



PROPERTY AND CASUALTY COMPANIESASSOCIATION EDITION

QUARTERLY STATEMENT

AS OF MARCH 31, 2002
OF THE CONDITION AND AFFAIRS OF THE

GERMAN MUTUAL INSURANCE COMPANY

NAIC Group Code	0000 (Current Period)	0000 (Prior Period)	NAIC Company Code	17884	Employer's ID Number	34-4469685
Organized under the Laws of		Ohio	State of Domicile or Port of Entry		Ohio	
Country of Domicile			United States of America			
Incorporated	12/28/1984		Commenced Business	06/01/1867		
Statutory Home Office	1000 WESTMORELAND AVENUE (Street and Number)			NAPOLEON, OH 43545 (City or Town, State and Zip Code)		
Main Administrative Office	1000 WESTMORELAND AVENUE (Street and Number)			NAPOLEON, OH 43545 (City or Town, State and Zip Code)		
				416-599-3993 (Area Code) (Telephone Number) (Extension)		
Mail Address	P.O. BOX 230 (Street and Number or P.O. Box)			NAPOLEON, OH 43545 (City or Town, State and Zip Code)		
Primary Location of Books and Records	1000 WESTMORELAND AVENUE (Street and Number)			NAPOLEON, OH 43545 (City or Town, State and Zip Code)		
				419-599-3993-208 (Area Code) (Telephone Number)		
Internet Website Address						
Statement Contact	RHONDA K BOCKELMAN (Name)			419-599-3993-208 (Area Code) (Telephone Number) (Extension)		
	(E-mail Address)			(FAX Number)		
Policyowner Relations Contact	1000 WESTMORELAND AVE (Street and Number)			NAPOLEON, OH 43545 (City or Town, State and Zip Code)		
				419-599-3993 (Area Code) (Telephone Number) (Extension)		

OFFICERS

PRESIDENT PHILIP W. MENZEL SECRETARY RONALD D. SANDS
TREASURER RHONDA K. BOCKELMAN

VICE PRESIDENTS

DIRECTORS OR TRUSTEES

PHILIP W. MENZEL	RONALD D. SANDS	RUPERT H. KNAPE
J. SCOTT MILLER	HARVEY J. THATCHER	MERLYN K. WIEMKEN
MARVIN L. BOEHM	LESTER L. GERICKE	RONALD H. GERKEN
A. PAUL MCINTOSH	IRVIN H. ROEHR	GENE A. ROTH

State of OHIO }
County of HENRY } ss

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

PHILIP W. MENZEL
PRESIDENT

RONALD D. SANDS
SECRETARY

RHONDA K. BOCKELMAN
TREASURER

Subscribed and sworn to before me this
____ day of _____, 2002

STATEMENT AS OF MARCH 31, 2002 OF THE GERMAN MUTUAL INSURANCE COMPANY

ASSETS

	Current Statement Date			4 December 31, Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	6,959,990		6,959,990	6,536,461
2. Stocks:				
2.1 Preferred stocks	1,126,864		1,126,864	1,156,545
2.2 Common stocks	5,392,370		5,392,370	5,206,854
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)	1,845,350		1,845,350	1,859,522
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)	107,916		107,916	107,916
5. Cash (\$ 2,284,581 and short-term investments \$ 100,000)	2,384,581		2,384,581	3,076,223
6. Other invested assets				
7. Receivable for securities				
8. Aggregate write-ins for invested assets				
9. Subtotals, cash and invested assets (Lines 1 to 8)	17,817,071		17,817,071	17,943,521
10. Agents' balances or uncollected premiums				
10.1 Premiums and agents' balances in course of collection	1,853,982		1,853,982	1,386,361
10.2 Premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)				
10.3 Accrued retrospective premiums				
11. Funds held by or deposited with reinsured companies				
12. Bills receivable, taken for premiums				
13. Amounts billed and receivable under high deductible policies				
14. Reinsurance recoverables on loss and loss adjustment expense payments	392,057		392,057	444,609
15. Federal and foreign income tax recoverable and interest thereon (including \$ 628,000 net deferred tax asset)	700,486	160,300	540,186	434,186
16. Guaranty funds receivable or on deposit				
17. Electronic data processing equipment and software	228,579	228,579	0	
18. Interest, dividends and real estate income due and accrued	127,600		127,600	.96,309
19. Net adjustments in assets and liabilities due to foreign exchange rates				
20. Receivable from parent, subsidiaries and affiliates				
21. Amounts due from /to protected cells				
22. Equities and deposits in pools and associations				
23. Amounts receivable relating to uninsured accident and health plans				
24. Other assets nonadmitted				
25. Aggregate write-ins for other than invested assets				
26. Total assets excluding protected cell assets (Lines 9 through 25)	21,119,775	388,879	20,730,896	20,304,986
27. Protected cell assets				
28. TOTALS (Lines 26 and 27)	21,119,775	388,879	20,730,896	20,304,986
DETAILS OF WRITE-INS				
0801.				
0802.				
0803.				
0898. Summary of remaining write-ins for Line 8 from overflow page				
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above)				
2501.				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)				

