

QUARTERLY STATEMENT
OF THE
Gateway Insurance Company

2013

OF
St. Louis
IN THE STATE OF
Missouri
TO THE
INSURANCE DEPARTMENT
OF THE
STATE OF
AS OF
MARCH 31, 2013

PROPERTY AND CASUALTY

2013



PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

QUARTERLY STATEMENT

AS OF MARCH 31, 2013
OF THE CONDITION AND AFFAIRS OF THE

Gateway Insurance Company

NAIC Group Code	01326 (Current Period)	0000 (Prior Period)	NAIC Company Code	28339	Employer's ID Number	43-0762309
Organized under the Laws of	Missouri		State of Domicile or Port of Entry	Missouri		
Country of Domicile	United States					
Incorporated/Organized	05/21/1986		Commenced Business	12/01/1986		
Statutory Home Office	1401 S Brentwood Blvd., Ste 1000 (Street and Number)		St. Louis, MO, USA 63144-1416 (City or Town, State, Country and Zip Code)			
Main Administrative Office	1401 S Brentwood Blvd., Ste 1000 (Street and Number)		St. Louis, MO, USA 63144-1416 (City or Town, State, Country and Zip Code)		847-472-6700 (Area Code) (Telephone Number)	
Mail Address	1401 S Brentwood Blvd., Ste 1000 (Street and Number or P.O. Box)		St. Louis, MO, USA 63144-1416 (City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	1401 S Brentwood Blvd., Ste 1000 (Street and Number)		St. Louis, MO, USA 63144-1416 (City or Town, State, Country and Zip Code)		847-700-8603 (Area Code) (Telephone Number)	
Internet Web Site Address	www.atlas-fin.com					
Statutory Statement Contact	Paul Anthony Romano (Name)		847-700-8603 (Area Code) (Telephone Number) (Extension)			
	promano@atlas-fin.com (E-mail Address)		847-700-8280 (Fax Number)			

OFFICERS

Name	Title	Name	Title
Scott David Wollney	CEO & President	Serena Marie Lintker	Treasurer
Leslie Patterson DiMaggio	Secretary & Vice President Operations	Paul Anthony Romano	CFO & Vice President

OTHER OFFICERS

Bruce Wayne Giles	Vice President Product Development & Underwriting	Joseph Raymond Shugrue	Vice President Claims
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DIRECTORS OR TRUSTEES

Daniel Joseph Boxell	Bruce Wayne Giles	Joseph Raymond Shugrue	Leslie Patterson DiMaggio
Lyn Dianne Ward	Paul Anthony Romano	Scott David Wollney	Serena Marie Lintker
Zenovia Diane Love			

State ofMissouri.....

County ofSt. Louis.....ss

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

Scott David Wollney
CEO & President

Serena Marie Lintker
Treasurer

Leslie Patterson DiMaggio
Secretary & Vice President Operations

a. Is this an original filing?

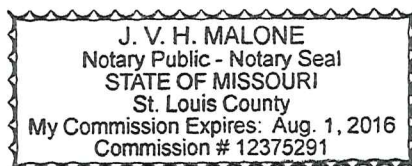
Yes [X] No []

Subscribed and sworn to before me this
7th day of May, 2013

Jennifer Malone, Clerical Assistant
8/17/2016

b. If no:

1. State the amendment number
2. Date filed
3. Number of pages attached



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	7,053,889		7,053,889	20,211,897
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks			0	0
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$ 1,578,166), cash equivalents (\$ 0) and short-term investments (\$ 6,397,953)	7,976,118		7,976,118	23,364,473
6. Contract loans (including \$ premium notes)			0	0
7. Derivatives			0	0
8. Other invested assets	0		0	0
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	15,030,008	0	15,030,008	43,576,370
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	68,478		68,478	163,443
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	1,640,553		1,640,553	1,653,352
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)	8,486,965		8,486,965	6,010,421
15.3 Accrued retrospective premiums			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	2,923,610		2,923,610	8,141
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset	1,221,457	284,297	937,160	927,769
19. Guaranty funds receivable or on deposit	5,475		5,475	5,475
20. Electronic data processing equipment and software			0	16,339
21. Furniture and equipment, including health care delivery assets (\$)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	80,167		80,167	765,437
24. Health care (\$) and other amounts receivable			0	0
25. Aggregate write-ins for other than invested assets	673,733	267,826	405,907	329,561
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	30,130,445	552,123	29,578,323	53,456,310
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	30,130,445	552,123	29,578,323	53,456,310
DETAILS OF WRITE-INS				
1101.			0	0
1102.			0	0
1103.			0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Other Receivables	301,901		301,901	0
2502. Other Receivables - Deductibles	92,998	92,998	0	27,097
2503. State Premium Tax Recoverable			0	287,648
2598. Summary of remaining write-ins for Line 25 from overflow page	278,834	174,828	104,006	14,815
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	673,733	267,826	405,907	329,561

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$1,523,283)	15,993,253	25,335,017
2. Reinsurance payable on paid losses and loss adjustment expenses	2,171,020	0
3. Loss adjustment expenses	2,350,877	4,588,277
4. Commissions payable, contingent commissions and other similar charges	961,437	977,518
5. Other expenses (excluding taxes, licenses and fees)	407,913	1,117,869
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	57,646	515,170
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))		0
7.2 Net deferred tax liability		0
8. Borrowed money \$ and interest thereon \$		0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$8,592,907 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act)	6,455,313	9,542,961
10. Advance premium		0
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders	13,159	9,305
12. Ceded reinsurance premiums payable (net of ceding commissions)	(764,326)	286,277
13. Funds held by company under reinsurance treaties	800,000	0
14. Amounts withheld or retained by company for account of others	604,033	862,120
15. Remittances and items not allocated	4,434	0
16. Provision for reinsurance (including \$ certified)		0
17. Net adjustments in assets and liabilities due to foreign exchange rates		0
18. Drafts outstanding		0
19. Payable to parent, subsidiaries and affiliates		0
20. Derivatives		0
21. Payable for securities		0
22. Payable for securities lending		0
23. Liability for amounts held under uninsured plans		0
24. Capital notes \$ and interest thereon \$		0
25. Aggregate write-ins for liabilities	(9,785,200)	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	19,269,560	43,234,514
27. Protected cell liabilities		0
28. Total liabilities (Lines 26 and 27)	19,269,560	43,234,514
29. Aggregate write-ins for special surplus funds	26,710	0
30. Common capital stock	3,815,000	3,815,000
31. Preferred capital stock		0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes		0
34. Gross paid in and contributed surplus	20,934,370	22,234,370
35. Unassigned funds (surplus)	(14,467,317)	(15,827,574)
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		0
36.2 shares preferred (value included in Line 31 \$)		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	10,308,763	10,221,796
38. Totals (Page 2, Line 28, Col. 3)	29,578,323	53,456,310
DETAILS OF WRITE-INS		
2501. Escheatables	71,254	0
2502. Loss Fund	55,277	0
2503. Retroactive Reinsurance Reserve Ceded	(9,911,731)	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	(9,785,200)	0
2901. Special Surplus from Retroactive Reinsurance Account	26,710	0
2902.		0
2903.		0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	26,710	0
3201.		0
3202.		0
3203.		0
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

