

**QUARTERLY STATEMENT**AS OF MARCH 31, 2009
OF THE CONDITION AND AFFAIRS OF THE**LUMBERMENS MUTUAL CASUALTY COMPANY**

| | | | | | | |
|---------------------------------------|---|------------------------|---|------------|---|------------|
| NAIC Group Code | 0108 (Current Period) | 0108 (Prior Period) | NAIC Company Code | 22977 | Employer's ID Number | 36-1410470 |
| Organized under the Laws of | Illinois | | State of Domicile or Port of Entry | Illinois | | |
| Country of Domicile | United States | | | | | |
| Incorporated/Organized | 11/18/1912 | | Commenced Business | 11/25/1912 | | |
| Statutory Home Office | 1 Kemper Drive (Street and Number) | | Long Grove, IL 60049-0001 (City or Town, State and Zip Code) | | | |
| Main Administrative Office | 1 Kemper Drive (Street and Number) | | Long Grove, IL 60049-0001 (City or Town, State and Zip Code) | | 847-320-2000 (Area Code) (Telephone Number) | |
| Mail Address | 1 Kemper Drive (Street and Number or P.O. Box) | | Long Grove, IL 60049-0001 (City or Town, State and Zip Code) | | Long Grove, IL 60049-0001 (Area Code) (Telephone Number) | |
| Primary Location of Books and Records | 1 Kemper Drive (Street and Number) | | Long Grove, IL 60049-0001 (City or Town, State and Zip Code) | | 847-320-3127 (Area Code) (Telephone Number) | |
| Internet Web Site Address | www.kemperinsurance.com | | | | | |
| Statutory Statement Contact | Fredrick Thomas Griffith (Name) | | 847-320-3127 (Area Code) (Telephone Number) (Extension) | | 847-320-3818 (Fax Number) | |
| | Fred.Griffith@kemperinsurance.com (E-Mail Address) | | | | | |

OFFICERS

| | | | |
|--------------------------|-------------------------|-----------------------|-----------|
| Name | Title | Name | Title |
| Douglas Sean Andrews | President and CEO | John Keating Conway | Secretary |
| Fredrick Thomas Griffith | Chief Financial Officer | Geoffrey Andrew Cooke | Treasurer |

OTHER OFFICERS

| | | | |
|-------------------------|-----------------------|----------------------|-----------------------|
| Frederick Otto Kist | Senior Vice President | Barbara Kay Murray # | Senior Vice President |
| Benjamin David Schwartz | Senior Vice President | | |

DIRECTORS OR TRUSTEES

| | | | |
|----------------------|--------------------------|--------------------|----------------------|
| Douglas Sean Andrews | Peter Bannerman Hamilton | George Ralph Lewis | Arthur James Massolo |
| David Barrett Mathis | | | |

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) 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 CEOJohn Keating Conway
SecretaryFredrick Thomas Griffith
Chief Financial Officer

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

b. If no,
1. State the amendment number _____
2. Date filed _____
3. Number of pages attached _____Subscribed and sworn to before me this
12th day of May, 2009

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STATEMENT AS OF MARCH 31, 2009 OF THE LUMBERMENS MUTUAL CASUALTY 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 | 1,014,814,226 | | 1,014,814,226 | 1,020,334,355 |
| 2. Stocks: | | | | |
| 2.1 Preferred stocks | | | 0 | 0 |
| 2.2 Common stocks | 69,401,450 | | 69,401,450 | 69,745,008 |
| 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 (\$ 2,456,950), cash equivalents (\$ 0) | | | | |
| and short-term investments (\$ 53,376,844) | 55,833,794 | | 55,833,794 | 86,360,358 |
| 6. Contract loans (including \$ premium notes) | | | 0 | 0 |
| 7. Other invested assets | 5,873,850 | | 5,873,850 | 5,966,691 |
| 8. Receivables for securities | | | 0 | 0 |
| 9. Aggregate write-ins for invested assets | 0 | 0 | 0 | 0 |
| 10. Subtotals, cash and invested assets (Lines 1 to 9) | 1,145,923,320 | 0 | 1,145,923,320 | 1,182,406,412 |
| 11. Title plants less \$ charged off (for Title insurers only) | | | 0 | 0 |
| 12. Investment income due and accrued | 7,892,169 | | 7,892,169 | 9,234,897 |
| 13. Premiums and considerations: | | | | |
| 13.1 Uncollected premiums and agents' balances in the course of collection | 11,292,328 | 7,142,086 | 4,150,242 | 3,923,601 |
| 13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums) | 9,222,956 | 517,937 | 8,705,019 | 11,054,085 |
| 13.3 Accrued retrospective premiums | 13,329,733 | 370,940 | 12,958,793 | 17,251,970 |
| 14. Reinsurance: | | | | |
| 14.1 Amounts recoverable from reinsurers | 74,827,310 | | 74,827,310 | 85,675,362 |
| 14.2 Funds held by or deposited with reinsured companies | 11,626,769 | | 11,626,769 | 12,246,065 |
| 14.3 Other amounts receivable under reinsurance contracts | | | 0 | 0 |
| 15. Amounts receivable relating to uninsured plans | | | 0 | 0 |
| 16.1 Current federal and foreign income tax recoverable and interest thereon | 824,231 | | 824,231 | 623,957 |
| 16.2 Net deferred tax asset | 726,185,260 | 726,185,260 | 0 | 0 |
| 17. Guaranty funds receivable or on deposit | | | 0 | 0 |
| 18. Electronic data processing equipment and software | | | 0 | 0 |
| 19. Furniture and equipment, including health care delivery assets (\$) | | | 0 | 0 |
| 20. Net adjustment in assets and liabilities due to foreign exchange rates | | | 0 | 0 |
| 21. Receivables from parent, subsidiaries and affiliates | 819,426 | 819,426 | 0 | 278,250 |
| 22. Health care (\$) and other amounts receivable | | | 0 | 0 |
| 23. Aggregate write-ins for other than invested assets | 88,595,261 | 9,433,201 | 79,162,060 | 85,177,651 |
| 24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23) | 2,090,538,763 | 744,468,850 | 1,346,069,913 | 1,407,872,250 |
| 25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | 0 | 0 |
| 26. Total (Lines 24 and 25) | 2,090,538,763 | 744,468,850 | 1,346,069,913 | 1,407,872,250 |
| DETAILS OF WRITE-INS | | | | |
| 0901. | | | | |
| 0902. | | | | |
| 0903. | | | | |
| 0998. Summary of remaining write-ins for Line 9 from overflow page | 0 | 0 | 0 | 0 |
| 0999. Totals (Lines 0901 through 0903 plus 0998)(Line 9 above) | 0 | 0 | 0 | 0 |
| 2301. Amounts receivable under high deductible policies | 12,136,271 | 3,607,651 | 8,528,620 | 11,088,052 |
| 2302. Advance to claims service provider | 8,234,950 | | 8,234,950 | 8,334,447 |
| 2303. Reinsurance accounted for as a deposit | 404,180 | | 404,180 | 599,510 |
| 2398. Summary of remaining write-ins for Line 23 from overflow page | 67,819,860 | 5,825,550 | 61,994,310 | 65,155,642 |
| 2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above) | 88,595,261 | 9,433,201 | 79,162,060 | 85,177,651 |

STATEMENT AS OF MARCH 31, 2009 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

| | 1 Current Statement Date | 2 December 31, Prior Year |
|---|--------------------------------|---------------------------------|
| 1. Losses (current accident year \$ 488,000) | 793,339,451 | 819,591,888 |
| 2. Reinsurance payable on paid losses and loss adjustment expenses | 15,798,985 | 16,041,492 |
| 3. Loss adjustment expenses | 205,946,417 | 220,807,031 |
| 4. Commissions payable, contingent commissions and other similar charges | 470,522 | 500,233 |
| 5. Other expenses (excluding taxes, licenses and fees) | 10,850,931 | 14,270,656 |
| 6. Taxes, licenses and fees (excluding federal and foreign income taxes) | 33,759,480 | 33,073,387 |
| 7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses)) | 0 | 0 |
| 7.2 Net deferred tax liability | 0 | 0 |
| 8. Borrowed money \$ and interest thereon \$ | 0 | 0 |
| 9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 1,797,681 and including warranty reserves of \$ 234,461) | 3,194,769 | 3,663,958 |
| 10. Advance premium | 0 | 0 |
| 11. Dividends declared and unpaid: | | |
| 11.1 Stockholders | 0 | 0 |
| 11.2 Policyholders | 0 | 0 |
| 12. Ceded reinsurance premiums payable (net of ceding commissions) | 3,092,539 | 960,829 |
| 13. Funds held by company under reinsurance treaties | 2,675,449 | 2,741,570 |
| 14. Amounts withheld or retained by company for account of others | 111,568,511 | 124,464,509 |
| 15. Remittances and items not allocated | 10,969,686 | 12,676,987 |
| 16. Provision for reinsurance | 0 | 0 |
| 17. Net adjustments in assets and liabilities due to foreign exchange rates | 1,708,427 | 1,485,005 |
| 18. Drafts outstanding | 0 | 0 |
| 19. Payable to parent, subsidiaries and affiliates | 76,176 | 0 |
| 20. Payable for securities | 0 | 0 |
| 21. Liability for amounts held under uninsured plans | 0 | 0 |
| 22. Capital notes \$ and interest thereon \$ | 0 | 0 |
| 23. Aggregate write-ins for liabilities | 48,633,018 | 44,422,490 |
| 24. Total liabilities excluding protected cell liabilities (Lines 1 through 23) | 1,242,084,361 | 1,294,700,035 |
| 25. Protected cell liabilities | 0 | 0 |
| 26. Total liabilities (Lines 24 and 25) | 1,242,084,361 | 1,294,700,035 |
| 27. Aggregate write-ins for special surplus funds | 0 | 0 |
| 28. Common capital stock | 0 | 0 |
| 29. Preferred capital stock | 0 | 0 |
| 30. Aggregate write-ins for other than special surplus funds | 1,500,000 | 1,500,000 |
| 31. Surplus notes | 698,355,598 | 698,355,598 |
| 32. Gross paid in and contributed surplus | 0 | 0 |
| 33. Unassigned funds (surplus) | (595,870,046) | (586,683,383) |
| 34. Less treasury stock, at cost: | | |
| 34.1 shares common (value included in Line 28 \$) | 0 | 0 |
| 34.2 shares preferred (value included in Line 29 \$) | 0 | 0 |
| 35. Surplus as regards policyholders (Lines 27 to 33, less 34) | 103,985,552 | 113,172,215 |
| 36. TOTALS | 1,346,069,913 | 1,407,872,250 |
| DETAILS OF WRITE-INS | | |
| 2301. Accounts payable and other liabilities | 48,633,018 | 44,422,490 |
| 2302. | 0 | 0 |
| 2303. | 0 | 0 |
| 2398. Summary of remaining write-ins for Line 23 from overflow page | 0 | 0 |
| 2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above) | 48,633,018 | 44,422,490 |
| 2701. | 0 | 0 |
| 2702. | 0 | 0 |
| 2703. | 0 | 0 |
| 2798. Summary of remaining write-ins for Line 27 from overflow page | 0 | 0 |
| 2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above) | 0 | 0 |
| 3001. Guaranty fund | 1,500,000 | 1,500,000 |
| 3002. | 0 | 0 |
| 3003. | 0 | 0 |
| 3098. Summary of remaining write-ins for Line 30 from overflow page | 0 | 0 |
| 3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above) | 1,500,000 | 1,500,000 |

STATEMENT AS OF MARCH 31, 2009 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY

STATEMENT OF INCOME

| | 1 Current Year to Date | 2 Prior Year to Date | 3 Prior Year Ended December 31 |
|--|------------------------------|----------------------------|--------------------------------------|
| UNDERWRITING INCOME | | | |
| 1. Premiums earned: | | | |
| 1.1 Direct (written \$ (2,943,162)) | (2,772,756) | (389,754) | 1,436,126 |
| 1.2 Assumed (written \$ 4,380,112) | 4,859,991 | (1,775,652) | 3,680,169 |
| 1.3 Ceded (written \$ 582,620) | 763,716 | (2,908,721) | (2,730,515) |
| 1.4 Net (written \$ 854,330) | 1,323,519 | 743,315 | 7,846,810 |
| DEDUCTIONS: | | | |
| 2. Losses incurred (current accident year \$ 562,000): | | | |
| 2.1 Direct | 1,743,561 | (7,198,636) | 20,602,716 |
| 2.2 Assumed | 7,399,750 | (43,179,053) | 169,174,871 |
| 2.3 Ceded | (1,183,010) | (46,624,658) | 74,106,197 |
| 2.4 Net | 10,326,321 | (3,753,031) | 115,671,390 |
| 3. Loss adjustment expenses incurred | 630,625 | (3,180,297) | (13,707,489) |
| 4. Other underwriting expenses incurred | 11,367,689 | 16,407,576 | 61,790,049 |
| 5. Aggregate write-ins for underwriting deductions | 0 | 0 | (2,000,000) |
| 6. Total underwriting deductions (Lines 2 through 5) | 22,324,635 | 9,474,248 | 161,753,950 |
| 7. Net income of protected cells | 0 | 0 | 0 |
| 8. Net underwriting gain or (loss) (Line 1.4 minus Line 6 + Line 7) | (21,001,116) | (8,730,933) | (153,907,140) |
| INVESTMENT INCOME | | | |
| 9. Net investment income earned | 9,833,210 | 13,286,974 | 49,128,461 |
| 10. Net realized capital gains (losses) less capital gains tax of \$ | (968,942) | 972,729 | 10,347,261 |
| 11. Net investment gain (loss) (Lines 9 + 10) | 8,864,268 | 14,259,703 | 59,475,722 |
| OTHER INCOME | | | |
| 12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 14,162 amount charged off \$ (1,452,399)) | 1,466,561 | (1,094,533) | (5,659,416) |
| 13. Finance and service charges not included in premiums | 0 | 0 | 0 |
| 14. Aggregate write-ins for miscellaneous income | 1,596,653 | 2,292,184 | 4,675,626 |
| 15. Total other income (Lines 12 through 14) | 3,063,214 | 1,197,651 | (983,790) |
| 16. Net income before dividends to policyholders after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15) | (9,073,634) | 6,726,421 | (95,415,208) |
| 17. Dividends to policyholders | 1,417,924 | (3,822,388) | (5,727,457) |
| 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) | (10,491,558) | 10,548,809 | (89,687,751) |
| 19. Federal and foreign income taxes incurred | (200,274) | (362,451) | (10,003,154) |
| 20. Net income (Line 18 minus Line 19)(to Line 22) | (10,291,284) | 10,911,260 | (79,684,597) |
| CAPITAL AND SURPLUS ACCOUNT | | | |
| 21. Surplus as regards policyholders, December 31 prior year | 113,172,215 | 150,664,386 | 150,664,386 |
| 22. Net income (from Line 20) | (10,291,284) | 10,911,260 | (79,684,597) |
| 23. Net transfers (to) from Protected Cell accounts | 0 | 0 | 0 |
| 24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ | 724,718 | 316,216 | 11,586,654 |
| 25. Change in net unrealized foreign exchange capital gain (loss) | (223,421) | (715,511) | (1,638,231) |
| 26. Change in net deferred income tax | 2,976,844 | (6,094,046) | 18,162,229 |
| 27. Change in nonadmitted assets | (3,448,905) | 6,811,000 | 2,235,984 |
| 28. Change in provision for reinsurance | 0 | 0 | 0 |
| 29. Change in surplus notes | 0 | 0 | 0 |
| 30. Surplus (contributed to) withdrawn from protected cells | 0 | 0 | 0 |
| 31. Cumulative effect of changes in accounting principles | 0 | 0 | 0 |
| 32. Capital changes: | | | |
| 32.1 Paid in | 0 | 0 | 0 |
| 32.2 Transferred from surplus (Stock Dividend) | 0 | 0 | 0 |
| 32.3 Transferred to surplus | 0 | 0 | 0 |
| 33. Surplus adjustments: | | | |
| 33.1 Paid in | 0 | 0 | 0 |
| 33.2 Transferred to capital (Stock Dividend) | 0 | 0 | 0 |
| 33.3 Transferred from capital | 0 | 0 | 0 |
| 34. Net remittances from or (to) Home Office | 0 | 0 | 0 |
| 35. Dividends to stockholders | 0 | 0 | 0 |
| 36. Change in treasury stock | 0 | 0 | 0 |
| 37. Aggregate write-ins for gains and losses in surplus | 1,075,385 | 3,398,947 | 11,845,790 |
| 38. Change in surplus as regards policyholders (Lines 22 through 37) | (9,186,663) | 14,627,866 | (37,492,171) |
| 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) | 103,985,552 | 165,292,252 | 113,172,215 |
| DETAILS OF WRITE-INS | | | |
| 0501. Change in premium deficiency reserve | 0 | 0 | (2,000,000) |
| 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 | (2,000,000) |
| 1401. Other income | 1,596,653 | 2,292,184 | 4,675,626 |
| 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) | 1,596,653 | 2,292,184 | 4,675,626 |
| 3701. Provision for uncollectible reinsurance | 1,075,385 | 3,398,947 | 11,845,790 |
| 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) | 1,075,385 | 3,398,947 | 11,845,790 |

STATEMENT AS OF MARCH 31, 2009 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY

CASH FLOW

| | 1 Current Year To Date | 2 Prior Year Ended December 31 |
|--|------------------------------|--------------------------------------|
| Cash from Operations | | |
| 1. Premiums collected net of reinsurance..... | 7,475,473 | 27,104,642 |
| 2. Net investment income..... | 12,508,134 | 53,030,312 |
| 3. Miscellaneous income | 3,682,510 | (1,661,769) |
| 4. Total (Lines 1 to 3) | 23,666,117 | 78,473,185 |
| 5. Benefit and loss related payments | 25,973,213 | 144,900,791 |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts..... | 0 | 0 |
| 7. Commissions, expenses paid and aggregate write-ins for deductions | 29,629,771 | 160,606,148 |
| 8. Dividends paid to policyholders | (2,846,388) | (5,635,986) |
| 9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses) | 0 | (3,299,370) |
| 10. Total (Lines 5 through 9) | 52,756,596 | 296,571,583 |
| 11. Net cash from operations (Line 4 minus Line 10) | (29,090,479) | (218,098,398) |
| Cash from Investments | | |
| 12. Proceeds from investments sold, matured or repaid: | | |
| 12.1 Bonds | 140,204,843 | 667,982,986 |
| 12.2 Stocks | 83,067 | 9,862,148 |
| 12.3 Mortgage loans | 0 | 0 |
| 12.4 Real estate | 0 | 59,500 |
| 12.5 Other invested assets | 154,827 | 866,638 |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments | 0 | (118,916) |
| 12.7 Miscellaneous proceeds | 0 | 0 |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7) | 140,442,737 | 678,652,356 |
| 13. Cost of investments acquired (long-term only): | | |
| 13.1 Bonds | 135,871,497 | 544,635,925 |
| 13.2 Stocks | 0 | 0 |
| 13.3 Mortgage loans | 0 | 0 |
| 13.4 Real estate | 0 | 0 |
| 13.5 Other invested assets | 0 | 0 |
| 13.6 Miscellaneous applications | 0 | 0 |
| 13.7 Total investments acquired (Lines 13.1 to 13.6) | 135,871,497 | 544,635,925 |
| 14. Net increase (or decrease) in contract loans and premium notes | 0 | 0 |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) | 4,571,240 | 134,016,431 |
| Cash from Financing and Miscellaneous Sources | | |
| 16. Cash provided (applied): | | |
| 16.1 Surplus notes, capital notes | 0 | 0 |
| 16.2 Capital and paid in surplus, less treasury stock..... | 0 | 0 |
| 16.3 Borrowed funds | 0 | 0 |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities | 0 | 0 |
| 16.5 Dividends to stockholders | 0 | 0 |
| 16.6 Other cash provided (applied)..... | (6,007,325) | 14,680,809 |
| 17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) | (6,007,325) | 14,680,809 |
| 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) | (30,526,564) | (69,401,158) |
| 19. Cash, cash equivalents and short-term investments: | | |
| 19.1 Beginning of year..... | 86,360,358 | 155,761,516 |
| 19.2 End of period (Line 18 plus Line 19.1) | 55,833,794 | 86,360,358 |

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

No change.

2. ACCOUNTING CHANGES AND CORRECTION OF ERRORS

No change.

3. BUSINESS COMBINATIONS AND GOODWILL

No change.

4. DISCONTINUED OPERATIONS

No change.

5. INVESTMENTS

No change.

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

No change.

7. INVESTMENT INCOME

No change.

8. DERIVATIVE INSTRUMENTS

No change.

9. INCOME TAXES

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

| | | March 31, 2009 | | December 31, 2008 |
|------------------------------------|----|-------------------|--|----------------------|
| (in thousands) | | | | |
| Total of gross deferred tax assets | \$ | 729,273 | | 726,296 |
| Total of deferred tax liabilities | | 3,088 | | 3,088 |
| Net deferred tax asset | | 726,185 | | 723,208 |
| Deferred tax asset nonadmitted | | 726,185 | | 723,208 |
| Net admitted deferred tax asset | | 0 | | 0 |
| Increase in nonadmitted asset | \$ | 2,977 | | |

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

| | | March 31, 2009 | | December 31, 2008 | | Change |
|---|----|-------------------|--|----------------------|----|--------|
| (in thousands) | | | | | | |
| Total deferred tax assets | \$ | 729,273 | | 726,296 | \$ | 2,977 |
| Total deferred tax liabilities | | 3,088 | | 3,088 | | 0 |
| Net deferred tax asset | \$ | 726,185 | | 723,208 | | 2,977 |
| Tax effect of unrealized gains (losses) | | | | | | 0 |
| Changes in net deferred income tax | | | | | \$ | 2,977 |

NOTES TO FINANCIAL STATEMENTS

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:

| | | |
|---|------------|-------------------|
| | | March 31, 2009 |
| | | (in thousands) |
| Provision computed at statutory rate | \$ (3,672) | |
| Receivables | 495 | |
| Total | \$ (3,177) | |
| | | |
| Federal and foreign income taxes incurred | \$ (200) | |
| Change in net deferred income taxes | (2,977) | |
| Total statutory income taxes | \$ (3,177) | |

F. No change.

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES, AND AFFILIATES

No change.

11. DEBT

No change.

12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

No change.

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

Each payment of interest on and repayment of principal of the surplus notes issued by the Company in 1996 and 1997 may be made only with the prior approval of the Director of the Illinois Department of Financial and Professional Regulation - Division of Insurance (the "Division of Insurance"), which approval will only be granted if, in the judgment of the Director, the financial condition of the Company warrants the making of such payments and the Company's policyholders' surplus reflects sufficient funds to cover the amount of such payment. All payments of interest scheduled since January 1, 2003 have not been paid due to disapprovals by the Director based on the Company's financial condition. The cumulative amount of interest that was scheduled to be paid but is unpaid, plus the amount otherwise accruing in the first quarter of 2009 for which scheduled interest payment dates have not yet arrived, totaled \$387,400,000 as of March 31, 2009. In accordance with statutory accounting principles, this total amount is not reflected as a liability on the Company's statutory statement of assets, liabilities, surplus and other funds as of March 31, 2009. On May 7, 2009, the Division of Insurance disapproved the payments of interest due on June 1, 2009 and July 1, 2009 (and all previously disapproved interest payments) on the \$400,000,000 9.15% Surplus Notes due on July 1, 2026, the \$200,000,000 8.30% Surplus Notes due on December 1, 2037, and the \$100,000,000 8.45% Surplus Notes due on December 1, 2097.