STATEMENT AS OF MARCH 31, 2002 OF THE GERMAN MUTUAL INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$)	3,613,106	3,599,600
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses	1,220,313	1,220,313
4. Commissions payable, contingent commissions and other similar charges	140,415	200,047
5. Other expenses (excluding taxes, licenses and fees)	93,682	132,420
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	93,819	96,299
7. Federal and foreign income taxes [including \$ on realized capital gains (losses)] (including \$ net deferred tax liability)		
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ and including warranty reserves of \$).	6,235,587	5,412,722
10. Advance premium		
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	33,581	(84,855)
13. Funds held by company under reinsurance treaties		
14. Amounts withheld or retained by company for account of others	10,921	(223)
15. Remittances and items not allocated		
16. Provision for reinsurance		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates		
20. Payable for securities		
21. Liability for amounts held under uninsured accident and health plans		
22. Capital notes \$ and interest thereon \$		
23. Aggregate write-ins for liabilities		
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23)	11,441,424	10,576,323
25. Protected cell liabilities		
26. Total liabilities (Lines 24 and 25)	11,441,424	10,576,323
27. Aggregate write-ins for special surplus funds		
28. Common capital stock		
29. Preferred capital stock		
30. Aggregate write-ins for other than special surplus funds		
31. Surplus notes		
32. Gross paid in and contributed surplus		
33. Unassigned funds (surplus)	9,289,472	9,728,663
34. Less treasury stock, at cost		
34.1 shares common (value included in Line 28 \$)		
34.2 shares preferred (value included in Line 29 \$)		
35. Surplus as regards policyholders (Lines 27 to 33, less 34)	9,289,472	9,728,663
36. TOTALS	20,730,896	20,304,986
DETAILS OF WRITE-INS		
2301.		
2302.		
2303.		
2398. Summary of remaining write-ins for Line 23 from overflow page		
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)		
2701.		
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page		
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)		
3001.		
3002.		
3003.		
3098. Summary of remaining write-ins for Line 30 from overflow page		
3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above)		

