



# QUARTERLY STATEMENT

AS OF JUNE 30, 2010  
OF THE CONDITION AND AFFAIRS OF THE

## AMERICAN MANUFACTURERS MUTUAL INSURANCE COMPANY

NAIC Group Code 0108 , 0108 NAIC Company Code 30562 Employer's ID Number 36-2797074  
(Current Period) (Prior Period)

Organized under the Laws of Illinois , State of Domicile or Port of Entry Illinois  
Country of Domicile United States

Incorporated/Organized 03/29/1837 Commenced Business 08/13/1837

Statutory Home Office 1 Corporate Drive , Lake Zurich, IL 60047-8945  
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office 1 Corporate Drive Lake Zurich, IL 60047-8945 847-320-2000  
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 1 Corporate Drive , Lake Zurich, IL 60047-8945  
(Street and Number or P.O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records 1 Corporate Drive Lake Zurich, IL 60047-8945 847-320-3127  
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address www.lmcco.com

Statutory Statement Contact Fredrick Thomas Griffith 847-320-3127  
(Name) (Area Code) (Telephone Number) (Extension)  
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### OFFICERS

Name	Title	Name	Title
<u>Douglas Sean Andrews</u>	<u>President and CEO</u>	<u>John Keating Conway</u>	<u>Secretary</u>
<u>Fredrick Thomas Griffith</u>	<u>Chief Financial Officer</u>	<u>Geoffrey Andrew Cooke</u>	<u>Treasurer</u>

### OTHER OFFICERS

<u>Barbara Kay Murray</u>	<u>Senior Vice President</u>	<u>Benjamin David Schwartz</u>	<u>Senior Vice President</u>
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### DIRECTORS OR TRUSTEES

<u>Douglas Sean Andrews</u>	<u>Peter Bannerman Hamilton</u>	<u>George Ralph Lewis</u>	<u>Arthur James Massolo</u>
<u>David Barrett Mathis</u>			

State of Illinois

ss

County of Lake

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.

Douglas Sean Andrews  
President and CEO

John Keating Conway  
Secretary

Fredrick Thomas Griffith  
Chief Financial Officer

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

Subscribed and sworn to before me this  
11 day of August, 2010

b. If no,  
1. State the amendment number \_\_\_\_\_  
2. Date filed \_\_\_\_\_  
3. Number of pages attached \_\_\_\_\_

STATEMENT AS OF JUNE 30, 2010 OF THE AMERICAN MANUFACTURERS MUTUAL INSURANCE COMPANY

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 .....	10,913,291		10,913,291	10,755,289
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 (\$ .....0 ), cash equivalents (\$ .....0 ) and short-term investments (\$ .....259,260 ) .....	259,260		259,260	560,135
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. Aggregate write-ins for invested assets .....	0	0	0	0
11. Subtotals, cash and invested assets (Lines 1 to 10) .....	11,172,551	0	11,172,551	11,315,424
12. Title plants less \$ ..... charged off (for Title insurers only) .....			0	0
13. Investment income due and accrued .....	165,406		165,406	115,605
14. Premiums and considerations:				
14.1 Uncollected premiums and agents' balances in the course of collection .....			0	0
14.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....			0	0
14.3 Accrued retrospective premiums .....			0	0
15. Reinsurance:				
15.1 Amounts recoverable from reinsurers .....			0	0
15.2 Funds held by or deposited with reinsured companies .....			0	0
15.3 Other amounts receivable under reinsurance contracts .....			0	0
16. Amounts receivable relating to uninsured plans .....			0	0
17.1 Current federal and foreign income tax recoverable and interest thereon .....			0	0
17.2 Net deferred tax asset .....	88,620,833	88,620,833	0	0
18. Guaranty funds receivable or on deposit .....			0	0
19. Electronic data processing equipment and software .....			0	0
20. Furniture and equipment, including health care delivery assets (\$ ..... ) .....			0	0
21. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
22. Receivables from parent, subsidiaries and affiliates .....			0	0
23. Health care (\$ ..... ) and other amounts receivable .....			0	0
24. Aggregate write-ins for other than invested assets .....	389,501	0	389,501	0
25. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 11 to 24) .....	100,348,291	88,620,833	11,727,458	11,431,029
26. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
27. Total (Lines 25 and 26) .....	100,348,291	88,620,833	11,727,458	11,431,029
<b>DETAILS OF WRITE-INS</b>				
1001. ....				
1002. ....				
1003. ....				
1098. Summary of remaining write-ins for Line 10 from overflow page .....	0	0	0	0
1099. Totals (Lines 1001 through 1003 plus 1098)(Line 10 above) .....	0	0	0	0
2401. Prepaid expenses .....	389,501		389,501	0
2402. ....				
2403. ....				
2498. Summary of remaining write-ins for Line 24 from overflow page .....	0	0	0	0
2499. Totals (Lines 2401 through 2403 plus 2498)(Line 24 above) .....	389,501	0	389,501	0