STATEMENT OF INCOME

	1	2	3
	Current Year	Prior Year	Prior Year Ended
	to Date	to Date	December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 4,627,418)	5,636,303	7,699,807	29,150,776
1.2 Assumed (written \$ 9,718,598)	3,262,475	34,693	260,856
1.3 Ceded (written \$ 14,256,031)	5,721,147	1,318,271	5,207,686
1.4 Net (written \$ 89,984)	3,177,632	6,416,229	24,203,946
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 1,700,173):			
2.1 Direct	4,025,081	4,818,102	27,512,545
2.2 Assumed	1,422,635	36,782	169,661
2.3 Ceded	4,090,282	260,729	3,689,207
2.4 Net	1,357,433	4,594,155	23,992,999
3. Loss adjustment expenses incurred	694,889	849,423	4,701,179
4. Other underwriting expenses incurred	1,043,875	2,727,890	8,936,461
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	3,096,198	8,171,468	37,630,639
7. Net income of protected cells		0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	81,435	(1,755,239)	(13,426,693)
INVESTMENT INCOME			
9. Net investment income earned	187,358	309,831	1,188,543
10. Net realized capital gains (losses) less capital gains tax of \$	1,059,740	44,349	744,732
11. Net investment gain (loss) (Lines 9 + 10)	1,247,099	354,180	1,933,275
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 13,248 amount charged off \$ 19,848)	(6,600)	9,668	(645,410)
13. Finance and service charges not included in premiums	16,025	0	0
14. Aggregate write-ins for miscellaneous income	27,531	(976)	6,775
15. Total other income (Lines 12 through 14)	36,956	8,692	(638,635)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	1,365,489	(1,392,367)	(12,132,053)
17. Dividends to policyholders	771	0	6,949
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)	1,364,718	(1,392,367)	(12,139,002)
19. Federal and foreign income taxes incurred		0	0
20. Net income (Line 18 minus Line 19)(to Line 22)	1,364,718	(1,392,367)	(12,139,002)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	10,221,796	16,326,527	16,326,527
22. Net income (from Line 20)	1,364,718	(1,392,367)	(12,139,002)
23. Net transfers (to) from Protected Cell accounts		0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 105	204	190,036	383,073
25. Change in net unrealized foreign exchange capital gain (loss)		0	0
26. Change in net deferred income tax	(468,271)	470,405	(2,606,967)
27. Change in nonadmitted assets	490,315	(596,260)	1,881,615
28. Change in provision for reinsurance		0	0
29. Change in surplus notes		0	0
30. Surplus (contributed to) withdrawn from protected cells		0	0
31. Cumulative effect of changes in accounting principles		383,313	376,550
32. Capital changes:			
32.1 Paid in		0	0
32.2 Transferred from surplus (Stock Dividend)		0	0
32.3 Transferred to surplus		0	0
33. Surplus adjustments:			
33.1 Paid in	4,700,000	0	6,000,000
33.2 Transferred to capital (Stock Dividend)		0	0
33.3 Transferred from capital		0	0
34. Net remittances from or (to) Home Office		0	0
35. Dividends to stockholders	(6,000,000)	0	0
36. Change in treasury stock		0	0
37. Aggregate write-ins for gains and losses in surplus	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37)	86,967	(944,873)	(6,104,731)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	10,308,763	15,381,654	10,221,796
DETAILS OF WRITE-INS			
0501.		0	0
0502.		0	0
0503.		0	0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0
1401. Other Miscellaneous Income	844	(976)	6,775
1402. Fines and Penalties	(23)	0	0
1403. Retroactive Reinsurance Income	26,710	0	0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	27,531	(976)	6,775
3701.		0	0
3702.		0	0
3703.		0	0
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	0	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	(3,366,990)	6,606,436	21,754,212
2. Net investment income	300,525	405,590	1,478,723
3. Miscellaneous income	36,956	8,692	(645,584)
4. Total (Lines 1 to 3)	(3,029,509)	7,020,719	22,587,352
5. Benefit and loss related payments	11,901,220	3,981,015	14,991,391
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	5,611,881	3,442,545	11,602,032
8. Dividends paid to policyholders	(3,083)	(1,252)	10,101
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	0	0	0
10. Total (Lines 5 through 9)	17,510,018	7,422,308	26,603,524
11. Net cash from operations (Line 4 minus Line 10)	(20,539,527)	(401,589)	(4,016,172)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	15,302,484	1,932,668	19,549,469
12.2 Stocks	0	0	5,918,355
12.3 Mortgage loans	0	0	0
12.4 Real estate	0	0	0
12.5 Other invested assets	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0	0
12.7 Miscellaneous proceeds	0	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	15,302,484	1,932,668	25,467,824
13. Cost of investments acquired (long-term only):			
13.1 Bonds	1,102,628	716,362	1,530,572
13.2 Stocks	0	0	2,849,711
13.3 Mortgage loans	0	0	0
13.4 Real estate	0	0	0
13.5 Other invested assets	0	0	0
13.6 Miscellaneous applications	0	(306,938)	(306,938)
13.7 Total investments acquired (Lines 13.1 to 13.6)	1,102,628	409,424	4,073,346
14. Net increase (or decrease) in contract loans and premium notes	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	14,199,855	1,523,244	21,394,479
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	0	0	0
16.2 Capital and paid in surplus, less treasury stock	4,700,000	0	6,000,000
16.3 Borrowed funds	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0	0
16.5 Dividends to stockholders	6,000,000	0	0
16.6 Other cash provided (applied)	(7,748,683)	(845,375)	(1,366,182)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(9,048,683)	(845,375)	4,633,818
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(15,388,355)	276,279	22,012,125
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	23,364,473	1,352,348	1,352,348
19.2 End of period (Line 18 plus Line 19.1)	7,976,118	1,628,628	23,364,473

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

The financial statements of Gateway Insurance Company (Company) are presented on the basis of accounting practices prescribed or permitted by the Missouri Department of Insurance.

The Missouri Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the State of Missouri for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Missouri Insurance Law. 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 the State of Missouri.

The Missouri Department of Insurance has adopted certain prescribed accounting practices that differ from those found in the NAIC SAP. The Company does not utilize any of the Missouri prescribed or permitted accounting practices that depart from NAIC SAP.

2. Accounting Changes and Corrections of Errors

No Significant Changes

3. Business Combinations and Goodwill

No Significant Changes

4. Discontinued Operations

No Significant Changes

5. Investments

D. Loan Backed Securities

1. Prepayment assumptions were obtained from Bloomberg market data and the Company's investment Manager's internal estimates.
2. The Company does not have any loan-backed securities with a recognized other-than-temporary impairment.
3. The Company does not have any loan-backed securities with a recognized other-than-temporary impairment.
4. The Company does not have any loan-backed securities that are in an unrealized loss position.
5. Bonds in an unrealized loss position are regularly reviewed for other-than temporary declines in value. Factors considered in determining whether a decline is other-than-temporary include the length of time a bond has been in an unrealized loss position and the reasons for the decline in value. Assessments include judgments about an obligor's or guarantor's current and projected financial position projected ability to service and repay its debt obligations, the existence of, and realizable value for, any collateral backing the obligations, and the macro-economic and micro-economic outlooks for specific industries and issuers. Estimating the future cash flows of loan-backed securities also involves assumptions regarding the underlying collateral such as prepayment rates, default and recovery rates, existence of subordinated classes capable of absorbing losses, and third-party servicing abilities.

E. Repurchase Agreements and/or Securites Lending Transactions

The Company does not have any repurchase agreements or securities lending transactions.

No significant changes to the remainder of the note.

NOTES TO FINANCIAL STATEMENTS

6. Joint Ventures, Partnerships, and Limited Liability Companies

No Significant Changes

7. Investment Income

No Significant Changes

8. Derivative Instruments

No Significant Changes

9. Income Taxes

No Significant Changes

10. Information Concerning Parent, Subsidiaries and Affiliates

A., B.

& C. On January 2, 2013, Atlas Financial Holdings (Atlas) and American Insurance Acquisition (AIA) acquired Camelot Services, Inc. (CSI) and its sole insurance subsidiary, the Company. Atlas and AIA purchased all of the outstanding common shares of the Company for a combination of cash and Atlas preferred shares subject to final adjustment based on year-end financial results.

On January 2, 2013, the Company declared and paid a \$6.0 million extraordinary dividend to its parent, CSI.

On March 22, 2013, AIA contributed \$4.7 million of paid in capital to CSI who then contributed the \$4.7 million to the Company as additional paid in surplus.

No significant changes to the remainder of the note.

11. Debt

No Significant Changes

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

No Significant Changes

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

2. On January 2, 2013, the Company declared and paid a \$6.0 million extraordinary dividend to its parent, CSI.

No significant changes to the remainder of the note.

14. Contingencies

No Significant Changes

NOTES TO FINANCIAL STATEMENTS

15. Leases

A. Lessee Operating Lease

Effective February 12, 2013, CSI terminated its system lease with the Company. The Company continues to use the system as it is a party to the direct agreement with the vendor. The termination of this agreement eliminated the following future minimum operating lease payments:

Year Ending December 31	
2013	\$ 370,644
2014	\$ 370,644
2015	\$ 370,644
2016	\$ 216,209
Aggregate	\$ 1,328,141

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

No Significant Changes

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

The Company had no transfers of receivables reported as sales, no transfers and servicing of financial assets and no wash sales.

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

No Significant Changes

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

No Significant Changes

20. Fair Value Measurement

A. Fair Value Measurements at Reporting Date

- 1. At March 31, 2013, the Company does not have any investments reported at fair value.
- 2. The Company does not have any fair value measurements categorized within Level 3.
- 3. The Company does not have any fair value measurements categorized within Level 2 or 3.

C. Fair Value Measurements of All Financial Instruments

	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Short Term Bonds	6,397,953	6,397,953	6,397,953	0	0	0
Long Term Bonds	7,763,256	7,053,889	4,380,234	3,383,022	0	0
Grand Total	\$14,161,209	\$13,451,842	\$10,778,187	\$3,383,022	\$0	\$0

NOTES TO FINANCIAL STATEMENTS

21. Other items

No Significant Changes

22. Events of Subsequent

There are no material subsequent events.

