



# QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2011  
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					
Incorporated/Organized	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)	419-599-3993 (Area Code) (Telephone Number)		
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 Web Site Address	www.heartland-ins.com					
Statutory Statement Contact	RHONDA K BOCKELMAN (Name)		419-599-3993-208 (Area Code) (Telephone Number) (Extension)			
	rhonda.bockelman@heartland-ins.com (E-Mail Address)		419-599-0109 (Fax Number)			

**OFFICERS**

Name	Title	Name	Title
PHILIP W. MENZEL	PRESIDENT	RONALD D. SANDS	SECRETARY
RHONDA K. BOCKELMAN	TREASURER	SCOTT C. PIPER	CHIEF OPERATING OFFICER

**OTHER OFFICERS**

PHYLLIS A. KNAPE	Vice President	JOHN MALKOSKI	Vice President
SCOTT C. PIPER	CHIEF OPERATING OFFICER		

**DIRECTORS OR TRUSTEES**

PHILIP W. MENZEL	RONALD D. SANDS	GREGORY A. EDWARDS	J. SCOTT MILLER
ALAN E. WYSE	MERLYN K. WIEMKEN	LESTER L. GERICKE	RONALD H. GERKEN
LORI B. MILLER	GENE A. ROTH		

State of OHIO.....  
ss  
County of HENRY.....

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

PHILIP W. MENZEL  
PRESIDENT

RONALD D. SANDS  
SECRETARY

RHONDA K. BOCKELMAN  
TREASURER

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

11/15/2011

LINDA L. LEMON, NOTARY  
JULY 29, 2016

**STATEMENT AS OF SEPTEMBER 30, 2011 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 .....	14,141,724		14,141,724	13,992,546
2. Stocks:				
2.1 Preferred stocks .....	212,480		212,480	822,340
2.2 Common stocks .....	10,239,308		10,239,308	11,545,111
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) .....	1,398,477		1,398,477	1,427,535
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....	0		0	0
4.3 Properties held for sale (less \$ ..... encumbrances) .....	107,916		107,916	107,916
5. Cash (\$ ..... (586,770) ), cash equivalents (\$ ..... 0 )				
and short-term investments (\$ ..... 562 ) .....	(586,208)		(586,208)	1,717,969
6. Contract loans (including \$ ..... premium notes)			0	0
7. Derivatives .....			0	0
8. Other invested assets .....	0		0	0
9. Receivables for securities .....			0	0
10. Securities lending reinvested collateral assets .....			0	0
11. Aggregate write-ins for invested assets .....	0	.0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	25,513,697	.0	25,513,697	29,613,417
13. Title plants less \$ ..... charged off (for Title insurers only) .....			0	0
14. Investment income due and accrued .....	163,079		163,079	182,821
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	3,255,310		3,255,310	2,899,323
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....			0	0
15.3 Accrued retrospective premiums .....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	369,624		369,624	277,427
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....			0	0
17. Amounts receivable relating to uninsured plans .....			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	532,271		532,271	833,225
18.2 Net deferred tax asset .....	2,232,724	1,875,414	357,310	357,310
19. Guaranty funds receivable or on deposit .....			0	0
20. Electronic data processing equipment and software .....	1,819,660	1,544,555	275,105	275,105
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....	42,140	42,140	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
23. Receivables from parent, subsidiaries and affiliates .....	.81,000	.81,000	0	0
24. Health care (\$ ..... ) and other amounts receivable .....			0	0
25. Aggregate write-ins for other than invested assets .....	240,794	240,794	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	34,250,299	3,783,903	30,466,396	34,438,628
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
28. Total (Lines 26 and 27) .....	34,250,299	3,783,903	30,466,396	34,438,628
<b>DETAILS OF WRITE-INS</b>				
1101. .....				
1102. .....				
1103. .....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	.0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above) .....	0	0	0	0
2501. PREPAID EXPENSES .....	47,755	.47,755	0	0
2502. AUTOS .....	193,039	.193,039	0	0
2503. .....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	.0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above) .....	240,794	240,794	0	0

**STATEMENT AS OF SEPTEMBER 30, 2011 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 \$ ..... )	5,936,431	4,641,079
2. Reinsurance payable on paid losses and loss adjustment expenses	0	0
3. Loss adjustment expenses	1,194,570	1,152,212
4. Commissions payable, contingent commissions and other similar charges	638,889	706,996
5. Other expenses (excluding taxes, licenses and fees)	1,193,634	1,191,111
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	262,892	326,108
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 \$ ..... 3,407,425 and including warranty reserves of \$ ..... )	8,834,166	10,872,172
10. Advance premium	27,420	18,175
11. Dividends declared and unpaid:		
11.1 Stockholders	0	0
11.2 Policyholders	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions)	2,333,161	128,538
13. Funds held by company under reinsurance treaties	0	0
14. Amounts withheld or retained by company for account of others	2,145	2,371
15. Remittances and items not allocated	0	0
16. Provision for reinsurance	0	0
17. Net adjustments in assets and liabilities due to foreign exchange rates	0	0
18. Drafts outstanding	0	0
19. Payable to parent, subsidiaries and affiliates	0	0
20. Derivatives	0	0
21. Payable for securities	0	0
22. Payable for securities lending	0	0
23. Liability for amounts held under uninsured plans	0	0
24. Capital notes \$ ..... and interest thereon \$ .....	0	0
25. Aggregate write-ins for liabilities	0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	20,423,308	19,038,762
27. Protected cell liabilities	0	0
28. Total liabilities (Lines 26 and 27)	20,423,308	19,038,762
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	0	0
31. Preferred capital stock	0	0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes	0	0
34. Gross paid in and contributed surplus	0	0
35. Unassigned funds (surplus)	10,043,088	15,399,866
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 30 \$ ..... )	0	0
36.2 ..... shares preferred (value included in Line 31 \$ ..... )	0	0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	10,043,088	15,399,866
38. Totals (Page 2, Line 28, Col. 3)	30,466,396	34,438,628
<b>DETAILS OF WRITE-INS</b>		
2501.	0	0
2502.	0	0
2503.	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0
2901.	0	0
2902.	0	0
2903.	0	0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201.	0	0
3202.	0	0
3203.	0	0
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