**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 .....		0
3. Loss adjustment expenses .....		0
4. Commissions payable, contingent commissions and other similar charges .....		0
5. Other expenses (excluding taxes, licenses and fees) .....	900	900
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....		0
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 \$ .....219,294 and including warranty reserves of \$ ..... ) .....		0
10. Advance premium .....		0
11. Dividends declared and unpaid:		
11.1 Stockholders .....		0
11.2 Policyholders .....		0
12. Ceded reinsurance premiums payable (net of ceding commissions) .....		0
13. Funds held by company under reinsurance treaties .....		0
14. Amounts withheld or retained by company for account of others .....		0
15. Remittances and items not allocated .....		0
16. Provision for reinsurance .....		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 .....	1,078,861	237,376
20. Derivatives .....		0
21. Payable for securities .....		0
22. Liability for amounts held under uninsured plans .....		0
23. Capital notes \$ ..... and interest thereon \$ .....		0
24. Aggregate write-ins for liabilities .....	0	0
25. Total liabilities excluding protected cell liabilities (Lines 1 through 24) .....	1,079,761	238,276
26. Protected cell liabilities .....		0
27. Total liabilities (Lines 25 and 26) .....	1,079,761	238,276
28. Aggregate write-ins for special surplus funds .....	0	0
29. Common capital stock .....		0
30. Preferred capital stock .....		0
31. Aggregate write-ins for other than special surplus funds .....	1,500,000	1,500,000
32. Surplus notes .....		0
33. Gross paid in and contributed surplus .....		0
34. Unassigned funds (surplus) .....	9,147,697	9,692,753
35. Less treasury stock, at cost:		
35.1 ..... shares common (value included in Line 29 \$ ..... ) .....		0
35.2 ..... shares preferred (value included in Line 30 \$ ..... ) .....		0
36. Surplus as regards policyholders (Lines 28 to 34, less 35) .....	10,647,697	11,192,753
37. Totals	11,727,458	11,431,029
<b>DETAILS OF WRITE-INS</b>		
2401. ....		
2402. ....		
2403. ....		
2498. Summary of remaining write-ins for Line 24 from overflow page .....	0	0
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	0	0
2801. ....		
2802. ....		
2803. ....		
2898. Summary of remaining write-ins for Line 28 from overflow page .....	0	0
2899. Totals (Lines 2801 through 2803 plus 2898) (Line 28 above)	0	0
3101. Guaranty fund.....	1,500,000	1,500,000
3102. ....		
3103. ....		
3198. Summary of remaining write-ins for Line 31 from overflow page .....	0	0
3199. Totals (Lines 3101 through 3103 plus 3198) (Line 31 above)	1,500,000	1,500,000

## STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct (written \$ 443,759 )	459,637	159,455	341,305
1.2 Assumed (written \$ )		0	
1.3 Ceded (written \$ 443,759 )	459,637	159,455	341,305
1.4 Net (written \$ 0 )	0	0	0
<b>DEDUCTIONS:</b>			
2. Losses incurred (current accident year \$ ):			
2.1 Direct	204,440	1,959,050	14,249,594
2.2 Assumed		0	
2.3 Ceded	204,440	1,959,050	14,249,594
2.4 Net	0	0	0
3. Loss adjustment expenses incurred		0	0
4. Other underwriting expenses incurred	733,284	56,000	288,925
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	733,284	56,000	288,925
7. Net income of protected cells		0	0
8. Net underwriting gain or (loss) (Line 1.4 minus Line 6 + Line 7)	(733,284)	(56,000)	(288,925)
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	137,537	211,226	362,223
10. Net realized capital gains (losses) less capital gains tax of \$	4,025	7,196	8,181
11. Net investment gain (loss) (Lines 9 + 10)	141,562	218,422	370,404
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ )		0	0
13. Finance and service charges not included in premiums		0	0
14. Aggregate write-ins for miscellaneous income	0	0	0
15. Total other income (Lines 12 through 14)	0	0	0
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(591,722)	162,422	81,479
17. Dividends to policyholders		0	0
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)	(591,722)	162,422	81,479
19. Federal and foreign income taxes incurred		0	0
20. Net income (Line 18 minus Line 19)(to Line 22)	(591,722)	162,422	81,479
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year	11,192,753	11,111,274	11,111,274
22. Net income (from Line 20)	(591,722)	162,422	81,479
23. Net transfers (to) from Protected Cell accounts		0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$		0	0
25. Change in net unrealized foreign exchange capital gain (loss)		0	0
26. Change in net deferred income tax	190,770	(56,847)	(28,517)
27. Change in nonadmitted assets	(144,104)	56,847	28,517
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		0	0
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		0	0
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		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)	(545,056)	162,422	81,479
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	10,647,697	11,273,696	11,192,753
<b>DETAILS OF WRITE-INS</b>			
0501.			
0502.			
0503.			
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.			
1402.			
1403.			
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)	0	0	0
3701.		0	0
3702.			
3703.			
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
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance.....	0	0	0
2. Net investment income .....	159,112	254,768	489,131
3. Miscellaneous income .....	0	0	0
4. Total (Lines 1 to 3) .....	159,112	254,768	489,131
5. Benefit and loss related payments .....	0	0	0
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 .....	733,284	56,000	288,925
8. Dividends paid to policyholders .....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses).....	0	0	0
10. Total (Lines 5 through 9) .....	733,284	56,000	288,925
11. Net cash from operations (Line 4 minus Line 10) .....	(574,172)	198,768	200,206
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	1,208,706	4,146,302	7,659,556
12.2 Stocks .....	0	0	0
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) .....	1,208,706	4,146,302	7,659,556
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	1,434,059	5,197,467	8,784,236
13.2 Stocks .....	0	0	0
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	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	1,434,059	5,197,467	8,784,236
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) .....	(225,353)	(1,051,165)	(1,124,680)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
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 .....	0	0	0
16.6 Other cash provided (applied).....	498,650	(154,617)	22,586
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) .....	498,650	(154,617)	22,586
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(300,875)	(1,007,014)	(901,888)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	560,135	1,462,023	1,462,023
19.2 End of period (Line 18 plus Line 19.1) .....	259,260	455,009	560,135