STATEMENT AS OF MARCH 31, 2002 OF THE GERMAN MUTUAL INSURANCE 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 \$ 4,715,878)	3,893,013	3,560,190	15,023,601
1.2 Assumed (written \$ 591,132)	591,132	407,379	1,939,770
1.3 Ceded (written \$ 4,124,746)	3,301,881	3,152,811	13,083,831
DEDUCTIONS:			
2. Losses incurred (current accident year \$):			
2.1 Direct	2,962,541	2,489,676	9,205,507
2.2 Assumed			
2.3 Ceded	710,249	1,144,471	1,576,398
2.4 Net	2,252,292	1,345,205	7,629,109
3. Loss expenses incurred	322,990	331,550	1,122,762
4. Other underwriting expenses incurred	1,425,251	1,267,787	4,427,174
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2.4 thru 5)	4,000,533	2,944,542	13,179,045
7. Net income of protected cells			
8. Net underwriting gain or (loss) (Line 1.4 minus Line 6 + Line 7)	(698,652)	208,269	(95,214)
INVESTMENT INCOME			
9. Net investment income earned	165,737	189,367	737,679
10. Net realized capital gains or (losses)	(176)	26,569	(109,562)
11. Net investment gain (loss) (Lines 9 + 10)	165,561	215,936	628,117
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)			
13. Finance and service charges not included in premiums	16,340	16,149	66,420
14. Aggregate write-ins for miscellaneous income	4,800		1,097
15. Total other income (Lines 12 through 14)	21,140	16,149	67,517
16. Net income before dividends to policyholders and before federal and foreign income taxes (Lines 8 + 11 + 15)	(511,951)	440,354	600,420
17. Dividends to policyholders			
18. Net income, after dividends to policyholders but before federal and foreign income taxes (Line 16 minus Line 17)	(511,951)	440,354	600,420
19. Federal and foreign income taxes incurred		136,120	69,148
20. Net income (Line 18 minus Line 19)(to Line 22)	(511,951)	304,234	531,272
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	9,728,663	9,117,334	9,117,334
GAINS AND (LOSSES) IN SURPLUS			
22. Net income (from Line 20)	(511,951)	304,234	531,272
23. Net unrealized capital gains or losses	15,780	(469,827)	(219,965)
24. Change in net unrealized foreign exchange capital gain (loss)			
25. Change in net deferred income tax	51,700	166,477	5,777
26. Change in nonadmitted assets	5,280	(215,000)	(305,753)
27. Change in provision for reinsurance			
28. Change in surplus notes			
29. Surplus (contributed to) withdrawn from protected cells			
30. Cumulative effect of changes in accounting principles		688,405	599,998
31. Capital changes:			
31.1 Paid in			
31.2 Transferred from surplus (Stock Dividend)			
31.3 Transferred to surplus			
32. Surplus adjustments:			
32.1 Paid in			
32.2 Transferred to capital (Stock Dividend)			
32.3 Transferred from capital			
33. Net remittances from or (to) Home Office			
34. Dividends to stockholders			
35. Change in treasury stock			
36. Aggregate write-ins for gains and losses in surplus			
37. Change in surplus as regards policyholders (Lines 22 through 36)	(439,191)	474,289	611,329
38. Surplus as regards policyholders, as of statement date (Lines 21 plus 37)	9,289,472	9,591,623	9,728,663
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page			
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)			
1401. OTHER INCOME	4,800	0	1,097
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	4,800		1,097
3601. CHANGE IN EXCESS OF STATUTORY RESERVES		0	0
3602.			
3603.			
3698. Summary of remaining write-ins for Line 36 from overflow page			
3699. Totals (Lines 3601 thru 3603 plus 3698) (Line 36 above)			

STATEMENT AS OF MARCH 31, 2002 OF THE GERMAN MUTUAL INSURANCE COMPANY

CASH FLOW

	1 Current Year to Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance	3,775,561	13,442,741
2. Loss and loss adjustment expenses paid (net of salvage and subrogation)	2,509,224	8,589,746
3. Underwriting expenses paid	1,526,101	4,305,794
4. Other underwriting income (expenses)		
5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4)	(259,764)	547,201
6. Net investment income	131,595	687,249
7. Other income (expenses):		
7.1 Agents' balances charged off		
7.2 Net funds held under reinsurance treaties		
7.3 Net amount withheld or retained for account of others	11,144	(1,223)
7.4 Aggregate write-ins for miscellaneous items	21,140	67,517
7.5 Total other income (Lines 7.1 to 7.4)	32,284	66,294
8. Dividends to policyholders on direct business, less \$ dividends on reinsurance assumed or ceded (net)		
9. Federal and foreign income taxes (paid) recovered	(50,000)	88,860
10. Net cash from operations (Line 5 plus Line 6 plus Line 7.5 minus Line 8 plus Line 9)	(145,885)	1,389,604
Cash from Investments		
11. Proceeds from investments sold, matured or repaid:		
11.1 Bonds	13,652	1,849,949
11.2 Stocks		1,588,873
11.3 Mortgage loans		
11.4 Real estate		79,105
11.5 Other invested assets		
11.6 Net gains or (losses) on cash and short-term investments		
11.7 Miscellaneous proceeds		
11.8 Total investment proceeds (Lines 11.1 to 11.7)	13,652	3,517,927
12. Cost of investments acquired (long-term only):		
12.1 Bonds	420,335	1,808,702
12.2 Stocks	140,055	1,422,534
12.3 Mortgage loans		
12.4 Real estate		2,614
12.5 Other invested assets		
12.6 Miscellaneous applications		
12.7 Total investments acquired (Lines 12.1 to 12.6)	560,390	3,233,850
13. Net Cash from investments (Line 11.8 minus Line 12.7)	(546,738)	284,077
Cash from Financing and Miscellaneous Sources		
14. Cash provided:		
14.1 Surplus notes, capital and surplus paid in		
14.2 Capital notes \$ less amounts repaid \$		
14.3 Net transfers from affiliates		
14.4 Borrowed funds received		
14.5 Other cash provided		(229,560)
14.6 Total (Lines 14.1 to 14.5)		(229,560)
15. Cash applied:		
15.1 Dividends to stockholders paid		
15.2 Net transfers to affiliates		
15.3 Borrowed funds repaid		
15.4 Other applications	(981)	
15.5 Total (Lines 15.1 to 15.4)	(981)	
16. Net cash from financing and miscellaneous sources (Line 14.6 minus Line 15.5)	981	(229,560)
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
17. Net change in cash and short-term investments (Line 10, plus Line 13, plus Line 16)	(691,642)	1,444,121
18. Cash and short-term investments:		
18.1 Beginning of year	3,076,223	1,632,102
18.2 End of year (Line 17 plus Line 18.1)	2,384,581	3,076,223
DETAILS OF WRITE-INS		
07.401 OTHER INCOME	21,140	67,517
07.402		
07.403		
07.498 Summary of remaining write-ins for Line 7.4 from overflow page		
07.499 Totals (Lines 07.401 thru 07.403 plus 07.498) (Line 7.4 above)	21,140	67,517