**STATEMENT AS OF SEPTEMBER 30, 2011 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
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct (written \$ 22,709,576 )	24,747,581	19,965,839	26,875,732
1.2 Assumed (written \$ 6,321,653 )	6,321,653	2,464,466	3,318,447
1.3 Ceded (written \$ 16,387,923 )	18,425,928	17,501,373	23,557,285
<b>DEDUCTIONS:</b>			
2. Losses incurred (current accident year \$ ):			
2.1 Direct	21,234,902	12,229,582	16,963,711
2.2 Assumed	0	0	0
2.3 Ceded	5,939,074	934,811	1,688,501
2.4 Net	15,295,828	11,294,771	15,275,210
3. Loss adjustment expenses incurred	1,483,058	1,261,555	1,676,581
4. Other underwriting expenses incurred	6,713,981	6,943,000	9,208,056
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	23,492,867	19,499,326	26,159,847
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(5,066,939)	(1,997,953)	(2,602,562)
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	701,017	681,477	944,632
10. Net realized capital gains (losses) less capital gains tax of \$	98,729	120,698	122,470
11. Net investment gain (loss) (Lines 9 + 10)	799,746	802,175	1,067,102
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ )	0	0	0
13. Finance and service charges not included in premiums	79,976	71,153	101,461
14. Aggregate write-ins for miscellaneous income	12,994	9,909	(157,401)
15. Total other income (Lines 12 through 14)	92,970	81,062	(55,940)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(4,174,223)	(1,114,716)	(1,591,400)
17. Dividends to policyholders	0	0	0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	(4,174,223)	(1,114,716)	(1,591,400)
19. Federal and foreign income taxes incurred	0	0	(364,366)
20. Net income (Line 18 minus Line 19)(to Line 22)	(4,174,223)	(1,114,716)	(1,227,034)
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year	15,399,866	16,482,898	16,482,898
22. Net income (from Line 20)	(4,174,223)	(1,114,716)	(1,227,034)
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 \$	(1,209,264)	482,629	1,064,212
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	0	0	51,561
27. Change in nonadmitted assets	26,709	(529,578)	(971,771)
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	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37)	(5,356,778)	(1,161,665)	(1,083,032)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	10,043,088	15,321,233	15,399,866
<b>DETAILS OF WRITE-INS</b>			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0
1401. SALE OF FIXED ASSETS	4,000	9,909	(167,539)
1402. OTHER INCOME	8,994	0	10,138
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)	12,994	9,909	(157,401)
3701. ADDITIONAL ADMITTED DEFERRED TAX ASSETS		0	192,328
3702. RECLASSIFICATION OF ADDITIONAL ADMITTED DEFERRED TAX ASSETS TO SPECIAL SURPLUS FUNDS		0	(192,328)
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	0	0	0

**STATEMENT AS OF SEPTEMBER 30, 2011 OF THE GERMAN MUTUAL INSURANCE COMPANY**

**CASH FLOW**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance.....	18,245,803	18,392,683	24,151,068
2. Net investment income.....	739,627	690,951	938,873
3. Miscellaneous income .....	92,970	81,062	(55,940)
4. Total (Lines 1 to 3) .....	19,078,400	19,164,696	25,034,001
5. Benefit and loss related payments .....	15,533,373	11,701,122	17,304,762
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	6,842,781	7,024,804	9,120,414
8. Dividends paid to policyholders .....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	(300,954)	(169,606)	(169,606)
10. Total (Lines 5 through 9) .....	22,075,200	18,556,320	26,255,570
11. Net cash from operations (Line 4 minus Line 10) .....	(2,996,800)	608,376	(1,221,569)
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	1,153,650	1,532,621	1,746,664
12.2 Stocks .....	3,608,766	1,989,571	3,475,669
12.3 Mortgage loans .....	0	0	0
12.4 Real estate .....	0	0	0
12.5 Other invested assets .....	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	0	0
12.7 Miscellaneous proceeds .....	0	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	4,762,416	3,522,192	5,222,333
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	1,268,856	2,497,656	3,279,786
13.2 Stocks .....	2,806,281	2,750,579	4,219,734
13.3 Mortgage loans .....	0	0	0
13.4 Real estate .....	21,139	1,992	1,992
13.5 Other invested assets .....	0	0	0
13.6 Miscellaneous applications .....	0	0	(32)
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	4,096,276	5,250,227	7,501,481
14. Net increase (or decrease) in contract loans and premium notes .....	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	666,140	(1,728,035)	(2,279,148)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds .....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0	0
16.5 Dividends to stockholders .....	0	0	0
16.6 Other cash provided (applied).....	26,483	(525,135)	(516,890)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) .....	26,483	(525,135)	(516,890)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(2,304,177)	(1,644,794)	(4,017,607)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	1,717,969	5,735,576	5,735,576
19.2 End of period (Line 18 plus Line 19.1) .....	(586,208)	4,090,782	1,717,969

## NOTES TO FINANCIAL STATEMENTS

### Note 1 - Summary of Significant Accounting Policies

#### A. Accounting Practices

The Company prepares its financial statements in conformity with accounting practices prescribed or permitted by the Ohio Insurance Department. These practices vary from generally accepted accounting principles. The principle variances include the nonadmittance of a portion of the deferred tax asset and certain fixed assets, the omission of deferred policy acquisition costs and the inclusion of certain unpaid loss reserves in excess of those required under generally accepted accounting principles.

The Ohio Insurance Department recognizes only statutory accounting practices prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Ohio Insurance Law. The NAIC Accounting Practices and Procedures Manual version effective March, 2011, has been adopted as a component of prescribed or permitted practices by the State of Ohio.

#### B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Significant estimates used in preparing these financial statements include those used in computing the liability for outstanding claims. It is at least reasonably possible that the significant estimates used will change within the next year.

#### C. Accounting Policies

1. For purposes of the statement of cash flows, the Company considers all certificates of deposit, repurchase agreements and savings accounts to be cash equivalents. Short-term investments are stated at cost, which is also their fair value.
2. Bonds are reported at amortized cost and adjusted for other than temporary fair value declines unless required by the NAIC to be carried at fair value. Common stocks (including mutual funds) and preferred stocks are reported at current fair value. Unrealized appreciation and depreciation of stocks are reported as changes in policyholders' surplus. Realized gains and losses are determined on the specific identification basis.
3. Ohio Insurance Department regulations require advance premium property and casualty insurance companies to maintain a minimum surplus of \$5,000,000.
4. Premiums are earned over the terms of the related insurance policies. Unearned premium reserves are established to cover the unexpired portion of premiums written and are computed on a pro rata basis.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

Reinsurance recoverables are estimates of paid and unpaid losses collectible from the Company's reinsurers. The amounts ultimately collected may be more or less than these estimates. Any adjustments of these estimates is reflected in income as they are determined. The Company periodically reviews the financial condition of its reinsurers and amounts recoverable therefrom, recording an allowance when necessary for uncollectible reinsurance.

5. Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed, and any adjustments are reflected in the period determined.
6. The Company's building, equipment and application software are depreciated primarily on the straight-line method.

## NOTES TO FINANCIAL STATEMENTS

### **Note 2 - Accounting Changes and Correction of Errors**

#### A. Accounting Changes and Correction of Errors

Not applicable

### **Note 3 - Business Combinations and Goodwill**

#### A. Statutory Purchase Method

Not applicable.

#### B. Statutory Mergers

Not applicable.

#### C. Impairment Loss

Not applicable.

### **Note 4 - Discontinued Operations**

#### A. Not applicable.

### **Note 5 - Investments**

#### A. Mortgage Loans

Not applicable.

#### B. Troubled Debt Restructuring for Creditors

Not applicable.

#### C. Reverse Mortgages

Not applicable.

#### D. Loan-Backed Securities

Not applicable.

#### E. Repurchase Agreements

For repurchased agreements, Company policy requires a minimum of 102% of the fair value of securities purchased under repurchase agreements to be maintained as collateral. There were no open repurchase agreements as of September 30, 2011.

#### F. Writedown for Impairments of Real Estate and Retail Land Sales

Not applicable.

## NOTES TO FINANCIAL STATEMENTS

### G. Low Income Housing Tax Credits

Not applicable.