## NOTES TO FINANCIAL STATEMENTS

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Accounting Practices

The accompanying statutory financial statements of American Manufacturers Mutual Insurance Company (the "Company") have been prepared in conformity with the National Association of Insurance Commissioners (the "NAIC") *Accounting Practices and Procedures Manual* (the "Manual") and with accounting practices prescribed (including accounting allowances under Corrective Orders) or permitted by the Illinois Department of Insurance (the "Department").

The Company's reported surplus at June 30, 2010 reflects an increase of \$0.4 million over what would have been reported without accounting practices prescribed or permitted by the Department. The accompanying financial statements of the Company at June 30, 2010 reflect the following prescribed practices:

1. Prepaid Expenses. Pursuant to a prescribed accounting practice, the balance sheet of the Company reflects as admitted assets the expenses that the Company has prepaid primarily for corporate insurance. With this prescribed practice, the Company's reported surplus exceeded what its surplus would have been by \$0.4 million at June 30, 2010.

### 2. ACCOUNTING CHANGES AND CORRECTION OF ERRORS

No change.

### 3. BUSINESS COMBINATIONS AND GOODWILL

No change.

### 4. DISCONTINUED OPERATIONS

No change.

### 5. INVESTMENTS

D. The fair values of the Company's bonds have been determined using quoted market prices from an orderly market at the reporting date for those or similar investments. If quoted market prices from an orderly market are not available, the fair value is determined using an income approach valuation technique (present value using the discount rate adjustment technique) that considers, among other things, interest rates, the issuer's credit spread, prepayments, performance of the underlying collateral for loan-backed securities and illiquidity by sector and maturity.

The statement value and fair value of bonds at June 30, 2010 were as follows:

	Statement value	Gross unrealized gains	Gross unrealized losses	Fair value
	(In thousands)			
U.S. governments	\$ 7,853	197	0	8,050
All other governments	75	4	0	79
Special revenue & assessment obligations and all non-guaranteed obligations of agencies and authorities of U.S. governments	408	56	0	464
Industrial & miscellaneous	1,018	30	0	1,048
Mortgage-backed securities	1,559	58	0	1,617
Total bonds	\$ 10,913	345	0	11,258

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, an issuer's current and 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.

## NOTES TO FINANCIAL STATEMENTS

In performing its other-than-temporary impairment reviews, the Company, in consultation with its engaged portfolio manager, considers the relevant facts and circumstances relating to each investment and exercises judgment in determining whether a bond is other-than-temporarily impaired. Among the factors considered are whether the decline in fair value results from fundamental credit problems of the issuer, or is interest related, and the likelihood of recovering the amortized cost based on the current and short-term prospects of the issuer. Unrealized losses are determined to be temporary where such losses are primarily the result of market conditions, such as increasing interest rates, unusual market volatility, or industry-related events, and where the Company also believes it is probable that the Company will be able to collect all amounts when due in accordance with the contractual terms of the investment and, furthermore, has the intent and ability to hold the investment until the market recovers or maturity and, therefore, does not have the intent to sell the investment.

The risks inherent in reviewing the impairment of any investment include the risk that market results may differ from expectations; facts and circumstances may change in the future and differ from estimates and assumptions; or the Company may later decide to sell the security and realize a loss as a result of changes in the specific facts and circumstances surrounding a bond, or the outlook for its industry sector or the economy.

### 6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

No change.

### 7. INVESTMENT INCOME

No change.

### 8. DERIVATIVE INSTRUMENTS

No change.

### 9. INCOME TAXES

A. In December of 2009, the National Association of Insurance Commissioners adopted SSAP No. 10R, *Income Taxes – Revised, A Temporary Replacement of SSAP No. 10* (SSAP No. 10R). The primary changes made by SSAP No. 10R were (1) the introduction of the concept of a statutory valuation allowance, (2) the increased admittance of deferred tax assets for insurers that meet certain risk-based capital requirements and (3) the expanded reporting of deferred tax items by tax character (ordinary versus capital).

The Company's financial statements have been prepared using the provisions of SSAP No. 10 and have not been adjusted for the changes made by SSAP No. 10R. Due to the Company's run-off status, all net deferred tax assets of the Company previously have been and continue to be fully non-admitted. As a result, no change to the Company's net admitted deferred tax asset position would result if the provisions of SSAP No. 10R were applied to the Company's financial statements.