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - BASIS OF PRESENTATION

A. The accompanying statements of German Mutual Insurance Company have been prepared in conformity with the National Association of Insurance Commissioners Accounting Practices and Procedures Manual effective January 1, 2002 and the laws and regulations of the state of Ohio.

NOTE 9 - INCOME TAXES

The components of the net deferred tax assets as December 31 are as follows:

A. 1. Total of all deferred tax assets (admitted and nonadmitted)	\$ 628,000
A. 2. Total of all deferred tax liabilities	0
A. 3. Total deferred tax assets nonadmitted	160,300
A. 4. Increase (decrease) in deferred tax assets nonadmitted	51,700

Current income taxes incurred consist of the following major components:

E. 1. Current year expense	\$ 0
E. 2. Tax credits	0
E. 3. Current year equity tax	0
E. 4. Prior year overaccrual of tax reserves	0
E. 5. Current income taxes incurred	0

STATEMENT AS OF MARCH 31, 2002 OF THE GERMAN MUTUAL INSURANCE 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 implement any significant accounting policy changes which would require disclosure in the Notes to the Financial Statements? Yes [] No [X]

1.2 If yes, explain:

.....

2.1 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]

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

3.1 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]

3.2 If yes, date of change: If not previously filed, furnish herewith a certified copy of the instrument as amended.

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

If yes, attach an organizational chart.

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

5.2 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
.....
.....
.....
.....

6. 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.

7.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/1997

7.2 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. 12/31/1997

7.3 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). 06/01/1998

7.4 By what department or departments?

OHIO DEPARTMENT OF INSURANCE.....

8.1 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? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.) Yes [] No [X]

8.2 If yes, give full information:

.....

STATEMENT AS OF MARCH 31, 2002 OF THE GERMAN MUTUAL INSURANCE COMPANY

GENERAL INTERROGATORIES

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

INVESTMENT

9.1 Has there been any change in the reporting entity's own preferred or common stock? Yes [] No [X]

9.2 If yes, explain:

.....

10.1 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]

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

.....

11. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ 0

12. Amount of real estate and mortgages held in short-term investments: \$ 0

13.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [X] No []

13.2 If yes, please complete the following:

	1 Prior Year-End Statement Value	2 Current Quarter Statement Value
13.21 Bonds	\$	\$
13.22 Preferred Stock	\$	\$
13.23 Common Stock	\$	\$
13.24 Short-term Investments	\$	\$
13.25 Mortgages, Loans or Real Estate	\$	\$
13.26 All Other	\$	\$
13.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 13.21 to 13.26)	\$ 152,000	\$ 152,000
13.28 Total Investment in Parent included in Lines 13.21 to 13.26 above	\$	\$
13.29 Receivable from Parent not included in Lines 13.21 to 13.26 above	\$	\$

14.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]

14.2 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.

15. Excluding items in Schedule E, 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 Part 1 - General, Section IV.H - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No []

15.1 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

15.2 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)

15.3 Have there been any changes, including name changes in the custodian(s) identified in 15.1 during the current year? Yes [] No [X]

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

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

15.5 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

STATEMENT AS OF MARCH 31, 2002 OF THE GERMAN MUTUAL INSURANCE COMPANY**GENERAL INTERROGATORIES**

(continued)

**PART 2
PROPERTY & CASUALTY INTERROGATORIES**

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? Yes [] No [] NA [X]
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 liabilities tabular reserves (see annual statement instructions pertaining to disclosure of discounting for definition of tabular reserves) discounted at a rate of interest greater than zero? Yes [] No [X]

