENT, INC	OWNERSHIP	1.000	HIGHMARK INC	
0000		00000	25-1824465				EMPLOYEE BENEFIT DATA SERVICES COMPANY	PA	DS	KEYSTONE HEALTH PLAN WEST, INC	OWNERSHIP	99.000	HIGHMARK INC	
0000		10131	20-2353206				HIGHMARK SENIOR RESOURCES INC	PA	DS	HIGHMARK INC	OWNERSHIP	100.000	HIGHMARK INC	
0000		00000	25-1712017				JEA INC	PA	DS	HIGHMARK INC	OWNERSHIP	100.000	HIGHMARK INC	
0000		00000	25-1668093				STANDARD PROPERTY CORPORATION	PA	DS	HIGHMARK INC	OWNERSHIP	100.000	HIGHMARK INC	
0000		00000	25-1524682				JENKINS EMPIRE ASSOCIATES	PA	DS	HIGHMARK INC	OWNERSHIP	24.000	HIGHMARK INC	
0000		00000	25-1524682				JENKINS EMPIRE ASSOCIATES	PA	DS	STANDARD PROPERTY CORPORATION	OWNERSHIP	75.000	HIGHMARK INC	
0000		00000	25-1524682				JENKINS EMPIRE ASSOCIATES	PA	DS	JEA INC	OWNERSHIP	1.000	HIGHMARK INC	
0000		00000	25-1646315				HM INSURANCE GROUP, INC	PA	DS	HIGHMARK INC	OWNERSHIP	100.000	HIGHMARK INC	
0000		35599	25-1334623				HIGHMARK CASUALTY INSURANCE COMPANY	PA	DS	HM INSURANCE GROUP, INC	OWNERSHIP	100.000	HIGHMARK INC	
0000		93440	06-1041332				HM LIFE INSURANCE COMPANY	PA	DS	HM INSURANCE GROUP, INC	OWNERSHIP	100.000	HIGHMARK INC	
0000		00000	65-0611820				RISK BASED SOLUTIONS, L.C	FL	DS	HM LIFE INSURANCE COMPANY	OWNERSHIP	100.000	HIGHMARK INC	
0000		00000	25-1128451				HM BENEFITS ADMINISTRATORS, INC	PA	DS	HM INSURANCE GROUP, INC	OWNERSHIP	100.000	HIGHMARK INC	
0000		00000	23-2384777				HM BROKER SERVICES, INC	PA	DS	HM INSURANCE GROUP, INC	OWNERSHIP	100.000	HIGHMARK INC	
0000		60213	25-1800302				HM LIFE INSURANCE COMPANY OF NEW YORK	NY	DS	HM INSURANCE GROUP, INC	OWNERSHIP	100.000	HIGHMARK INC	
0000		12720	65-1274122				HM CAPTIVE INSURANCE COMPANY	VT	DS	HM INSURANCE GROUP, INC	OWNERSHIP	100.000	HIGHMARK INC	
0000		13016	87-0807723				HM CASUALTY INSURANCE COMPANY	PA	DS	HM INSURANCE GROUP, INC	OWNERSHIP	100.000	HIGHMARK INC	
0000		89070	25-1687586				UNITED CONCORDIA COMPANIES, INC	PA	DS	HIGHMARK INC	OWNERSHIP	100.000	HIGHMARK INC	
0000		00000	37-1494957				UNITED CONCORDIA SERVICES, INC	NM	DS	UNITED CONCORDIA COMPANIES, INC	OWNERSHIP	100.000	HIGHMARK INC	
0000		47038	63-1028262				UNITED CONCORDIA DENTAL CORPORATION OF ALABAMA	AL	DS	UNITED CONCORDIA COMPANIES, INC	OWNERSHIP	100.000	HIGHMARK INC	
0000		95253	52-1542269				UNITED CONCORDIA DENTAL PLANS, INC	MD	DS	UNITED CONCORDIA COMPANIES, INC	OWNERSHIP	100.000	HIGHMARK INC	
0000		95789	23-7328765				UNITED CONCORDIA DENTAL PLANS OF CALIFORNIA, INC	CA	DS	UNITED CONCORDIA COMPANIES, INC	OWNERSHIP	100.000	HIGHMARK INC	
0000		60222	11-3008245				UNITED CONCORDIA INSURANCE COMPANY OF NEW YORK	NY	DS	UNITED CONCORDIA COMPANIES, INC	OWNERSHIP	100.000	HIGHMARK INC	