The components of the Company's net deferred tax asset are as follows:

		June 30, 2010		December 31, 2009
		(in thousands)		
Total of gross deferred tax assets	\$	88,621	\$	88,430
Total of deferred tax liabilities		0		0
Net deferred tax asset		88,621		88,430
Deferred tax asset nonadmitted		88,621		88,430
Net admitted deferred tax asset		0	\$	0
Increase in nonadmitted asset	\$	(191)		

## NOTES TO FINANCIAL STATEMENTS

**C2.** The change in net deferred income taxes is comprised of the following:

	June 30, 2010	December 31, 2009	Change
	(in thousands)		
Total deferred tax assets	\$ 88,621	\$ 88,430	\$ 191
Total deferred tax liabilities	0	0	0
Net deferred tax asset	\$ 88,621	\$ 88,430	191
Tax effect of unrealized gains (losses)			0
Changes in net deferred income tax			\$ 191

**D.** The provision for Federal and foreign income taxes incurred plus the change in deferred income taxes is different from that which would be obtained by applying the statutory Federal income tax rate to income before income taxes. The significant items causing this difference are as follows:

	June 30, 2010
	(in thousands)
Provision computed at statutory rate	\$ 207
Prepaid assets	(16)
Total	\$ 191
Federal and foreign income taxes incurred	\$ 0
Change in net deferred income taxes	191
Total statutory income taxes	\$ 191

**F.** No change.

**10. INFORMATION CONCERNING PARENT, SUBSIDIARIES, AFFILIATES AND OTHER RELATED PARTIES**

No change.

**11. DEBT**

No change.

**12. RETIREMENT PLANS, DEFERRED COMPENSATION, POST EMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS**

No change.

**13. CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS**

No change.

**14. CONTINGENCIES**

No change

**15. LEASES**

No change.

**16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK**

No change.

**17. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES**

No change.

**18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS**

No change.



## NOTES TO FINANCIAL STATEMENTS

### 19. DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS

No change.

### 20. OTHER ITEMS

**C.** Lumbermens Mutual Casualty Company (“Lumbermens”) and its affiliates have ceased the use of the name “Kemper Insurance Companies” and will continue winding up their operations under the trade name “Lumbermens Mutual Group.” Historically, Kemper has been the marketing and trade name for Lumbermens and its affiliates, including the Company. This change occurred because Lumbermens Mutual Group, on June 29, 2010, concluded the sale of its rights in the Kemper name to Unitrin, Inc.

**H.** Fair values are estimated at specific points in time, based on relevant market information and information about the financial instrument. These estimates do not reflect any premium or discount that could result from offering for sale at one time the Company’s entire holdings of a particular financial instrument. Fair values are based on quoted market prices when available and appropriate. Otherwise fair values for financial instruments are generally determined using discounted cash flow models and assumptions that are based on judgments regarding current and future economic conditions and the risk characteristics of the investments. Although fair values are calculated using assumptions that management believes are appropriate, changes in assumptions could significantly affect the estimates and such estimates should be used with care.

Fair values are determined for existing on- and off-balance sheet financial instruments without attempting to estimate the value of anticipated future business and the value of assets and certain liabilities that are not considered financial instruments. Accordingly, the aggregate fair value presented does not represent the underlying value of the Company.

The following methods and assumptions were used by the Company in estimating the fair value of its financial instruments:

*Bonds:* Fair values for bonds are determined using quoted market prices from an orderly market at the reporting date for those or similar investments. If quoted market prices from an orderly market are not available, the fair value is determined using an income approach valuation technique (present value using the discount rate adjustment technique) that considers, among other things, interest rates, the issuer’s credit spread, prepayments, performance of the underlying collateral for loan-backed securities and illiquidity by sector and maturity.

*Cash equivalents and short-term investments:* Fair values for money market funds are based on quoted market prices. Fair values for other instruments approximate amortized cost.

*Cash:* The statement value reported for cash approximates fair value.

The statement values and fair values of the Company’s financial instruments at June 30, 2010 and December 31, 2009 were as follows:

	2010		2009	
	Statement value	Fair value	Statement value	Fair value
	(In thousands)			
Financial instruments recorded as assets:				
Bonds	\$ 10,913	11,258	10,755	10,887
Cash, cash equivalents, and short-term investments	259	259	560	560

The Company does not have any financial assets carried at fair value at June 30, 2010. If it did have financial assets carried at fair value, they would be classified, for disclosure purposes, based on a fair value hierarchy defined by SSAP No. 100, *Fair Value Measurements*. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). An asset’s classification is determined based on the lowest level input that is significant to its fair value measurement. For example, a Level 3 fair value measurement may include inputs that are both observable (Levels 1 and 2) and unobservable (Level 3). The levels of the fair value hierarchy are as follows:

## NOTES TO FINANCIAL STATEMENTS

*Level 1* – Inputs are unadjusted quoted prices for identical assets in active markets accessible at the measurement date.

*Level 2* – Inputs include quoted prices for similar assets in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Examples of other inputs include market interest rates, volatilities, spreads, yield curves, prepayment speeds and default rates.

*Level 3* – Includes unobservable inputs that are supported by little or no market activity and are significant to the fair value measurement. Unobservable inputs reflect the Company's best estimate of what assumptions hypothetical market participants would use to determine a transaction price for the asset at the reporting date.

**21. EVENTS SUBSEQUENT**

No change.

**22. REINSURANCE**

No change.

**23. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION**

No change.

**24. CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES**

No change.

**25. INTERCOMPANY POOLING ARRANGEMENTS**

No change.

**26. STRUCTURED SETTLEMENTS**

No change.

**27. HEALTH CARE RECEIVABLES**

No change.

**28. PARTICIPATING POLICIES**

No change.

**29. PREMIUM DEFICIENCY RESERVES**

No change.

**30. HIGH DEDUCTIBLES**

No change.