23. Reinsurance

F. Retroactive Reinsurance

The Company entered into a retroactive reinsurance agreement with White Rock Insurance (SAC) Ltd. effective January 1, 2013. The agreement transferred liability for certain workers' compensation losses occurring on or before January 1, 2013. Balances pertaining to this agreement as of March 31, 2013 are presented in the table below:

(1)		<u>Ceded</u>
a.	Reserves Transferred:	
	1. Initial Reserves	\$ 9,852,123
	2. Adjustments - Prior Year (s)	0
	3. Adjustments - Current Year	<u>59,610</u>
	4. Current Total	<u>\$ 9,911,733</u>
b.	Consideration (Paid) or Received:	
	1. Initial Consideration	\$ (9,852,123)
	2. Adjustments - Prior Year (s)	0
	3. Adjustments - Current Year	<u>0</u>
	4. Current Total	<u>\$ (9,852,123)</u>
c.	Paid Losses (Reimbursed) or Recovered:	
	1. Prior Year (s)	\$ 0
	2. Current Year	0
	3. Current Total	<u>\$ 0</u>
d.	Special Surplus from Retroactive Reinsurance	
	1. Initial Surplus Gain or (Loss)	\$ 0
	2. Adjustments - Prior Year (s)	0
	3. Adjustments - Current Year	<u>\$ 59,610</u>
	4. Current Year Restricted Surplus	59,610
	5. Cumulative Total Transferred to Unassigned Fund	\$ 0
e.	All cedents and reinsurers involved in all transactions included in summary totals above:	
	<u>Company</u>	<u>NAIC #</u>
		<u>Ceded Amount</u>
	White Rock Insurance (SAC) Ltd.	00000
	Total	<u>\$ 9,911,733</u>
		<u>\$ 9,911,733</u>
f. 1.	None	
2.	None	

24. Retrospectively Rated Contracts

No Significant Changes

NOTES TO FINANCIAL STATEMENTS

25. Change in Incurred Losses and Loss Adjustment Expenses

Reserves as of December 31, 2012 were \$29.9 million. As of March 31, 2013, \$13.3 million has been paid for incurred losses and loss adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$16.6 million as a result of re-estimation of unpaid claims and claim adjustment expenses principally on the commercial lines of business. Therefore, there has not been any unfavorable development since December 31, 2012 to March 31, 2013. The Company does not have any retrospectively rated policies so no additional premiums or return premiums have been accrued as a result of the prior-year effects.

26. Intercompany Pooling Arrangements

- A. Effective January 1, 2013, the Company became a member of an intercompany pooling arrangement as follows:

<u>NAIC #</u>	<u>Company</u>	<u>Pool Member Status</u>	<u>%</u>
42897	American Service Insurance Company, Inc.	Lead	50
38237	American Country Insurance Company	Affiliate	30
28339	Gateway Insurance Company	Affiliate	20

- B. All property and casualty lines of business were subject to the pooling arrangement.
- C. The Company reinsures business with non-affiliated reinsurers prior to pooling with its affiliated Pool members.
- D. None of the pool members were a party to reinsurance agreements with non-affiliated reinsurers covering business subject to the pooling arrangement that had a contractual right of direct recovery from the non-affiliated reinsurer per the terms of such reinsurance agreements in 2013.
- E. There were no discrepancies between entries regarding pooled business on the assumed and ceded reinsurance schedules of the lead company and corresponding entries on the assumed and ceded reinsurance schedules of other pool participants in 2013.
- F. There was no intercompany sharing of the provision for reinsurance.
- G. As of March 31, 2013, American Service Company, Inc. owes the Company \$4,882,174, which consists of the following: agents balances deferred of \$2,800,609, reinsurance recoverable of \$2,807,694, receivable from affiliate of \$936,949, reinsurance payable on paid losses of \$(2,171,020), and ceded reinsurance payable net of commision of \$507,942.

27. Structured Settlements

No Significant Changes

28. Health Care Receivables

No Significant Changes

29. Participating Policies

No Significant Changes

30. Premium Deficiency Reserves

NOTES TO FINANCIAL STATEMENTS

No Significant Changes

31. High Deductibles

No Significant Changes

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

No Significant Changes

33. Asbestos/Environment Reserves

No Significant Changes

34. Subscriber Savings Accounts

No Significant Changes

35. Multiple Peril Crop Insurance

No Significant Changes

36. Financial Guaranty Insurance

No Significant Changes

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes ☐ No ☒
- 1.2

If yes, has the report been filed with the domiciliary state?

Yes ☐ No ☐
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes ☐ No ☒
- 2.2

If yes, date of change:
- 3.1

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes ☒ No ☐
- 3.2

If the response to 3.1 is yes, provide a brief description of those changes.
Gateway Insurance Company was purchased by Atlas Financial Holdings, Inc.
- 4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒
- 4.2

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

1	2	3
Name of Entity	NAIC Company Code	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?
If yes, attach an explanation.

Yes ☐ No ☒ NA ☐
- 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.

12/31/2007
- 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).

09/15/2008
- 6.4

By what department or departments?
Missouri
- 6.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes ☐ No ☐ NA ☒
- 6.6

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

Yes ☒ No ☐ NA ☐
- 7.1

Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes ☐ No ☒
- 7.2

If yes, give full information:
- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes ☐ No ☒
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes ☐ No ☒
- 8.4

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

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

GENERAL INTERROGATORIES

9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? 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]

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:\$

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

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

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

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No []

If no, attach a description with this statement.

GENERAL INTERROGATORIES

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

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

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

\$

17. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*?
- Yes ☒ No ☐

17.1 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
Comerica Bank.....	500 Woodward Ave., Detroit, MI 48226.....

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

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

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?
- Yes ☐ No ☒

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

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

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

1 Central Registration Depository	2 Name(s)	3 Address
109875.....	Asset Allocation and Management Company, LLC.....	30 N. LaSalle Street, Suite 3500, Chicago, IL 60602.....

- 18.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed?
- Yes ☒ No ☐
- 18.2 If no, list exceptions:
-

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? Yes [X] No [] NA []

If yes, attach an explanation.

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

If yes, attach an explanation.

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

3.2 If yes, give full and complete information thereto.

.....

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

4.2 If yes, complete the following schedule:

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

5. Operating Percentages:

5.1 A&H loss percent %

5.2 A&H cost containment percent %

5.3 A&H expense percent excluding cost containment expenses %

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

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

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

6.4 If yes, please provide the balance of the funds administered as of the reporting date..... \$

Explanation for General Interrogatories, Part 2, question 1:

1. Refer to Note 26 Intercompany Pooling Arrangements.

STATEMENT AS OF MARCH 31, 2013 OF THE Gateway Insurance Company

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

[illegible]