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

No change.

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

Activity in the liabilities for losses and LAE is summarized as follows:

| | 2009 | 2008 |
|---|----------------|--------------|
| | (in thousands) | |
| Balance as of January 1, net of reinsurance recoverables of \$ 879,068 in 2009 and \$1,135,204 in 2008 | \$ 1,040,399 | \$ 1,237,397 |
| Incurred related to: | | |
| Current accident year | 687 | 4,309 |
| Prior accident years | 10,270 | 97,655 |
| Total incurred | 10,957 | 101,964 |
| Paid related to: | | |
| Current accident year | (76) | (1,358) |
| Prior accident years | (51,994) | (297,604) |
| Total paid | (52,070) | (298,962) |
| Balance as of March 31, 2009 and December 31, 2008, net of reinsurance recoverables of \$ 836,239 in 2009 and \$879,068 in 2008 | \$ 999,286 | \$ 1,040,399 |

The incurred loss and LAE related to prior accident years increased by \$10.3 million in the first quarter of 2009. This was attributable to amortization of discount, a reclassification of ULE expenses between the Company and its subsidiaries and buyout and commutation activity.

The prior year development of \$97.7 million in 2008 is due to:

1. Nominal adverse loss and LAE reserve development of \$33.0 million comprised of (a) a \$123.9 million increase arising primarily from deterioration in workers' compensation, other liability (including a reclassification of excess workers' compensation), products liability, CMP, and personal lines that was offset partially by favorable development in commercial auto liability and surety; and (b) a \$90.9 million decrease arising from buybacks, commutations, and novations; and
2. A reduction of discount of \$64.6 million comprised of (a) a \$48.0 million decrease for anticipated amortization of discount; (b) a \$16.0 million increase due to nominal reserve strengthening; and (c) a \$32.6 million reduction associated with buybacks, commutations, and novations.

25. INTERCOMPANY POOLING ARRANGEMENTS

No change.

26. STRUCTURED SETTLEMENTS

No change.

27. HEALTH CARE RECEIVABLES

No change.

NOTES TO FINANCIAL STATEMENTS

28. PARTICIPATING POLICIES

No change.

29. PREMIUM DEFICIENCY RESERVES

No change.

30. HIGH DEDUCTIBLE

No change.

31. DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES OR UNPAID LOSS ADJUSTMENT EXPENSE

No change.

32. ASBESTOS/ENVIRONMENTAL RESERVES

No change.

33. SUBSCRIBER SAVINGS ACCOUNT

No change.

34. MULTIPLE PERIL CROP INSURANCE

No change.

STATEMENT AS OF MARCH 31, 2009 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY**GENERAL INTERROGATORIES**

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

**PART 1 - COMMON INTERROGATORIES
GENERAL**

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

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

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

2.2 If yes, date of change:

3. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]

If yes, complete the Schedule Y - Part 1 - organizational chart.

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

4.2 If yes, provide 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 |
|---------------------|--------------------------------|----------|----------|----------|-----------|----------|
| | | | | | | |

STATEMENT AS OF MARCH 31, 2009 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY**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 [] No [X]

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 [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:..... \$ 5,315,221

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 [X] No []

14.2 If yes, please complete the following:

| | 1 Prior Year-End Book/Adjusted Carrying Value | 2 Current Quarter Book/Adjusted Carrying Value |
|---|--|---|
| 14.21 Bonds | \$ | \$ |
| 14.22 Preferred Stock | \$ | \$ |
| 14.23 Common Stock | \$ 68,938,419 | \$ 68,673,659 |
| 14.24 Short-Term Investments | \$ | \$ |
| 14.25 Mortgage Loans on Real Estate | \$ | \$ |
| 14.26 All Other | \$ 5,315,221 | \$ 5,315,221 |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)..... | \$ 74,253,640 | \$ 73,988,880 |
| 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.

STATEMENT AS OF MARCH 31, 2009 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY

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 3, III Conducting Examinations, F - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?.....

Yes [X] No []

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

| 1 Name of Custodian(s) | 2 Custodian Address |
|---|---|
| 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 [X]

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

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

16.5 Identify all investment advisors, 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, L.L.C..... | 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 [X] No []

17.2 If no, list exceptions:

.....

STATEMENT AS OF MARCH 31, 2009 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY

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 [X] No []

4.2 If yes, complete the following schedule:

| 1 Line of Business | 2 Maximum Interest | 3 Discount Rate | TOTAL DISCOUNT | | | | DISCOUNT TAKEN DURING PERIOD | | | |
|--|--------------------------|-----------------------|-----------------------|--------------------|--------------|--------------|------------------------------|--------------------|-------------|-------------|
| | | | 4 Unpaid Losses | 5 Unpaid LAE | 6 IBNR | 7 TOTAL | 8 Unpaid Losses | 9 Unpaid LAE | 10 IBNR | 11 TOTAL |
| 1.Homeowners/Farmowners | | .4.200 | | | .83,389 | .83,389 | | | (1,261) | (1,261) |
| 2.Private Passenger Auto Liability | | .4.200 | | | .987,898 | .987,898 | | | (16,455) | (16,455) |
| 3.Commercial Auto Liability | | .4.200 | | | .8,331,718 | .8,331,718 | | | (137,056) | (137,056) |
| 4.Workers' Compensation | | .4.200 | | | .146,593,066 | .146,593,066 | | | (3,517,449) | (3,517,449) |
| 5.Commercial Multiple Peril | | .4.200 | | | .13,240,003 | .13,240,003 | | | (208,051) | (208,051) |
| 6.Medical Malpractice-Occurrence | | .4.200 | | | .7,825 | .7,825 | | | (118) | (118) |
| 7.Medical Malpractice-Claims Made | | .4.200 | | | .11,081 | .11,081 | | | (168) | (168) |
| 8.Special Liability | | .4.200 | | | .1,056,923 | .1,056,923 | | | (11,646) | (11,646) |
| 9.Other Liability-Occurrence | | .4.200 | | | .36,995,894 | .36,995,894 | | | (657,918) | (657,918) |
| 10.Other Liability-Claims Made | | .4.200 | | | .3,830,552 | .3,830,552 | | | (44,579) | (44,579) |
| 11.Special Property | | .4.200 | | | (54,249) | (54,249) | | | (7,906) | (7,906) |
| 12.Auto Physical Damage | | .4.200 | | | (644) | (644) | | | .10 | .10 |
| 13.Fidelity/Surety | | .4.200 | | | .1,635,780 | .1,635,780 | | | .411,232 | .411,232 |
| 14.Other | | .4.200 | | | .12,151,819 | .12,151,819 | | | .12,211,994 | .12,211,994 |
| 17.Reinsurance Nonproportional Assumed Liability | | .4.200 | | | .13,630,158 | .13,630,158 | | | (206,127) | (206,127) |
| 19.Product Liability-Occurrence | | .4.200 | | | .9,600,755 | .9,600,755 | | | (1,123,725) | (1,123,725) |
| 20.Product Liability-Claims Made | | .4.200 | | | 4,224 | 4,224 | | | .4,224 | .4,224 |
| 22.Warranty | | .4.200 | | | (72,449) | (72,449) | | | (349) | (349) |
| | | | TOTAL | 0 | 248,033,743 | 248,033,743 | | 0 | 0 | 6,694,652 |
| | | | | | | | | | | 6,694,652 |

SCHEDULE F—CEDED REINSURANCE

Showing all new reinsurers - Current Year to Date

STATEMENT AS OF MARCH 31, 2009 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

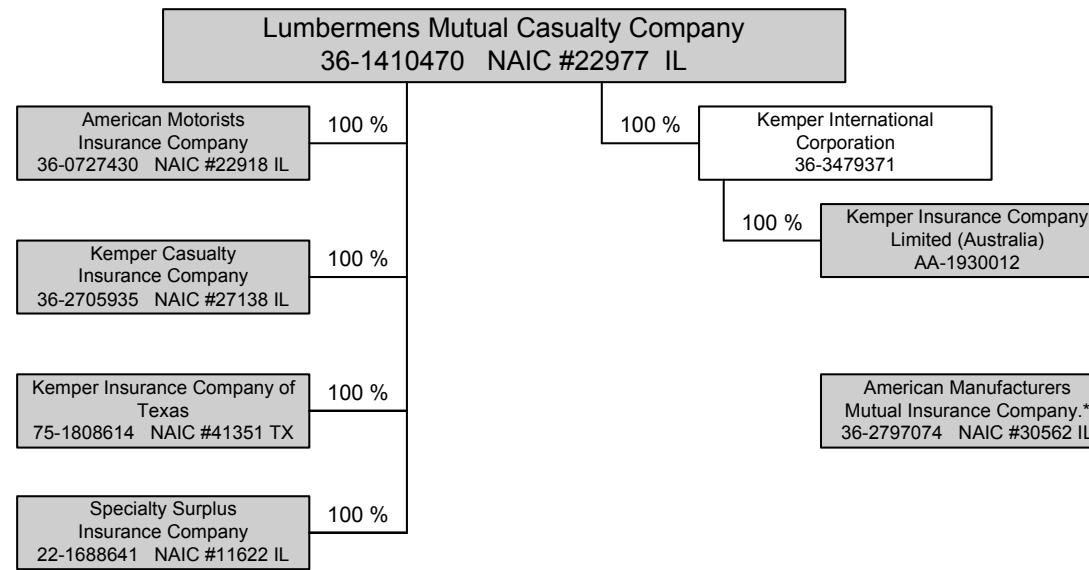
Current Year to Date - Allocated by States and Territories