**31. DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES OR UNPAID LOSS ADJUSTMENT EXPENSES**

No change.

**32. ASBESTOS/ENVIRONMENTAL RESERVES**

No change.

**33. SUBSCRIBER SAVINGS ACCOUNT**

No change.

**34. MULTIPLE PERIL CROP INSURANCE**

No change.

# 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 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 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 [ ] NA [X]  
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. .... 12/31/2005
- 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. .... 12/31/2005
- 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). .... 07/11/2007
- 6.4 By what department or departments?  
Illinois.....
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? ..... Yes [X] No [ ] NA [ ]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes [X] 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 [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 response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

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

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

### FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?..... Yes  No
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: ..... \$ .....

### INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) ..... Yes  No
- 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
- 14.2 If yes, please complete the following:
- |   | 1   |  | 2  |  |
|---|---|--|--|--|
|   | Prior Year-End<br>Book/Adjusted<br>Carrying Value |  | Current Quarter<br>Book/Adjusted<br>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<br>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
- 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. 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

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
BNY Mellon Trust Company of Illinois.....	2 North LaSalle St., Suite 1020, Chicago, IL 60602...

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

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, brokers/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 & Management Company of Illinois.....	30 North LaSalle St., 35th Floor, Chicago, IL 60602.....

17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? .....

Yes  No

17.2 If no, list exceptions:

.....

**GENERAL INTERROGATORIES**

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

**PART 2**

**PROPERTY & CASUALTY INTERROGATORIES**

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

If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on 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 ..... 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. \$.....

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

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

**SCHEDULE F—CEDED REINSURANCE**

Showing all new reinsurers - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Name of Reinsurer	4 Location	5 Is Insurer Authorized? (Yes or No)
		AFFILIATES		
		US INSURERS		
		POOLS AND ASSOCIATIONS		
		ALL OTHER INSURERS		
<b>NONE</b>				