Q12

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1 Group Code	2 Group Name	3 NAIC Company Code	4 Federal ID Number	5 Federal RSSD	6 CIK	7 Name of Securities Exchange if Publicly Traded (U.S. or International)	8 Names of Parent, Subsidiaries or Affiliates	9 Domiciliary Location	10 Relationship to Reporting Entity	11 Directly Controlled by (Name of Entity/Person)	12 Type of Control (Ownership Board, Management Attorney-in-Fact, Influence, Other)	13 If Control is Ownership Provide Percentage	14 Ultimate Controlling Entity(ies)/Person(s)	15 *
0000		62294	23-1661402				UNITED CONCORDIA LIFE AND HEALTH INSURANCE COMPANY	PA	DS	UNITED CONCORDIA COMPANIES, INC.	OWNERSHIP	100.000	HIGHMARK INC.	
0000		85766	86-0307623				UNITED CONCORDIA INSURANCE COMPANY	AZ	DS	UNITED CONCORDIA LIFE AND HEALTH INSURANCE COMPANY	OWNERSHIP	100.000	HIGHMARK INC.	
0000		96150	38-2289438				UNITED CONCORDIA DENTAL PLANS OF THE MIDWEST, INC.	MI	DS	UNITED CONCORDIA COMPANIES, INC.	OWNERSHIP	100.000	HIGHMARK INC.	
0000		52048	61-1012900				UNITED CONCORDIA DENTAL PLANS OF KENTUCKY, INC.	KY	DS	UNITED CONCORDIA COMPANIES, INC.	OWNERSHIP	100.000	HIGHMARK INC.	
0000		47089	23-2541529				UNITED CONCORDIA DENTAL PLANS OF PENNSYLVANIA, INC.	PA	DS	UNITED CONCORDIA COMPANIES, INC.	OWNERSHIP	100.000	HIGHMARK INC.	
0000		95160	74-2489037				UNITED CONCORDIA DENTAL PLANS OF TEXAS, INC.	TX	DS	UNITED CONCORDIA COMPANIES, INC.	OWNERSHIP	100.000	HIGHMARK INC.	
0000		00000	45-3444325				HMPG INC.	PA	DS	HIGHMARK INC.	OWNERSHIP	100.000	HIGHMARK INC.	
0000		00000	30-0705035				PROMEDIX LLC.	PA	DS	HMPG INC.	OWNERSHIP	100.000	HIGHMARK INC.	
0000		00000	45-3761429				HMPG PROPERTIES NORTH LLC.	PA	DS	HMPG INC.	OWNERSHIP	100.000	HIGHMARK INC.	
0000		00000	32-0371926				OPTIMUS 28 MANAGEMENT, LLC.	PA	DS	HMPG PROPERTIES NORTH LLC.	OWNERSHIP	100.000	HIGHMARK INC.	
0000		00000	45-5235291				OSIRIS PROPERTIES, LLC.	PA	DS	HMPG PROPERTIES NORTH LLC.	OWNERSHIP	100.000	HIGHMARK INC.	
0000		00000	27-3033308				SILVER RAIN MANAGEMENT, LLC.	PA	DS	HMPG PROPERTIES NORTH LLC.	OWNERSHIP	100.000	HIGHMARK INC.	
0000		00000	27-3035436				SILVER RAIN, LP.	PA	DS	HMPG PROPERTIES NORTH LLC.	OWNERSHIP	99.000	HIGHMARK INC.	
0000		00000	27-3035436				SILVER RAIN, LP.	PA	DS	SILVER RAIN, LLC.	OWNERSHIP	100.000	HIGHMARK INC.	
0000		00000					PLATINUM ADVISORS LLC.	PA	DS	HMPG PROPERTIES NORTH LLC.	OWNERSHIP	100.000	HIGHMARK INC.	
0000		00000					SUMMER WIND MANAGEMENT, LLC.	PA	DS	HMPG PROPERTIES NORTH LLC.	OWNERSHIP	100.000	HIGHMARK INC.	
0000		00000					PRINCIPO ADVISORS, LLC.	PA	DS	HMPG PROPERTIES NORTH LLC.	OWNERSHIP	100.000	HIGHMARK INC.	
0000		00000	45-3750206				PROTOCO PPI LLC.	PA	DS	HMPG INC.	OWNERSHIP	100.000	HIGHMARK INC.	
0000		00000	90-0812390				PROTOCO SUPPLY CHAIN PARTNERS LLC.	PA	DS	PROTOCO PPI LLC.	OWNERSHIP	100.000	HIGHMARK INC.	
0000		00000	45-5080712				HMPG PHARMACY LLC.	PA	DS	PROTOCO PPI LLC.	OWNERSHIP	100.000	HIGHMARK INC.	
0000		00000	45-3913973				PHYSICIAN LANDING ZONE PC.	PA	DS	HMPG INC.	OTHER		HIGHMARK INC.	
0000		00000	45-3444157				LAKE ERIE MEDICAL GROUP PC.	PA	DS	PHYSICIAN LANDING ZONE PC.	OTHER		HIGHMARK INC.	
0000		00000	25-1742869				PREMIER MEDICAL ASSOCIATES, PC.	PA	DS	PHYSICIAN LANDING ZONE PC.	OTHER		HIGHMARK INC.	
0000		00000	25-1816080				BEAM MEDICAL ASSOCIATES, PC.	PA	DS	PHYSICIAN LANDING ZONE PC.	OTHER		HIGHMARK INC.	
0000		00000	25-1801124				HVHC INC.	DE	DS	HIGHMARK INC.	OWNERSHIP	100.000	HIGHMARK INC.	
0000		00000	11-3051991				DAVIS VISION, INC.	NY	DS	HVHC INC.	OWNERSHIP	100.000	HIGHMARK INC.	
0000		00000	11-2958041				DAVISVISION IPA, INC.	NY	DS	DAVIS VISION, INC.	OWNERSHIP	100.000	HIGHMARK INC.	
0000		00000	74-2337775				VISIONWORKS OF AMERICA, INC.	TX	DS	HVHC INC.	OWNERSHIP	100.000	HIGHMARK INC.	
0000		00000	14-1586016				EMPIRE VISION CENTER, INC.	NY	DS	VISIONWORKS OF AMERICA, INC.	OWNERSHIP	100.000	HIGHMARK INC.	
0000		00000	02-0677066				EYEMASTERS, INC.	DE	DS	VISIONWORKS OF AMERICA, INC.	OWNERSHIP	100.000	HIGHMARK INC.	