### **Note 6 - Joint Ventures, Partnerships and Limited Liability Companies**

#### A. Detail for Those Greater than 10% of Admitted Assets

Not applicable.

#### B. Writedown for Impairments of Joint Ventures, Partnerships and LLC's

Not applicable.

### **Note 7 - Investment Income**

#### A. Accrued Investment Income

The Company does not admit investment income due and accrued if amounts are over 90 days past due.

#### B. Amounts Nonadmitted

Not applicable

### **Note 8 - Derivative Instruments**

#### A. No applicable.

### **Note 9 - Income Taxes**

#### A. Components of Net Deferred Tax Assets

	<u>2011</u>
Total gross deferred tax assets	\$ 2,311,430
Total gross deferred tax liabilities	<u>78,706</u>
Net deferred tax asset	2,232,724
Nonadmitted deferred tax asset	( 1,875,414)
Net admitted deferred tax asset	<u>\$ 357,310</u>

#### B. Unrecognized Deferred Tax Liabilities

Not applicable

#### C. Current Tax and Change in Deferred Tax

The provisions for federal and foreign income taxes incurred on earnings were:

	<u>2011</u>
Federal income taxes realized(recoverable)	\$ (364,366)
Federal income taxes on realized capital gains	0
Foreign	0
	<u>\$ (364,366)</u>

## NOTES TO FINANCIAL STATEMENTS

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate

Immaterial

E. Operating Loss and Tax Credit Carryforwards

1. No change

F. Consolidated Federal Income Tax Return

Not applicable

### **Note 10 - Information Concerning Parent, Subsidiaries and Affiliates**

A. Nature of Relationships

Not applicable

B. Detail of Transactions Greater than 1/2% of Admitted Assets

Not applicable

C. Change in Terms of Intercompany Arrangements

Not applicable

D. Amounts Due to or from Related Parties

Not applicable

E. Guarantees or Contingencies for Related Parties

Not applicable

F. Management, Service Contracts, Cost Sharing Arrangements

Not applicable

G. Nature of Relationships that Could Affect Operations

.

Not applicable

H. Amount Deducted for Investment in Upstream Company

Not applicable

I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets

Not applicable

K. Investment in Foreign Subsidiaries

Not applicable

L. Valuation of Downstream Entities

Not applicable

### **Note 11 - Debt**

## NOTES TO FINANCIAL STATEMENTS

### A. Not applicable

#### **Note 12 - Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans**

##### A. Defined Benefit Plans

The Company sponsors a postretirement health care benefit plan covering substantially all employees of the Company and members of the Board of Directors who reach retirement age while working for the Company, have at least 15 years of service, and were employed as of December 31, 2004. This plan also covers the employee's spouse who has reached retirement age. The Company has terminated this plan for all employees hired and board of directors elected after December 31, 2004.

##### B. Defined Contribution Plans

The Company sponsors a 401(K) plan for the benefit of substantially all of its employees who meet eligibility requirements. The Company contributes up to a maximum of 5% of compensation of each employee who contributes to the plan. Additional contributions may be made at the discretion of the board of directors.

##### C. Multiemployer Plans

Not applicable

##### D. Consolidated/Holding Company Plans

Not applicable

##### E. Postemployment Benefits and Compensated Absences

Not applicable

#### **Note 13 - Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations**

##### A. Outstanding Shares

Not applicable

##### B. Dividend Rate of Preferred Stock

Not applicable

##### C., D. and E. Dividend Restrictions

Not applicable

##### F. Mutual Surplus Advances

Not applicable

##### G. Company Stock Held for Special Purposes

Not applicable

##### H. Changes in Special Surplus Funds

Not applicable

##### I. Changes in Unassigned Funds

The portion of unassigned funds (surplus) represented or reduced by each item below is as follows:

## NOTES TO FINANCIAL STATEMENTS

Unrealized gain (loss) securities	\$ (1,209,264)
Nonadmitted assets	\$ (3,783,903)

J. Surplus Notes

Not applicable

K. and L. Quasi Reorganizations

Not applicable

**Note 14 - Contingencies**

A. Contingent Commitments

Not applicable

B. Guaranty Fund and Other Assessments

There are no known assessments expected at this time

C. Gain Contingencies

Not applicable

D. All Other Contingencies

Lawsuits arise against the Company in the normal course of business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company. The Company is contingently liable under certain structured settlement agreements (see Note 27A)

**Note 15 - Leases**

A. Lessee Leasing Arrangements

The Company leases office equipment under various noncancelable operating leases that expire through 2013.

B. Lessor Leasing Arrangements

Not applicable

**Note 16 - Information about Financial Instruments with Off-Balance Sheet Risk and with Concentrations of Credit Risk**

A. Financial Instruments with Off-Balance Sheet Risk

Not applicable

B. Financial Instruments with Concentrations of Credit Risk

The Company maintains its cash balances at several financial institutions located in Northwest Ohio and at several brokerage companies. Accounts at each financial institution are insured by the Federal Deposit Insurance Corporation up to \$250,000.

**Note 17 - Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**

A. Transfers of Receivables Reported as Sales

Not applicable

## NOTES TO FINANCIAL STATEMENTS

B. Transfers and Servicing of Financial Assets

Not applicable

C. Wash Sales

Not applicable

**Note 18 - Gain or Loss from Uninsured Plans and the Uninsured Portion of Partially Insured Plans**

A. Administrative Services Only Plans

Not applicable

B. Administrative Services Contract Plans

Not applicable

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contracts

Not applicable

**Note 19 - Direct Premium Written/Produced by Managing General Agents/Third Party Administrators**

A. Not applicable

**Note 20 - Fair Value Measurements**

SSAP 100, Fair Value Measurements, establishes a framework of measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under SSAP 100 are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

## NOTES TO FINANCIAL STATEMENTS

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for measurement.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at March 31, 2011.

Common stocks, mutual funds and preferred stocks - valued at the closing price reported on the active market on which the individual securities and mutual funds are traded.

The methods described above may produce a fair value calculation that may not be indicative of the net realizable value or reflective of future fair values. Furthermore, while the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, the Company's assets at fair value.

### Assets at Fair Value as of September 30, 2011

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common stocks				
Industrial & Misc.	\$ 1,059,611	-	-	\$ 1,059,611
Mutual funds	9,179,697	-	-	9,179,697
Preferred stocks				
Industrial & Misc.	<u>212,480</u>	-	-	<u>212,480</u>
Total assets at fair value				
	\$10,451,788			\$10,451,788

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred between Levels 1, 2, and 3.

### **Note 21 - Other Items**

#### A. Extraordinary Items

Not applicable

#### B. Troubled Debt Restructuring of Debtors

Not applicable

#### C. Other Disclosures

Not applicable

#### D. Uncollectible Premiums Receivable

Based upon Company experience, these receivables are expected to be fully collectible and no provision for uncollectible amounts has been recorded.

## NOTES TO FINANCIAL STATEMENTS

### E. Business Interruption Insurance Recoveries

Not applicable

### F. Subprime Exposure

The Company has no directly held subprime mortgage loans. The Company believes that there is minimal exposure in mutual funds held.

### Note 22 Events Subsequent

A. There were no events occurring subsequent to September 30, 2011, through the date of this filing meriting disclosure. August 2011 investment activity meriting disclosures due to economic events was not available at filing date.