4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 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
.....
.....
.....
TOTAL		

SCHEDULE A - VERIFICATION

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period	1,967,436			2,078,799
2. Increase (decrease) by adjustment	(14,170)			(58,216)
3. Cost of acquired				
4. Cost of additions to and permanent improvements				2,614
5. Total profit (loss) on sales				23,344
6. Increase (decrease) by foreign exchange adjustment				79,105
7. Amount received on sales				
8. Book/adjusted carrying value at end of current period	1,953,266			1,967,436
9. Total valuation allowance	1,953,266			1,967,436
10. Subtotal (Lines 8 plus 9)	1,953,266			1,967,436
11. Total nonadmitted amounts				
12. Statement value, current period (Page 2, real estate lines, current period)	1,953,266			1,967,436

SCHEDULE B - VERIFICATION

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/recorded investment excluding accrued interest on mortgages owned, beginning of period				
2. Amount loaned during period:				
2.1. Actual cost at time of acquisitions				
2.2. Additional investment made after acquisitions				
3. Accrual of discount and mortgage interest points and commitment fees				
4. Increase (decrease) by adjustment				
5. Total profit (loss) on sale				
6. Amounts paid on account or in full during the period				
7. Amortization of premium				
8. Increase (decrease) by foreign exchange adjustment				
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period				
10. Total valuation allowance				
11. Subtotal (Lines 9 plus 10)				
12. Total nonadmitted amounts				
13. Statement value of mortgages owned at end of current period				

SCHEDULE BA - VERIFICATION

Other Invested Assets Included in Schedule BA

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/adjusted carrying value of long-term invested assets owned, beginning of period				
2. Cost of acquisitions during period:				
2.1. Actual cost at time of acquisitions				
2.2. Additional investment made after acquisitions				
3. Accrual of discount				
4. Increase (decrease) by adjustment				
5. Total profit (loss) on sale				
6. Amounts paid on account or in full during the period				
7. Amortization of premium				
8. Increase (decrease) by foreign exchange adjustment				
9. Book/adjusted carrying value of long-term invested assets at end of current period				
10. Total valuation allowance				
11. Subtotal (Lines 9 plus 10)				
12. Total nonadmitted amounts				
13. Statement value of long-term invested assets at end of current period				

NONE

STATEMENT AS OF MARCH 31, 2002 OF THE GERMAN MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Statement Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Statement Value End of First Quarter	6 Statement Value End of Second Quarter	7 Statement Value End of Third Quarter	8 Statement Value December 31 Prior Year
BONDS								
1. Class 1	5,668,709	420,335	13,828	17,176	6,092,392			5,668,709
2. Class 2	867,752			(154)	867,598			867,752
3. Class 3								
4. Class 4								
5. Class 5								
6. Class 6								
7. Total Bonds	6,536,461	420,335	13,828	17,022	6,959,990			6,536,461
PREFERRED STOCK								
8. Class 1	1,055,545			(28,081)	1,027,464			1,055,545
9. Class 2	101,000			(1,600)	99,400			101,000
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock	1,156,545			(29,681)	1,126,864			1,156,545
15. Total Bonds and Preferred Stock	7,693,006	420,335	13,828	(12,659)	8,086,854			7,693,006

SCHEDULE DA - PART 1

Short-Term Investments Owned End of Current Quarter					
	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Amount of Interest Received Current Quarter	5 Paid for Accrued Interest
80999999 Totals	100,000	XXX	100,000	1,429	

SCHEDULE DA - PART 2- Verification

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period	300,000			100,000
2. Cost of short-term investments acquired	600,000			11,300,000
3. Increase (decrease) by adjustment				
4. Increase (decrease) by foreign exchange adjustment				
5. Total profit (loss) on disposal of short-term investments	0			
6. Consideration received on disposal of short-term investments	800,000			11,100,000
7. Book/adjusted carrying value, current period	100,000			300,000
8. Total valuation allowance				
9. Subtotal (Lines 7 plus 8)	100,000			300,000
10. Total nonadmitted amounts				
11. Statement value (Lines 9 minus 10)	100,000			300,000
12. Income collected during period	1,429			16,429
13. Income earned during period	1,429			16,416

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

Schedule F

NONE

STATEMENT AS OF MARCH 31, 2002 OF THE GERMAN MUTUAL INSURANCE COMPANY

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, etc.	1 Is Insurer Licensed? (Yes or No)	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						
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	Yes	4,715,878	4,342,737	2,677,284	2,723,581	6,582,483
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. Canada	CN						
57. Aggregate Other Aliens	OT	XXX					
58. Totals	(a)	1	4,715,878	4,342,737	2,677,284	2,723,581	6,582,483
DETAILS OF WRITE-INS		XXX					
5701.		XXX					
5702.		XXX					
5703.		XXX					
5798.	Summary of remaining write-ins for Line 57 from overflow page	XXX					
5799.	Totals (Lines 5701 thru 5703 plus 5798) (Line 57 above)	XXX					

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

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

GERMAN MUTUAL INSURANCE

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100%

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HEARTLAND SERVICE AGENCY, INC.