Q12.1

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership Board, Management Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	*
0000		00000	35-2196998				ECCA ENTERPRISES, INC.....	DE.....	DS.....	VISIONWORKS OF AMERICA, INC.....	OWNERSHIP.....	100.000	HIGHMARK INC.....	
0000		00000	74-2924030				EYEDRX RETAIL MANAGEMENT, INC.....	DE.....	DS.....	VISIONWORKS OF AMERICA, INC.....	OWNERSHIP.....	100.000	HIGHMARK INC.....	
0000		00000	74-2849552				VISIONARY RETAIL MANAGEMENT, LLC.....	DE.....	DS.....	VISIONWORKS OF AMERICA, INC.....	OWNERSHIP.....	100.000	HIGHMARK INC.....	
0000		00000	74-2849554				VISIONARY PORPERTIES, INC.....	DE.....	DS.....	VISIONWORKS OF AMERICA, INC.....	OWNERSHIP.....	100.000	HIGHMARK INC.....	
0000		00000	74-2759084				ECCA MANAGED VISION CARE, INC.....	TX.....	DS.....	VISIONWORKS OF AMERICA, INC.....	OWNERSHIP.....	100.000	HIGHMARK INC.....	
0000		00000	04-3742989				ECCA DISTRIBUTION SERVICES, INC.....	TX.....	DS.....	VISIONWORKS OF AMERICA, INC.....	OWNERSHIP.....	100.000	HIGHMARK INC.....	
0000		00000	04-3742977				VISIONARY LAB SERVICES, INC.....	TX.....	DS.....	VISIONWORKS OF AMERICA, INC.....	OWNERSHIP.....	100.000	HIGHMARK INC.....	
0000		00000	22-2192365				VIVA OPTIQUE, INC.....	NJ.....	DS.....	HVHC INC.....	OWNERSHIP.....	100.000	HIGHMARK INC.....	
0000		00000	22-3841079				VIVA IP CORP.....	NJ.....	DS.....	VIVA OPTIQUE, INC.....	OWNERSHIP.....	100.000	HIGHMARK INC.....	
0000		00000					VIVA CANADA, INC.....	CN.....	DS.....	VIVA OPTIQUE, INC.....	OWNERSHIP.....	100.000	HIGHMARK INC.....	
0000		00000					VIVA OPTIQUE DE MEXICO, S.A. de C.V.....	MX.....	NIA.....	VIVA OPTIQUE, INC.....	OWNERSHIP.....	50.000	HIGHMARK INC.....	
0000		00000					MIRACLE OPTICS, INC.....	CA.....	DS.....	VIVA OPTIQUE, INC.....	OWNERSHIP.....	100.000	HIGHMARK INC.....	
0000		00000	22-3106453				VIVA INTERNATIONAL, INC.....	NJ.....	DS.....	VIVA OPTIQUE, INC.....	OWNERSHIP.....	100.000	HIGHMARK INC.....	
0000		00000	22-3390239				VIVA EUROPA, INC.....	NJ.....	DS.....	VIVA OPTIQUE, INC.....	OWNERSHIP.....	100.000	HIGHMARK INC.....	
0000		00000					VIVA ITALIA.....	IT.....	DS.....	VIVA INTERNATIONAL, INC.....	OWNERSHIP.....	1.000	HIGHMARK INC.....	