### Note 23 - Reinsurance

#### A. Unsecured Reinsurance Recoverables

Reported annually, immaterial as of September, 30, 2011.

#### B. Reinsurance Recoverables in Dispute

The Company does not have reinsurance recoverables in dispute for paid losses and loss adjustment expenses that exceed 5% of policyholders' surplus for an individual reinsurer or 10% of policyholders' surplus in aggregate.

#### C. Reinsurance Assumed and Ceded

The Company reinsurance risks with other companies and treats expected recoveries on unpaid losses as risks for which the Company is not liable. To the extent that the reinsuring companies are unable to meet their obligations under these reinsurance agreements, the Company is contingently liable for all such losses. The Company is not aware of any obligations as of September 30, 2011.

Certain ceded reinsurance contracts provide for additional or return commissions based on the actual loss experience of the reinsured business.

On September 30, 2011 the Company entered into an Umbrella Quota Share Contract with two current Reinsurers. Quota Share Cession amounted to \$ 3,236,506.39 with a reduction of \$ 970,951.92 for commission. Detailed contract information will be provided with the 2011 Annual Statement filing.

#### D. Uncollectible Reinsurance

During the most recent year, the Company did not write off any reinsurance balances.

#### E. Commutation of Ceded Reinsurance

Not applicable

#### F. Retroactive Reinsurance

Not applicable

#### G. Reinsurance Accounted for as a Deposit

Not applicable

### Note 24 - Retrospectively Rated Contracts and Contracts Subject to Redetermination

A., B., C. and D. Not applicable

## NOTES TO FINANCIAL STATEMENTS

### **Note 25 - Changes in Incurred Losses and Loss Adjustment Expenses**

A. No material change.

### **Note 26 - Intercompany Pooling Arrangements**

A. and B. Not applicable

### **Note 27 - Structural Settlements**

A. Reserves Released Due to Purchase of Annuities

The Company has purchased annuities from life insurers under which the claimants are payees (see note 14D). These annuities have been used to reduce unpaid losses. The amount of the reduction has not been fully determined at the time of filing. The Company has a contingent liability should the issuers of these annuities fail to perform under the terms of the annuities.

B. Not applicable

### **Note 28 - Health Care Receivables**

A. and B. Not applicable

### **Note 29 - Participating Policies**

A. Not applicable

### **Note 30 - Premium Deficiency Reserves**

No significant change since calculation on May 26, 2011 which was zero.

### **Note 31 - High Deductibles**

A. Not applicable

### **Note 32 - Discounting of Liabilities for Unpaid Losses and Unpaid Loss Adjustment Expenses**

A., B. and C. Not applicable

### **Note 33 - Asbestos and Environmental Reserves**

A., B., C., D., E., and F. Not applicable

### **Note 34 - Subscriber Savings Accounts**

A. Not applicable

### **Note 35 - Multiple Peril Crop Insurance**

A. Not applicable

### **Note 36 - Financial Guaranty Insurance**

A. Not applicable

**STATEMENT AS OF SEPTEMBER 30, 2011 OF THE GERMAN MUTUAL INSURANCE COMPANY**

**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES  
GENERAL**

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

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

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

2.2 If yes, date of change: .....

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

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

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

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

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? .....  Yes  No  NA  [X]

If yes, attach an explanation.

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. .....  12/31/2007

6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. .....  12/31/2007

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). .....  05/27/2008

6.4 By what department or departments?

OHIO DEPARTMENT OF INSURANCE.....

6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? .....  Yes  No  NA  [X]

6.6 Have all of the recommendations within the latest financial examination report been complied with? .....  Yes  No  NA  [ ]

7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? .....  Yes  No  [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 SEPTEMBER 30, 2011 OF THE GERMAN MUTUAL INSURANCE 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 [X] No [ ]

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

.....

Phyllis Knappe - VP, also an agent receiving commissions; Merlyn Wiemken - Board member, also an agent receiving commissions; J. Scott Miller - Board Member, also serving as officer of Farmers & Merchants State Bank, a depository of German Mutual.

## 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: ..... \$ ..... 0

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

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

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 .....	\$ .....	\$ .....
14.24 Short-Term Investments .....	\$ .....	\$ .....
14.25 Mortgage Loans on Real Estate .....	\$ .....	\$ .....
14.26 All Other .....	\$ .....	\$ .....
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$ .....0	\$ .....0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....	\$ .....0	\$ .....0

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 SEPTEMBER 30, 2011 OF THE GERMAN MUTUAL INSURANCE 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 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?.....

Yes  No

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

1 Name of Custodian(s)	2 Custodian Address
FIDELITY INVESTMENTS.....	P.O. BOX 770001, CINCINNATI, OH 45277.....
BOSTON FINANCIAL DATA SERVICES.....	P.O. BOX 8511, BOSTON, MA 02266.....
UBS FINANCIAL SERVICES, INC.....	600 SUPERIOR AVE, 27TH FLOOR, CLEVELAND, OH 44114.....
MORGAN STANLEY SMITH BARNEY.....	P.O. BOX 2002 BLOOMFIELD HILLS, MI 48303.....
MORGAN STANLEY SMITH BARNEY.....	7311 CROSSELEIGH COURT, SUITE 106 TOLEDO, OH 43617.....

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

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

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?.....

Yes  No

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

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
BOSTON FINANCIAL DATA SERVICES.....	NONE.....	08/01/2011.....	CLOSED ACCOUNT WITH BROKER.....

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

1 Central Registration Depository	2 Name(s)	3 Address

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

Yes  No

17.2 If no, list exceptions:

.....

**STATEMENT AS OF SEPTEMBER 30, 2011 OF THE GERMAN MUTUAL INSURANCE 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 [ ] NA [X]

If yes, attach an explanation.

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

If yes, attach an explanation.