| States, etc. | 1 Active Status | Direct Premiums Written | | Direct Losses Paid (Deducting Salvage) | | Direct Losses Unpaid | |
|---|--------------------|---------------------------|-------------------------|--|-------------------------|---------------------------|-------------------------|
| | | 2 Current Year To Date | 3 Prior Year To Date | 4 Current Year To Date | 5 Prior Year To Date | 6 Current Year To Date | 7 Prior Year To Date |
| 1. Alabama | AL | .3,131 | (1,903) | .292,839 | 180,311 | 5,990,644 | 8,449,900 |
| 2. Alaska | AK | .565 | .16 | .126,138 | 917,220 | 1,918,336 | 1,094,217 |
| 3. Arizona | AZ | .17,312 | (14,882) | .161,149 | 253,664 | 13,652,529 | 13,119,717 |
| 4. Arkansas | AR | (35,151) | .14 | 1,589,474 | (1,451,073) | 1,811,685 | 3,564,846 |
| 5. California | CA | .1,148,682 | .1,362 | .4,580,835 | .6,160,051 | 90,528,483 | .77,056,814 |
| 6. Colorado | CO | (85,550) | (301) | .246,647 | .125,297 | .2,363,181 | .2,438,647 |
| 7. Connecticut | CT | .4,877 | .8,957 | .801,407 | .316,057 | 3,998,677 | 12,744,290 |
| 8. Delaware | DE | (10,493) | .17,630 | .44,762 | .112,745 | .3,626,088 | .2,387,543 |
| 9. District of Columbia | DC | .272 | (1,627) | .68,436 | .157,439 | 1,030,913 | .5,505,500 |
| 10. Florida | FL | N | (21,330) | .36,376 | .911,793 | 311,473 | 15,239,988 |
| 11. Georgia | GA | L | .20,076 | .4,547 | (15,093,131) | .8,324,000 | 20,483,071 |
| 12. Hawaii | HI | L | .704 | .5,680 | .252,966 | .119,345 | .2,218,557 |
| 13. Idaho | ID | L | (7,358) | .75 | | (16,540) | .6,732 |
| 14. Illinois | IL | L | .57,338 | .319 | 1,016,337 | .1,491,603 | .45,691,911 |
| 15. Indiana | IN | L | .15,737 | (60,807) | .85,599 | .1,856,908 | .9,674,946 |
| 16. Iowa | IA | L | (131,761) | .130,953 | .1,483 | .58,922 | .1,751,837 |
| 17. Kansas | KS | L | (10,013) | (11,080) | (337,469) | .19,809 | .908,517 |
| 18. Kentucky | KY | L | (54,658) | (6,743) | .42,434 | .376,978 | .14,728,262 |
| 19. Louisiana | LA | L | .5,542 | (202) | .35,724 | (34,383) | .2,722,951 |
| 20. Maine | ME | L | (524) | .158 | .9,487 | (48,452) | .111,681 |
| 21. Maryland | MD | L | (27,327) | .4,821 | .372,770 | .1,370,574 | .10,711,025 |
| 22. Massachusetts | MA | L | .19,178 | .13,228 | .328,004 | .952,220 | .12,757,836 |
| 23. Michigan | MI | L | .52,514 | .8,497 | .828,553 | .448,193 | .18,420,545 |
| 24. Minnesota | MN | L | (56,927) | (394) | .504,445 | .259,495 | .5,646,064 |
| 25. Mississippi | MS | L | .10,281 | .7 | .25,413 | .32,409 | .226,395 |
| 26. Missouri | MO | L | (23,347) | .65,430 | .285,928 | .325,205 | .2,956,418 |
| 27. Montana | MT | L | .770 | .80 | .202,103 | .72,461 | .634,344 |
| 28. Nebraska | NE | L | (44,193) | (46) | .33,198 | .143,109 | .2,042,007 |
| 29. Nevada | NV | L | .6,544 | .6,919 | .768,767 | .206,582 | .928,655 |
| 30. New Hampshire | NH | L | .1,662 | .606 | .45,404 | .97,164 | .2,604,601 |
| 31. New Jersey | NJ | L | .67,596 | (245,090) | .3,210,688 | .3,792,887 | .40,592,255 |
| 32. New Mexico | NM | L | (32,139) | (340) | .16,663 | (139,607) | .337,609 |
| 33. New York | NY | L | .90,920 | .6,395 | .2,634,194 | .19,323,472 | .82,927,966 |
| 34. North Carolina | NC | L | .18,572 | (337) | .451,747 | .461,493 | .9,619,958 |
| 35. North Dakota | ND | L | .18 | .47 | | .725 | .257 |
| 36. Ohio | OH | L | (3,296,188) | (65) | .385,336 | .361,160 | .12,944,275 |
| 37. Oklahoma | OK | L | .160 | 0 | .44,017 | .1,600 | .879,013 |
| 38. Oregon | OR | L | .14,762 | (238) | .71,327 | .623,514 | .4,427,202 |
| 39. Pennsylvania | PA | L | (52,222) | .19,009 | .343,406 | .1,352,556 | .32,054,446 |
| 40. Rhode Island | RI | L | .5,615 | (540) | .37,604 | .145,119 | .5,317,656 |
| 41. South Carolina | SC | L | .1,690 | (12,216) | .434,961 | .319,756 | .9,903,948 |
| 42. South Dakota | SD | L | (2,947) | (228) | (110,946) | .2,015 | .308,858 |
| 43. Tennessee | TN | L | .6,569 | (542) | .255,205 | .133,055 | .8,903,139 |
| 44. Texas | TX | L | | (99,060) | .1,452,628 | .1,180,563 | .65,288,165 |
| 45. Utah | UT | L | .6,389 | .51 | .6,414 | .51,623 | .381,720 |
| 46. Vermont | VT | L | .733 | .432 | .51,731 | .120,954 | .591,906 |
| 47. Virginia | VA | L | .1,171 | .5,731 | .652,099 | .307,013 | .6,967,794 |
| 48. Washington | WA | L | .4,449 | (10,029) | .3,431,495 | .765,545 | .2,629,163 |
| 49. West Virginia | WV | L | .1,030 | (1) | .4,560 | (25,277) | .175,329 |
| 50. Wisconsin | WI | L | .417,385 | (297,864) | .102,584 | .1,160,318 | .3,475,890 |
| 51. Wyoming | WY | L | .58 | (6) | .5,186 | .3,078 | .126,669 |
| 52. American Samoa | AS | N | | 0 | | 0 | 0 |
| 53. Guam | GU | N | | 0 | | 0 | 0 |
| 54. Puerto Rico | PR | N | | 0 | (6,181) | (22,504) | .544,188 |
| 55. U.S. Virgin Islands | VI | N | | 0 | | 0 | 0 |
| 56. Northern Mariana Islands | MP | N | | 0 | | 0 | 0 |
| 57. Canada | CN | L | .2,346 | (72,446) | | .12,743 | .1,003,797 |
| 58. Aggregate Other Alien | OT | XXX | (1,055,682) | .53 | .2,110,716 | .3,128 | .2,916,919 |
| 59. Totals | | (a) 50 | (2,943,162) | (572,346) | 13,816,929 | 53,073,715 | 587,705,001 |
| DETAILS OF WRITE-INS | | | | | | | |
| 5801. Asia | | XXX | .12,675 | 0 | | .3,128 | .630,410 |
| 5802. Australia | | XXX | (1,054,365) | 0 | | 0 | .245 |
| 5803. Europe | | XXX | (12,675) | 0 | .2,110,716 | 0 | .2,282,024 |
| 5898. Summary of remaining write-ins for Line 58 from overflow page | | XXX | (1,317) | .53 | .0 | 0 | .4,240 |
| 5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above) | | XXX | (1,055,682) | 53 | 2,110,716 | 3,128 | 2,916,919 |
| | | | | | | | (15,448,778) |

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

STATEMENT AS OF MARCH 31, 2009 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY

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



STATEMENT AS OF MARCH 31, 2009 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY

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 | .51 | .7,176 | 14,070.6 | 1,260.4 |
| 2. Allied Lines | .3 | -(866) | (28,866.7) | (8.3) |
| 3. Farmowners multiple peril | | 0.0 | 0.0 | 0.0 |
| 4. Homeowners multiple peril | .16 | -(793) | (4,956.3) | 2,744.7 |
| 5. Commercial multiple peril | (25,271) | 15,071 | (59.6) | (19.1) |
| 6. Mortgage guaranty | | 0.0 | 0.0 | 0.0 |
| 8. Ocean marine | | 0.0 | 0.0 | 0.0 |
| 9. Inland marine | .37 | 221 | .597.3 | 11.5 |
| 10. Financial guaranty | | 0.0 | 0.0 | 0.0 |
| 11.1 Medical professional liability - occurrence | | .18 | 0.0 | 0.0 |
| 11.2 Medical professional liability - claims-made | | .168 | 0.0 | 0.0 |
| 12. Earthquake | | 0.0 | 0.0 | 0.0 |
| 13. Group accident and health | | 480,008 | 0.0 | 0.0 |
| 14. Credit accident and health | | 0.0 | 0.0 | 0.0 |
| 15. Other accident and health | 2,898 | 1,643 | .56.7 | 0.0 |
| 16. Workers' compensation | (2,495,739) | (339,669) | 13.6 | 1,643.3 |
| 17.1 Other liability - occurrence | (584,336) | 344,071 | (58.9) | (739.4) |
| 17.2 Other liability - claims-made | 115,575 | 170,857 | 147.8 | 78.1 |
| 18.1 Products liability - occurrence | 7,323 | 964,332 | 13,168.5 | 1,684.1 |
| 18.2 Products liability - claims-made | | (4,224) | 0.0 | 0.0 |
| 19.1,19.2 Private passenger auto liability | | 2,997 | 0.0 | 0.0 |
| 19.3,19.4 Commercial auto liability | .88,078 | 105,411 | 119.7 | (5,102.2) |
| 21. Auto physical damage | .669 | (1,023) | (152.9) | 0.0 |
| 22. Aircraft (all perils) | | 12,138 | 0.0 | (4,122.2) |
| 23. Fidelity | | .119 | 0.0 | 0.0 |
| 24. Surety | 117,940 | (117,539) | (99.7) | (179.5) |
| 26. Burglary and theft | | 0.0 | 0.0 | 0.0 |
| 27. Boiler and machinery | | 0.0 | 0.0 | 0.0 |
| 28. Credit | | 0.0 | 0.0 | 0.0 |
| 29. International | | 0.0 | 0.0 | 0.0 |
| 30. Warranty | | 103,445 | 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 | (2,772,756) | 1,743,561 | (62.9) | 1,847.0 |
| DETAILS OF WRITE-INS | | | | |
| 3401. | | | | |
| 3402. | | | | |
| 3403. | | | | |
| 3498. Summary 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 above) | 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 | | (85) |
| 2. Allied Lines | .0 | | (187) |
| 3. Farmowners multiple peril | .0 | | 0 |
| 4. Homeowners multiple peril | .16 | .16 | 0 |
| 5. Commercial multiple peril | (25,271) | (25,271) | 0 |
| 6. Mortgage guaranty | .0 | | 0 |
| 8. Ocean marine | .0 | | 0 |
| 9. Inland marine | .14 | .14 | 0 |
| 10. Financial guaranty | .0 | | 0 |
| 11.1 Medical professional liability - occurrence | .0 | | 0 |
| 11.2 Medical professional liability - claims-made | .0 | | 0 |
| 12. Earthquake | .0 | | 0 |
| 13. Group accident and health | .0 | | 0 |
| 14. Credit accident and health | .0 | | 0 |
| 15. Other accident and health | 2,898 | 2,898 | 0 |
| 16. Workers' compensation | (2,495,743) | (2,495,743) | (615,569) |
| 17.1 Other liability - occurrence | (584,336) | (584,336) | (68,091) |
| 17.2 Other liability - claims-made | .0 | | (3,000) |
| 18.1 Products liability - occurrence | 2,896 | 2,896 | .69,339 |
| 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 | .88,078 | .88,078 | (3,522) |
| 21. Auto physical damage | .669 | .669 | 0 |
| 22. Aircraft (all perils) | .0 | | (212) |
| 23. Fidelity | .0 | | 0 |
| 24. Surety | .67,617 | .67,617 | .48,981 |
| 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 | (2,943,162) | (2,943,162) | (572,346) |
| DETAILS OF WRITE-INS | | | |
| 3401. | | | |
| 3402. | | | |
| 3403. | | | |
| 3498. Summary of remaining write-ins for Line 34 from overflow page | .0 | .0 | 0 |
| 3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above) | 0 | 0 | 0 |

STATEMENT AS OF MARCH 31, 2009 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

STATEMENT AS OF MARCH 31, 2009 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing 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?YES.....
3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?NO.....

Explanation:

1.

3.

Bar Code:

1.  2 2 9 7 7 2 0 0 9 4 9 0 0 0 0 0 1

3.  2 2 9 7 7 2 0 0 9 3 6 5 0 0 0 0 1

OVERFLOW PAGE FOR WRITE-INS

PQ002 Additional Aggregate Lines for Page 02 Line 23.