STATEMENT AS OF JUNE 30, 2010 OF THE AMERICAN MANUFACTURERS MUTUAL INSURANCE COMPANY

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

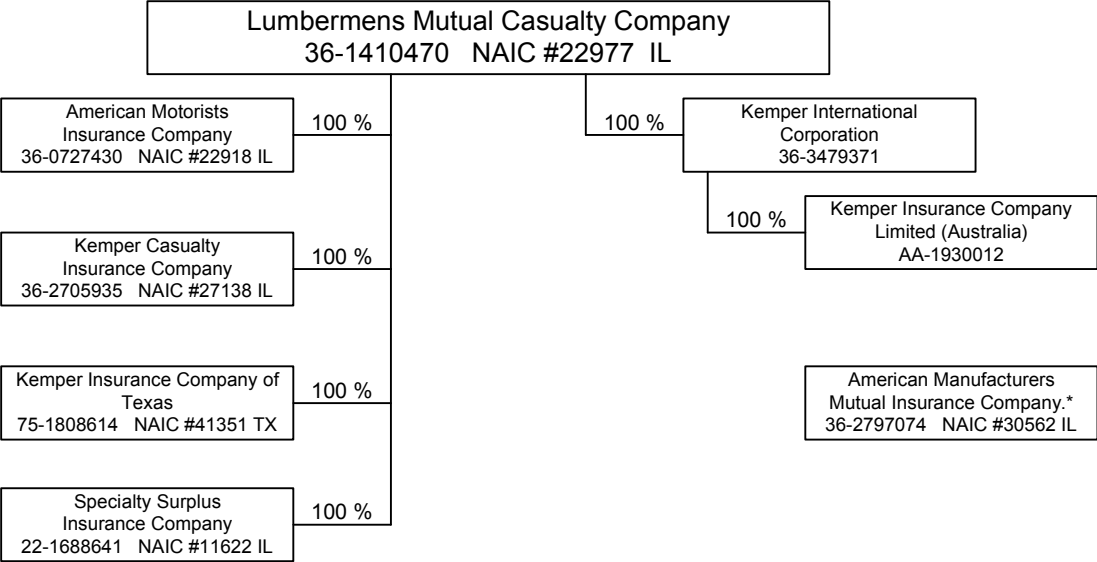
States, etc.	1		Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
	Active Status		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
1. Alabama	AL	L	3,307	333	150,433	42,713	568,100	587,114
2. Alaska	AK	L	1,364	(20)	371	1,750	(228)	465
3. Arizona	AZ	L	5,619	(682)	533,410	206,252	3,106,882	3,618,338
4. Arkansas	AR	L	0	2	224,363	186,006	4,263,580	4,335,698
5. California	CA	L	54,635	1,346	2,948,657	4,972,836	33,077,460	38,864,725
6. Colorado	CO	L	10,305	1,168	5,539	266,154	204,239	548,969
7. Connecticut	CT	L	11,188	(6,231)	236,678	265,828	4,391,548	4,400,509
8. Delaware	DE	L	4,179	(1,983)	43,661	84,369	1,801,660	1,663,530
9. District of Columbia	DC	L	429	(141)	22,142	48,616	491,557	495,244
10. Florida	FL	N	39,950	16,441	535,835	1,514,592	2,866,844	3,315,328
11. Georgia	GA	L	19,653	4,985	1,340,429	123,657	1,601,738	2,313,225
12. Hawaii	HI	L	2,564	1,824	1,047	120	(799)	8,566
13. Idaho	ID	L	416	383	0	0	101	310
14. Illinois	IL	L	5,655	(64,723)	667,150	345,968	1,317,234	2,683,057
15. Indiana	IN	L	3,434	366	(459)	(2,098)	(4,879)	80,734
16. Iowa	IA	L	5,811	346,286	97,393	45,378	996,914	788,892
17. Kansas	KS	L	4,934	(4,545)	(12,929)	23,280	183,075	153,591
18. Kentucky	KY	L	200	200	79,702	65,982	2,129,290	2,107,444
19. Louisiana	LA	L	1,530	(560)	44,677	26,855	398,670	607,214
20. Maine	ME	L	(327)	33	11,742	16,384	513,710	501,352
21. Maryland	MD	L	3,456	4,283	119,819	152,380	853,406	1,088,945
22. Massachusetts	MA	L	13,130	15,072	296,010	479,398	5,361,631	6,236,343
23. Michigan	MI	L	11,618	4,256	262,914	307,403	4,529,341	5,332,767
24. Minnesota	MN	L	17,476	972	130,376	131,866	787,871	773,620
25. Mississippi	MS	L	7,957	(7,191)	68,268	66,306	56,834	232,070
26. Missouri	MO	L	3,635	1,071	5,167	1,081,970	1,227,528	1,327,062
27. Montana	MT	L	4,273	806	8,110	6,980	46,992	65,974
28. Nebraska	NE	L	1,386	810	21,255	165,200	628,350	688,632
29. Nevada	NV	L	8,988	14,826	100,016	7,944	15,062	638,975
30. New Hampshire	NH	L	3,842	929	13,630	46,818	562,497	867,994
31. New Jersey	NJ	L	(2,670)	6,740	559,499	429,409	4,294,757	5,327,034
32. New Mexico	NM	L	2,539	(300)	77,958	19,661	176,779	342,728
33. New York	NY	L	103,217	(263,047)	2,745,893	2,799,763	37,314,959	36,290,147
34. North Carolina	NC	L	5,052	(2,324)	164,140	186,854	681,461	609,357
35. North Dakota	ND	L	34	13	0	0	63	265
36. Ohio	OH	L	1,208	1,172	27,418	149,259	1,134,171	1,497,494
37. Oklahoma	OK	L	0	0	115,236	45,718	650,269	422,715
38. Oregon	OR	L	45,602	56,892	128,202	276,838	1,107,200	1,733,216
39. Pennsylvania	PA	L	1,530	1,630	970,766	1,214,428	11,340,297	11,479,700
40. Rhode Island	RI	L	663	883	21,101	22,768	227,977	227,298
41. South Carolina	SC	L	2,984	382	51,028	(34,293)	992,930	958,563
42. South Dakota	SD	L	1,389	(59)	23,772	75,298	151,626	173,607
43. Tennessee	TN	L	3,891	136	112,421	85,857	1,480,827	1,454,823
44. Texas	TX	L	946	1,312	340,512	209,339	3,782,126	3,165,262
45. Utah	UT	L	4,455	724	27,428	(2,737)	89,464	14,810
46. Vermont	VT	L	3,559	(2,945)	34,954	155,565	262,083	277,268
47. Virginia	VA	L	4,235	5,716	243,218	89,222	2,391,534	2,496,837
48. Washington	WA	L	5,031	(32)	18,845	32,694	143,991	143,292
49. West Virginia	WV	L	503	36	0	0	183	701
50. Wisconsin	WI	L	7,255	1,777	217,326	162,968	572,661	568,663
51. Wyoming	WY	L	18	15	0	0	47	116
52. American Samoa	AS	N	0	0	0	0	0	0
53. Guam	GU	N	0	0	0	0	0	0
54. Puerto Rico	PR	N	0	0	0	0	0	0
55. U.S. Virgin Islands	VI	N	0	0	0	0	0	0
56. Northern Mariana Islands	MP	N	0	0	0	0	0	0
57. Canada	CN	N	0	0	0	0	0	0
58. Aggregate Other Alien	OT	XXX	1,711	(10,235)	0	0	0	(48)
59. Totals	(a)	50	443,759	128,802	13,835,123	16,599,518	138,771,613	151,510,535
<b>DETAILS OF WRITE-INS</b>								
5801. Africa		XXX	1,711	(10,235)	0	0	0	0
5802. Europe		XXX	0	0	0	0	0	(22)
5803. Asia		XXX	0	0	0	0	0	(26)
5898. Summary of remaining write-ins for Line 58 from overflow page		XXX	0	0	0	0	0	0
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)		XXX	1,711	(10,235)	0	0	0	(48)

(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**



\* American Manufacturers Mutual Insurance Company is an affiliated mutual company.  
Percentages show common stock ownership as of 6/30/2010.