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

3.2 If yes, give full and complete information thereto.

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

4.2 If yes, complete the following schedule:

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

5. Operating Percentages:

5.1 A&amp;H loss percent..... %

5.2 A&amp;H cost containment percent..... %

5.3 A&amp;H expense percent excluding cost containment expenses..... %

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

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

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

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

Schedule F  
**NONE**

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE GERMAN MUTUAL INSURANCE 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	N	0	0	0	0	0
2. Alaska	AK	N	0	0	0	0	0
3. Arizona	AZ	N	0	0	0	0	0
4. Arkansas	AR	N	0	0	0	0	0
5. California	CA	N	0	0	0	0	0
6. Colorado	CO	N	0	0	0	0	0
7. Connecticut	CT	N	0	0	0	0	0
8. Delaware	DE	N	0	0	0	0	0
9. District of Columbia	DC	N	0	0	0	0	0
10. Florida	FL	N	0	0	0	0	0
11. Georgia	GA	N	0	0	0	0	0
12. Hawaii	HI	N	0	0	0	0	0
13. Idaho	ID	N	0	0	0	0	0
14. Illinois	IL	N	0	0	0	0	0
15. Indiana	IN	N	0	0	0	0	0
16. Iowa	IA	N	0	0	0	0	0
17. Kansas	KS	N	0	0	0	0	0
18. Kentucky	KY	N	0	0	0	0	0
19. Louisiana	LA	N	0	0	0	0	0
20. Maine	ME	N	0	0	0	0	0
21. Maryland	MD	N	0	0	0	0	0
22. Massachusetts	MA	N	0	0	0	0	0
23. Michigan	MI	N	0	0	0	0	0
24. Minnesota	MN	N	0	0	0	0	0
25. Mississippi	MS	N	0	0	0	0	0
26. Missouri	MO	N	0	0	0	0	0
27. Montana	MT	N	0	0	0	0	0
28. Nebraska	NE	N	0	0	0	0	0
29. Nevada	NV	N	0	0	0	0	0
30. New Hampshire	NH	N	0	0	0	0	0
31. New Jersey	NJ	N	0	0	0	0	0
32. New Mexico	NM	N	0	0	0	0	0
33. New York	NY	N	0	0	0	0	0
34. No. Carolina	NC	N	0	0	0	0	0
35. No. Dakota	ND	N	0	0	0	0	0
36. Ohio	OH	L	22,709,576	21,263,091	18,980,027	11,087,644	9,520,359
37. Oklahoma	OK	N	0	0	0	0	0
38. Oregon	OR	N	0	0	0	0	0
39. Pennsylvania	PA	N	0	0	0	0	0
40. Rhode Island	RI	N	0	0	0	0	0
41. So. Carolina	SC	N	0	0	0	0	0
42. So. Dakota	SD	N	0	0	0	0	0
43. Tennessee	TN	N	0	0	0	0	0
44. Texas	TX	N	0	0	0	0	0
45. Utah	UT	N	0	0	0	0	0
46. Vermont	VT	N	0	0	0	0	0
47. Virginia	VA	N	0	0	0	0	0
48. Washington	WA	N	0	0	0	0	0
49. West Virginia	WV	N	0	0	0	0	0
50. Wisconsin	WI	N	0	0	0	0	0
51. Wyoming	WY	N	0	0	0	0	0
52. American Samoa	AS	N	0	0	0	0	0
53. Guam	GU	N	0	0	0	0	0
54. Puerto Rico	PR	N	0	0	0	0	0
55. U.S. Virgin Islands	VI	N	0	0	0	0	0
56. Northern Mariana Islands	MP	N	0	0	0	0	0
57. Canada	CN	N	0	0	0	0	0
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0
59. Totals	(a)	1	22,709,576	21,263,091	18,980,027	11,087,644	9,520,359
<b>DETAILS OF WRITE-INS</b>		XXX					
5801.		XXX					
5802.		XXX					
5803.		XXX					
5898. Summary of remaining write-ins for Line 58 from overflow page		XXX	0	0	0	0	0
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)		XXX	0	0	0	0	0

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

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

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

**NONE**

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE GERMAN MUTUAL INSURANCE 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	348,710	205,909	59.0	63.0
2. Allied lines	3,476	0.0	0.0	0.0
3. Farmowners multiple peril	4,816,667	4,040,138	83.9	66.9
4. Homeowners multiple peril	7,569,054	8,832,420	116.7	72.0
5. Commercial multiple peril	2,165,562	1,657,649	76.5	25.8
6. Mortgage guaranty		0.0	0.0	0.0
8. Ocean marine		0.0	0.0	0.0
9. Inland marine	355,797	68,807	19.3	38.7
10. Financial guaranty		0.0	0.0	0.0
11.1 Medical professional liability - occurrence		0.0	0.0	0.0
11.2 Medical professional liability - claims made		0.0	0.0	0.0
12. Earthquake	35,225	0.0	0.0	0.0
13. Group accident and health		0.0	0.0	0.0
14. Credit accident and health		0.0	0.0	0.0
15. Other accident and health		0.0	0.0	0.0
16. Workers' compensation		0.0	0.0	0.0
17.1 Other liability occurrence	350,689	554,695	158.2	121.7
17.2 Other liability - claims made		0.0	0.0	0.0
17.3 Excess Workers' Compensation		0.0	0.0	0.0
18.1 Products liability - occurrence	39,743	8,500	21.4	8.0
18.2 Products liability - claims made		0.0	0.0	0.0
19.1,19.2 Private passenger auto liability	4,375,579	2,928,548	66.9	62.8
19.3,19.4 Commercial auto liability	336,356	74,051	22.0	39.9
21. Auto physical damage	4,343,461	2,864,185	65.9	52.6
22. Aircraft (all perils)		0.0	0.0	0.0
23. Fidelity		0.0	0.0	0.0
24. Surety		0.0	0.0	0.0
26. Burglary and theft	7,262	0.0	0.0	47.4
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		0.0	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
<b>TOTALS</b>	<b>24,747,581</b>	<b>21,234,902</b>	<b>85.8</b>	<b>61.3</b>
<b>DETAILS OF WRITE-INS</b>				
3401.				
3402.				
3403.				
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
<b>3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>

**PART 2 - DIRECT PREMIUMS WRITTEN**

Line of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
				1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire	88,734	316,705	268,694			
2. Allied lines	410	2,504	3,127			
3. Farmowners multiple peril	1,178,527	4,597,241	4,215,168			
4. Homeowners multiple peril	2,173,712	6,555,526	6,280,423			
5. Commercial multiple peril	594,658	1,941,489	1,775,571			
6. Mortgage guaranty	0	0	0			
8. Ocean marine	0	0	0			
9. Inland marine	92,491	313,198	306,924			
10. Financial guaranty	0	0	0			
11.1 Medical professional liability - occurrence	0	0	0			
11.2 Medical professional liability - claims made	0	0	0			
12. Earthquake	10,870	31,991	28,628			
13. Group accident and health	0	0	0			
14. Credit accident and health	0	0	0			
15. Other accident and health	0	0	0			
16. Workers' compensation	0	0	0			
17.1 Other liability-occurrence	93,096	347,285	326,779			
17.2 Other liability - claims made	0	0	0			
17.3 Excess Workers' Compensation	0	0	0			
18.1 Products liability - occurrence	11,243	32,296	41,655			
18.2 Products liability - claims made	0	0	0			
19.1,19.2 Private passenger auto liability	1,394,025	4,138,001	3,935,115			
19.3,19.4 Commercial auto liability	83,264	313,927	283,574			
21. Auto physical damage	1,362,255	4,112,289	3,791,274			
22. Aircraft (all perils)	0	0	0			
23. Fidelity	0	0	0			
24. Surety	0	0	0			
26. Burglary and theft	1,645	7,124	6,159			
27. Boiler and machinery	0	0	0			
28. Credit	0	0	0			
29. International	0	0	0			
30. Warranty	0	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			
<b>TOTALS</b>	<b>7,084,930</b>	<b>22,709,576</b>	<b>21,263,091</b>			
<b>DETAILS OF WRITE-INS</b>						
3401.						
3402.						
3403.						
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0			
<b>3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)</b>	<b>0</b>	<b>0</b>	<b>0</b>			