STATEMENT AS OF MARCH 31, 2002 OF THE GERMAN MUTUAL INSURANCE COMPANY

PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire	64,138	45,684	71.2	217.7
2. Allied Lines				
3. Farmowners multiple peril	607,379	996,611	164.1	82.0
4. Homeowners multiple peril	768,538	765,947	99.7	36.9
5. Commercial multiple peril	292,099	266,649	91.3	44.2
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine	62,562	19,837	31.7	23.0
10. Financial guaranty				
11.1 Medical malpractice - occurrence				
11.2 Medical malpractice - claims-made				
12. Earthquake	(5,387)			
13. Group accident and health				
14. Credit accident and health				
15. Other accident and health				
16. Workers' compensation				
17.1 Other liability - occurrence	50,728	(111,557)	(219.9)	615.3
17.2 Other liability - claims-made	8,485			
18.1 Products liability - occurrence				
18.2 Products liability - claims-made				
19.1,19.2 Private passenger auto liability	1,085,273	479,178	44.2	74.5
19.3,19.4 Commercial auto liability	72,934	86,706	118.9	51.1
21. Auto physical damage	883,991	411,779	46.6	58.6
22. Aircraft (all perils)				
23. Fidelity				
24. Surety				
26. Burglary and theft	2,273	1,707	75.1	
27. Boiler and machinery				
28. Credit				
29. International				
30. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
31. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
33. Aggregate write-ins for other lines of business				
34. Totals	3,893,013	2,962,541	76.1	69.9
DETAILS OF WRITE-INS				
3301.				
3302.				
3303.				
3398. Summary of remaining write-ins for Line 33 from overflow page				
3399. Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above)				

PART 2 - DIRECT PREMIUMS WRITTEN

	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire	134,086	134,086	140,727
2. Allied Lines			
3. Farmowners multiple peril	1,130,243	1,130,243	1,145,443
4. Homeowners multiple peril	806,856	806,856	715,461
5. Commercial multiple peril	300,906	300,906	217,832
6. Mortgage guaranty			
8. Ocean marine	80,268	80,268	73,552
9. Inland marine			
10. Financial guaranty			
11.1 Medical malpractice - occurrence			
11.2 Medical malpractice - claims-made			
12. Earthquake	5,466	5,466	
13. Group accident and health			
14. Credit accident and health			
15. Other accident and health			
16. Workers' compensation			
17.1 Other liability - occurrence	81,737	81,737	31,581
17.2 Other liability - claims-made			
18.1 Products liability - occurrence	9,313	9,313	9,429
18.2 Products liability - claims-made			
19.1,19.2 Private passenger auto liability	1,138,407	1,138,407	1,065,137
19.3,19.4 Commercial auto liability	87,864	87,864	78,745
21. Auto physical damage	936,486	936,486	860,302
22. Aircraft (all perils)			
23. Fidelity			
24. Surety			
26. Burglary and theft	4,246	4,246	4,528
27. Boiler and machinery			
28. Credit			
29. International			
30. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX
31. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX
33. Aggregate write-ins for other lines of business			
34. Totals	4,715,878	4,715,878	4,342,737
DETAILS OF WRITE-INS			
3301.			
3302.			
3303.			
3398. Summary of remaining write-ins for Line 33 from overflow page			
3399. Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above)			