0000		00000					VIVA ITALIA.....	IT.....	DS.....	VIVA EUROPA, INC.....	OWNERSHIP.....	99.000	HIGHMARK INC.....	
0000		00000					VIVA EYEWEAR UK LTD.....	GB.....	DS.....	VIVA EUROPA, INC.....	OWNERSHIP.....	100.000	HIGHMARK INC.....	
0000		00000					VIVA EYEWEAR HONG KONG, LTD.....	HK.....	DS.....	VIVA EYEWEAR UK LTD.....	OWNERSHIP.....	99.000	HIGHMARK INC.....	
0000		00000					VIVA EYEWEAR HONG KONG, LTD.....	HK.....	DS.....	VIVA ITALIA.....	OWNERSHIP.....	1.000	HIGHMARK INC.....	
0000		00000					VIVA EYEWEAR AUSTRALIA PTY LTD.....	AU.....	NIA.....	VIVA EYEWEAR HONG KONG, LTD.....	OWNERSHIP.....	50.000	HIGHMARK INC.....	
0000		00000					VIVA BRASIL COMERCIO DE PRODUTOS OPTICOS LTDA.....	BR.....	NIA.....	VIVA EYEWEAR UK LTD.....	OWNERSHIP.....	50.000	HIGHMARK INC.....	
0000		00000					VIVA BRASIL COMERCIO DE PRODUTOS OPTICOS LTDA.....	BR.....	NIA.....	VIVA EYEWEAR HONG KONG, LTD.....	OWNERSHIP.....	50.000	HIGHMARK INC.....	
0000		00000					INVIVA EYEWEAR, S.A.....	ES.....	NIA.....	VIVA EYEWEAR UK LTD.....	OWNERSHIP.....	50.000	HIGHMARK INC.....	
0000		00000					INVIVA EYEWEAR PORTUGAL.....	PT.....	DS.....	VIVA BRASIL.....	OWNERSHIP.....	100.000	HIGHMARK INC.....	
0000		00000					VIVA FRANCE.....	FR.....	DS.....	VIVA EYEWEAR UK LTD.....	OWNERSHIP.....	100.000	HIGHMARK INC.....	
0000		00000					VIVA DEUTSCHLAND.....	DE.....	NIA.....	VIVA EYEWEAR UK LTD.....	OWNERSHIP.....	50.000	HIGHMARK INC.....	
0000		00000					VIVA SCHWEIZ AG.....	CH.....	DS.....	VIVA DEUTSCHLAND.....	OWNERSHIP.....	100.000	HIGHMARK INC.....	
0000		00000					VIVA NEDERLAND BV.....	NL.....	DS.....	VIVA DEUTSCHLAND.....	OWNERSHIP.....	100.000	HIGHMARK INC.....	
0000		00000					VIVA EYEWEAR BRILLENVERTRIEBS GmbH.....	AT.....	DS.....	VIVA DEUTSCHLAND.....	OWNERSHIP.....	100.000	HIGHMARK INC.....	
0000		53252	23-2063810				INTER-COUNTY HEALTH PLAN, INC.....	PA.....	IA.....	HIGHMARK INC.....	OWNERSHIP.....	50.000	HIGHMARK INC. / INDEPENDENCE BLUE CROSS	
0000		54763	23-0724427				INTER-COUNTY HOSPITALIZATION PLAN, INC.....	PA.....	IA.....	HIGHMARK INC.....	OWNERSHIP.....	50.000	HIGHMARK INC. / INDEPENDENCE BLUE CROSS	
0000		00000	23-2219720				PREFERRED HEALTH SYSTEMS, INCORPORATED.....	PA.....	DS.....	INTER-COUNTY HOSPITALIZATION PLAN, INC.....	OWNERSHIP.....	100.000	HIGHMARK INC. / INDEPENDENCE BLUE CROSS	