STATEMENT AS OF SEPTEMBER 30, 2011 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 (Cols. 1 + 2)	4 2011 Loss and LAE Payments on Claims Reported as of Prior Year-End	5 2011 Loss and LAE Payments on Claims Unreported as of Prior Year-End	6 Total 2011 Loss and LAE Payments (Cols. 4 + 5)	7 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	8 Q.S. Date IBNR Loss and LAE Reserves	9	10 Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	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 (Cols. 11 + 12)		
1. 2008 + Prior	394	363	757	64	64	282		.65	347	(48)	(298)	(346)			
2. 2009	1,160	414	1,574	911	911	641		.253	894	.392	(161)	231			
3. Subtotals 2009 + prior	1,554	777	2,331	975	0	975	923	0	318	1,241	.344	(459)	(115)		
4. 2010	2,062	1,401	3,463	2,288	2,288	1,363		.654	2,017	1,589	(747)	842			
5. Subtotals 2010 + prior	3,616	2,178	5,794	3,263	0	3,263	2,286	0	972	3,258	1,933	(1,206)	727		
6. 2011	XXX	XXX	XXX	XXX	12,178	12,178	XXX	2,616	1,257	3,873	XXX	XXX	XXX		
7. Totals	3,616	2,178	5,794	3,263	12,178	15,441	2,286	2,616	2,229	7,131	1,933	(1,206)	727		
8. Prior Year-End Surplus As Regards Policy-holders	15,400										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.	53.5	2.	(55.4)	
														Col. 13, Line 7 As a % of Col. 1 Line 8	
														4.	4.7

## 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 questions.

RESPONSE

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

**Explanation:**

- 1.
- 2.
- 3.
- 4.

**Bar Code:**

1.   
1 7 8 8 4 2 0 1 1 4 9 0 0 0 0 0 3
2.   
1 7 8 8 4 2 0 1 1 4 5 5 0 0 0 0 3
3.   
1 7 8 8 4 2 0 1 1 3 6 5 0 0 0 0 3
4.   
1 7 8 8 4 2 0 1 1 5 0 5 0 0 0 0 3

**OVERFLOW PAGE FOR WRITE-INS**

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STATEMENT AS OF SEPTEMBER 30, 2011 OF THE GERMAN MUTUAL INSURANCE 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	1,535,451	1,600,991
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	21,139	1,992
2.2 Additional investment made after acquisition		0
3. Current year change in encumbrances		0
4. Total gain (loss) on disposals		0
5. Deduct amounts received on disposals		0
6. Total foreign exchange change in book/adjusted carrying value		0
7. Deduct current year's other than temporary impairment recognized		0
8. Deduct current year's depreciation	50,197	.67,532
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)	1,506,393	1,535,451
10. Deduct total nonadmitted amounts	0	0
11. Statement value at end of current period (Line 9 minus Line 10)	1,506,393	1,535,451

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

**SCHEDULE BA – VERIFICATION**

Other Long-Term Invested Assets

	1 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
2.2 Additional investment made after acquisition		0
3. Capitalized deferred interest and other		0
4. Accrual of discount		0
5. Unrealized valuation increase (decrease)		0
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and depreciation		0
9. Total foreign exchange change in book/adjusted carrying value		0
10. Deduct current year's other than temporary impairment recognized		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0
12. Deduct total nonadmitted amounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	0	0

**SCHEDULE D – VERIFICATION**

Bonds and Stocks

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	26,359,996	22,855,463
2. Cost of bonds and stocks acquired	4,075,138	7,499,521
3. Accrual of discount	53,109	65,979
4. Unrealized valuation increase (decrease)	(1,209,265)	1,064,213
5. Total gain (loss) on disposals	98,729	122,470
6. Deduct consideration for bonds and stocks disposed of	4,762,415	5,222,333
7. Deduct amortization of premium	21,780	.25,317
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)	24,593,512	26,359,996
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	24,593,512	26,359,996

## STATEMENT AS OF SEPTEMBER 30, 2011 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 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1 (a).....	13,373,038				13,029,353	13,373,038	13,373,038	13,073,861
2. Class 2 (a).....	860,616				914,431	860,616	860,616	988,212
3. Class 3 (a).....	0				0	0	0	0
4. Class 4 (a).....	0				0	0	0	0
5. Class 5 (a).....	0				0	0	0	0
6. Class 6 (a).....	0				0	0	0	0
7. Total Bonds.....	14,233,654	0	0	0	13,943,784	14,233,654	14,233,654	14,062,073
<b>PREFERRED STOCK</b>								
8. Class 1.....	829,460				834,235	829,460	829,460	627,720
9. Class 2.....	0				0	0	0	0
10. Class 3.....	0				0	0	0	0
11. Class 4.....	0				0	0	0	0
12. Class 5.....	0				0	0	0	0
13. Class 6.....	0				0	0	0	0
14. Total Preferred Stock.....	829,460	0	0	0	834,235	829,460	829,460	627,720
15. Total Bonds & Preferred Stock.....	15,063,114	0	0	0	14,778,019	15,063,114	15,063,114	14,689,793

(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 \$ ..... ; NAIC 2 \$ ..... ; NAIC 3 \$ ..... ; NAIC 4 \$ ..... ; NAIC 5 \$ ..... ; NAIC 6 \$ .....

**STATEMENT AS OF SEPTEMBER 30, 2011 OF THE GERMAN MUTUAL INSURANCE 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	562	XXX	562	35	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.....	69,527	1,066,235
2. Cost of short-term investments acquired .....	35	503,292
3. Accrual of discount.....		0
4. Unrealized valuation increase (decrease).....		0
5. Total gain (loss) on disposals.....		0
6. Deduct consideration received on disposals.....	69,000	1,500,000
7. Deduct amortization of premium.....		0
8. Total foreign exchange change in book/adjusted carrying value.....		0
9. Deduct current year's other than temporary impairment recognized.....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	.562	.69,527
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	562	69,527

Schedule DB - Part A - Verification

**NONE**

Schedule DB - Part B- Verification

**NONE**

Schedule DB - Part C - Section 1

**NONE**

Schedule DB - Part C - Section 2

**NONE**

Schedule DB - Verification

**NONE**

Schedule E Verification

**NONE**

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE GERMAN MUTUAL INSURANCE COMPANY

**SCHEDULE A - PART 2**

Showing All Real Estate ACQUIRED AND ADDITIONS MADE During the Current Quarter

1 Description of Property	Location		4 Date Acquired	5 Name of Vendor	6 Actual Cost at Time of Acquisition	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Additional Investment Made After Acquisition
	2 City	3 State						
ADD'L COMPUTER ROOM CIRCUITS.....	NAPOLEON.....	OHIO.....	07/19/2011.....	JAMES SPEISER & SONS.....	2,932.....	0.....	2,932.....	
BUILDING THERMOSTATS.....	NAPOLEON.....	OHIO.....	09/13/2011.....	DUNBAR MECHANICAL.....	18,207.....	0.....	18,207.....	
0199999 - Acquired by purchase					21,139.....		21,139.....	
0399999 Totals					21,139.....		21,139.....	