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories							
States, etc.	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2	3	4	5	6	7
	Active Status	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date
1. Alabama	AL L	5,476	26,883		0	252,413	107,544
2. Alaska	AK L		0		0	23,457	0
3. Arizona	AZ L	159,951	134,205	17,441	40,834	522,998	480,793
4. Arkansas	AR L		34,018		12,992	104,281	67,190
5. California	CA L	1,021,531	1,101,890	51,951	1,202,338	2,336,148	1,100,105
6. Colorado	CO L	(7,109)	13,197	827	22,780	387,128	170,251
7. Connecticut	CT N		0		0		0
8. Delaware	DE L		0	14,057	745	22,096	1,670
9. Dist. Columbia	DC L		0		0		0
10. Florida	FL L	430,666	575,104	450,900	480,923	3,957,933	2,501,232
11. Georgia	GA L	15,783	164,193	4,401	15,147	477,814	692,476
12. Hawaii	HI L	6,393	(12,299)	72,454	157,802	1,179,907	1,172,030
13. Idaho	ID L		(1,694)		17,931	158,218	123,498
14. Illinois	IL L	177,926	1,520,721	303,214	718,638	4,804,383	3,602,420
15. Indiana	IN L	105,688	527,473	70,637	104,088	1,059,442	682,951
16. Iowa	IA L	65,038	161,872	83,928	14,970	715,548	437,878
17. Kansas	KS L	224,067	454,879	17,718	1,060	287,536	64,826
18. Kentucky	KY L	291,542	291,302	9,355	138,952	1,519,661	526,315
19. Louisiana	LA L	280,757	291,239	5,035	44,869	204,609	180,680
20. Maine	ME L	83,975	0		0	5,751	0
21. Maryland	MD L	10,030	93,790	11,961	10,353	196,049	159,456
22. Massachusetts	MA N		0		0		0
23. Michigan	MI L		34,925	1,372	144,662	106,537	49,501
24. Minnesota	MN L	56,832	44,195	29,247	3,234	235,347	145,237
25. Mississippi	MS L	74,212	143,301	28,196	49,342	280,270	236,687
26. Missouri	MO L	273,064	149,516	27,684	82,755	1,212,695	1,027,343
27. Montana	MT L		29,382	100,539	5,099	114,039	145,834
28. Nebraska	NE L	16,859	91,674	4,560	34,969	356,771	89,033
29. Nevada	NV L	14,174	20,806	1,335	7,869	33,682	23,750
30. New Hampshire	NH N		0		0		0
31. New Jersey	NJ N		0		0		0
32. New Mexico	NM L	51,598	13,304	558	0	50,655	12,588
33. New York	NY L	17,543	586,925	37,644	54,237	1,024,498	439,908
34. No. Carolina	NC L	(5,459)	90,724		4,277	17,691	19,547
35. No. Dakota	ND L		0	5,804	(5,126)	21,462	10,786
36. Ohio	OH L	458,095	710,537	64,338	98,748	692,798	1,021,048
37. Oklahoma	OK L	43,694	168,767	57,250	155,312	543,082	311,529
38. Oregon	OR L		18,919		0	1,464	3,073
39. Pennsylvania	PA L	(19,014)	932,323	513,134	176,678	2,687,847	916,256
40. Rhode Island	RI L		0		0		0
41. So. Carolina	SC L	18,465	213,974	13,967	26,509	225,169	162,226
42. So. Dakota	SD L	170,755	182,780	1,235	13,208	196,779	8,403
43. Tennessee	TN L	82,394	157,965	46,273	198,599	1,282,403	1,006,276
44. Texas	TX L	274,872	563,584	163,699	853,767	2,784,132	1,011,153
45. Utah	UT L		3,933	35,000	19,467	59,819	75,357
46. Vermont	VT L	(5,488)	(8,708)		0	2,364	0
47. Virginia	VA L	(5,858)	145,024	13,503	0	165,510	0
48. Washington	WA L	17,310	91,386	67,155	5,724	53,788	125,660
49. West Virginia	WV L	165,979	176,247	8,293	(1,000)	57,741	39,908
50. Wisconsin	WI L	55,679	170,393	172,337	79,277	1,820,469	868,871
51. Wyoming	WY L		0		0		0
52. American Samoa	AS N		0		0		0
53. Guam	GU N		0		0		0
54. Puerto Rico	PR N		0		0		0
55. U.S. Virgin Islands	VI N		0		0		0
56. Northern Mariana Islands	MP N		0		0		0
57. Canada	CAN N		0		0		0
58. Aggregate Other Alien	OT XXX	0	0	0	0	0	0
59. Totals	(a) 47	4,627,420	10,108,649	2,507,002	4,992,029	32,242,384	19,821,288
DETAILS OF WRITE-INS							
58001.	XXX						
58002.	XXX						
58003.	XXX						
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX	0	0	0	0	0	0

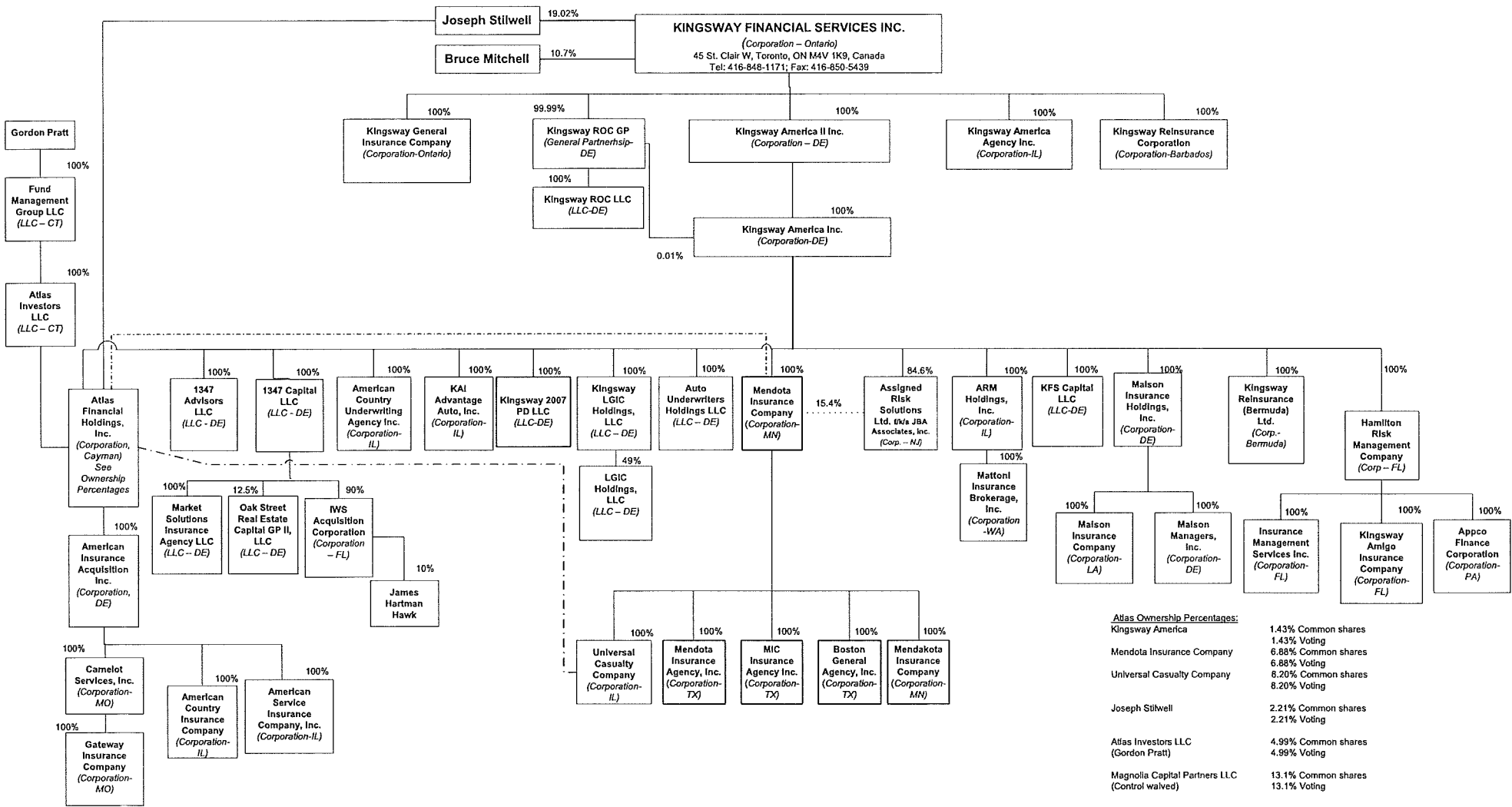
(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

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

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

As at: March 31, 2013

11



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)	Name of Parent Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/ Person(s)	*
00000		00000	98-0475673			New York Stock Exchange	Kingsway Financial Services, Inc.	CAN	UIP		Ownership	0.0		
00000		00000	98-0475673			New York Stock Exchange	Kingsway Financial Services, Inc.	CAN	UIP	Joseph Stilwell	Ownership	19.0	Joseph Stilwell	
00000		00000	98-0475673			New York Stock Exchange	Kingsway Financial Services, Inc.	CAN	UIP	Bruce Mitchell	Ownership	10.7	Bruce Mitchell	
00000		00000	00-677703				Kingsway General Insurance Company	CAN	IA	Kingsway Financial Services, Inc.	Ownership	100.0	Kingsway Financial Services, Inc.	
00000		00000	98-0460242				Kingsway ROC GP	DE	NIA	Kingsway Financial Services, Inc.	Ownership	100.0	Kingsway Financial Services, Inc.	
00000		00000	36-4280052				Kingsway America II, Inc.	DE	UIP	Kingsway Financial Services, Inc.	Ownership	100.0	Kingsway Financial Services, Inc.	
00000		00000	36-4201541				Kingsway America Agency, Inc.	IL	NIA	Kingsway Financial Services, Inc.	Ownership	100.0	Kingsway Financial Services, Inc.	
00000		00000	98-0622417				Kingsway Reinsurance Corporation	BRB	IA	Kingsway Financial Services, Inc.	Ownership	100.0	Kingsway Financial Services, Inc.	
00000		00000	98-0460242				Kingsway ROC LLC	DE	NIA	Kingsway ROC GP	Ownership	100.0	Kingsway Financial Services, Inc.	
00000		00000	98-0180930				Kingsway America, Inc.	DE	UIP	Kingsway America II, Inc.	Ownership	100.0	Kingsway Financial Services, Inc.	
00000		00000	28-4834906				KFS Capital, LLC	DE	NIA	Kingsway America Inc.	Ownership	100.0	Kingsway Financial Services, Inc.	
00000		00000	27-5466079			NASDAQ	Atlas Financial Holdings, Inc.	CYM	UIP	Kingsway America Inc.	Ownership	1.4	Kingsway Financial Services, Inc.	
00000		00000	27-5466079			NASDAQ	Atlas Financial Holdings, Inc.	CYM	UIP	Mendota Insurance Company	Ownership	6.9	Kingsway Financial Services, Inc.	
00000		00000	27-5466079			NASDAQ	Atlas Financial Holdings, Inc.	CYM	UIP	Universal Casualty Company	Ownership	8.2	Kingsway Financial Services, Inc.	
00000		00000	27-5466079			NASDAQ	Atlas Financial Holdings, Inc.	CYM	UIP	Atlas Investors, LLC	Ownership	5.0	Gordon Pratt	
00000		00000	27-5466079			NASDAQ	Atlas Financial Holdings, Inc.	CYM	UIP	Joseph Stilwell	Ownership	2.2	Joseph Stilwell	
00000		00000	27-5466079			NASDAQ	Atlas Financial Holdings, Inc.	CYM	UIP	Magnolia Capital Partners LLC	Ownership	13.1	Magnolia Capital Partners LLC	
00000		00000	27-3539769				American Insurance Acquisition, Inc.	DE	UDP	Atlas Financial Holdings, Inc.	Ownership	100.0	Kingsway Financial Services, Inc.	