STATEMENT AS OF MARCH 31, 2002 OF THE GERMAN MUTUAL INSURANCE COMPANY

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

Years in Which Losses Occurred	1 Prior Year-End Known Case Loss and LAE Reserves	2 Prior Year-End IBNR Loss and LAE Reserves	3 Total Prior Year-End Loss and LAE Reserves (a) (Cols. 1 + 2)	4 2002 Loss and LAE Payments on Claims Reported as of Prior Year-End	5 2002 Loss and LAE Payments on Claims Unreported as of Prior Year-End	6 Total 2002 Loss and LAE Payments (Cols. 4 + 5)	7 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or reopened and open as of Prior Year-End	8 Q.S. Date IBNR Loss and LAE Reserves Subsequent to Prior Year-End	9 Q.S. Date IBNR Loss and LAE Reserves (b) (Cols. 7 + 8 + 9)	10 Total Q.S. Loss and LAE Reserves (b) (Cols. 4 + 7 minus Col. 1)	11 Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	12 Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	13 Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (c) (Cols. 11 + 12)	
1. 1999 + Prior	925	147	1,072	137		137	999		51	1,050	211	(96)	115	
2. 2000	705	183	888	253		253	596		54	650	144	(129)	15	
3. Subtotals 2000 + Prior	1,630	330	1,960	390		390	1,595		105	1,700	355	(225)	130	
4. 2001	2,349	510	2,859	900		900	1,603		144	1,747	154	(366)	(212)	
5. Subtotals 2001 + Prior	3,979	840	4,819	1,290		1,290	3,198		249	3,447	509	(591)	(82)	
6. 2002	XXX	XXX	XXX	XXX	1,621	1,621	XXX	1,178	208	1,386	XXX	XXX	XXX	
7. Totals	3,979	840	4,819	1,290	1,621	2,911	3,198	1,178	457	4,833	509	(591)	(82)	
8. Prior Year-End's Surplus As Regards Policyholders	9,729										Col. 11, Line 7 As % of Col. 1 Line 7	Col. 12, Line 7 As % of Col. 2 Line 7	Col. 13, Line 7 As % of Col. 3 Line 7	
											1.	12.8	2.	(70.4)
														Col. 13, Line 7 As a % of Col. 1 Line 8
														4. (0.8)

(a) Should Equal Prior Year-End Annual Statement; Page 3, Col. 1, Lines 1 + 3

(b) Should Equal Q.S. Page 3, Col. 1, Lines 1 and 3.

(c) Should Also Equal Cols. 6 + 10 less Col. 3 for Lines 1 through 5 only.

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

RESPONSES

1. Will the SVO Compliance Certification be filed with this statement? Yes
2. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement? No
3. Will Supplement A to Schedule T (Medical Malpractice Supplement) be filed with this statement? No

Explanations:

Bar Codes:

Trusted Surplus Statement (Document Identifier 490) here:



Supplement A to Schedule T (Document Identifier 450) here:



OVERFLOW PAGE FOR WRITE-INS

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 1

NONE

Schedule B - Part 2

NONE

Schedule BA - Part 1

NONE

Schedule BA - Part 2

NONE

STATEMENT AS OF MARCH 31, 2002 OF THE GERMAN MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Date Acquired	4 Name of Vendor	5 Number of Shares of Stock	6 Actual Cost	7 Par Value	8 Paid for Accrued Interest and Dividends	9 NAIC Designation (a)
SPECIAL REVENUE AND ASSESSMENTS - U.S.								
ILLINOIS								
508804-GH-8	LAKE CNTY ILL CMNTY UNIT SCH DIST	03/13/2002	EDWARD JONES		59,650	100,000		1PE
	STATE TOTAL				59,650	100,000	0	XXX
WASHINGTON								
939718-VJ-8	WASHINGTON ST CTRS PARTN	01/18/2002	PAINE WEBBER		145,335	150,000	1,643	1PE
	STATE TOTAL				145,335	150,000	1,643	XXX
	COUNTRY TOTAL				204,985	250,000	1,643	XXX
3199996	Bonds - Special Revenues - United States				204,985	250,000	1,643	XXX
3199999	- Total - Bonds - Special Revenue				204,985	250,000	1,643	XXX
INDUSTRIAL & MISCELLANEOUS - U.S.								
126410-FJ-3	CSX TRANSN INC	03/01/2002	PAINE WEBBER		215,350	200,000	7,036	1PE
	COUNTRY TOTAL				215,350	200,000	7,036	XXX
4599996	- Bonds - Industrial and Misc - United States				215,350	200,000	7,036	XXX
4599999	- Total - Bonds - Industrial, Misc.				215,350	200,000	7,036	XXX
6099997	- Total - Bonds - Part 3				420,335	450,000	8,679	XXX
6099999	- Total - Bonds				420,335	450,000	8,679	XXX
6599999	- Total - Preferred Stocks					XXX		XXX
INDUSTRIAL & MISCELLANEOUS - U.S.								
294700-42-2	M L S&P 500 TRUST 2	03/25/2002	MERRILL LYNCH		506,650	1,035		U
369604-10-3	GENERAL ELECTRIC	01/14/2002	PAINE WEBBER		3,600,000	137,631		U
461308-10-8	INVESTMENT CO AMER ROA	03/05/2002	PAINE WEBBER		28,660	810		U
68380E-60-1	OPPENHEIMER QUEST BAL VAL FD CL C	03/12/2002	PAINE WEBBER		36,840	.579		U
	COUNTRY TOTAL				140,055	XXX	0	XXX
6899999	- Total - Common Stocks - Industrial, Misc.				140,055	XXX	0	XXX
7099997	- Total - Common Stocks - Part 3				140,055	XXX	0	XXX
7099999	- Total - Common Stocks				140,055	XXX		XXX
7199999	- Total - Preferred and Common Stocks				140,055	XXX		XXX
7299999	- Totals				560,390	XXX	8,679	XXX