**SCHEDULE A - PART 3**

Showing All Real Estate DISPOSED During the Quarter, Including Payments During the Final Year on "Sales under Contract"

1 Description of Property	Location		4 Disposal Date	5 Name of Purchaser	6 Actual Cost	7 Expended for Additions, Permanent Improvements and Changes in Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances Prior Year	Change in Book/Adjusted Carrying Value Less Encumbrances				14 Book/Adjusted Carrying Value Less Encumbrances on Disposal	15 Amounts Received During Year	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal	19 Gross Income Earned Less Interest Incurred on Encumbrances	20 Taxes, Repairs and Expenses Incurred
	2 City	3 State						9 Current Year's Depreciation	10 Current Year's Other Than Temporary Impairment Recognized	11 Current Year's Change in Encumbrances	12 Total Change in B.A.C.V. (11-9-10)	13 Total Foreign Exchange Change in B.A.C.V.						
0399999 Totals																		

**NONE**

Schedule B - Part 2  
**NONE**

Schedule B - Part 3  
**NONE**

Schedule BA - Part 2  
**NONE**

Schedule BA - Part 3  
**NONE**

## STATEMENT AS OF SEPTEMBER 30, 2011 OF THE GERMAN MUTUAL INSURANCE COMPANY

## SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
0599999 - Total - Bonds - U.S. Governments						0	0	0	XXX
1099999 - Total - Bonds - All Other Governments						0	0	0	XXX
1799999 - Total - Bonds - U.S. States, Territories and Possessions						0	0	0	XXX
2499999 - Total - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						0	0	0	XXX
.343136-UV-7.....FLORIDA ST DEPT REV 4.5% 07/01/2021.....		.07/12/2011.....	Morgan Stanley.....			20,620	20,000	.35.....1FE.....	
.43232F-KK-1.....HILLSBOROUGH CNTY FL REV BD 2006.....		.07/26/2011.....	Fidelity Investments.....			86,251	.85,000	1,786.....1FE.....	
3199999 - Total - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of...						106,871	105,000	1,821	XXX
3899999 - Total - Bonds - Industrial, Misc.						0	0	0	XXX
4199999 - Total - Bonds - Credit Tenant Loans						0	0	0	XXX
4899999 - Total - Bonds - Hybrid Securities						0	0	0	XXX
5599999 - Total - Bonds - Parent, Subsidiaries, Affiliates						0	0	0	XXX
8399997 - Total - Bonds - Part 3						106,871	105,000	1,821	XXX
8399999 - Total - Bonds						106,871	105,000	1,821	XXX
8499999 - Total - Preferred Stocks - Industrial, Misc.						0	XXX	0	XXX
8599999 - Total - Preferred Stocks - Parent, Subsidiaries, Affiliates						0	XXX	0	XXX
8999997 - Total - Preferred Stocks - Part 3						0	XXX	0	XXX
8999999 - Total - Preferred Stocks						0	XXX	0	XXX
.30254T-75-9.....FPA CRESCENT INSTL.....		.07/07/2011.....	Reinvestment.....		.78,019	2,185		0	L.....
.78462F-10-3.....SPDR S&P 500 ETF TRUST SER1.....		.07/18/2011.....	Fidelity Investments.....		3,000,000	390,998		0	L.....
9099999 - Total - Common Stocks - Industrial, Misc.						393,183	XXX	0	XXX
9199999 - Total - Common Stocks - Parent, Subsidiaries, Affiliates						0	XXX	0	XXX
.140193-10-3.....AMERICAN CAP INC BUILDER A.....		.09/16/2011.....	UBS.....		.115,981	.5,620		0	L.....
.140543-10-9.....AMERICAN CAP WLD GR & INCOME A.....		.09/16/2011.....	UBS Financial Services Inc.....		.108,430	.3,494		0	L.....
.45956T-10-5.....AMERICAN INTL GRW & INC A.....		.09/13/2011.....	UBS.....		.50,047	.1,383		0	L.....
.09251T-10-3.....BLACKROCK GLOBAL ALLOCAT FUND.....		.07/22/2011.....	Reinvestment.....		.41,304	.837		0	L.....
.316345-20-6.....FIDELITY BALANCED.....		.07/08/2011.....	Reinvestment.....		.174,626	.3,348		0	L.....
.693390-70-0.....PIMCO TOTAL RETURN INSTL.....		.07/01/2011.....	Reinvestment.....		.58,348,076	.643,078		0	L.....
.880208-10-3.....TEMPLETON GLOBAL BD FD.....		.07/21/2011.....	Morgan Stanley.....		.51,107,.934	.715,000		0	L.....
9299999 - Total - Common Stocks - Mutual Funds						1,372,759	XXX	0	XXX
9399999 - Total - Common Stocks - Money Market Mutual Funds						0	XXX	0	XXX
9799997 - Total - Common Stocks - Part 3						1,765,941	XXX	0	XXX
9799999 - Total - Common Stocks						1,765,941	XXX	0	XXX
9899999 - Total - Preferred and Common Stocks						1,765,941	XXX	0	XXX
9999999 Totals						1,872,812	XXX	1,821	XXX

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

**STATEMENT AS OF SEPTEMBER 30, 2011 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 For- eign Disposal Date	4 Name of Purchaser	5 Number of Shares of Stock	6 Consideration	7 Par Value	8 Actual Cost	9 Prior Year Book/Adjusted Carrying Value	10 Unrealized Valuation Increase/ (Decrease)	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- ation or Market Indicator (a)						
										11 Current Year's Other Than Temporary Impairment Recognized	12 Current Year's (Amortization)/ Accretion	13 Total Change in B./A.C.V. (11 + 12 - 13)	14 Total Foreign Exchange Change in B./A.C.V.	15													
0599999 - Bonds - U.S. Governments					0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX				
1099999 - Bonds - All Other Governments					0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX				
1799999 - Bonds - U.S. States, Territories and Possessions					0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX				
667825-QL-0... NORTHWEST TEX INDPT SCH DIST	08/15/2011.. Redemption				95,000	95,000	97,764	95,206	0	0	(206)	0	(206)	0	0	0	0	0	0	0	4,750	08/15/2014..	1FE...				
667825-QJ-5... NORTHWEST TEX INDPT SCH DIST	08/16/2011.. Redemption				55,000	55,000	56,600	55,119	0	0	(113)	0	(113)	0	0	0	0	0	0	0	2,750	08/15/2014..	1FE...				
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions					150,000	150,000	154,364	150,326	0	0	(319)	0	(319)	0	0	0	0	0	0	0	7,500	XXX	XXX				
34074M-BE-0... FL HSNG FIN CORP 07/01/15..					5,000	5,000	5,000	5,000	0	0	0	0	0	0	0	0	0	0	0	0	0	71	07/01/2015..	1FE...			
34074M-BF-7... FL HSNG FIN CORP 07/01/16..					10,000	10,000	10,000	10,000	0	0	0	0	0	0	0	0	0	0	0	0	0	156	07/01/2016..	1FE...			
34074M-BG-5... FL HSNG FIN CORP 07/01/17..					5,000	5,000	5,000	5,000	0	0	0	0	0	0	0	0	0	0	0	0	0	87	07/01/2017..	1FE...			
677560-MQ-7... OH HSNG FIN AGY 03/01/19..					5,000	5,000	5,000	5,000	0	0	0	0	0	0	0	0	0	0	0	0	0	126	03/01/2019..	1FE...			
939718-VJ-8... WASHINGTON ST CTRS PARTN 01/01/17..					25,000	25,000	24,223	24,618	0	0	28	0	28	0	0	0	0	0	0	0	354	354	593	01/01/2017..	1FE...		
3199999 - Total - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of...					50,000	50,000	49,222	49,618	0	0	28	0	28	0	0	0	0	0	0	0	354	354	1,033	XXX	XXX		
3899999 - Bonds - Industrial and Miscellaneous					0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX		
4199999 - Bonds - Credit Tenant Loans					0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX		
4899999 - Total - Bonds - Hybrid Securities					0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX		
5599999 - Bonds - Parent, Subsidiaries and Affiliates					0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX		
8399997 - Bonds - Part 4					200,000	200,000	203,586	199,944	0	0	(291)	0	(291)	0	0	0	0	0	0	0	347	347	8,533	XXX	XXX		
8399999 - Total - Bonds					200,000	200,000	203,586	199,944	0	0	(291)	0	(291)	0	0	0	0	0	0	0	347	347	8,533	XXX	XXX		
MERRIL LYNCH PFD CAP 59021G-20-4... 7.12%					172,732	0.00	175,000	172,060	2,940	0	0	0	2,940	0	0	0	0	0	0	0	(2,268)	(2,268)	6,230		P1LFE...		
ML PFD CAP TR III 59021F-20-6... 04/14/98..					98,145	0.00	99,931	95,520	4,411	0	0	0	4,411	0	0	0	0	0	0	0	(1,786)	(1,786)	7,000		P1LFE...		
ML PFD CAP TR III 59021F-20-6... 09/22/98..					98,143	0.00	100,549	95,520	5,029	0	0	0	5,029	0	0	0	0	0	0	0	(2,406)	(2,406)	0		P1LFE...		
ML PFD CAP TR V 7.28 SER 59021K-20-5... F					247,287	0.00	238,299	245,000	(6,701)	0	0	0	(6,701)	0	0	0	0	0	0	0	8,989	8,989	9,100		P1LFE...		
Preferred Stocks - Industrial and Miscellaneous 8499999 -					616,308	XXX	613,779	608,100	5,679	0	0	0	5,679	0	0	0	0	0	0	0	2,529	2,529	22,330	XXX	XXX		
Preferred Stocks - Parent, Subsidiaries and Affiliates 8599999 -					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX		
Preferred Stocks - Part 4 8999997 -					616,308	XXX	613,779	608,100	5,679	0	0	0	5,679	0	0	0	0	0	0	0	2,529	2,529	22,330	XXX	XXX		
Preferred Stocks - Total - Preferred Stocks 8999999 -					616,308	XXX	613,779	608,100	5,679	0	0	0	5,679	0	0	0	0	0	0	0	2,529	2,529	22,330	XXX	XXX		
COHEN & STEERS QLTY INC M 19247L-10-6... RLTY					66,201		51,454	58,820	(7,366)	0	0	0	(7,366)	0	0	0	0	0	0	0	14,747	14,747	2,448		L...		
SPDR INDEX SHARES FD 78463X-79-8...					317,915		334,808	329,160	5,648	0	0	0	5,648	0	0	0	0	0	0	0	(16,893)	(16,893)	4,686		L...		
VANGUARD INTL EXPLORER 921946-20-8...					241,363		228,410	245,937	(17,527)	0	0	0	(17,527)	0	0	0	0	0	0	0	12,953	12,953	0		L...		
Common Stocks - Industrial and Miscellaneous 9099999 -					625,479	XXX	614,672	633,917	(19,245)	0	0	0	(19,245)	0	0	0	0	0	0	0	10,807	10,807	7,134	XXX	XXX		
Common Stocks - Parent, Subsidiaries and Affiliates 9199999 -					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX			
AMERICAN FUND GRTF FUND 399874-10-6... of AMER CIA					388,066		361,583	375,842	(14,259)	0	0	0	(14,259)	0	0	0	0	0	0	0	26,482	26,482	0		L...		
CGM FOCUS FUND 043379-89-0...					176,336		256,331	186,070	70,261	0	0	0	70,261	0	0	0	0	0	0	0	(79,995)	(79,995)	0		L...		
Common Stocks - Mutual Funds 9299999 -					564,401	XXX	617,914	561,912	56,002	0	0	0	56,002	0	0	0	0	0	0	0	(53,513)	(53,513)	0		XXX		
Common Stocks - Money Market Mutual Funds 9399997 -					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX			
Common Stocks - Part 4 9799997 -					1,189,880	XXX	1,232,586	1,195,829	36,757	0	0	0	36,757	0	0	0	0	0	0	0	0	0	42,705	(42,705)	7,134	XXX	XXX
Common Stocks - Total - Common Stocks 9799999 -					1,189,880	XXX	1,232,586	1,195,829	36,757	0	0	0	36,757	0	0	0	0	0	0	0	0	0	42,705	(42,705)	7,134	XXX	XXX
Common Stocks - Preferred and Common Stocks 9899999 -					1,806,189	XXX	1,846,364	1,803,929	42,436	0	0	0	42,436	0	0	0	0	0	0	0	0	0	40,176	(40,176)	29,464	XXX	XXX
99999999 Totals					2,006,189	XXX	2,049,950	2,003,873	42,436	(291)	0	0	42,144	0	0	0	0	0	0	0	0	(39,828)	(39,828)	37,997	XXX	XXX	

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

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Schedule DB - Part A - Section 1

**NONE**

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

**NONE**

Schedule DB - Part B - Section 1

**NONE**

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

**NONE**

Schedule DB - Part D

**NONE**

Schedule DL - Part 1

**NONE**

Schedule DL - Part 2

**NONE**

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE GERMAN MUTUAL INSURANCE 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	
Farmers & Merchants State Bank.....Napoleon, Ohio.....			259		(104,693)	(423,729)	(800,641)	XXX
UBS Financial.....Cleveland, Ohio.....			0		26,907	444	4,837	XXX
Fidelity Investments.....Cincinnati, Ohio.....			2		10,929	7,782	47,200	XXX
Morgan Stanley.....Toledo, Ohio.....			3		27,771	0	0	XXX
Morgan Stanley.....Toledo, Ohio.....			2	0	2	0	0	XXX
Morgan Stanley.....Bloomfield Hills, Michigan.....			1	0	48,716	3,581	18,029	XXX
Farmers & Merchants State Bank.....Archbold, Ohio.....	2,960		0	3,621	124,724	124,724	124,724	XXX
Morgan Stanley.....Bloomfield Hills, Michigan.....					19,097	19,097	19,081	XXX
0199998 Deposits in ..... depositories that do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories	XXX	XXX	0	0	0	0	0	XXX
0199999 Totals - Open Depositories	XXX	XXX	267	3,621	134,356	(268,101)	(586,770)	XXX
0399999 Total Cash on Deposit	XXX	XXX	267	3,621	134,356	(268,101)	(586,770)	XXX
0499999 Cash in Company's Office	XXX	XXX	XXX	XXX	0	0	0	XXX
0599999 Total	XXX	XXX	267	3,621	134,356	(268,101)	(586,770)	XXX

**STATEMENT AS OF SEPTEMBER 30, 2011 OF THE GERMAN MUTUAL INSURANCE COMPANY**

## **SCHEDULE E - PART 2 - CASH EQUIVALENTS**

**Show Investments Owned End of Current Quarter**

**NONE**

E  
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