Q12.2

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1 Group Code	2 Group Name	3 NAIC Company Code	4 Federal ID Number	5 Federal RSSD	6 CIK	7 Name of Securities Exchange if Publicly Traded (U.S. or International)	8 Names of Parent, Subsidiaries or Affiliates	9 Domiciliary Location	10 Relationship to Reporting Entity	11 Directly Controlled by (Name of Entity/Person)	12 Type of Control (Ownership Board, Management, Attorney-in-Fact, Influence, Other)	13 If Control is Ownership Provide Percentage	14 Ultimate Controlling Entity(ies)/Person(s)	15 *
0000.....		96601.....	23-2413324				HMO OF NORTHEASTERN PENNSYLVANIA.....	PA.....	IA.....	HIGHMARK INC.....	OWNERSHIP.....	40.000	HIGHMARK INC. / BLUE CROSS OF NORTHEASTERN PA	
0000.....		60147.....	23-2905083				FIRST PRIORITY LIFE INSURANCE COMPANY, INC.	PA.....	IA.....	HIGHMARK INC.....	OWNERSHIP.....	40.100	HIGHMARK INC. / BLUE CROSS OF NORTHEASTERN PA	
0000.....		00000.....	25-1691945				GATEWAY HEALTH PLAN, L.P.....	PA.....	IA.....	HIGHMARK INC.....	OWNERSHIP.....	49.000	HIGHMARK INC. / MERCY HEALTH PLAN.....	
0000.....		00000.....	25-1691945				GATEWAY HEALTH PLAN, L.P.....	PA.....	IA.....	HIGHMARK VENTURES INC.....	OWNERSHIP.....	1.000	HIGHMARK INC. / MERCY HEALTH PLAN.....	
0000.....		00000.....	30-0282076				GATEWAY HEALTH PLAN OF OHIO, INC.....	OH.....	DS.....	GATEWAY HEALTHPLAN, L.P.....	OWNERSHIP.....	100.000	HIGHMARK INC. / MERCY HEALTH PLAN.....	
0000.....		00000.....	25-1505506				GATEWAY HEALTH PLAN, INC.....	PA.....	DS.....	GATEWAY HEALTHPLAN, L.P.....	OWNERSHIP.....	100.000	HIGHMARK INC. / MERCY HEALTH PLAN.....	
0000.....		00000.....	25-1494238				CARING FOUNDATION.....	PA.....	OTH.....	HIGHMARK INC.....	BOARD.....		HIGHMARK INC.....	
0000.....		00000.....	25-1876666				HIGHMARK FOUNDATION.....	PA.....	OTH.....	HIGHMARK INC.....	BOARD.....		HIGHMARK INC.....	
0000.....		00000.....	22-2724721				INDEPENDENCE BLUE CROSS AND HIGHMARK BLUE SHIELD CARING FOUNDATION FOR CHILDREN	PA.....	OTH.....	HIGHMARK INC.....	BOARD.....		HIGHMARK INC. / INDEPENDENCE BLUE CROSS	
0000.....							NATIONAL INSTITUTE FOR HEALTHCARE MANAGEMENT LLC	DE.....	OTH.....	HIGHMARK INC.....	BOARD.....		PARTICIPATING BLUES PLANS.....	
0000.....		53287.....	51-0020405				HIGHMARK BCBSD INC.....	DE.....	IA.....	HIGHMARK INC.....	BOARD.....	100.000	HIGHMARK INC.....	
0000.....		00000.....	51-0293417				THE GATEWAY GROUP, LTD.....	DE.....	DS.....	HIGHMARK BCBSD INC.....	OWNERSHIP.....	100.000	HIGHMARK INC.....	
0000.....		00000.....	51-033213..				DELAWARE ANCILLARY INSURANCE AGENCY.	DE.....	DS.....	HIGHMARK BCBSD INC.....	OWNERSHIP.....	100.000	HIGHMARK INC.....	