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

STATEMENT AS OF MARCH 31, 2002 OF THE GERMAN MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 4

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

1 CUSIP Identifi- cation	2 Description	3 Disposal Date	4 Name of Purchaser	5 Number of Shares of Stock	6 Consideration	7 Par Value	8 Actual Cost	9 Book/Adjusted Carrying Value at Disposal Date	10 Increase (Decrease) by Adjustment	11 Increase (Decrease) by Foreign Exchange Adjustment	12 Foreign Exchange Gain (Loss) on Disposal	13 Realized Gain (Loss) on Disposal	14 Total Gain (Loss) on Disposal	15 Interest on Bonds Received During Year	16 Dividends on Stocks Received During Year	17 NAIC Designa- tion (a)												
US GOVERNMENT OBLIGATIONS - U.S.																												
36218P-TZ-9...	GNMA POOL #228368	03/15/2002	PRIN RCPT	12	12	12	12	0				0	0	0	31	1												
362192-AR-7...	GNMA POOL #264716X	03/15/2002	PRIN RCPT	3,540	3,540	3,540	3,540	0	0	0	0	0	0	0	31	1												
COUNTRY TOTAL				3,552	3,552	3,552	3,552	0	0	0	0	0	0	0	31	XXX												
0399996 - Bonds - U.S. Government				3,552	3,552	3,552	3,552	0	0	0	0	0	0	0	31	XXX												
0399999 - Bonds - U.S. Governments				3,552	3,552	3,552	3,552	0	0	0	0	0	0	0	31	XXX												
SPECIAL REVENUE AND ASSESSMENTS - U.S.																												
INDIANA																												
455052-S8-4...	INDIANA HSG FIN AUTH SGL FAM	01/02/2002	PAINE WEBBER	5,000	5,000	5,240	5,165	0			(165)	(165)	(165)	149	149	1PE												
STATE TOTAL				5,000	5,000	5,240	5,165	0	0	0	(165)	(165)	(165)	149	149	XXX												
OHIO																												
186432-RG-7...	CLEVELAND OHIO WATERWORKS	01/02/2002	PAINE WEBBER	5,100	5,000	5,262	5,111	0			(11)	(11)	(11)	156	156	1PE												
STATE TOTAL				5,100	5,000	5,262	5,111	0	0	0	(11)	(11)	(11)	156	156	XXX												
COUNTRY TOTAL				10,100	10,000	10,502	10,276	0	0	0	(176)	(176)	(176)	305	305	XXX												
3199996 - Bonds - Special Revenues - United States				10,100	10,000	10,502	10,276	0	0	0	(176)	(176)	(176)	305	305	XXX												
3199999 - Bonds - Special Revenues				10,100	10,000	10,502	10,276	0	0	0	(176)	(176)	(176)	305	305	XXX												
6099997 - Bonds - Part 4				13,652	13,552	14,054	13,828	0	0	0	(1/6)	(1/6)	(1/6)	336	336	XXX												
6099999 - Total - Bonds				13,652	13,552	14,054	13,828	0			(176)	(176)	(176)	336	336	XXX												
6599999 - Total - Preferred Stocks				XXX												XXX												
7099999 - Total - Common Stocks				XXX												XXX												
7199999 - Total - Preferred and Common Stocks				XXX												XXX												
7299999 Totals																												
(a) For all common stock bearing the NAIC designation "U" provide: the number of such issues																												

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, 2002 OF THE GERMAN MUTUAL INSURANCE COMPANY

SCHEDULE E - PART 1 - CASH