

OLD REPUBLIC INTERNATIONAL CORP

Form 11-K

June 28, 2012

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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FORM 11-K  
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☒ [ X ]                      Annual Report Pursuant to Section 15(d) of the Securities  
Exchange Act of 1934  
For the Fiscal Year Ended December 31, 2011

or

☐ [   ]                      Transition Report Pursuant to Section 15(d) of the Securities  
Exchange Act of  
1934

For the transition period from \_\_\_\_\_ to  
\_\_\_\_\_

Commission File Number: 001-10607

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OLD REPUBLIC INTERNATIONAL CORPORATION  
EMPLOYEES SAVINGS AND STOCK OWNERSHIP PLAN  
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OLD REPUBLIC INTERNATIONAL CORPORATION  
307 NORTH MICHIGAN AVENUE  
CHICAGO, ILLINOIS 60601

Total Pages: 19

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Administration Committee has duly caused this Annual Report to be signed on behalf of the undersigned, thereunto duly authorized.

OLD REPUBLIC INTERNATIONAL CORPORATION EMPLOYEES  
SAVINGS AND STOCK OWNERSHIP PLAN, Registrant

By: /s/ A.C. Zucaro  
A.C. Zucaro, Member of the Administration  
Committee

Date: June 28, 2012

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OLD REPUBLIC INTERNATIONAL CORPORATION  
EMPLOYEES SAVINGS AND STOCK OWNERSHIP PLAN  
REPORT ON AUDITS OF FINANCIAL STATEMENTS AND  
SUPPLEMENTAL SCHEDULE  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

OLD REPUBLIC INTERNATIONAL CORPORATION  
EMPLOYEES SAVINGS AND STOCK OWNERSHIP PLAN

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Note

Supplemental schedules required by the Employee Retirement Income Security Act of 1974, as amended that have not been included herein are not applicable.

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Report of Independent Registered Public Accounting Firm

To the Participants and Administrator of the  
Old Republic International Corporation Employees Savings and Stock Ownership Plan

We have audited the accompanying statements of net assets available for benefits of the Old Republic International Corporation Employees Savings and Stock Ownership Plan (the "Plan") as of December 31, 2011 and 2010, and the related statements of changes in net assets available for benefits for the years ended December 31, 2011 and 2010. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we expressed no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2011 and 2010, and the changes in net assets available for benefits for the years ended December 31, 2011 and 2010, in conformity with accounting principles generally accepted in the United States.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) as of December 31, 2011, is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

/s/ Mayer Hoffman McCann P.C.

Minneapolis, Minnesota

June 28, 2012

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## OLD REPUBLIC INTERNATIONAL CORPORATION

## EMPLOYEES SAVINGS AND STOCK OWNERSHIP PLAN

## STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

As of December 31, 2011 and 2010

	2011				2010			
	Participant Directed Account	Non-Participant Directed Account	Unallocated Account	Combined Account	Participant Directed Account	Non-Participant Directed Account	Unallocated Account	Combined Account
<b>ASSETS</b>								
Investments, at fair value:								
Old Republic International Corporation:								
Common shares	\$ 3,154,344	\$ 101,755,306	\$ 33,804,001	\$ 138,713,651	\$ 3,926,034	\$ 147,366,144	\$ 56,935,727	\$ 208,227,905
Mutual funds	199,997,792	68,613	-	200,066,405	203,282,969	60,069	-	203,343,038
Short-term investments	-	-	1,484,704	1,484,704	-	-	1,646,690	1,646,690
Total investments	203,152,136	101,823,919	35,288,705	340,264,760	207,209,003	147,426,213	58,582,417	413,217,633
Receivables:								
Contributions from employers	-	-	2,817,058	2,817,058	-	-	2,312,722	2,312,722
Contributions from employees	577,077	-	-	577,077	381	-	-	381
Funds in course of settlement	675	-	-	675	77,473	-	(251)	77,222
Accrued interest and dividends	-	-	62	62	-	-	34	34
	\$ 203,729,888	\$ 101,823,919	\$ 38,105,825	\$ 343,659,632	\$ 207,286,857	\$ 147,426,213	\$ 60,894,922	\$ 415,607,992

TOTAL  
ASSETS

LIABILITIES

Notes payable	\$ -	\$ -	\$ 39,100,000	\$ 39,100,000	\$ -	\$ -	\$ 43,050,000	\$ 43,050,000
Unpaid anti-discrimination refunds	25,385	-	-	25,385	-	-	-	-
Unpaid administrative expenses	-	27,253	-	27,253	-	10,747	8,704	19,454
<b>TOTAL LIABILITIES</b>		\$ 27,253	\$ 39,100,000	\$ 39,152,638	\$ -	\$ 10,747	\$ 43,058,704	\$ 43,069,152

NET  
ASSETS  
AVAILABLE  
FOR  
BENEFITS

	\$ 15,704,503	\$ 101,796,666	\$ (994,175)	\$ 304,506,994	\$ 207,286,857	\$ 147,415,466	\$ 17,836,218	\$ 372,538,503
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The accompanying notes are an integral part of the financial statements.

OLD REPUBLIC INTERNATIONAL CORPORATION  
EMPLOYEES SAVINGS AND STOCK OWNERSHIP PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

For the years ended December 31, 2011 and 2010

	2011				2010			
	Participant Directed Account	Non-Participant Directed Account	Unallocated Account	Combined Account	Participant Directed Account	Non-Participant Directed Account	Unallocated Account	Combined Account
Additions:								
Employer contributions	\$ -	\$ 1,909	\$ 2,817,059	\$ 2,818,968	\$ -	\$ -	\$ 2,312,726	\$ 2,312,726
Common shares committed for release to participants (530,634 shares at \$9.27 per share and 513,348 shares at \$13.63 per share, respectively)	-	4,918,977						