**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	(548)	1,596	(291.2)	(119.8)
5. Commercial multiple peril		211,242	0.0	0.0
6. Mortgage guaranty			0.0	0.0
8. Ocean marine			0.0	0.0
9. Inland marine	40		0.0	0.0
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	312,409	(269,386)	(86.2)	913.2
17.1 Other liability occurrence	(3,720)	124,776	(3,354.2)	65.4
17.2 Other liability - claims made		2,184	0.0	0.0
17.3 Excess Workers' Compensation		71,244	0.0	
18.1 Products liability - occurrence		25,374	0.0	0.0
18.2 Products liability - claims made			0.0	0.0
19.1,19.2 Private passenger auto liability		31,194	0.0	(2,700.1)
19.3,19.4 Commercial auto liability	1,062	2,604	245.2	24.5
21. Auto physical damage		1,164	0.0	0.0
22. Aircraft (all perils)			0.0	0.0
23. Fidelity			0.0	0.0
24. Surety	150,394	2,448	1.6	(2.0)
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	459,637	204,440	44.5	1,228.6
<b>DETAILS OF WRITE-INS</b>				
3401.				
3402.				
3403.				
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	2	3
	Current Quarter	Current Year to Date	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	(548)	(1,566)
5. Commercial multiple peril	0		0
6. Mortgage guaranty	0		0
8. Ocean marine	0		0
9. Inland marine	50	50	(276)
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	265,950	312,409	175,647
17.1 Other liability occurrence	(3,802)	(3,720)	211,383
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		(810)
19.3,19.4 Commercial auto liability	0	1,062	9,486
21. Auto physical damage	0		0
22. Aircraft (all perils)	0		0
23. Fidelity	0		0
24. Surety	51,866	134,506	(265,062)
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	314,064	443,759	128,802
<b>DETAILS OF WRITE-INS</b>			
3401.			
3402.			
3403.			
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

STATEMENT AS OF JUNE 30, 2010 OF THE AMERICAN MANUFACTURERS MUTUAL INSURANCE COMPANY

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)	2010 Loss and LAE Payments on Claims Reported as of Prior Year-End	2010 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2010 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. 2007 + Prior .....			.0			.0				.0	.0	.0	.0
2. 2008 .....			.0			.0				.0	.0	.0	.0
3. Subtotals 2008 + Prior .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4. 2009.....			.0			.0				.0	.0	.0	.0
5. Subtotals 2009 + Prior .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. 2010 .....	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	11,193										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 As a % of Col. 1 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 on "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 question.


RESPONSE

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

**Explanation:**

- 1.
- 2.
- 3.

**Bar Code:**

1.	 3 0 5 6 2 2 0 1 0 4 9 0 0 0 0 0 2
2.	 3 0 5 6 2 2 0 1 0 4 5 5 0 0 0 0 2
3.	 3 0 5 6 2 2 0 1 0 3 6 5 0 0 0 0 2

**OVERFLOW PAGE FOR WRITE-INS**

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**SCHEDULE A - VERIFICATION**

**Real Estate**

	1 Year to Date	2 Prior Year Ended December 31
<b>NONE</b>		
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	0
2.2 Additional investment made after acquisition	0	0
3. Current year change in encumbrances	0	0
4. Total gain (loss) on disposals	0	0
5. Deduct amounts received on disposals	0	0
6. Total foreign exchange change in book/adjusted carrying value	0	0
7. Deduct current year's other than temporary impairment recognized	0	0
8. Deduct current year's depreciation	0	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 Year to Date	2 Prior Year Ended December 31
<b>NONE</b>		
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	0
2.2 Additional investment made after acquisition	0	0
3. Capitalized deferred interest and other	0	0
4. Accrual of discount	0	0
5. Unrealized valuation increase (decrease)	0	0
6. Total gain (loss) on disposals	0	0
7. Deduct amounts received on disposals	0	0
8. Deduct amortization of premium and mortgage interest points and commitment fees	0	0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest	0	0
10. Deduct current year's other than temporary impairment recognized	0	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	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 Year To Date	2 Prior Year Ended December 31
<b>NONE</b>		
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	0
2.2 Additional investment made after acquisition	0	0
3. Capitalized deferred interest and other	0	0
4. Accrual of discount	0	0
5. Unrealized valuation increase (decrease)	0	0
6. Total gain (loss) on disposals	0	0
7. Deduct amounts received on disposals	0	0
8. Deduct amortization of premium and depreciation	0	0
9. Total foreign exchange change in book/adjusted carrying value	0	0
10. Deduct current year's other than temporary impairment recognized	0	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 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	10,755,289	9,726,103
2. Cost of bonds and stocks acquired	1,434,059	8,784,236
3. Accrual of discount	4,325	9,912
4. Unrealized valuation increase (decrease)	0	0
5. Total gain (loss) on disposals	4,025	8,181
6. Deduct consideration for bonds and stocks disposed of	1,208,706	7,659,555
7. Deduct amortization of premium	75,701	113,587
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other than temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	10,913,291	10,755,289
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	10,913,291	10,755,289

STATEMENT AS OF JUNE 30, 2010 OF THE AMERICAN MANUFACTURERS MUTUAL 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
<b>BONDS</b>								
1. Class 1 (a).....	11,157,657	2,170,003	2,120,752	(34,358)	11,157,657	11,172,551	0	11,315,424
2. Class 2 (a).....	0	0	0	0	0	0	0	0
3. Class 3 (a).....	0	0	0	0	0	0	0	0
4. Class 4 (a).....	0	0	0	0	0	0	0	0
5. Class 5 (a).....	0	0	0	0	0	0	0	0
6. Class 6 (a).....	0	0	0	0	0	0	0	0
7. Total Bonds	11,157,657	2,170,003	2,120,752	(34,358)	11,157,657	11,172,551	0	11,315,424
<b>PREFERRED STOCK</b>								
8. Class 1.....	0	0	0	0	0	0	0	0
9. Class 2.....	0	0	0	0	0	0	0	0
10. Class 3.....	0	0	0	0	0	0	0	0
11. Class 4.....	0	0	0	0	0	0	0	0
12. Class 5.....	0	0	0	0	0	0	0	0
13. Class 6.....	0	0	0	0	0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	11,157,657	2,170,003	2,120,752	(34,358)	11,157,657	11,172,551	0	11,315,424