Q12.3

PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire.....			0.0	
2. Allied lines.....			0.0	
3. Farmowners multiple peril.....			0.0	
4. Homeowners multiple peril.....			0.0	
5. Commercial multiple peril.....			0.0	
6. Mortgage guaranty.....			0.0	
8. Ocean marine.....			0.0	
9. Inland marine.....			0.0	
10. Financial guaranty.....			0.0	
11.1. Medical professional liability - occurrence.....			0.0	
11.2. Medical professional liability - claims-made.....			0.0	
12. Earthquake.....			0.0	
13. Group accident and health.....			0.0	
14. Credit accident and health.....			0.0	
15. Other accident and health.....			0.0	
16. Workers' compensation.....	20,341,421	11,717,852	57.6	64.9
17.1 Other liability-occurrence.....			0.0	
17.2 Other liability-claims made.....			0.0	
17.3 Excess workers' compensation.....			0.0	
18.1 Products liability-occurrence.....			0.0	
18.2 Products liability-claims made.....			0.0	
19.1, 19.2 Private passenger auto liability.....			0.0	
19.3, 19.4 Commercial auto liability.....			0.0	
21. Auto physical damage.....			0.0	
22. Aircraft (all perils).....			0.0	
23. Fidelity.....			0.0	
24. Surety.....			0.0	
26. Burglary and theft.....			0.0	
27. Boiler and machinery.....			0.0	
28. Credit.....			0.0	
29. International.....			0.0	
30. Warranty.....			0.0	
31. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX	XXX
33. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business.....	0	0	0.0	
35. Totals.....	20,341,421	11,717,852	57.6	64.9
DETAILS OF WRITE-INS				
3401.....			0.0	
3402.....			0.0	
3403.....			0.0	
3498. Sum. of remaining write-ins for Line 34 from overflow page.....	0	0	0.0	XXX
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34).....	0	0	0.0	

PART 2 - DIRECT PREMIUMS WRITTEN

Lines of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire.....			
2. Allied lines.....			
3. Farmowners multiple peril.....			
4. Homeowners multiple peril.....			
5. Commercial multiple peril.....			
6. Mortgage guaranty.....			
8. Ocean marine.....			
9. Inland marine.....			
10. Financial guaranty.....			
11.1. Medical professional liability - occurrence.....			
11.2. Medical professional liability - claims made.....			
12. Earthquake.....			
13. Group accident and health.....			
14. Credit accident and health.....			
15. Other accident and health.....			
16. Workers' compensation.....	9,989,648	20,347,290	16,520,649
17.1 Other liability-occurrence.....			
17.2 Other liability-claims made.....			
17.3 Excess workers' compensation.....			
18.1 Products liability-occurrence.....			
18.2 Products liability-claims made.....			
19.1 19.2 Private passenger auto liability.....			
19.3 19.4 Commercial auto liability.....			
21. Auto physical damage.....			
22. Aircraft (all perils).....			
23. Fidelity.....			
24. Surety.....			
26. Burglary and theft.....			
27. Boiler and machinery.....			
28. Credit.....			
29. International.....			
30. Warranty.....			
31. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX
33. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business.....	0	0	0
35. Totals.....	9,989,648	20,347,290	16,520,649
DETAILS OF WRITE-INS			
3401.....			
3402.....			
3403.....			
3498. Sum. of remaining write-ins for Line 34 from overflow page.....	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34).....	0	0	0