*ASSETS

| | 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | 4 December 31 Prior Year Net Admitted Assets |
|---|-------------|-------------------------|---|---|
| 2304. Other admitted assets..... | 67,819,860 | 5,825,550 | 61,994,310 | 65,155,642 |
| 2397. Summary of remaining write-ins for Line 23 from Page 02 | 67,819,860 | 5,825,550 | 61,994,310 | 65,155,642 |

PQ010 Additional Aggregate Lines for Page 10 Line 58.

*SCT

| | 1 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 |
|--|-----------------------|------------------------------|----------------------------|------------------------------|----------------------------|------------------------------|----------------------------|
| 5804. Central & South America..... | XXX..... |0 |0 |0 |0 | 3,904 | (11,178) |
| 5805. Africa..... | XXX..... | (1,317) | 53 |0 |0 | 336 | (116) |
| 5897. Summary of remaining write-ins for Line 58 from Page 10 | XXX | (1,317) | 53 | 0 | 0 | 4,240 | (11,294) |

STATEMENT AS OF MARCH 31, 2009 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY

SCHEDULE A - VERIFICATION

Real Estate

| | 1 Year to Date | 2 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 | 0 |
| 2.2 Additional investment made after acquisition | 0 | 0 |
| 3. Current year change in encumbrances | 0 | 0 |
| 4. Total gain (loss) on disposals | 59,500 | 59,500 |
| 5. Deduct amounts received on disposals | 59,500 | 59,500 |
| 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 |
|---|-------------------|--------------------------------------|
| 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 |

NONE

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year | 5,966,691 | 6,171,061 |
| 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 | 61,986 | 539,941 |
| 5. Unrealized valuation increase (decrease) | 0 | 0 |
| 6. Total gain (loss) on disposals | 154,827 | 122,327 |
| 7. Deduct amounts received on disposals | 154,827 | 866,638 |
| 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) | 5,873,850 | 5,966,691 |
| 12. Deduct total nonadmitted amounts | 0 | 0 |
| 13. Statement value at end of current period (Line 11 minus Line 12) | 5,873,850 | 5,966,691 |

SCHEDULE D – VERIFICATION

Bonds and Stocks

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|---|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year | 1,090,079,364 | 1,205,289,111 |
| 2. Cost of bonds and stocks acquired | 135,871,497 | 544,635,925 |
| 3. Accrual of discount | 340,428 | 2,418,193 |
| 4. Unrealized valuation increase (decrease) | 684,927 | 10,227,699 |
| 5. Total gain (loss) on disposals | 80,210 | 10,312,582 |
| 6. Deduct consideration for bonds and stocks disposed of | 140,287,910 | 677,845,134 |
| 7. Deduct amortization of premium | 1,503,688 | 4,930,780 |
| 8. Total foreign exchange change in book/adjusted carrying value | 0 | 0 |
| 9. Deduct current year's other than temporary impairment recognized | 1,049,152 | 28,232 |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7+8-9) | 1,084,215,676 | 1,090,079,364 |
| 11. Deduct total nonadmitted amounts | 0 | 0 |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 1,084,215,676 | 1,090,079,364 |

STATEMENT AS OF MARCH 31, 2009 OF THE LUMBERMENS MUTUAL CASUALTY 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)..... | 1,094,249,790 | 286,930,910 | 326,859,003 | (9,211,637) | 1,045,110,059 | 0 | 0 | 1,094,249,790 |
| 2. Class 2 (a)..... | 13,614,020 | 0 | 0 | 3,715,556 | 17,329,576 | 0 | 0 | 13,614,020 |
| 3. Class 3 (a)..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. Class 4 (a)..... | 0 | 0 | 673,583 | 4,038,444 | 3,364,861 | 0 | 0 | 0 |
| 5. Class 5 (a)..... | 2,283,696 | 0 | 398,512 | 427,140 | 2,312,324 | 0 | 0 | 2,283,696 |
| 6. Class 6 (a) | 495,000 | 0 | 288,458 | (132,292) | 74,250 | 0 | 0 | 495,000 |
| 7. Total Bonds | 1,110,642,505 | 286,930,910 | 328,219,556 | (1,162,790) | 1,068,191,070 | 0 | 0 | 1,110,642,505 |
| PREFERRED STOCK | | | | | | | | |
| 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 | 1,110,642,505 | 286,930,910 | 328,219,556 | (1,162,790) | 1,068,191,070 | 0 | 0 | 1,110,642,505 |

(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

STATEMENT AS OF MARCH 31, 2009 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY

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 | 53,376,844 | XXX | 53,374,507 | 29,652 | 0 |

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..... | 90,308,150 | 146,965,401 |
| 2. Cost of short-term investments acquired | 151,059,413 | 750,287,957 |
| 3. Accrual of discount..... | 41,537 | 580,789 |
| 4. Unrealized valuation increase (decrease)..... | | 0 |
| 5. Total gain (loss) on disposals..... | | 143,933 |
| 6. Deduct consideration received on disposals..... | 188,014,713 | 807,627,060 |
| 7. Deduct amortization of premium..... | 17,543 | 42,869 |
| 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)..... | 53,376,844 | 90,308,150 |
| 11. Deduct total nonadmitted amounts..... | | 0 |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 53,376,844 | 90,308,150 |

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

SCHEDULE E-VERIFICATION

(Cash Equivalents)

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year..... | 0 | 241,815 |
| 2. Cost of cash equivalents acquired..... | 0 | 59,864,221 |
| 3. Accrual of discount..... | 0 | 22,515 |
| 4. Unrealized valuation increase (decrease)..... | 0 | 0 |
| 5. Total gain (loss) on disposals..... | 0 | 0 |
| 6. Deduct consideration received on disposals..... | 0 | 60,127,894 |
| 7. Deduct amortization of premium..... | 0 | 656 |
| 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)..... | 0 | 0 |
| 11. Deduct total nonadmitted amounts..... | 0 | 0 |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 0 | 0 |

Schedule A - Part 2
NONE

Schedule A - Part 3
NONE

Schedule B - Part 2
NONE

Schedule B - Part 3
NONE

STATEMENT AS OF MARCH 31, 2009 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets ACQUIRED During the Current Quarter

NON E

3999999 – Total Unaffiliated

4099999 – Total Affiliated

4199999 Totals

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STATEMENT AS OF MARCH 31, 2009 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY

SCHEDULE BA - PART 3

Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Quarter

| 1 CUSIP Identification | 2 Name or Description | Location | | 5 Name of Purchaser or Nature of Disposal | 6 Date Originally Acquired | 7 Disposal Date | 8 Book/Adjusted Carrying Value Less Encumbrances, Prior Year | Change in Book/Adjusted Carrying Value | | | | | 15 Book/Adjusted Carrying Value Less Encumbrances on Disposal | 16 Consideration | 17 Foreign Exchange Gain (Loss) on Disposal | 18 Realized Gain (Loss) on Disposal | 19 Total Gain (Loss) on Disposal | 20 Investment Income | | |
|---|--|-------------|------------|---|-------------------------------------|-----------------------|---|--|--|---|--|--|--|---------------------|---|--|---|----------------------------|----|--------|
| | | 3 City | 4 State | | | | | 9 Unrealized Valuation Increase (Decrease) | 10 Current Year's (Depreciation) or (Amortization)/ Accretion | 11 Current Year's Other Than Temporary Impairment Recognized | 12 Capitalized Deferred Interest and Other | 13 Total Change in B./A.C.V. (9+10-11+12) | 14 Total Foreign Exchange Change in B./A.C.V. | | | | | | | |
| 0199999 - 01 | and Gas Production - Unaffiliated | | | | | | .0 | | .0 | | | .0 | | .0 | | | | | .0 | |
| ..000000-00-0... | Community Eldercare Svcs. LLC 5% Nt 09/30/2010..... | Tupelo..... | MS..... | Paydown..... | 07/31/2007 | 02/28/2009 | 98,347 | | 56,480 | | | 56,480 | | 154,827 | 154,827 | | | | .0 | 57,772 |
| 0799999 - Fixed or Variable Rate - Bonds - Unaffiliated | | | | | | | 98,347 | | 56,480 | | | 56,480 | | 154,827 | 154,827 | | | | | 57,772 |
| | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | |
| 3999999 - Total Unaffiliated | | | | | | | 98,347 | 0 | 56,480 | 0 | 0 | 56,480 | 0 | 154,827 | 154,827 | 0 | 0 | 0 | 0 | 57,772 |
| 4099999 - Total Affiliated | | | | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 4199999 Totals | | | | | | | 98,347 | 0 | 56,480 | 0 | 0 | 56,480 | 0 | 154,827 | 154,827 | 0 | 0 | 0 | 0 | 57,772 |

STATEMENT AS OF MARCH 31, 2009 OF THE LUMBERMENS MUTUAL CASUALTY 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 ^(a) |
|--|-------------------------------------|--------------|--------------------|---------------------------------|-----------------------------------|---------------------|-------------------|---|--|
| .17313U-AE-9..... | CITIGROUP INC..... | | .01/23/2009..... | CITIGROUP..... | | .11,976,720..... | .12,000,000..... | 0..... | .1FE..... |
| 31394E-MS-4..... | FNR 2005-62 DB..... | | .01/30/2009..... | JEFFERIES & CO..... | | .10,378,125..... | .10,000,000..... | .4,583..... | .1FE..... |
| 31394U-MV-1..... | FNR 2005-97 HB..... | | .01/28/2009..... | FIRST TENNESSEE BANK..... | | .15,525,000..... | .15,000,000..... | .2,083..... | .1FE..... |
| 31395C-PK-1..... | FHR 2825 HB..... | | .01/26/2009..... | STIFEL NICOLAUS..... | | .15,257,813..... | .15,000,000..... | .3,750..... | .1FE..... |
| 481247-AG-9..... | JP MORGAN CHASE..... | | .02/18/2009..... | JP MORGAN SECURITIES..... | | .7,996,880..... | .8,000,000..... | 0..... | .1FE..... |
| 650035-RN-0..... | NEW YORK ST URBAN DEV CORP REV..... | | .01/09/2009..... | CITIGROUP..... | | .6,135,000..... | .6,135,000..... | 0..... | .1FE..... |
| 85744R-AA-0..... | STATE STREET BANK & TR..... | | .03/17/2009..... | GOLDMAN SACHS & CO..... | | .7,996,160..... | .8,000,000..... | 0..... | .1FE..... |
| 85748K-AA-1..... | STATE STREET CORP..... | | .03/03/2009..... | GOLDMAN SACHS & CO..... | | .2,596,256..... | .2,600,000..... | 0..... | .1FE..... |
| 3199999 - Total - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of... | | | | | | .77,861,954..... | .76,735,000..... | .10,417..... | XXX..... |
| .05947U-HM-3..... | BACM 2002-2 A3..... | | .01/22/2009..... | CITIGROUP..... | | .4,474,898..... | .4,650,000..... | .17,188..... | .1FE..... |
| 191216-AL-4..... | COCA-COLA CO..... | | .03/04/2009..... | CITIGROUP..... | | .4,989,500..... | .5,000,000..... | .1,510..... | .1FE..... |
| 207678-AE-3..... | CTRRB 2001-1 A5..... | | .01/08/2009..... | CITIGROUP..... | | .3,054,332..... | .2,977,000..... | .6,676..... | .1FE..... |
| 22540V-P2-2..... | CSFB 2002-CKN2 A3..... | | .01/28/2009..... | CREDIT SUISSE FIRST BOSTON..... | | .4,287,129..... | .4,350,000..... | .741..... | .1FE..... |
| 52108H-FL-3..... | LBUBS 2001-C3 A2..... | | .02/18/2009..... | JEFFERIES & CO..... | | .2,383,500..... | .2,400,000..... | .5,092..... | .1FE..... |
| .713448-BK-3..... | PEPSICO INC..... | | .03/06/2009..... | MORGAN STANLEY & CO..... | | .8,049,760..... | .8,000,000..... | .7,500..... | .1FE..... |
| .717081-CZ-4..... | PFIZER INC..... | | .03/17/2009..... | CITIGROUP..... | | .9,986,300..... | .10,000,000..... | 0..... | .1FE..... |
| 911312-AL-0..... | UNITED PARCEL SERVICE..... | | .03/19/2009..... | CITIGROUP..... | | .5,787,124..... | .5,800,000..... | 0..... | .1FE..... |
| .055650-BG-2..... | BP CAPITAL MARKETS PLC..... | F..... | .03/05/2009..... | BARCLAYS CAPITAL..... | | .4,999,700..... | .5,000,000..... | 0..... | .1FE..... |
| .822552-AF-9..... | SHELL INTERNATIONAL FIN..... | F..... | .03/18/2009..... | MORGAN STANLEY & CO..... | | .9,997,300..... | .10,000,000..... | 0..... | .1FE..... |
| 3899999 - Total - Bonds - Industrial, Misc. | | | | | | .58,009,544..... | .58,177,000..... | .38,707..... | XXX..... |
| 8399997 - Total - Bonds - Part 3 | | | | | | .135,871,497..... | .134,912,000..... | .49,124..... | XXX..... |
| 8399999 - Total - Bonds | | | | | | .135,871,497..... | .134,912,000..... | .49,124..... | 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 | | | | | | .135,871,497..... | XXX..... | .49,124..... | XXX..... |