(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

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**SCHEDULE DA - PART 1**

**Short-Term Investments**

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	259,260	XXX	259,260	0	0

**SCHEDULE DA - VERIFICATION**

**Short-Term Investments**

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	560,135	1,639,108
2. Cost of short-term investments acquired .....	1,160,898	8,306,250
3. Accrual of discount.....	0	0
4. Unrealized valuation increase (decrease).....	0	0
5. Total gain (loss) on disposals.....	0	0
6. Deduct consideration received on disposals.....	1,461,772	9,385,224
7. Deduct amortization of premium.....	0	0
8. Total foreign exchange change in book/adjusted carrying value.....	0	0
9. Deduct current year's other than temporary impairment recognized.....	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	259,260	560,135
11. Deduct total nonadmitted amounts.....	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	259,260	560,135



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**

STATEMENT AS OF JUNE 30, 2010 OF THE AMERICAN MANUFACTURERS MUTUAL INSURANCE COMPANY

**SCHEDULE D - PART 3**

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator <sup>(a)</sup>
912828-LC-2	US TREASURY N/B		05/12/2010	CREDIT SUISSE FIRST BOSTON		922,925	900,000	6,657	1
912828-LK-4	US TREASURY N/B		06/21/2010	GOLDMAN SACHS & CO		511,134	500,000	3,679	1
0399999	- Total - Bonds - U.S. Government					1,434,059	1,400,000	10,335	XXX
8399997	- Total - Bonds - Part 3					1,434,059	1,400,000	10,335	XXX
8399999	- Total - Bonds					1,434,059	1,400,000	10,335	XXX
8999999	- Total - Preferred Stocks					0	XXX	0	XXX
9799999	- Total - Common Stocks					0	XXX	0	XXX
9899999	- Total - Preferred and Common Stocks					0	XXX	0	XXX
9999999	- Totals					1,434,059	XXX	10,335	XXX

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

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STATEMENT AS OF JUNE 30, 2010 OF THE AMERICAN MANUFACTURERS MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22	
										11	12	13	14	15								
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)	
313946-R8-8	FHR 2654 0Y		06/01/2010	MBS PAYDOWN		46,777	46,777	46,477	46,691	0	86	0	86	0	46,777	0	0	0	876	12/01/2010	1FE	
31394U-DC-3	FNR 2005-86 WH		06/01/2010	MBS PAYDOWN		59,183	59,183	59,701	59,362	0	(179)	0	(179)	0	59,183	0	0	0	1,232	11/01/2010	1FE	
31395P-5J-7	FHR 2931 0B		06/01/2010	MBS PAYDOWN		6,190	6,190	6,436	6,233	0	(44)	0	(44)	0	6,190	0	0	0	116	07/01/2012	1FE	
31398J-VT-7	FHR 3578 AN		06/01/2010	MBS PAYDOWN		18,020	18,020	18,516	18,106	0	(86)	0	(86)	0	18,020	0	0	0	266	01/01/2016	1FE	
3199999 - Total - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of...						130,170	130,170	131,131	130,393	0	(223)	0	(223)	0	130,170	0	0	0	2,490	XXX	XXX	
22540A-3F-3	CSFB 2001-CK3 A4		06/01/2010	MBS PAYDOWN		30,253	30,253	29,705	30,180	0	73	0	73	0	30,253	0	0	0	694	04/01/2011	1FE	
718507-B0-8	CONOCOPHILLIPS		05/25/2010	MATURITY		500,000	500,000	543,305	506,352	0	(6,352)	0	(6,352)	0	500,000	0	0	0	21,875	05/25/2010	1FE	
3899999 - Bonds - Industrial and Miscellaneous						530,253	530,253	573,010	536,532	0	(6,270)	0	(6,270)	0	530,253	0	0	0	22,569	XXX	XXX	
8399997 - Bonds - Part 4						660,423	660,423	704,140	666,925	0	(6,501)	0	(6,501)	0	660,423	0	0	0	25,059	XXX	XXX	
8399999 - Total - Bonds						660,423	660,423	704,140	666,925	0	(6,501)	0	(6,501)	0	660,423	0	0	0	25,059	XXX	XXX	
8999999 - Total - Preferred Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9799999 - Total - Common Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9899999 - Total - Preferred and Common Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9999999 Totals						660,423	XXX	704,140	666,925	0	(6,501)	0	(6,501)	0	660,423	0	0	0	0	25,059	XXX	XXX

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

E05

Schedule DB - Part A - Section 1

**NONE**

Sch. DB - Pt. A - Sn. 1 - Footnote (a)

**NONE**

Schedule DB - Part B - Section 1

**NONE**

Sch. DB - Pt. B - Sn. 1 - Footnotes

**NONE**

Schedule DB - Part D

**NONE**

Schedule E - Part 1

**NONE**

Schedule E - Part 2 - Cash Equivalents

**NONE**