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2012 Loss and LAE Payments on Claims Reported as of Prior Year-End	2012 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2012 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2009 + Prior.....			0			0				0	0	0	0
2. 2010.....			0			0				0	0	0	0
3. Subtotals 2010 + Prior.....	0	0	0	0	0	0	0	0	0	0	0	0	0
4. 2011.....			0			0				0	0	0	0
5. Subtotals 2011 + Prior.....	0	0	0	0	0	0	0	0	0	0	0	0	0
6. 2012.....	XXX	XXX	XXX	XXX		0	XXX			0	XXX	XXX	XXX
7. Totals.....	0	0	0	0	0	0	0	0	0	0	0	0	0
8. Prior Year-End's Surplus As Regards Policyholders.....	3,251												
											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. ....0.0 %	2. ....0.0 %	3. ....0.0 %
													Col. 13, Line 7 Line 8
													4. ....0.0 %

Q14

HM Casualty Insurance Company SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

Explanation:

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

Bar Code:



**Overflow Page
NONE**

**Sch. A-Verification
NONE**

**Sch. B-Verification
NONE**

**Sch. BA-Verification
NONE**

**Sch. D-Verification
NONE**

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	2	3	4	5	6	7	8
	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a).....	8,900,000	5,200,000	4,400,000		8,900,000	9,700,000		9,000,000
2. Class 2 (a).....								
3. Class 3 (a).....								
4. Class 4 (a).....								
5. Class 5 (a).....								
6. Class 6 (a).....								
7. Total Bonds.....	8,900,000	5,200,000	4,400,000	0	8,900,000	9,700,000	0	9,000,000
PREFERRED STOCK								
8. Class 1.....								
9. Class 2.....								
10. Class 3.....								
11. Class 4.....								
12. Class 5.....								
13. Class 6.....								
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock.....	8,900,000	5,200,000	4,400,000	0	8,900,000	9,700,000	0	9,000,000

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

SCHEDULE DA - PART 1

Short-Term Investments

	1 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.....	9,700,000	XXX	9,700,000	4,829	

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.....	9,000,000	7,100,000
2. Cost of short-term investments acquired.....	10,700,000	19,000,000
3. Accrual of discount.....		
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		
6. Deduct consideration received on disposals.....	10,000,000	17,100,000
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).....	9,700,000	9,000,000
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	9,700,000	9,000,000

Sch. DB-Pt A-Verification
NONE

Sch. DB-Pt B-Verification
NONE

Sch. DB-Pt C-Sn 1
NONE

Sch. DB-Pt C-Sn 2
NONE

Sch. DB-Verification
NONE

Sch. E-Verification
NONE

Sch. A-Pt 2
NONE

Sch. A-Pt 3
NONE

Sch. B-Pt 2
NONE

Sch. B-Pt 3
NONE

Sch. BA-Pt 2
NONE

Sch. BA-Pt 3
NONE

Sch. D-Pt 3
NONE

Sch. D-Pt 4
NONE

Sch. DB-Pt A-Sn 1
NONE

Sch. DB-Pt B-Sn 1
NONE

Sch. DB-Pt B-Sn 1B-Broker List
NONE

Sch. DB-Pt D
NONE

Sch. DL-Pt. 1
NONE

Sch. DL-Pt. 2
NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	

Open Depositories

PNC BANK..... Pittsburgh, Pennsylvania.....	.....	.....	.....	.....	.....622,971	.....(97,997)	.....(109,857)	XXX.
0199999. Total Open Depositories.....	...XXX.....	...XXX.....	.....0	.....0	.....622,971	.....(97,997)	.....(109,857)	XXX.
0399999. Total Cash on Deposit.....	...XXX.....	...XXX.....	.....0	.....0	.....622,971	.....(97,997)	.....(109,857)	XXX.
0599999. Total Cash.....	...XXX.....	...XXX.....	.....0	.....0	.....622,971	.....(97,997)	.....(109,857)	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
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NONE

QE12