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0

STATEMENT AS OF MARCH 31, 2009 OF THE LUMBERMENS MUTUAL CASUALTY 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 CUSIP Identifi- cation | 2 Description | 3 For eign | 4 Disposal Date | 5 Name of Purchaser | 6 Number of Shares of Stock | 7 Consideration | 8 Par Value | 9 Actual Cost | 10 Prior Year Book/Adjusted Carrying Value | Change in Book/Adjusted Carrying Value | | | | | 16 Book/ Adjusted Carrying Value at Disposal Date | 17 Foreign Exchange Gain (Loss) on Disposal | 18 Realized Gain (Loss) on Disposal | 19 Total Gain (Loss) on Disposal | 20 Bond Interest/Stock Dividends Received During Year | 21 Maturity Date | 22 NAIC Design- nation or Market Indicator (a) | | |
|--|-----------------------|------------------|-----------------------|------------------------|--------------------------------------|--------------------|----------------|------------------|--|--|--|---|--|---|--|---|--|---|--|------------------------|---|--------------|-------|
| | | | | | | | | | | 11 Unrealized Valuation Increase/ (Decrease) | 12 Current Year's (Amortization)/ Accretion | 13 Current Year's Other Than Temporary Impairment Recognized | 14 Total Change in B./A.C.V. (11 + 12 - 13) | 15 Total Foreign Exchange Change in B./A.C.V. | | | | | | | | | |
| 36225A-T9-1.. | GNMA 780576 | | 03/01/2009. | MBS PAYDOWN.. | | .395 | .395 | .422 | .396 | 0 | (1) | 0 | (1) | 0 | .395 | .0 | 0 | 0 | 0 | 6 | 03/01/2022.. | 1FE.. | |
| 0399999 - Bonds - U.S. Governments | | | | | | .395 | .395 | .422 | .396 | 0 | (1) | 0 | (1) | 0 | .395 | .0 | 0 | 0 | 0 | 6 | XXX | XXX | |
| 92813H-PP-5.. | VIRGINIA HSG DEV AUTH | | 03/01/2009. | MATURITY.. | | .625,000 | .625,000 | .669,750 | .626,951 | 0 | 0 | (.1,951) | 0 | (.1,951) | 0 | .625,000 | .0 | 0 | 0 | 0 | 20,938 | 03/01/2009.. | 1FE.. |
| 1799999 - Bonds - U.S. States, Territories and Possessions | | | | | | .625,000 | .625,000 | .669,750 | .626,951 | 0 | (1,951) | 0 | (1,951) | 0 | .625,000 | .0 | 0 | 0 | 0 | 20,938 | XXX | XXX | |
| 31282R-5B-6.. | FG M80842.. | | 03/01/2009. | MBS PAYDOWN.. | | 1,092,081 | 1,092,081 | 1,045,043 | 1,090,832 | 0 | 0 | 1,250 | 0 | 1,250 | 0 | 1,092,081 | .0 | 0 | 0 | 0 | 6,561 | 08/01/2010.. | 1FE.. |
| 31331G-Y9-4.. | FHR 2098 PG.. | | 03/01/2009. | MBS PAYDOWN.. | | .272,799 | .272,799 | .275,016 | .272,799 | 0 | 0 | 0 | 0 | 0 | 0 | .272,799 | .0 | 0 | 0 | 0 | 3,230 | 04/01/2009.. | 1FE.. |
| 31331V-GB-6.. | FHR 2355 V.. | | 03/01/2009. | MBS PAYDOWN.. | | .16,694 | .16,694 | .17,313 | .16,734 | 0 | 0 | (40) | 0 | 0 | 0 | .16,694 | .0 | 0 | 0 | 0 | 153 | 08/01/2010.. | 1FE.. |
| 31371H-X2-9.. | FNMA 252797.. | | 03/01/2009. | MBS PAYDOWN.. | | 1,067 | 1,067 | 1,133 | 1,069 | 0 | (2) | 0 | (2) | 0 | 1,067 | .0 | 0 | 0 | 0 | 12 | 01/01/2014.. | 1FE.. | |
| 31386F-4C-6.. | FNMA 562519.. | | 03/01/2009. | MBS PAYDOWN.. | | .55 | .55 | .59 | .56 | 0 | 0 | 0 | 0 | 0 | 0 | .55 | 0 | 0 | 0 | 0 | 1 | 11/01/2030.. | 1FE.. |
| 313900-FP-2.. | FNMA 652774.. | | 03/01/2009. | MBS PAYDOWN.. | | .80,722 | .80,722 | .84,727 | .80,781 | 0 | (59) | 0 | (59) | 0 | .80,722 | .0 | 0 | 0 | 0 | .986 | 01/01/2032.. | 1FE.. | |
| 31392W-MR-8.. | FHR 2515 GP.. | | 03/01/2009. | MBS PAYDOWN.. | | .64,109 | .64,109 | .65,602 | .64,266 | 0 | (157) | 0 | (157) | 0 | .64,109 | .0 | 0 | 0 | 0 | .724 | 10/01/2015.. | 1FE.. | |
| 31393E-RP-6.. | FNR 2003-83 PB.. | | 02/01/2009. | MBS PAYDOWN.. | | .487,350 | .487,350 | .476,537 | .485,090 | 0 | 0 | 2,261 | 0 | 0 | 0 | .487,350 | .0 | 0 | 0 | 0 | 2,019 | 02/01/2009.. | 1FE.. |
| 31393U-KB-8.. | FNR 2003-122 TU.. | | 03/01/2009. | MBS PAYDOWN.. | | .432,401 | .432,401 | .427,562 | .430,513 | 0 | 0 | 1,888 | 0 | 0 | 0 | .432,401 | .0 | 0 | 0 | 0 | 2,849 | 03/01/2009.. | 1FE.. |
| 31394E-PE-5.. | FNR 2005-57 PA.. | | 03/01/2009. | MBS PAYDOWN.. | | 1,585,898 | 1,585,898 | 1,611,669 | 1,588,295 | 0 | 0 | (2,397) | 0 | 0 | 0 | 1,585,898 | .0 | 0 | 0 | 0 | 14,534 | 09/01/2010.. | 1FE.. |
| 31394L-3U-4.. | FHR 2684 LC.. | | 03/01/2009. | MBS PAYDOWN.. | | 3,235,465 | 3,235,465 | 3,241,531 | 3,236,955 | 0 | 0 | (1,490) | 0 | 0 | 0 | 3,235,465 | .0 | 0 | 0 | 0 | 25,070 | 11/01/2009.. | 1FE.. |
| 31394L-U7-5.. | FHR 2707 ON.. | | 02/01/2009. | MBS PAYDOWN.. | | .200,980 | .200,980 | .200,010 | .200,495 | 0 | 0 | 485 | 0 | 0 | 0 | .200,980 | .0 | 0 | 0 | 0 | 1,006 | 02/01/2009.. | 1FE.. |
| 31394T-CA-7.. | FHR 2759 BH.. | | 03/01/2009. | MBS PAYDOWN.. | | 1,884,671 | 1,884,671 | 1,886,223 | 1,884,671 | 0 | 0 | (1,552) | 0 | 0 | 0 | 1,884,671 | .0 | 0 | 0 | 0 | 16,576 | 05/01/2010.. | 1FE.. |
| 31394T-V8-3.. | FHR 2764 OB.. | | 03/01/2009. | MBS PAYDOWN.. | | 1,037,262 | 1,037,262 | 1,021,125 | 1,035,754 | 0 | 0 | 1,508 | 0 | 0 | 0 | 1,037,262 | .0 | 0 | 0 | 0 | 7,083 | 06/01/2009.. | 1FE.. |
| 31394X-EB-8.. | FHR 2781 TX.. | | 03/01/2009. | MBS PAYDOWN.. | | 4,601,456 | 4,601,456 | 4,490,182 | 4,587,821 | 0 | 0 | 13,634 | 0 | 0 | 0 | 4,601,456 | .0 | 0 | 0 | 0 | 25,634 | 04/01/2009.. | 1FE.. |
| 31395F-T0-7.. | FHR 2857 TE.. | | 03/01/2009. | MBS PAYDOWN.. | | 3,211,886 | 3,211,886 | 3,186,361 | 3,208,964 | 0 | 0 | 2,922 | 0 | 0 | 0 | 3,211,886 | .0 | 0 | 0 | 0 | 24,455 | 11/01/2009.. | 1FE.. |
| 31395H-CG-2.. | FHR 2886 WN.. | | 03/01/2009. | MBS PAYDOWN.. | | 3,072,897 | 3,072,897 | 3,095,464 | 3,075,986 | 0 | 0 | (3,088) | 0 | 0 | 0 | 3,072,897 | .0 | 0 | 0 | 0 | 27,958 | 01/01/2010.. | 1FE.. |
| 31395J-VL-7.. | FHR 2888 GB.. | | 03/01/2009. | MBS PAYDOWN.. | | 3,565,277 | 3,565,277 | 3,578,369 | 3,567,261 | 0 | 0 | (1,983) | 0 | 0 | 0 | 3,565,277 | .0 | 0 | 0 | 0 | 23,429 | 09/01/2009.. | 1FE.. |
| 31395M-G7-8.. | FHR 2937 JC.. | | 03/01/2009. | MBS PAYDOWN.. | | 155,321 | 155,321 | 155,632 | 155,346 | 0 | 0 | (25) | 0 | 0 | 0 | 155,321 | .0 | 0 | 0 | 0 | 1,448 | 10/01/2009.. | 1FE.. |
| 31395P-DP-4.. | FHR 2943 JB.. | | 03/01/2009. | MBS PAYDOWN.. | | 1,673,850 | 1,673,850 | 1,681,621 | 1,675,126 | 0 | 0 | (1,275) | 0 | 0 | 0 | 1,673,850 | .0 | 0 | 0 | 0 | 13,908 | 01/01/2010.. | 1FE.. |
| 31396G-S4-4.. | FHR 3098 KB.. | | 03/01/2009. | MBS PAYDOWN.. | | .92,028 | .92,028 | .93,197 | .92,152 | 0 | 0 | (124) | 0 | 0 | 0 | .92,028 | .0 | 0 | 0 | 0 | .821 | 07/01/2010.. | 1FE.. |
| 3199999 - Total - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of... | | | | | | 26,764,270 | 26,764,270 | 26,644,014 | 26,752,514 | 0 | 0 | 11,756 | 0 | 11,756 | 0 | 26,764,270 | 0 | 0 | 0 | 0 | 198,456 | XXX | XXX |
| 032165-AF-9.. | AMSOUTH BANCORP.. | | 03/01/2009. | MATURITY.. | | 1,000,000 | 1,000,000 | 1,020,210 | 1,020,210 | 0 | (20,210) | 0 | (20,210) | 0 | 1,000,000 | .0 | 0 | 0 | 0 | 30,625 | 03/01/2009.. | 1FE.. | |
| 066050-CV-5.. | BNK OF AMERICA CORP.. | | 02/15/2009. | MATURITY.. | | 15,000,000 | 15,000,000 | 15,234,850 | 15,012,600 | 0 | (12,600) | 0 | (12,600) | 0 | 15,000,000 | .0 | 0 | 0 | 0 | 440,625 | 02/15/2009.. | 1FE.. | |
| 084670-C7-7.. | BOND.. | | 01/20/2009. | CALLED at 100.000.. | | 17,937,088 | 17,937,088 | 17,937,088 | 17,937,088 | 0 | 0 | 0 | 0 | 0 | 0 | 17,937,088 | .0 | 0 | 0 | 0 | 4,659 | 03/31/2025.. | 1.. |
| 084670-C0-5.. | BOND.. | | 03/27/2009. | CALLED at 100.000.. | | 15,050,000 | 15,050,000 | 15,050,000 | 15,050,000 | 0 | 0 | 0 | 0 | 0 | 0 | 15,050,000 | .0 | 0 | 0 | 0 | 46,079 | 07/01/2033.. | 1.. |
| 12613X-CR-0.. | CHN 2005 - A A4B.. | | 02/15/2009. | MBS PAYDOWN.. | | 2,069,393 | 2,069,393 | 2,036,412 | 2,064,264 | 0 | 5,130 | 0 | 5,130 | 0 | 2,069,393 | .0 | 0 | 0 | 0 | 13,633 | 02/15/2009.. | 1FE.. | |
| 12668X-AA-3.. | CWL 2006-S8 A1.. | | 03/25/2009. | MBS PAYDOWN.. | | .673,583 | .673,583 | .673,583 | .673,583 | 0 | 0 | 0 | 0 | 0 | 0 | .673,583 | .0 | 0 | 0 | 0 | .709 | 11/25/2009.. | 4FE.. |
| 161505-DK-5.. | CMSC 1999-2 A2.. | | 03/01/2009. | MBS PAYDOWN.. | | .665,388 | .665,388 | .685,103 | .666,594 | 0 | (1,207) | 0 | (1,207) | 0 | .665,388 | .0 | 0 | 0 | 0 | .8,752 | 11/01/2009.. | 1FE.. | |
| 16163F-AH-8.. | CHASE 2007-S1 A8.. | | 03/01/2009. | MBS PAYDOWN.. | | 1,312,947 | 1,312,947 | 1,315,409 | 1,312,947 | 0 | 0 | 0 | 0 | 0 | 0 | 1,312,947 | .0 | 0 | 0 | 0 | .15,832 | 06/01/2010.. | 1FE.. |
| 172967-CH-2.. | CITIGROUP INC.. | | 02/09/2009. | MATURITY.. | | 15,000,000 | 15,000,000 | 14,707,350 | 14,978,331 | 0 | 21,669 | 0 | 21,669 | 0 | 15,000,000 | .0 | 0 | 0 | 0 | .271,875 | 02/09/2009.. | 1FE.. | |
| 17305E-DZ-0.. | CCTC 2006-A2 A2.. | | 02/10/2009. | MBS PAYDOWN.. | | 15,000,000 | 15,000,000 | 14,938,095 | 14,992,134 | 0 | 7,866 | 0 | 7,866 | 0 | 15,000,000 | .0 | 0 | 0 | 0 | .363,750 | 02/10/2009.. | 1FE.. | |
| 207678-EE-3.. | CTRB 2001-1 A5.. | | 03/30/2009. | MBS PAYDOWN.. | | .373,846 | .373,846 | .383,557 | .373,846 | 0 | (495) | 0 | (495) | 0 | .373,846 | .0 | 0 | 0 | 0 | .0 | 12/30/2010.. | 1FE.. | |
| 22541N-S6-7.. | CSFR 2003-C2 A2.. | | 03/01/2009. | MBS PAYDOWN.. | | .230,941 | .230,941 | .228,109 | .230,746 | 0 | 0 | 196 | 0 | 0 | 0 | .230,941 | .0 | 0 | 0 | 0</ | | | |