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)	Name of Parent Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/ Person(s)	*
01326	Kingsway America Incorporated	38237	36-4168532				American Country Insurance Company	IL	IA	American Insurance Acquisition, Inc.	Ownership	100.0	Kingsway Financial Services, Inc.	
01326	Kingsway America Incorporated	42897	36-3223936				American Service Insurance Company, Inc.	IL	IA	American Insurance Acquisition, Inc.	Ownership	100.0	Kingsway Financial Services, Inc.	
00000		00000	43-1227293				Camelot Services, Inc.	MO	NIA	American Insurance Acquisition, Inc.	Ownership	100.0	Kingsway Financial Services, Inc.	
01326	Kingsway America Incorporated	28339	43-0762309				Gateway Insurance Company	MO		Camelot Services, Inc.	Ownership	100.0	Kingsway Financial Services, Inc.	
00000		00000	45-3022675				1347 Advisors LLC	DE	NIA	Kingsway America Inc.	Ownership	100.0	Kingsway Financial Services, Inc.	
00000		00000	45-3649017				1347 Capital LLC	DE	NIA	Kingsway America Inc.	Ownership	100.0	Kingsway Financial Services, Inc.	
00000		00000	45-4281618				IWS Acquisition Corporation	FL	NIA	1347 Capital LLC	Ownership	90.0	Kingsway Financial Services Inc.	
00000		00000	45-4281618				IWS Acquisition Corporation	FL	NIA	James Hartman Hawk	Ownership	10.0	James Hartman Hawk	
00000		00000	38-3855915				Oak Street Real Estate Capital GP II, LLC	DE	NIA	1347 Capital LLC	Ownership	12.5	Kingsway Financial Services Inc.	
00000		00000	90-0893546				Market Solutions Insurance Agency LLC	DE	NIA	1347 Capital LLC	Ownership	100.0	Kingsway Financial Services Inc.	
00000		00000	77-0687644				ARM Holdings, Inc.	IL	NIA	Kingsway America Inc.	Ownership	100.0	Kingsway Financial Services, Inc.	
00000		00000	13-4285999				Mattoni Insurance Brokerage, Inc.	WA	NIA	ARM Holdings, Inc.	Ownership	100.0	Kingsway Financial Services, Inc.	
00000		00000	98-0622417				Kingsway Reinsurance (Bermuda)	BMU	IA	Kingsway America Inc.	Ownership	100.0	Kingsway Financial Services, Inc.	
00000		00000	26-0385185				Kingsway 2007 PD LLC	DE	NIA	Kingsway America Inc.	Ownership	100.0	Kingsway Financial Services, Inc.	
00000		00000	45-3022851				Kingsway LGIC Holdings, LLC	DE	NIA	Kingsway America Inc.	Ownership	100.0	Kingsway Financial Services, Inc.	
00000		00000	32-0354482				LGIC Holdings, LLC	DE	NIA	Kingsway LGIC Holdings, LLC	Ownership	49.0	Kingsway Financial Services, Inc.	

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)	Name of Parent Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/ Person(s)	*
00000		00000	36-3954373				KAI Advantage Auto, Inc.	IL	NIA	Kingsway America Inc	Ownership	100.0	Kingsway Financial Services, Inc.	
00000		00000	36-4414451				American Country Underwriting Agency Inc.	IL	NIA	Kingsway America Inc	Ownership	100.0	Kingsway Financial Services, Inc.	
00000		00000	45-3022790				Auto Underwriters Holdings, LLC	DE	NIA	Kingsway America Inc	Ownership	100.0	Kingsway Financial Services, Inc.	
00000		00000	13-3800128				Assigned Risk Solutions LTD.	NJ	NIA	Kingsway America Inc	Ownership	84.6	Kingsway Financial Services, Inc.	
00000		00000	13-3800128				Assigned Risk Solutions LTD.	NJ	NIA	Mendota Insurance Company	Ownership	15.4	Kingsway Financial Services, Inc.	
01326	Kingsway America Incorporated	33650	41-1639286				Mendota Insurance Company	MN	IA	Kingsway America Inc	Ownership	100.0	Kingsway Financial Services, Inc.	
01326	Kingsway America Incorporated	22454	31-1160863				Mendakota Insurance Company	MN	IA	Mendota Insurance Company	Ownership	100.0	Kingsway Financial Services, Inc.	
00000		00000	74-2482293				Mendota Insurance Agency, Inc.	TX	NIA	Mendota Insurance Company	Ownership	100.0	Kingsway Financial Services, Inc.	
00000		00000	45-4025393				MIC Insurance Agency Inc.	TX	NIA	Mendota Insurance Company	Ownership	100.0	Kingsway Financial Services, Inc.	
00000		00000	45-2492794				Boston General Agency, Inc.	TX	NIA	Mendota Insurance Company	Ownership	100.0	Kingsway Financial Services, Inc.	
01326	Kingsway America Incorporated	42862	36-2126444				Universal Casualty Company	IL	IA	Mendota Insurance Company	Ownership	100.0	Kingsway Financial Services, Inc.	
00000		00000	65-0333519				Hamilton Risk Management Company	FL	NIA	Kingsway America Inc	Ownership	100.0	Kingsway Financial Services, Inc.	
00000		00000	59-2572605				Insurance Management Services Inc.	FL	NIA	Hamilton Risk Management Company	Ownership	100.0	Kingsway Financial Services, Inc.	
01326	Kingsway America Incorporated	21300	59-2572080				Kingsway Amigo Insurance Company	FL	IA	Hamilton Risk Management Company	Ownership	100.0	Kingsway Financial Services, Inc.	
00000		00000	23-2552034				Appco Finance Corp.	PA	NIA	Hamilton Risk Management Company	Ownership	100.0	Kingsway Financial Services, Inc.	

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

Asterisk	Explanation
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PART 1 - LOSS EXPERIENCE

Line of Business		Current Year to Date			4 Prior Year to Date Direct Loss Percentage
		1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1.	Fire			0.0	0.0
2.	Allied lines			0.0	0.0
3.	Farmowners multiple peril			0.0	0.0
4.	Homeowners multiple peril			0.0	0.0
5.	Commercial multiple peril			0.0	0.0
6.	Mortgage guaranty			0.0	0.0
8.	Ocean marine			0.0	0.0
9.	Inland marine			0.0	103.1
10.	Financial guaranty			0.0	0.0
11.1	Medical professional liability -occurrence			0.0	0.0
11.2	Medical professional liability -claims made			0.0	0.0
12.	Earthquake			0.0	0.0
13.	Group accident and health			0.0	0.0
14.	Credit accident and health			0.0	0.0
15.	Other accident and health			0.0	0.0
16.	Workers' compensation	2,583,740	2,217,767	85.8	52.3
17.1	Other liability occurrence	5,826	5,331	91.5	0.0
17.2	Other liability-claims made			0.0	0.0
17.3	Excess Workers' Compensation			0.0	0.0
18.1	Products liability-occurrence			0.0	0.0
18.2	Products liability-claims made			0.0	0.0
19.1,19.2	Private passenger auto liability		(3)	0.0	0.0
19.3,19.4	Commercial auto liability	2,980,255	1,768,123	59.3	64.0
21.	Auto physical damage	66,481	33,863	50.9	230.1
22.	Aircraft (all perils)			0.0	0.0
23.	Fidelity			0.0	0.0
24.	Surety			0.0	0.0
26.	Burglary and theft			0.0	0.0
27.	Boiler and machinery			0.0	0.0
28.	Credit			0.0	0.0
29.	International			0.0	0.0
30.	Warranty			0.0	0.0
31.	Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34.	Aggregate write-ins for other lines of business	0	0	0.0	0.0
35.	TOTALS	5,636,302	4,025,081	71.4	62.6
DETAILS OF WRITE-INS					
3401.				0.0	0.0
3402.				0.0	0.0
3403.				0.0	0.0
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business		1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1.	Fire	0		0
2.	Allied lines	0		0
3.	Farmowners multiple peril	0		0
4.	Homeowners multiple peril	0		0
5.	Commercial multiple peril	0		0
6.	Mortgage guaranty	0		0
8.	Ocean marine	0		0
9.	Inland marine	0		(478)
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	497,671	497,671	4,505,597
17.1	Other liability occurrence	4,081	4,081	18,581
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	4,030,812	4,030,812	5,478,434
21.	Auto physical damage	94,855	94,855	106,516
22.	Aircraft (all perils)	0		0
23.	Fidelity	0		0
24.	Surety	0		0
26.	Burglary and theft	0		0
27.	Boiler and machinery	0		0
28.	Credit	0		0
29.	International	0		0
30.	Warranty	0		0
31.	Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX
34.	Aggregate write-ins for other lines of business	0	0	0
35.	TOTALS	4,627,419	4,627,419	10,108,649
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
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2013 Loss and LAE Payments on Claims Reported as of Prior Year-End	2013 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2013 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. 2010 + Prior	4,400	1,980	6,380	(851)	120	(731)	6,013	668	856	7,537	762	(336)	426
2. 2011	6,959	3,286	10,245	6,143	34	6,177	2,395	266	775	3,436	1,579	(2,211)	(632)
3. Subtotals 2011 + prior	11,359	5,266	16,625	5,292	154	5,446	8,408	934	1,631	10,973	2,341	(2,547)	(206)
4. 2012	5,869	7,430	13,299	7,785	70	7,855	3,614	401	1,638	5,653	5,530	(5,321)	209
5. Subtotals 2012 + prior	17,228	12,696	29,924	13,077	224	13,301	12,022	1,335	3,269	16,626	7,871	(7,868)	3
6. 2013	XXX	XXX	XXX	XXX	331	331	XXX	839	879	1,718	XXX	XXX	XXX
7. Totals	17,228	12,696	29,924	13,077	555	13,632	12,022	2,174	4,148	18,344	7,871	(7,868)	3
8. Prior Year-End Surplus As Regards Policy-holders	10,222										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. 45.7	2. (62.0)	3. 0.0
											Col. 13, Line 7 Line 8		
											4. 0.0		

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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


	<u>Response</u>
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:

1.




2833920134900000001

2.




283392013455000001

3.



283392013365000001

4.



283392013505000001

OVERFLOW PAGE FOR WRITE-INS

PQ002 Additional Aggregate Lines for Page 02 Line 25.
*ASSETS

	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31 Prior Year Net Admitted Assets
2504. Prepaid Expenses.....	154,192	154,192	0	0
2505. Other Assets - Security Deposit.....	20,636	20,636	0	0
2506. Equity / Deposit in Pools & Associations.....	27,334		27,334	14,815
2507. Receivable from Pools.....	76,671		76,671	
2597. Summary of remaining write-ins for Line 25 from Page 02	278,834	174,828	104,006	14,815

SCHEDULE A – VERIFICATION

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

SCHEDULE B – VERIFICATION

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

SCHEDULE BA – VERIFICATION

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

SCHEDULE D – VERIFICATION

Bonds and Stocks		
	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	20,211,897	40,129,345
2. Cost of bonds and stocks acquired	1,102,628	4,380,283
3. Accrual of discount	5,363	45,693
4. Unrealized valuation increase (decrease)	310	580,416
5. Total gain (loss) on disposals	1,059,740	744,732
6. Deduct consideration for bonds and stocks disposed of	15,302,484	25,467,825
7. Deduct amortization of premium	23,565	200,748
8. Total foreign exchange change in book/adjusted carrying value		0
9. Deduct current year's other than temporary impairment recognized		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	7,053,889	20,211,897
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	7,053,889	20,211,897

STATEMENT AS OF MARCH 31, 2013 OF THE Gateway Insurance Company

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).....	34,678,527	6,835,682	27,912,953	(149,413)	13,451,842	0	0	34,678,527
2. Class 2 (a).....	637,320	150,602	919,133	131,211	0	0	0	637,320
3. Class 3 (a).....	0				0	0	0	0
4. Class 4 (a).....	0				0	0	0	0
5. Class 5 (a).....	0				0	0	0	0
6. Class 6 (a).....	0				0	0	0	0
7. Total Bonds	35,315,847	6,986,284	28,832,087	(18,202)	13,451,842	0	0	35,315,847
PREFERRED STOCK								
8. Class 1	0				0	0	0	0
9. Class 2	0				0	0	0	0
10. Class 3	0				0	0	0	0
11. Class 4	0				0	0	0	0
12. Class 5	0				0	0	0	0
13. Class 6	0				0	0	0	0
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	35,315,847	6,986,284	28,832,087	(18,202)	13,451,842	0	0	35,315,847

(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 \$ 6,397,953 ; NAIC 2 \$;

NAIC 3 \$; NAIC 4 \$; NAIC 5 \$; NAIC 6 \$

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	6,397,953	XXX	6,397,953	91	

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.....	15,103,950	227,451
2. Cost of short-term investments acquired	5,883,655	29,843,636
3. Accrual of discount		0
4. Unrealized valuation increase (decrease).....		0
5. Total gain (loss) on disposals		0
6. Deduct consideration received on disposals	14,589,653	14,967,137
7. Deduct amortization of premium.....		0
8. Total foreign exchange change in book/adjusted carrying value.....		0
9. Deduct current year's other than temporary impairment recognized.....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	6,397,952	15,103,950
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	6,397,952	15,103,950

Schedule DB - Part A - Verification

NONE

Schedule DB - Part B - Verification

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

NONE

Schedule E - Verification

NONE

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

Schedule BA - Part 2

NONE

Schedule BA - Part 3

NONE

E04

E04

E04

E04

E04

STATEMENT AS OF MARCH 31, 2013 OF THE Gateway Insurance Company

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	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments																					
36202D-6F-3	G2 3570		03/29/2013	VARIOUS		83,358	74,177	75,580	75,210		(80)		(80)		75,130		8,229	8,229	1,410	06/20/2034	1
38373M-VW-7	GNR 2006-39 C		01/01/2013	MBS PAYDOWN		3,059	3,059	3,290	3,139		(80)		(80)		3,059			0	14	05/16/2034	1
38373M-YH-7	GNR 2007-12 C		03/29/2013	COVERICA		192,467	170,000	178,288	176,578		(100)		(100)		176,479		15,989	15,989	2,941	04/16/2041	1
38376G-ET-3	GNR 2010-16 B		03/29/2013	COVERICA		395,757	350,000	373,625	367,992		(831)		(831)		367,161		28,596	28,596	5,266	01/16/2042	1
38376G-GV-6	GNR 2010-52 B		03/29/2013	COVERICA		548,429	500,000	507,813	505,827		(823)		(823)		505,004		43,425	43,425	7,072	12/16/2038	1
38376G-SC-5	GNR 2010-83 C		03/29/2013	VARIOUS		379,274	350,000	348,414	348,595		59		59		348,654		30,621	30,621	3,916	11/16/2051	1
38376G-TD-2	GNR 2010-110 B		03/29/2013	COVERICA		526,700	500,000	510,000	505,954		(530)		(530)		505,423		21,276	21,276	5,022	05/16/2037	1
38376G-TE-0	GNR 2010-110 C		03/29/2013	COVERICA		386,082	350,000	361,375	358,491		(362)		(362)		358,130		27,953	27,953	4,152	09/16/2041	1
38378B-R3-5	GNR 2012-142 AB		03/01/2013	MBS PAYDOWN		524	527						0		524			0		11/16/2042	1
0599999 - Bonds - U.S. Governments						2,515,650	2,297,763	2,358,908	2,341,786	0	(2,747)	0	(2,747)	0	2,339,563	0	176,088	176,088	29,792	XXX	XXX
Bonds - All Other Governments																					
Bonds - U.S. States, Territories and Possessions																					
246380-4B-2	DELAWARE ST		03/29/2013	COVERICA		175,616	150,000	164,657	161,451		(372)		(372)		161,079			14,537	3,300	10/01/2019	1FE
605580-6F-1	MISSISSIPPI ST		03/29/2013	COVERICA		110,154	100,000	100,000	100,000				0		100,000		10,154	10,154	1,390	11/01/2018	1FE
605580-6Q-7	MISSISSIPPI ST		03/29/2013	COVERICA		186,186	175,000	175,000	175,000				0		175,000		11,186	11,186	2,460	10/01/2019	1FE
68607L-XP-7	OREGON ST		03/29/2013	COVERICA		435,810	350,000	435,869	428,238		(2,203)		(2,203)		426,035		9,774	9,774	6,610	06/01/2023	1FE
1799999 - Bonds - U.S. States, Territories and Possessions						907,765	775,000	875,526	864,689	0	(2,575)	0	(2,575)	0	862,114	0	45,651	45,651	13,761	XXX	XXX
Bonds - U.S. Political Subdivisions of States, Territories and Possessions																					
283734-WB-4	EL PASO TX		03/29/2013	COVERICA		364,119	350,000	376,387	361,070		(1,650)		(1,650)		359,420		4,699	4,699	7,862	08/15/2014	1FE
360046-P9-1	FULTON CNTY GA		03/29/2013	COVERICA		83,155	75,000	75,000	75,000				0		75,000		8,155	8,155	1,940	07/01/2019	1FE
517138-WM-2	LARIMER CNTY CO SCH DIST #R-1		03/29/2013	COVERICA		191,846	175,000	188,158	185,915		(511)		(511)		185,403		6,442	6,442	1,825	12/15/2017	1FE
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						639,119	600,000	639,545	621,985	0	(2,161)	0	(2,161)	0	619,824	0	19,296	19,296	11,627	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																					
01030L-BX-2	ALABAMA ST INCENTIVES FING AUT		03/29/2013	COVERICA		201,968	175,000	184,951	182,839		(303)		(303)		182,537		19,431	19,431	4,921	09/01/2018	1FE
3128M6-F9-4	FG 604392		03/29/2013	VARIOUS		164,609	153,166	150,366	151,010		253		253		151,263		13,346	13,346	2,583	06/01/2038	1
31296N-UH-8	FG A14184		03/29/2013	VARIOUS		123,112	113,413	113,839	113,658		(19)		(19)		113,640		9,473	9,473	1,979	10/01/2033	1
31296Q-S2-7	FG A15937		03/01/2013	MBS PAYDOWN		4,015	4,015	4,028	4,015				0		4,015			0	42	11/01/2033	1
31296T-Q7-2	FG A18578		03/29/2013	VARIOUS		69,440	64,866	64,724	64,728		19		19		64,748		4,692	4,692	975	02/01/2034	1
3137A7-FV-7	FHR 3812 HY		03/29/2013	COVERICA		538,134	500,000	468,516	472,941		644		644		473,585		64,549	64,549	5,736	02/15/2026	1
3137AB-J3-6	FHR 3874 GW		03/29/2013	COVERICA		539,349	500,000	480,781	483,892		443		443		484,335		55,014	55,014	5,736	06/15/2026	1
3138A2-W4-7	FN AH1566		03/01/2013	MBS PAYDOWN		27,082	27,082	28,110	27,098		(16)		(16)		27,082			0	235	12/01/2040	1
3138EG-HR-8	FN AL0239		03/01/2013	MBS PAYDOWN		24,962	24,962	25,001	24,962				0		24,962			0	143	04/01/2041	1
31397U-RK-7	FNR 2011-63 VM		03/29/2013	COVERICA		531,302	500,000	467,500	472,946		1,254		1,254		474,200		57,102	57,102	5,736	07/25/2029	1
31398P-SZ-8	FNR 2010-49 KB		03/29/2013	COVERICA		549,912	500,000	496,406	496,912		52		52		496,963		52,948	52,948	6,556	05/25/2025	1
31401N-3L-1	FN 713703		03/29/2013	VARIOUS		58,333	53,913	51,584	52,188		130		130		52,319		6,015	6,015	845	08/01/2033	1
31404Q-CN-9	FN 775076		03/29/2013	VARIOUS		89,877	82,311	82,967	82,720		(32)		(32)		82,688		7,189	7,189	1,447	04/01/2034	1
31407T-JK-7	FN 840066		03/29/2013	VARIOUS		120,210	110,834	111,665	111,373		(83)		(83)		111,291		8,919	8,919	2,049	10/01/2035	1
31408J-CY-5	FN 852487		03/29/2013	VARIOUS		134,867	124,150	125,255	124,868		(109)		(109)		124,759		10,109	10,109	2,207	12/01/2035	1
31410D-XX-3	FN 886394		03/29/2013	VARIOUS		110,222	101,488	101,663	101,538		(8)		(8)		101,531		8,691	8,691	1,891	08/01/2036	1
31411K-E4-1	FN 910155		03/29/2013	VARIOUS		202,728	186,386	184,537	184,749		183		183		184,932		17,795	17,795	3,489	03/01/2037	1
31412X-2Q-6	FN 938283		03/29/2013	VARIOUS		174,753	160,222	160,047	160,047		15		15		160,062		14,691	14,691	3,003	07/01/2037	1
31419B-DA-0	FN AE0996		03/29/2013	VARIOUS		275,804	255,409	258,482	257,786		(103)		(103)		257,683		18,121	18,121	3,260	02/01/2041	1
454624-S3-2	INDIANA ST BOND BANK REVENUE		03/29/2013	COVERICA		196,938	175,000	176,776	176,264		(55)		(55)		176,209		20,729	20,729	4,861	02/01/2018	1FE
575579-VJ-3	MASSACHUSETTS BAY MA TRANSPRTN		03/29/2013	COVERICA		176,460	150,000	163,919	161,012		(316)		(316)		160,697		15,763	15,763	5,308	07/01/2020	1FE
68607V-XS-9	OREGON ST DEPT OF ADMIN SVCS L		03/29/2013	COVERICA		173,676	150,000	168,296	166,836		(444)		(444)		166,392		7,284	7,284	3,223	04/01/2021	1FE
914455-KZ-2	UNIV OF WICHIGAN MI		03/29/2013	COVERICA		175,049	165,000	165,000	165,000				0		165,000		10,049	10,049	2,231	04/01/2017	1FE
93824Q-CF-3	WASHINGTON CNTY OR CLEAN WTR S		03/29/2013	COVERICA		406,063	350,000	402,259	397,625		(1,593)		(1,593)		396,031		10,032	10,032	7,836	10/01/2019	1FE
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						5,068,864	4,627,216	4,636,669	4,637,009	0	(87)	0	(87)	0	4,636,922	0	431,942	431,942	76,291	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
009363-AP-7	AIRGAS INC		03/29/2013	COVERICA		149,677	150,000	150,602			(2)		(2)		150,600		(923)	(923)	445	02/15/2020	2FE
03076C-AD-8	AMERIPRISE FINANCIAL INC		03/29/2013	COVERICA		195,822	150,000	153,710	152,690		(82)		(82)		152,608		43,213	43,213	2,768	06/28/2019	1FE
031162-AZ-3	AMGEN INC		03/29/2013	COVERICA		89,940	75,000	81,734	79,743		(167)		(167)		79,575		2,826	2,826	10,365	02/01/2019	2FE
03523T-BH-0	ANHEUSER-BUSCH INBEV WOR		03/29/2013	COVERICA		161,913	125,000	156,136	152,017		(860)		(860)		151,158		10,755	10,755	3,199	11/15/2019	1FE
037411-AV-7	APACHE CORP		03/29/2013	COVERICA		94,305	75,000	70,721	72,155		98		98		72,253		22,052	22,052	2,789	09/15/2018	1FE
060516-EH-8	BANK OF AMERICA CORP		03/29/2013	COVERICA		112,091	100,000	99,586	99,642		8		8								

STATEMENT AS OF MARCH 31, 2013 OF THE Gateway Insurance Company

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	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
084670-AV-0.	BERKSHIRE HATHAWAY INC.		03/29/2013.	COVERICA		183,662	175,000	174,855	174,936		7		7		174,943		8,719	8,719	3,547	02/11/2015.	1FE
10112R-AT-1.	BOSTON PROPERTIES LP.		03/29/2013.	COVERICA		38,378	35,000	34,918	34,930		3		3		34,933		3,445	3,445	482	11/15/2018.	2FE
12489W-WY-7.	CBASS 2005-CBS AF4		03/29/2013.	VARIOUS		286,747	291,476	284,451	288,513		144		144		288,657		(1,910)	(1,910)	4,802	08/25/2035.	1FN
144141-CZ-9.	PROGRESS ENERGY CAROLINA		03/29/2013.	COVERICA		180,399	150,000	161,112	157,805		(280)		(280)		157,526		22,873	22,873	5,609	01/15/2019.	1FE
14912L-SN-7.	CATERPILLAR FINANCIAL SE		03/29/2013.	COVERICA		424,708	425,000	424,473			14		14		424,487		220	220	240	02/28/2016.	1FE
17319W-AA-7.	CGCNT 2013-SMP A		03/29/2013.	COVERICA		230,332	225,000	230,618			0		0		230,618		(286)	(286)	369	01/12/2018.	1FE
20825C-AR-5.	CONOCOPHILLIPS		03/29/2013.	COVERICA		183,520	150,000	148,989	149,317		23		23		149,340		34,180	34,180	5,702	02/01/2019.	1FE
22541Q-DJ-8.	CSFB 2003-C3 A5		03/01/2013.	MBS PAYDOWN		144,076	144,076	150,312	144,478		(401)		(401)		144,076		0	0	818	05/16/2038.	1FE
24702R-AE-1.	DELL INC.		01/14/2013.	STERNE AEGEE GROUP INC		139,230	125,000	134,904	131,771		(51)		(51)		131,720		7,510	7,510	1,805	04/15/2018.	2FE
25746U-BJ-7.	DOMINION RESOURCES INC.		03/29/2013.	COVERICA		77,599	75,000	74,891	74,940		5		5		74,945		2,654	2,654	975	09/01/2015.	2FE
316773-CK-4.	FIFTH THIRD BANCORP.		03/29/2013.	COVERICA		80,175	75,000	76,310	75,964		(74)		(74)		75,890		4,285	4,285	1,843	01/25/2016.	2FE
34529L-AD-6.	FORDO 2010-A A3		03/15/2013.	MBS PAYDOWN		24,923	24,923	24,919			0		0		24,923		0	0	49	06/15/2014.	1FE
36962G-3H-5.	GENERAL ELEC CAP CORP.		03/29/2013.	COVERICA		205,096	175,000	184,455	181,216		(289)		(289)		180,927		24,169	24,169	5,305	09/15/2017.	1FE
46625H-JC-5.	JPMORGAN CHASE & CO		03/29/2013.	COVERICA		165,476	150,000	149,345			15		15		149,360		16,116	16,116	4,060	08/15/2021.	1FE
46625M-VR-7.	JPMCC 2003-WL1A A2		03/01/2013.	MBS PAYDOWN		141,851	141,851	150,273	142,106		(256)		(256)		141,851		0	0	906	03/12/2039.	1FE
46625M-WX-3.	JPMCC 2003-CB6 A2		03/29/2013.	VARIOUS		281,541	280,461	298,428	283,608		(2,134)		(2,134)		281,474		68	68	3,851	07/12/2037.	1FN
487836-BB-3.	KELLOGG CO		03/29/2013.	COVERICA		99,026	90,000	95,271	92,972		(202)		(202)		92,770		6,255	6,255	1,324	05/30/2016.	2FE
532457-BE-7.	ELI LILLY & CO		03/29/2013.	COVERICA		77,650	75,000	80,165	76,530		(313)		(313)		76,217		1,433	1,433	1,776	03/06/2014.	1FE
59022H-EX-6.	MLMT 2004-BPC1 A5		03/29/2013.	COVERICA		263,138	250,000	266,797	260,065		(1,546)		(1,546)		258,519		4,618	4,618	3,978	10/12/2041.	1FN
637432-DC-6.	NATIONAL RURAL UTIL COOP		03/29/2013.	COVERICA		181,850	175,000	186,963	178,392		(700)		(700)		177,692		4,158	4,158	4,803	03/01/2014.	1FE
674589-BX-2.	OCCIDENTAL PETROLEUM COR.		03/29/2013.	COVERICA		137,848	125,000	132,944	129,452		(304)		(304)		129,148		8,700	8,700	1,690	06/01/2016.	1FE
713448-BN-9.	PEPSICO INC.		03/29/2013.	COVERICA		183,240	175,000	174,823	174,925		9		9		174,934		8,306	8,306	3,828	01/15/2015.	1FE
774341-AB-7.	ROCKWELL COLLINS INC.		03/29/2013.	COVERICA		178,988	150,000	160,229	157,376		(241)		(241)		157,135		21,853	21,853	5,556	07/15/2019.	1FE
824348-AN-6.	SHERWIN-WILLIAMS CO.		03/29/2013.	COVERICA		182,049	175,000	174,921	174,967		4		4		174,971		7,077	7,077	1,580	12/15/2014.	1FE
828807-CG-0.	SIMON PROPERTY GROUP LP.		03/29/2013.	COVERICA		55,293	50,000	49,845			3		3		49,863		5,430	5,430	676	12/01/2021.	1FE
913017-BQ-1.	UNITED TECHNOLOGIES CORP.		03/29/2013.	COVERICA		187,100	150,000	151,830	151,240		(42)		(42)		151,198		35,902	35,902	6,074	02/01/2019.	1FE
91913Y-AQ-3.	VALERO ENERGY CORP.		03/29/2013.	COVERICA		106,518	100,000	99,736	99,885		16		16		99,901		6,617	6,617	2,950	02/01/2015.	2FE
941063-AQ-2.	WASTE MANAGEMENT INC.		03/29/2013.	COVERICA		84,752	75,000	75,425	75,360		(9)		(9)		75,351		9,400	9,400	1,993	03/01/2021.	2FE
94974B-EY-8.	WELLS FARGO & COMPANY.		03/29/2013.	COVERICA		199,859	175,000	190,208	188,458		(344)		(344)		188,112		11,748	11,748	3,980	04/01/2021.	1FE
878742-AV-7.	TECK RESOURCES LIMITED	A.	03/29/2013.	COVERICA		106,196	100,000	103,960	103,526		(79)		(79)		103,447		2,749	2,749	3,351	01/15/2022.	2FE
007924-AH-6.	AEGON NV	F.	03/29/2013.	COVERICA		163,306	150,000	153,678	151,981		(157)		(157)		151,824		11,483	11,483	2,274	12/01/2015.	1FE
25244S-AF-8.	DIAGEO FINANCE BV	F.	03/29/2013.	COVERICA		183,418	175,000	174,284	174,702		35		35		174,737		8,681	8,681	4,013	01/15/2015.	1FE
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						6,171,086	5,682,788	5,863,663	4,986,507	0	(8,188)	0	(8,188)	0	5,784,012	0	387,074	387,074	107,336	XXX	XXX
Bonds - Hybrid Securities																					
Bonds - Parent, Subsidiaries, and Affiliates																					
8399997 - Subtotals - Bonds - Part 4						15,302,484	13,982,767	14,374,310	13,451,975	0	(15,759)	0	(15,759)	0	14,242,434	0	1,060,050	1,060,050	238,807	XXX	XXX
8399999 - Subtotals - Bonds						15,302,484	13,982,767	14,374,310	13,451,975	0	(15,759)	0	(15,759)	0	14,242,434	0	1,060,050	1,060,050	238,807	XXX	XXX
Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)																					
Preferred Stocks - Parent, Subsidiaries, and Affiliates																					
Common Stocks - Industrial and Miscellaneous (Unaffiliated)																					
305560-10-4.	FAIRPOINT COMMUNICATIONS		03/04/2013.	WELLS FARGO	28,001		XXX	310		310			310		310		(310)	(310)		XXX	U
428236-10-3.	HEWLETT-PACKARD CO.		01/02/2013.	PRIOR YEAR INCOME			XXX						0				0	0	264	XXX	L
9099999 - Common Stocks - Industrial and Miscellaneous (Unaffiliated)						0	XXX	310	0	310	0	0	310	0	310	0	(310)	(310)	264	XXX	XXX
Common Stocks - Parent, Subsidiaries, and Affiliates																					
Common Stock - Mutual Funds																					
Common Stocks - Money Market Mutual Funds																					
9799997 - Subtotals - Common Stocks - Part 4						0	XXX	310	0	310	0	0	310	0	310	0	(310)	(310)	264	XXX	XXX
9799999 - Subtotals - Common Stocks						0	XXX	310	0	310	0	0	310	0	310	0	(310)	(310)	264	XXX	XXX
9899999 - Subtotals - Preferred and Common Stocks						0	XXX	310	0	310	0	0	310	0	310	0	(310)	(310)	264	XXX	XXX
9999999 Totals						15,302,484	XXX	14,374,620	13,451,976	310	(15,759)	0	(15,449)	0	14,242,743	0	1,059,740	1,059,740	239,071	XXX	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues 1.

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

Schedule DB - Part D - Section 2

NONE

Schedule DL - Part 1

NONE

Schedule DL - Part 2

NONE

SCHEDULE E - PART 1 - CASH

E12

Schedule E - Part 2

NONE

Medicare Part D Coverage Supplement

NONE

Supp "A" to T - Physicians

NONE

Supp "A" to T - Hospitals

NONE

Supp "A" to T - Other HC Professionals

NONE

Supp "A" to T - Other HC Facilities

NONE