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

STATEMENT AS OF MARCH 31, 2009 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

| 1 Depository | 2 Code | 3 Rate of Interest | 4 Amount of Interest Received During Current Quarter | 5 Amount of Interest Accrued at Current Statement Date | Book Balance at End of Each Month During Current Quarter | | | 9 * |
|--|-----------|-----------------------------|--|--|---|-------------------|------------------|--------|
| | | | | | 6 First Month | 7 Second Month | 8 Third Month | |
| Bank One.....Chicago, IL..... | | | | 572,875 | 406,230 | 383,278 | | XXX |
| BNY Mellon Trust Company of Illinois.....Chicago, IL..... | | | 2,683 | (4,611,705) | (4,764,905) | (6,369,198) | | XXX |
| Dominion Bank.....Toronto, Ontario, Canada..... | | | | 98,072 | 57,495 | 64,300 | | XXX |
| Royal Trust Company.....Toronto, Ontario, Canada..... | | | 24 | 18,437 | 18,441 | 13,789 | | XXX |
| Wells Fargo.....San Francisco, CA..... | | | | 2,933,212 | 3,656,043 | 4,504,781 | | XXX |
| Federal Reserve Bank of St. Louis.....St. Louis, MO..... | | | | | | 3,860,000 | | XXX |
| 0199998 Deposits in depositories that do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories | XXX | XXX | | | | | | XXX |
| 0199999 Totals - Open Depositories | XXX | XXX | 2,707 | | (989,109) | (626,696) | 2,456,950 | XXX |
| | | | | | | | | |
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| | | | | | | | | |
| 0399999 Total Cash on Deposit | XXX | XXX | 2,707 | | (989,109) | (626,696) | 2,456,950 | XXX |
| 0499999 Cash in Company's Office | XXX | XXX | XXX | XXX | | | | XXX |
| 0599999 Total Cash | XXX | XXX | 2,707 | | (989,109) | (626,696) | 2,456,950 | XXX |

Schedule E - Part 2 - Cash Equivalents
NONE



SUPPLEMENT FOR MARCH 31, 2009 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY

Designate the type of health care providers
reported on this page
Physicians

**SUPPLEMENT "A" TO SCHEDULE T
EXHIBIT OF MEDICAL PROFESSIONAL LIABILITY PREMIUMS WRITTEN
ALLOCATED BY STATES AND TERRITORIES**

| States, Etc. | 1 Direct Premiums Written | 2 Direct Premiums Earned | Direct Losses Paid | | 5 Direct Losses Incurred | Direct Losses Unpaid | | 8 Direct Losses Incurred But Not Reported |
|--|------------------------------------|-----------------------------------|--------------------|--------------------------|-----------------------------------|-------------------------|--------------------------|--|
| | | | 3 Amount | 4 Number of Claims | | 6 Amount Reported | 7 Number of Claims | |
| 1. Alabama | AL | | | | | | | |
| 2. Alaska | AK | | | | | | | |
| 3. Arizona | AZ | | | | | | | |
| 4. Arkansas | AR | | | | | | | |
| 5. California | CA | | | | | | | |
| 6. Colorado | CO | | | | | | | |
| 7. Connecticut | CT | | | | | | | |
| 8. Delaware | DE | | | | | | | |
| 9. District of Columbia | DC | | | | | | | |
| 10. Florida | FL | | | | | | | |
| 11. Georgia | GA | | | | | | | |
| 12. Hawaii | HI | | | | | | | |
| 13. Idaho | ID | | | | | | | |
| 14. Illinois | IL | | | | | | | |
| 15. Indiana | IN | | | | | | | |
| 16. Iowa | IA | | | | | | | |
| 17. Kansas | KS | | | | | | | |
| 18. Kentucky | KY | | | | | | | |
| 19. Louisiana | LA | | | | | | | |
| 20. Maine | ME | | | | | | | |
| 21. Maryland | MD | | | | | | | |
| 22. Massachusetts | MA | | | | | | | |
| 23. Michigan | MI | | | | | | | |
| 24. Minnesota | MN | | | | | | | |
| 25. Mississippi | MS | | | | | | | |
| 26. Missouri | MO | | | | | | | |
| 27. Montana | MT | | | | | | | |
| 28. Nebraska | NE | | | | | | | |
| 29. Nevada | NV | | | | | | | |
| 30. New Hampshire | NH | | | | | | | |
| 31. New Jersey | NJ | | | | | | | |
| 32. New Mexico | NM | | | | | | | |
| 33. New York | NY | | | | | | | |
| 34. North Carolina | NC | | | | | | | |
| 35. North Dakota | ND | | | | | | | |
| 36. Ohio | OH | | | | | | | |
| 37. Oklahoma | OK | | | | | | | |
| 38. Oregon | OR | | | | | | | |
| 39. Pennsylvania | PA | | | | | | | |
| 40. Rhode Island | RI | | | | | | | |
| 41. South Carolina | SC | | | | | | | |
| 42. South Dakota | SD | | | | | | | |
| 43. Tennessee | TN | | | | | | | |
| 44. Texas | TX | | | | | | | |
| 45. Utah | UT | | | | | | | |
| 46. Vermont | VT | | | | | | | |
| 47. Virginia | VA | | | | | | | |
| 48. Washington | WA | | | | | | | |
| 49. West Virginia | WV | | | | | | | |
| 50. Wisconsin | WI | | | | | | | |
| 51. Wyoming | WY | | | | | | | |
| 52. American Samoa | AS | | | | | | | |
| 53. Guam | GU | | | | | | | |
| 54. Puerto Rico | PR | | | | | | | |
| 55. U.S. Virgin Islands | VI | | | | | | | |
| 56. Northern Mariana Islands | MP | | | | | | | |
| 57. Canada | CN | | | | | | | |
| 58. Aggregate other alien | OT | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 59. Totals | | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| DETAILS OF WRITE-INS | | | | | | | | |
| 5801. | | | | | | | | |
| 5802. | | | | | | | | |
| 5803. | | | | | | | | |
| 5898. Summary of remaining write-ins for Line 58 from overflow page | | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5899. Totals (Lines 5801 thru 5803 plus 5898) (Line 58 above) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 |



SUPPLEMENT FOR MARCH 31, 2009 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY

Designate the type of health care providers
reported on this page
Hospitals

**SUPPLEMENT "A" TO SCHEDULE T
EXHIBIT OF MEDICAL PROFESSIONAL LIABILITY PREMIUMS WRITTEN
ALLOCATED BY STATES AND TERRITORIES**

| States, Etc. | 1 Direct Premiums Written | 2 Direct Premiums Earned | Direct Losses Paid | | 5 Direct Losses Incurred | Direct Losses Unpaid | | 8 Direct Losses Incurred But Not Reported |
|--|------------------------------------|-----------------------------------|--------------------|--------------------------|-----------------------------------|-------------------------|--------------------------|--|
| | | | 3 Amount | 4 Number of Claims | | 6 Amount Reported | 7 Number of Claims | |
| 1. Alabama | AL | | | | | | | |
| 2. Alaska | AK | | | | | | | |
| 3. Arizona | AZ | | | | | | | |
| 4. Arkansas | AR | | | | | | | |
| 5. California | CA | | | | | | | |
| 6. Colorado | CO | | | | | | | |
| 7. Connecticut | CT | | | | | | | |
| 8. Delaware | DE | | | | | | | |
| 9. District of Columbia | DC | | | | | | | |
| 10. Florida | FL | | | | | | | |
| 11. Georgia | GA | | | | | | | |
| 12. Hawaii | HI | | | | | | | |
| 13. Idaho | ID | | | | | | | |
| 14. Illinois | IL | | | | | | | |
| 15. Indiana | IN | | | | | | | |
| 16. Iowa | IA | | | | | | | |
| 17. Kansas | KS | | | | | | | |
| 18. Kentucky | KY | | | | | | | |
| 19. Louisiana | LA | | | | | | | |
| 20. Maine | ME | | | | | | | |
| 21. Maryland | MD | | | | | | | |
| 22. Massachusetts | MA | | | | | | | |
| 23. Michigan | MI | | | | | | | |
| 24. Minnesota | MN | | | | | | | |
| 25. Mississippi | MS | | | | | | | |
| 26. Missouri | MO | | | | | | | |
| 27. Montana | MT | | | | | | | |
| 28. Nebraska | NE | | | | | | | |
| 29. Nevada | NV | | | | | | | |
| 30. New Hampshire | NH | | | | | | | |
| 31. New Jersey | NJ | | | | | | | |
| 32. New Mexico | NM | | | | | | | |
| 33. New York | NY | | | | | | | |
| 34. North Carolina | NC | | | | | | | |
| 35. North Dakota | ND | | | | | | | |
| 36. Ohio | OH | | | | | | | |
| 37. Oklahoma | OK | | | | | | | |
| 38. Oregon | OR | | | | | | | |
| 39. Pennsylvania | PA | | | | | | | |
| 40. Rhode Island | RI | | | | | | | |
| 41. South Carolina | SC | | | | | | | |
| 42. South Dakota | SD | | | | | | | |
| 43. Tennessee | TN | | | | | | | |
| 44. Texas | TX | | | | | | | |
| 45. Utah | UT | | | | | | | |
| 46. Vermont | VT | | | | | | | |
| 47. Virginia | VA | | | | | | | |
| 48. Washington | WA | | | | | | | |
| 49. West Virginia | WV | | | | | | | |
| 50. Wisconsin | WI | | | | | | | |
| 51. Wyoming | WY | | | | | | | |
| 52. American Samoa | AS | | | | | | | |
| 53. Guam | GU | | | | | | | |
| 54. Puerto Rico | PR | | | | | | | |
| 55. U.S. Virgin Islands | VI | | | | | | | |
| 56. Northern Mariana Islands | MP | | | | | | | |
| 57. Canada | CN | | | | | | | |
| 58. Aggregate other alien | OT | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 59. Totals | | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| DETAILS OF WRITE-INS | | | | | | | | |
| 5801. | | | | | | | | |
| 5802. | | | | | | | | |
| 5803. | | | | | | | | |
| 5898. Summary of remaining write-ins for Line 58 from overflow page | | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5899. Totals (Lines 5801 thru 5803 plus 5898) (Line 58 above) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 |



SUPPLEMENT FOR MARCH 31, 2009 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY

Designate the type of health care providers
reported on this page

Other Health Care Professionals

**SUPPLEMENT "A" TO SCHEDULE T
EXHIBIT OF MEDICAL PROFESSIONAL LIABILITY PREMIUMS WRITTEN
ALLOCATED BY STATES AND TERRITORIES**

| States, Etc. | 1 Direct Premiums Written | 2 Direct Premiums Earned | Direct Losses Paid | | 5 Direct Losses Incurred | Direct Losses Unpaid | | 8 Direct Losses Incurred But Not Reported |
|------------------------------|--|-----------------------------------|--------------------|--------------------------|-----------------------------------|-------------------------|--------------------------|--|
| | | | 3 Amount | 4 Number of Claims | | 6 Amount Reported | 7 Number of Claims | |
| 1. Alabama | AL | | | | | | | |
| 2. Alaska | AK | | | | | | | |
| 3. Arizona | AZ | | | | | | | |
| 4. Arkansas | AR | | | | | | | |
| 5. California | CA | | | | | | | |
| 6. Colorado | CO | | | | | | | |
| 7. Connecticut | CT | | | | | | | |
| 8. Delaware | DE | | | | | | | |
| 9. District of Columbia | DC | | | | | | | |
| 10. Florida | FL | | | | | | | |
| 11. Georgia | GA | | | | | | | |
| 12. Hawaii | HI | | | | | | | |
| 13. Idaho | ID | | | | | | | |
| 14. Illinois | IL | | | | | | | |
| 15. Indiana | IN | | | | | | | |
| 16. Iowa | IA | | | | | | | |
| 17. Kansas | KS | | | | | | | |
| 18. Kentucky | KY | | | | | | | |
| 19. Louisiana | LA | | | | | | | |
| 20. Maine | ME | | | | | | | |
| 21. Maryland | MD | | | | | | | |
| 22. Massachusetts | MA | | | | | | | |
| 23. Michigan | MI | | | | | | | |
| 24. Minnesota | MN | | | | | | | |
| 25. Mississippi | MS | | | | | | | |
| 26. Missouri | MO | | | | | | | |
| 27. Montana | MT | | | | | | | |
| 28. Nebraska | NE | | | | | | | |
| 29. Nevada | NV | | | | | | | |
| 30. New Hampshire | NH | | | | | | | |
| 31. New Jersey | NJ | | | | | | | |
| 32. New Mexico | NM | | | | | | | |
| 33. New York | NY | | | | | | | |
| 34. North Carolina | NC | | | | | | | |
| 35. North Dakota | ND | | | | | | | |
| 36. Ohio | OH | | | | | | | |
| 37. Oklahoma | OK | | | | | | | |
| 38. Oregon | OR | | | | | | | |
| 39. Pennsylvania | PA | | | | | | | |
| 40. Rhode Island | RI | | | | | | | |
| 41. South Carolina | SC | | | | | | | |
| 42. South Dakota | SD | | | | | | | |
| 43. Tennessee | TN | | | | | | | |
| 44. Texas | TX | | | | | | | |
| 45. Utah | UT | | | | | | | |
| 46. Vermont | VT | | | | | | | |
| 47. Virginia | VA | | | | | | | |
| 48. Washington | WA | | | | | | | |
| 49. West Virginia | WV | | | | | | | |
| 50. Wisconsin | WI | | | | | | | |
| 51. Wyoming | WY | | | | | | | |
| 52. American Samoa | AS | | | | | | | |
| 53. Guam | GU | | | | | | | |
| 54. Puerto Rico | PR | | | | | | | |
| 55. U.S. Virgin Islands | VI | | | | | | | |
| 56. Northern Mariana Islands | MP | | | | | | | |
| 57. Canada | CN | | | | | | | |
| 58. Aggregate other alien | OT | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 59. Totals | | 0 | 0 | 0 | 185 | 30,000 | 1 | 83,308 |
| DETAILS OF WRITE-INS | | | | | | | | |
| 5801. | | | | | | | | |
| 5802. | | | | | | | | |
| 5803. | | | | | | | | |
| 5898. | Summary of remaining write-ins for Line 58 from overflow page | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5899. | Totals (Lines 5801 thru 5803 plus 5898) (Line 58 above) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |



SUPPLEMENT FOR MARCH 31, 2009 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY

Designate the type of health care providers
reported on this page

Other Health Care Facilities

**SUPPLEMENT "A" TO SCHEDULE T
EXHIBIT OF MEDICAL PROFESSIONAL LIABILITY PREMIUMS WRITTEN
ALLOCATED BY STATES AND TERRITORIES**

| States, Etc. | 1 Direct Premiums Written | 2 Direct Premiums Earned | Direct Losses Paid | | 5 Direct Losses Incurred | Direct Losses Unpaid | | 8 Direct Losses Incurred But Not Reported |
|--|------------------------------------|-----------------------------------|--------------------|--------------------------|-----------------------------------|-------------------------|--------------------------|--|
| | | | 3 Amount | 4 Number of Claims | | 6 Amount Reported | 7 Number of Claims | |
| 1. Alabama | AL | | | | | | | |
| 2. Alaska | AK | | | | | | | |
| 3. Arizona | AZ | | | | | | | |
| 4. Arkansas | AR | | | | | | | |
| 5. California | CA | | | | | | | |
| 6. Colorado | CO | | | | | | | |
| 7. Connecticut | CT | | | | | | | |
| 8. Delaware | DE | | | | | | | |
| 9. District of Columbia | DC | | | | | | | |
| 10. Florida | FL | | | | | | | |
| 11. Georgia | GA | | | | | | | |
| 12. Hawaii | HI | | | | | | | |
| 13. Idaho | ID | | | | | | | |
| 14. Illinois | IL | | | | | | | |
| 15. Indiana | IN | | | | | | | |
| 16. Iowa | IA | | | | | | | |
| 17. Kansas | KS | | | | | | | |
| 18. Kentucky | KY | | | | | | | |
| 19. Louisiana | LA | | | | | | | |
| 20. Maine | ME | | | | | | | |
| 21. Maryland | MD | | | | | | | |
| 22. Massachusetts | MA | | | | | | | |
| 23. Michigan | MI | | | | | | | |
| 24. Minnesota | MN | | | | | | | |
| 25. Mississippi | MS | | | | | | | |
| 26. Missouri | MO | | | | | | | |
| 27. Montana | MT | | | | | | | |
| 28. Nebraska | NE | | | | | | | |
| 29. Nevada | NV | | | | | | | |
| 30. New Hampshire | NH | | | | | | | |
| 31. New Jersey | NJ | | | | | | | |
| 32. New Mexico | NM | | | | | | | |
| 33. New York | NY | | | | | | | |
| 34. North Carolina | NC | | | | | | | |
| 35. North Dakota | ND | | | | | | | |
| 36. Ohio | OH | | | | | | | |
| 37. Oklahoma | OK | | | | | | | |
| 38. Oregon | OR | | | | | | | |
| 39. Pennsylvania | PA | | | | | | | |
| 40. Rhode Island | RI | | | | | | | |
| 41. South Carolina | SC | | | | | | | |
| 42. South Dakota | SD | | | | | | | |
| 43. Tennessee | TN | | | | | | | |
| 44. Texas | TX | | | | | | | |
| 45. Utah | UT | | | | | | | |
| 46. Vermont | VT | | | | | | | |
| 47. Virginia | VA | | | | | | | |
| 48. Washington | WA | | | | | | | |
| 49. West Virginia | WV | | | | | | | |
| 50. Wisconsin | WI | | | | | | | |
| 51. Wyoming | WY | | | | | | | |
| 52. American Samoa | AS | | | | | | | |
| 53. Guam | GU | | | | | | | |
| 54. Puerto Rico | PR | | | | | | | |
| 55. U.S. Virgin Islands | VI | | | | | | | |
| 56. Northern Mariana Islands | MP | | | | | | | |
| 57. Canada | CN | | | | | | | |
| 58. Aggregate other alien | OT | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 59. Totals | | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| DETAILS OF WRITE-INS | | | | | | | | |
| 5801. | | | | | | | | |
| 5802. | | | | | | | | |
| 5803. | | | | | | | | |
| 5898. Summary of remaining write-ins for Line 58 from overflow page | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5899. Totals (Lines 5801 thru 5803 plus 5898) (Line 58 above) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |