



QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2011
OF THE CONDITION AND AFFAIRS OF THE

WESTERN RESERVE MUTUAL CASUALTY COMPANY

NAIC Group Code	0207	0207	NAIC Company Code	26131	Employer's ID Number	34-0613930
	(Current Period)	(Prior Period)				
Organized under the Laws of	Ohio			State of Domicile or Port of Entry	Ohio	
Country of Domicile	United States					
Incorporated/Organized	06/29/1937			Commenced Business	07/30/1937	
Statutory Home Office	1685 Cleveland Road			Wooster, OH 44691-0036		
	(Street and Number)			(City or Town, State and Zip Code)		
Main Administrative Office	1685 Cleveland Road			Wooster, OH 44691-0036	330-262-9060	
	(Street and Number)			(City or Town, State and Zip Code)	(Area Code) (Telephone Number)	
Mail Address	1685 Cleveland Road			Wooster, OH 44691-0036		
	(Street and Number or P.O. Box)			(City or Town, State and Zip Code)		
Primary Location of Books and Records	1685 Cleveland Road			Wooster, OH 44691-0036	330-262-9060-2453	
	(Street and Number)			(City or Town, State and Zip Code)	(Area Code) (Telephone Number)	
Internet Web Site Address	www.wrg-ins.com					
Statutory Statement Contact	Lisa A Lee			330-262-9060-2453		
	(Name)			(Area Code) (Telephone Number) (Extension)		
	Lisa_Lee@wrg-ins.com			330-264-7822		
	(E-Mail Address)			(Fax Number)		

OFFICERS

Name	Title	Name	Title
JOHN P. MURPHY	PRESIDENT	JOHN P. MURPHY	SECRETARY
MICHAEL A. SHUTT	VP FINANCE/CFO/TREASURER		

OTHER OFFICERS

GREGORY A. BRUNN #	VP MARKETING AND UNDERWRITING	KEVIN W. DAY	EXECUTIVE VP CLAIMS
GREGORY J. OWEN	VP INFORMATION TECHNOLOGY		

DIRECTORS OR TRUSTEES

ROBERT P. BOGNER	KEVIN W. DAY #	RONALD E. HOLTMAN	JOHN P. MURPHY
C. MICHAEL REARDON	EDDIE L. STEINER	KENNETH L. VAGNINI	

State ofOHIO.....
County ofWAYNE.....

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.

JOHN P. MURPHY PRESIDENT	JOHN P. MURPHY SECRETARY	MICHAEL A. SHUTT VP FINANCE/CFO/TREASURER
Subscribed and sworn to before me this 15 day of NOVEMBER, 2011		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
MARY LOU HART, NOTARY PUBLIC MARCH 08, 2015		

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	78,891,716		78,891,716	80,313,118
2. Stocks:				
2.1 Preferred stocks	1,268,848		1,268,848	1,275,824
2.2 Common stocks	39,358,001	248,467	39,109,534	42,869,945
3. Mortgage loans on real estate:				
3.1 First liens	0		0	0
3.2 Other than first liens	0		0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)	8,055,795		8,055,795	8,222,375
4.2 Properties held for the production of income (less \$ encumbrances)	0		0	0
4.3 Properties held for sale (less \$ encumbrances)	0		0	0
5. Cash (\$ (6,030,427)), cash equivalents (\$ 0) and short-term investments (\$ 585,590)	(5,444,837)		(5,444,837)	(6,391,509)
6. Contract loans (including \$ premium notes)	0		0	0
7. Derivatives	0		0	0
8. Other invested assets	6,060,699	2,227,897	3,832,802	3,825,827
9. Receivables for securities	0		0	0
10. Securities lending reinvested collateral assets	0		0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	128,190,222	2,476,364	125,713,858	130,115,580
13. Title plants less \$ charged off (for Title insurers only)	0		0	0
14. Investment income due and accrued	949,063		949,063	896,143
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	22,556,626	34,047	22,522,579	20,284,454
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	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	1,945,895		1,945,895	391,909
16.2 Funds held by or deposited with reinsured companies	0		0	0
16.3 Other amounts receivable under reinsurance contracts	0		0	0
17. Amounts receivable relating to uninsured plans	0		0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	174,384		174,384	1,097,761
18.2 Net deferred tax asset	1,316,842		1,316,842	0
19. Guaranty funds receivable or on deposit	0		0	0
20. Electronic data processing equipment and software	401,319		401,319	461,647
21. Furniture and equipment, including health care delivery assets (\$)	140,283	140,283	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates	0		0	0
23. Receivables from parent, subsidiaries and affiliates	93,750		93,750	506,551
24. Health care (\$) and other amounts receivable	0		0	0
25. Aggregate write-ins for other than invested assets	0	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	155,768,384	2,650,694	153,117,690	153,754,045
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0		0	0
28. Total (Lines 26 and 27)	155,768,384	2,650,694	153,117,690	153,754,045
DETAILS OF WRITE-INS				
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. Travel Advances.....			0	0
2502.				
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)	0	0	0	0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$)	18,284,414	17,831,788
2. Reinsurance payable on paid losses and loss adjustment expenses		0
3. Loss adjustment expenses	3,964,000	3,964,000
4. Commissions payable, contingent commissions and other similar charges	1,670,927	2,079,418
5. Other expenses (excluding taxes, licenses and fees)	1,723,762	2,832,564
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	666,192	795,178
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))		0
7.2 Net deferred tax liability	0	176,270
8. Borrowed money \$ and interest thereon \$		0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$499,141 and including warranty reserves of \$)	30,872,098	28,053,946
10. Advance premium	645,005	401,699
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders		0
12. Ceded reinsurance premiums payable (net of ceding commissions)	(219,907)	240,238
13. Funds held by company under reinsurance treaties		0
14. Amounts withheld or retained by company for account of others	4,785,749	5,074,276
15. Remittances and items not allocated		0
16. Provision for reinsurance	213,119	213,119
17. Net adjustments in assets and liabilities due to foreign exchange rates		0
18. Drafts outstanding		0
19. Payable to parent, subsidiaries and affiliates		0
20. Derivatives		0
21. Payable for securities		0
22. Payable for securities lending		0
23. Liability for amounts held under uninsured plans		0
24. Capital notes \$ and interest thereon \$		0
25. Aggregate write-ins for liabilities	0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	62,605,359	61,662,496
27. Protected cell liabilities		0
28. Total liabilities (Lines 26 and 27)	62,605,359	61,662,496
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock		0
31. Preferred capital stock		0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes		0
34. Gross paid in and contributed surplus		0
35. Unassigned funds (surplus)	90,512,331	92,091,549
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		0
36.2 shares preferred (value included in Line 31 \$)		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	90,512,331	92,091,549
38. Totals (Page 2, Line 28, Col. 3)	153,117,690	153,754,045
DETAILS OF WRITE-INS		
2501.		
2502.		
2503.		
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.		
2902.		
2903.		
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.		
3202.		
3203.		
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 OF INCOME

	1	2	3
	Current Year	Prior Year	Prior Year Ended
	to Date	to Date	December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 71,346,375)	67,753,714	62,914,678	84,744,897
1.2 Assumed (written \$ 45,244,748)	42,481,643	41,538,509	44,294,303
1.3 Ceded (written \$ 66,925,068)	63,386,852	59,729,241	68,852,734
1.4 Net (written \$ 49,666,055)	46,848,505	44,723,946	60,186,466
DEDUCTIONS:			
2. Losses incurred (current accident year \$)::			
2.1 Direct	46,947,599	38,046,878	51,474,944
2.2 Assumed	13,714,187	27,275,246	34,365,397
2.3 Ceded	30,958,005	37,896,137	49,333,408
2.4 Net	29,703,781	27,425,987	36,506,933
3. Loss adjustment expenses incurred	4,454,094	4,358,347	5,914,581
4. Other underwriting expenses incurred	16,971,300	16,384,456	22,157,649
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	51,129,175	48,168,790	64,579,163
7. Net income of protected cells		0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(4,280,670)	(3,444,844)	(4,392,697)
INVESTMENT INCOME			
9. Net investment income earned	2,615,426	2,842,416	3,832,474
10. Net realized capital gains (losses) less capital gains tax of \$ 250,970	487,178	553,857	656,953
11. Net investment gain (loss) (Lines 9 + 10)	3,102,604	3,396,273	4,489,427
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ (38,845))	(38,845)	(30,675)	(39,091)
13. Finance and service charges not included in premiums	800,746	728,211	977,892
14. Aggregate write-ins for miscellaneous income	2,165	(8,965)	(7,474)
15. Total other income (Lines 12 through 14)	764,066	688,571	931,327
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(414,000)	640,000	1,028,057
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)	(414,000)	640,000	1,028,057
19. Federal and foreign income taxes incurred	(285,284)	(74,675)	(173,986)
20. Net income (Line 18 minus Line 19)(to Line 22)	(128,716)	714,675	1,202,043
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	92,091,549	91,371,288	91,371,288
22. Net income (from Line 20)	(128,716)	714,675	1,202,043
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 \$ (1,110,038)	(2,154,779)	90,759	1,790,706
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	383,074	364,501	168,017
27. Change in nonadmitted assets	321,203	(446,424)	(2,440,505)
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)	(1,579,218)	723,511	720,261
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	90,512,331	92,094,799	92,091,549
DETAILS OF WRITE-INS			
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. GAIN ON SALE OF EQUIPMENT	140	0	0
1402. OTHER INCOME	2,025	(8,965)	(7,474)
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)	2,165	(8,965)	(7,474)
3701. Prior year error pension liability		0	0
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	0	0	0

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance.....	47,300,149	44,889,987	60,085,260
2. Net investment income	2,562,506	2,942,152	4,218,202
3. Miscellaneous income	764,066	688,571	931,327
4. Total (Lines 1 to 3)	50,626,721	48,520,710	65,234,789
5. Benefit and loss related payments	30,805,141	26,755,323	36,889,257
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	22,814,698	20,891,532	27,428,972
8. Dividends paid to policyholders	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	(923,377)	155,000	285,000
10. Total (Lines 5 through 9)	52,696,462	47,801,855	64,603,229
11. Net cash from operations (Line 4 minus Line 10)	(2,069,741)	718,855	631,560
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	8,691,313	10,608,999	12,444,722
12.2 Stocks	9,229,121	14,408,863	18,898,022
12.3 Mortgage loans	0	0	0
12.4 Real estate	0	0	0
12.5 Other invested assets	182,510	0	39,593
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)	18,102,944	25,017,862	31,382,337
13. Cost of investments acquired (long-term only):			
13.1 Bonds	7,107,472	8,048,302	10,770,849
13.2 Stocks	8,204,038	18,069,191	21,752,230
13.3 Mortgage loans	0	0	0
13.4 Real estate	0	0	0
13.5 Other invested assets	0	450,000	2,450,000
13.6 Miscellaneous applications	0	0	1
13.7 Total investments acquired (Lines 13.1 to 13.6)	15,311,510	26,567,493	34,973,080
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)	2,791,434	(1,549,631)	(3,590,743)
Cash from Financing and Miscellaneous Sources			
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).....	224,979	(307,589)	(506,951)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	224,979	(307,589)	(506,951)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	946,672	(1,138,365)	(3,466,134)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	(6,391,509)	(2,925,375)	(2,925,375)
19.2 End of period (Line 18 plus Line 19.1)	(5,444,837)	(4,063,740)	(6,391,509)

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

The accompanying financial statement of Western Reserve Mutual Casualty Company (the Company) has been prepared in conformity with accounting practices prescribed by the National Association of Insurance Commissioners' *Accounting Practices and Procedures* manual and the state of Ohio. All material transactions recorded by the company are in conformity with prescribed statutory accounting principles.

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. It also requires 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.

Accounting policy disclosure

Premiums are earned over the terms of the related policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct business and are based on reports received from ceding companies for reinsurance. 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. In addition, the company uses the following accounting policies:

- Short-term investments are stated at cost.
- Bonds are stated at amortized cost (scientific amortization method); U.S. Treasury Inflation-Indexed bonds are stated at amortized cost adjusted for unrealized inflation factor gains.
- Common stocks are stated at market.
- Preferred stocks are stated at market.
- The Company has no mortgage loans.
- The Company has no loan-backed securities.
- Investments in subsidiaries are stated at statutory equity value in Schedule D; these assets are nonadmitted, page 2, column 2.
- The Company has minor ownership interests in partnerships. The Company carries these interests based on underlying GAAP equity of the investee.
- The Company has no derivative instrument investments.
- The Company does not utilize anticipated investment income in the premium deficiency calculation.
- 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.
- The Company did not change capitalization policy.
- The Company has no pharmaceutical rebate receivables.

2. Accounting Changes and Corrections of Errors

The Company had no accounting changes or error corrections in 2011 or 2010.

3. Business Combinations and Goodwill

The Company has no goodwill from business combinations.

4. Discontinued Operations

The Company has no discontinued operations.

5. Investments

The Company has no mortgage loans, debt restructuring loans, reverse mortgages, loan-backed securities, or stock repurchase agreements. It is the policy of the company to adhere to the requirements of the Statements of Statutory Accounting Principles (SSAP No. 26, 30, 32, 43, 48, and INT 08-07) as they relate to the valuation of securities held and the determination of impairment in fair value considered to be other than temporary. No securities were impaired through 2011 or in 2010. Fair values were determined from market valuation. At September 2011 quarter end, the company's bond portfolio was 99.5% investment grade. At statement value, mortgage-backed securities comprised 5.4% of the total bond portfolio. All mortgage-backed securities were 100% backed by the U.S. government or government agencies and the Company had no exposure to subprime mortgages.

6. Joint Ventures, Partnerships and Limited Liability Companies

The Company has no investments in joint ventures, partnerships, or limited liability companies in excess of 10% of invested assets.

NOTES TO FINANCIAL STATEMENTS

7. Investment Income

The Company has no uncollectible accrued investment income.

8. Derivative Instruments

The Company has no derivative instrument investments.

9. Income Taxes

The Company files an individual federal income tax return. The provision for federal income taxes incurred is different from what would be obtained by applying the statutory federal income tax rate to income before income taxes. The significant items causing this difference are as follows:

	September 2011	2010
Pre-tax income	\$ (414,000)	\$ 1,028,057
Tax realized gains	260,970	338,430
Tax-exempt interest	(455,723)	(718,332)
Dividends deduction	(558,646)	(600,630)
Unearned premium adjustment	583,800	(128,032)
Deductible capital losses on impaired assets	(185,374)	(233,131)
Other net	(217,027)	(250,672)
Alternative minimum tax effect	-	1,011,756
Taxable income	990,199	924,520
Rate	(250.970)	(121.500)
Prior year over or under accrual	(34,314)	(20,436)
Total Current Tax	\$ (285,284)	\$ (173,936)

Net operating loss carry forwards are available to reduce future tax liabilities.

The effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are as follows:

	Period Ended	
	September 30, 2011	December 2010
Deferred tax assets:		
Unearned premium reserve	\$ 2,092,303	\$ 1,907,658
Deferred compensation	1,482,142	1,751,858
Loss reserve discount	415,995	(11,931)
Salvage and subrogation anticipated	620,782	623,526
Retiree health care and director retirement	275,607	232,726
Impaired assets/losses	1,105,420	1,131,617
Net operating loss carryforward	323,875	-
Other	553,223	321,630
Total admitted deferred tax assets	5,869,247	6,401,073
Deferred tax liabilities:		
Unrealized gains on investments	(5,051,450)	(6,121,436)
Other	(542,947)	(471,040)
Total gross deferred tax liabilities	(5,594,400)	(6,592,476)
Net deferred tax liability/asset	\$ 274,847	\$ (191,403)
Surplus increase/(decrease)	\$ 1,493,112	\$ (751,519)

NOTES TO FINANCIAL STATEMENTS

Income Taxes (continued)
The amount of adjusted gross deferred tax assets admitted under each component of SSAP No. 10R are as follows:

	September 2011		
	Ordinary	Capital	Total
Admitted under paragraph 10.a	\$ -	-	-
Admitted under paragraph 10.b	2,475,070	-	2,475,070
Admitted under paragraph 10.c	1,307,956	1,105,490	2,413,446
Total admitted adjusted gross deferred tax assets	3,783,026	1,105,490	4,888,516
Total gross deferred tax liabilities	(512,947)	(5,163,496)	(5,676,443)
Not admitted deferred tax assets/(liabilities)	\$ 3,270,079	(4,057,996)	(787,917)

	2010		
	Ordinary	Capital	Total
Admitted under paragraph 10.a	\$ -	-	-
Admitted under paragraph 10.b	-	-	-
Admitted under paragraph 10.c	1,777,905	4,283,108	6,061,013
Total admitted adjusted gross deferred tax assets	1,777,905	4,283,108	6,061,013
Total gross deferred tax liabilities	(471,040)	(5,163,496)	(5,634,536)
Not admitted deferred tax assets/(liabilities)	\$ 1,306,865	(1,480,388)	(173,523)

The Company did not elect to adopt the provisions of SSAP No. 10R nor did it employ tax strategies to enhance admissibility of deferred tax assets.

10. **Information Concerning Parent, Subsidiaries and Affiliates**
The Company participates in a pooling agreement with Lightning Rod Mutual Insurance Company, ("Lightning") and Sonnenberg Mutual Insurance Company, ("Sonnenberg") whereby net premiums, losses, underwriting expenses and related balance sheet amounts (except premiums receivable) are shared on a 55% / 40% / 5% basis, respectively. Lightning Rod assumes 100% of the business from Western and Sonnenberg and cedes 40% to Western and 5% to Sonnenberg.
- The Company owns fifty percent of Forward Agencies, Inc., an insurance agency, and forty percent of Western Reserve Financial Corp., an inactive holding company. The company carries these stocks valued at an unaudited statutory basis as reported in Schedule D Part 2 Section 2 at \$221,397 and \$27,070 respectively. In accordance with SSAP 25, management elected to nonadmit these subsidiaries.
11. **Debt**
The Company has no loans outstanding or surplus notes.
12. **Retirement Plans, Deferred Compensation, and Other Postretirement Plans**
Employee Retirement: The Company has a 401(k) plan that is available to all employees on beginning of the following quarter after the completion of three months of continuous service. The Company matches a portion of employee contributions and may make additional discretionary contributions. These costs were charged to the Company's operations amounting to \$229 thousand and \$242 thousand through third quarter 2011 and 2010 respectively.
- Deferred Compensation: The Company has a non-qualified Voluntary Deferred Compensation plan for senior executive officers. The plan allows for deferral of annual base salaries, payouts under the annual incentive plan, and payouts under the "Performance Share Plan for Key Executives."
13. **Capital and Surplus and Shareholders' and Policyholders' Dividend Restrictions.**
The Company is a mutual company, thus no stock or surplus dividends are applicable.
14. **Contingencies**
The company has no material contingent liabilities, has committed no reserves to cover any contingent liabilities, and has no pending legal proceedings beyond the ordinary course of business.
15. **Leases**
The company has no leases that would have a material financial effect.

NOTES TO FINANCIAL STATEMENTS

16. Information about Financial Instruments With Off-Balance-Sheet Risk and Financial Instruments With Concentrations of Credit Risk
The company has no off-balance-sheet risk or credit risk exposure.
17. Sale, Transfer, and Servicing of Financial Assets and Extinguishment of Liabilities
The company has no receivable transfer, financial asset servicing, or wash sale transactions.
18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans
The company has a fully insured accident and health plan.
19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators
The company has no managing general agents or third party administrators.
20. Fair Value Measurements
The company's financial assets and liabilities carried at fair value have been classified, for disclosure purposes, based on a hierarchy defined by FASB ASC 820 (SFAS No. 157), *Fair Value Measurements*. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). An asset's or a liability's classification is based on the lowest level input that is significant to its measurement. For example, a Level 3 fair value measurement may include inputs that are both observable (Levels 1 and 2) and unobservable (Level 3). The levels of the fair value hierarchy are as follows:

Level 1:
Values are unadjusted quoted prices for identical assets and liabilities in active markets accessible at the measurement date.

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

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

Description	Period ended September 30, 2011	Fair value measurements using		
		Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant other unobservable inputs (Level 3)
Assets at fair value:				
Preferred stock	\$ 1,268,818	\$ 1,268,818	\$ -	\$ -
Common Stock	39,109,034	39,109,034	-	-
Other invested assets	3,832,602	-	-	3,832,602
Total Assets at Fair Value	\$ 14,211,184	\$ 40,377,852	\$ -	\$ 3,832,602

Description	Year ended December 31, 2010	Fair value measurements using		
		Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant other unobservable inputs (Level 3)
Assets at fair value:				
Preferred stock	\$ 1,275,024	\$ 1,275,024	\$ -	\$ -
Common Stock	42,860,046	42,860,046	-	-
Other invested assets	3,826,627	-	-	3,826,627
Total Assets at Fair Value	\$ 46,961,696	\$ 44,135,070	\$ -	\$ 3,826,627

NOTES TO FINANCIAL STATEMENTS

Fair Value Measurements (continued)

Level 1 Financial Assets

These assets include actively-traded exchange-listed equity securities and some mutual funds. Unadjusted quoted prices for these securities are provided to the company by independent pricing services.

Level 2 Financial Assets

The company classified no assets in Level 2.

Level 3 Financial Assets

The company classifies certain newly issued, privately placed, complex or illiquid securities in Level 3. This amount represents an investment in a limited partnership interest and is valued using the equity method of accounting which approximates fair value. Increase in 2011 is due entirely to unrealized gains. In 2011, the company has had no transfers into or out of the Level 3 category and no transfers between Levels 1 and 2.

21. Other Items

The company has no extraordinary items or unusual items.

22. Events Subsequent

There were no events occurring subsequent to the close of the books as of September 30, 2011 that would have a material effect on the financial condition of the company.

23. Reinsurance

There were no uncollectible reinsurance balances written off and no commutations of ceded reinsurance. The company has no retroactive reinsurance agreements. At year-end 2008, the company recognized a \$687 thousand provision for unauthorized reinsurance due to the Lehman Re bankruptcy for catastrophe losses recoverable net of reinstatement premiums. No changes occurred in 2010 or 2011.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

The company has no retrospectively rated contracts or contracts subject to redetermination.

25. Changes in Incurred Losses and Loss Adjustment Expense

Reserves as of December 31, 2010 were \$21.8 million. In calendar year 2011, \$9.7 million has been paid for incurred losses and loss adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$10.1 million. Therefore, there has been a \$2.0 million favorable prior-year development from December 31, 2010 to September 30, 2011. The favorable development is generally the result of ongoing analysis of recent loss development trends, and from decreases in the estimates of loss and loss adjustment expenses for the following lines of business: private passenger auto liability, auto physical damage, homeowners/farmowners, commercial multi-peril, other liability, and special property. These decreases were offset, in part, by increases in commercial auto liability and workers compensation. Original estimates are increased or decreased as additional information becomes known regarding individual claims. The estimates are not affected by prior year loss development on retrospectively rated policies, as the company does not write this type of policy.

26. Intercompany Pooling Agreements

Lightning Rod, NAIC number 26123, 55%, Western Reserve, NAIC number 26131, 40%, and Sonnenberg, NAIC number 10271, 5%, participate in a pooling agreement for all lines of business. Lightning Rod is the lead company; no amounts were due to or from this company at September 30, 2011. All transactions and balances in the underwriting accounts of the companies are pooled except premiums in the course of collection.

27. Structured Settlements

The company has no structured settlements.

28. Health Care Receivables

Not applicable.

29. Participating Policies

Not applicable.

30. Premium Deficiency Reserves

- Liability for premium deficiency reserves: \$0
- Date of evaluation of liability: 12/31/2010
- Anticipated investment income was not utilized in the calculation.

31. High Deductibles

The company has no reserve for high deductible credits.

NOTES TO FINANCIAL STATEMENTS

32. **Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses**
The company does not discount any loss or adjustment expense reserves.

33. **Asbestos/Environmental Reserves**
A. Does the company have on the books, or has it ever written or insured for, which you have identified a potential for the existence of a liability due to asbestos losses? Yes () No (X)
B. Not applicable
C. Not applicable
D. Does the company have on the books, or has it ever written or insured for, which you have identified a potential for the existence of a liability due to environmental losses? Yes (X) No ()

The company's exposure to environmental losses arises from the sale of general liability insurance. The company tries to estimate the full impact of the environmental exposure by establishing full case basis reserves on all known losses and computing incurred but not reported losses based on previous experience. The company's environmental related losses for each of the five most recent years were as follows after intercompany pooling.

(1) Direct Basis:

	2007	2008	2009	2010	2011
a. Beginning reserves	\$ -	\$ -	\$ -	\$ 10	\$ 10
b. Incurred losses and loss adj. expenses	1	7	21	45	19
c. Calendar year pymts for losses and LAE	1	7	11	15	19
d. Ending reserves	\$ -	\$ -	\$ 10	\$ 10	\$ 10

(2) Assumed Reinsurance:

	2007	2008	2009	2010	2011
a. Beginning reserves	\$ -	\$ -	\$ -	\$ -	\$ -
b. Incurred losses and loss adj. expenses	-	-	-	-	-
c. Calendar year pymts for losses and LAE	-	-	-	-	-
d. Ending reserves	\$ -	\$ -	\$ -	\$ -	\$ -

(3) Net of Ceded Reinsurance:

	2007	2008	2009	2010	2011
a. Beginning reserves	\$ -	\$ -	\$ -	\$ 10	\$ 10
b. Incurred losses and loss adj. expenses	1	7	21	15	19
c. Calendar year pymts for losses and LAE	1	7	11	45	19
d. Ending reserves	\$ -	\$ -	\$ 10	\$ 10	\$ 10

F. State the amount of ending reserves for Bulk + IBNR included in D (Loss & LAE)

(1) Direct Basis: \$ -

(2) Assumed Reinsurance Basis: \$ -

(3) Net of Ceded Reinsurance Basis: \$ -

G. State the amount of ending reserves for loss adjustment expenses included in D (Case, Bulk + IBNR)

(1) Direct Basis: \$ -

(2) Assumed Reinsurance Basis: \$ -

(3) Net of Ceded Reinsurance Basis: \$ -

34. **Subscriber Savings Accounts**
Not applicable.

35. **Multiple Peril Crop Insurance**
The company does not write crop insurance.

36. **Financial Guaranty Insurance**
The company does not write financial guaranty insurance.

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 ☒
- 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 ☒
- 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 ☒

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 ☒
- 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	2	3
Name of Entity	NAIC Company Code	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?

If yes, attach an explanation.

Yes ☐ No ☒ NA ☐
- 6.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2006
- 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.

12/31/2006
- 6.3

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

07/16/2007
- 6.4

By what department or departments?
Ohio.....
- 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 ☒
- 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 ☒
- 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 ☒
- 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 ☒
- 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	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC

GENERAL INTERROGATORIES

- 9.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?.....

Yes ☒ No ☐
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

(c) Compliance with applicable governmental laws, rules and regulations;

(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

(e) Accountability for adherence to the code.
- 9.11

If the response to 9.1 is No, please explain:

.....
- 9.2

Has the code of ethics for senior managers been amended?.....

Yes ☐ No ☒
- 9.21

If the response to 9.2 is Yes, provide information related to amendment(s).

.....
- 9.3

Have any provisions of the code of ethics been waived for any of the specified officers?.....

Yes ☐ No ☒
- 9.31

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

.....

FINANCIAL

- 10.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?.....

Yes ☐ No ☒
- 10.2

If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$

INVESTMENT

- 11.1

Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes ☐ No ☒
- 11.2

If yes, give full and complete information relating thereto:

.....
12.

Amount of real estate and mortgages held in other invested assets in Schedule BA: \$
13.

Amount of real estate and mortgages held in short-term investments: \$
- 14.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes ☒ No ☐
- 14.2

If yes, please complete the following:

		1		2
		Prior Year-End		Current Quarter
		Book/Adjusted		Book/Adjusted
		Carrying Value		Carrying Value
14.21	Bonds	\$	\$	
14.22	Preferred Stock	\$	\$	
14.23	Common Stock	\$0	\$0	
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 ☒
- 15.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

Yes ☐ No ☐

If no, attach a description with this statement.

GENERAL INTERROGATORIES

16. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?.....

Yes ☒ No ☐

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

1 Name of Custodian(s)	2 Custodian Address
Merrill Lynch.....	Columbus, Ohio.....
FirstMerit.....	Wooster, Ohio.....

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

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

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

Yes ☐ No ☒

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

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

16.5 Identify all investment advisors, 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:

.....

GENERAL INTERROGATORIES

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

PART 2

PROPERTY & CASUALTY INTERROGATORIES

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

If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other 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:

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

5. Operating Percentages:

5.1 A&H loss percent %

5.2 A&H cost containment percent %

5.3 A&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

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories								
States, etc.	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid		
		2	3	4	5	6	7	
	Active Status	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	
1. Alabama	AL	N	0	0	0		0	
2. Alaska	AK	N	0	0	0		0	
3. Arizona	AZ	N	0	0	0		0	
4. Arkansas	AR	N	0	0	0		0	
5. California	CA	N	0	0	0		0	
6. Colorado	CO	N	0	0	0		0	
7. Connecticut	CT	N	0	0	0		0	
8. Delaware	DE	N	0	0	0		0	
9. District of Columbia	DC	N	0	0	0		0	
10. Florida	FL	N	0	0	0		0	
11. Georgia	GA	N	0	0	0		0	
12. Hawaii	HI	N	0	0	0		0	
13. Idaho	ID	N	0	0	0		0	
14. Illinois	IL	L	0	0	0		0	
15. Indiana	IN	L	20,540,807	18,440,801	14,201,476	9,890,290	4,864,763	7,196,455
16. Iowa	IA	N	0	0	0		0	
17. Kansas	KS	N	0	0	0		0	
18. Kentucky	KY	N	0	0	0		0	
19. Louisiana	LA	N	0	0	0		0	
20. Maine	ME	N	0	0	0		0	
21. Maryland	MD	N	0	0	0		0	
22. Massachusetts	MA	N	0	0	0		0	
23. Michigan	MI	N	0	0	0		0	
24. Minnesota	MN	N	0	0	0		0	
25. Mississippi	MS	N	0	0	0		0	
26. Missouri	MO	N	0	0	0		0	
27. Montana	MT	N	0	0	0		0	
28. Nebraska	NE	N	0	0	0		0	
29. Nevada	NV	N	0	0	0		0	
30. New Hampshire	NH	N	0	0	0		0	
31. New Jersey	NJ	N	0	0	0		0	
32. New Mexico	NM	N	0	0	0		0	
33. New York	NY	N	0	0	0		0	
34. No. Carolina	NC	N	0	0	0		0	
35. No. Dakota	ND	N	0	0	0		0	
36. Ohio	OH	L	50,805,568	47,841,986	30,976,558	27,164,372	21,155,580	16,511,047
37. Oklahoma	OK	N	0	0	0		0	
38. Oregon	OR	N	0	0	0		0	
39. Pennsylvania	PA	N	0	0	0		0	
40. Rhode Island	RI	N	0	0	0		0	
41. So. Carolina	SC	N	0	0	0		0	
42. So. Dakota	SD	N	0	0	0		0	
43. Tennessee	TN	L	0	0	0		0	
44. Texas	TX	N	0	0	0		0	
45. Utah	UT	N	0	0	0		0	
46. Vermont	VT	N	0	0	0		0	
47. Virginia	VA	N	0	0	0		0	
48. Washington	WA	N	0	0	0		0	
49. West Virginia	WV	N	0	0	0		0	
50. Wisconsin	WI	N	0	0	0		0	
51. Wyoming	WY	N	0	0	0		0	
52. American Samoa	AS	N	0	0	0		0	
53. Guam	GU	N	0	0	0		0	
54. Puerto Rico	PR	N	0	0	0		0	
55. U.S. Virgin Islands	VI	N	0	0	0		0	
56. Northern Mariana Islands	MP	N	0	0	0		0	
57. Canada	CN	N	0	0	0		0	
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0	
59. Totals	(a) 4		71,346,375	66,282,787	45,178,034	37,054,662	26,020,343	23,707,502
DETAILS OF WRITE-INS								
5801.	XXX							
5802.	XXX							
5803.	XXX							
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX		0	0	0	0	0	0
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX		0	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

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	1,901,781	440,948	23.2	32.1
2.	Allied lines	1,027,612	2,305,190	224.3	135.5
3.	Farmowners multiple peril		0	0.0	0.0
4.	Homeowners multiple peril	13,626,729	13,412,264	98.4	80.1
5.	Commercial multiple peril	7,075,063	3,136,759	44.3	43.3
6.	Mortgage guaranty		0	0.0	0.0
8.	Ocean marine		0	0.0	0.0
9.	Inland marine	558,015	146,228	26.2	117.2
10.	Financial guaranty		0	0.0	0.0
11.1	Medical professional liability - occurrence		0	0.0	0.0
11.2	Medical professional liability – claims made		0	0.0	0.0
12.	Earthquake	12,435	0	0.0	0.0
13.	Group accident and health		0	0.0	0.0
14.	Credit accident and health		0	0.0	0.0
15.	Other accident and health		0	0.0	0.0
16.	Workers' compensation	681,668	185,069	27.1	66.2
17.1	Other liability occurrence	1,894,013	(44,037)	(2.3)	10.4
17.2	Other liability – claims made	131	0	0.0	0.0
17.3	Excess Workers' Compensation		0	0.0	
18.1	Products liability - occurrence	58,412	(10,000)	(17.1)	24.4
18.2	Products liability – claims made		0	0.0	0.0
19.1,19.2	Private passenger auto liability	20,434,166	14,359,264	70.3	60.1
19.3,19.4	Commercial auto liability	2,160,417	436,347	20.2	42.6
21.	Auto physical damage	18,210,682	12,547,300	68.9	57.9
22.	Aircraft (all perils)		0	0.0	0.0
23.	Fidelity		0	0.0	0.0
24.	Surety		0	0.0	0.0
26.	Burglary and theft	32,876	7,661	23.3	6.4
27.	Boiler and machinery	79,714	24,606	30.9	32.8
28.	Credit		0	0.0	0.0
29.	International		0	0.0	0.0
30.	Warranty		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
35.	TOTALS	67,753,714	46,947,599	69.3	60.5
DETAILS OF WRITE-INS					
3401.	.....			
3402.	.....			
3403.	.....			
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business		1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1.	Fire	727,713	2,032,568	1,731,813
2.	Allied lines	397,351	1,102,845	936,748
3.	Farmowners multiple peril	0	0	0
4.	Homeowners multiple peril	5,404,790	14,206,928	13,343,466
5.	Commercial multiple peril	2,490,028	7,508,500	7,196,842
6.	Mortgage guaranty	0	0	0
8.	Ocean marine	0	0	0
9.	Inland marine	149,238	561,303	542,200
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	3,946	12,203	14,974
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	242,177	756,949	678,570
17.1	Other liability-occurrence	666,375	1,979,122	1,832,206
17.2	Other liability – claims made	736	736	0
17.3	Excess Workers' Compensation	0	0	
18.1	Products liability - occurrence	20,339	57,748	58,484
18.2	Products liability – claims made	0	0	0
19.1,19.2	Private passenger auto liability	7,809,702	21,815,384	19,731,525
19.3,19.4	Commercial auto liability	709,890	2,268,150	2,340,294
21.	Auto physical damage	6,701,213	18,928,569	17,765,805
22.	Aircraft (all perils)	0	0	0
23.	Fidelity	0	0	0
24.	Surety	0	0	0
26.	Burglary and theft	12,850	32,198	31,727
27.	Boiler and machinery	25,208	83,172	78,133
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
35.	TOTALS	25,361,556	71,346,375	66,282,787
DETAILS OF WRITE-INS				
3401.	.....		
3402.	.....		
3403.	.....		
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2011 Loss and LAE Payments on Claims Reported as of Prior Year-End	2011 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2011 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols.7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2008 + Prior	3,579	208	3,787	1,554	31	1,585	1,613	19	334	1,966	(412)	176	(236)
2. 2009	4,319	211	4,530	1,710	42	1,752	1,982	56	369	2,407	(627)	256	(371)
3. Subtotals 2009 + prior	7,898	419	8,317	3,264	73	3,337	3,595	75	703	4,373	(1,039)	432	(607)
4. 2010	10,109	3,369	13,478	5,400	816	6,216	4,275	282	1,309	5,866	(434)	(962)	(1,396)
5. Subtotals 2010 + prior	18,007	3,788	21,795	8,664	889	9,553	7,870	357	2,012	10,239	(1,473)	(530)	(2,003)
6. 2011	XXX	XXX	XXX	XXX	24,151	24,151	XXX	6,923	5,087	12,010	XXX	XXX	XXX
7. Totals	18,007	3,788	21,795	8,664	25,040	33,704	7,870	7,280	7,099	22,249	(1,473)	(530)	(2,003)
8. Prior Year-End Surplus As Regards Policy-holders	92,092										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. (8.2)	2. (14.0)	3. (9.2)
											Col. 13, Line 7 As a % of Col. 1 Line 8		
											4. (2.2)		

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.




26131201149000003

2.




26131201145500003

3.



26131201136500003

4.



26131201150500003

OVERFLOW PAGE FOR WRITE-INS

SCHEDULE A - VERIFICATION

Real Estate

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	8,222,375	8,444,482
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	0	0
2.2 Additional investment made after acquisition	0	0
3. Current year change in encumbrances	0	0
4. Total gain (loss) on disposals	0	0
5. Deduct amounts received on disposals	0	0
6. Total foreign exchange change in book/adjusted carrying value	0	0
7. Deduct current year's other than temporary impairment recognized	0	0
8. Deduct current year's depreciation	166,580	222,107
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)	8,055,795	8,222,375
10. Deduct total nonadmitted amounts	0	0
11. Statement value at end of current period (Line 9 minus Line 10)	8,055,795	8,222,375

SCHEDULE B – VERIFICATION

Mortgage Loans

	1	2
	Year to Date	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	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	6,236,234	3,522,096
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	0	2,450,000
2.2 Additional investment made after acquisition	0	0
3. Capitalized deferred interest and other	0	0
4. Accrual of discount	0	0
5. Unrealized valuation increase (decrease)	6,975	303,731
6. Total gain (loss) on disposals	0	0
7. Deduct amounts received on disposals	182,510	39,593
8. Deduct amortization of premium and depreciation	0	0
9. Total foreign exchange change in book/adjusted carrying value	0	0
10. Deduct current year's other than temporary impairment recognized	0	0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	6,060,699	6,236,234
12. Deduct total nonadmitted amounts	2,227,897	2,410,407
13. Statement value at end of current period (Line 11 minus Line 12)	3,832,802	3,825,827

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	124,716,824	120,246,257
2. Cost of bonds and stocks acquired	15,311,510	32,523,079
3. Accrual of discount	54,389	65,940
4. Unrealized valuation increase (decrease)	(3,271,792)	2,409,511
5. Total gain (loss) on disposals	738,148	995,383
6. Deduct consideration for bonds and stocks disposed of	17,920,433	31,342,745
7. Deduct amortization of premium	110,079	180,603
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other than temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	119,518,567	124,716,824
11. Deduct total nonadmitted amounts	248,467	257,937
12. Statement value at end of current period (Line 10 minus Line 11)	119,270,100	124,458,887

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

SCHEDULE D - PART 1B

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

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a).....	79,892,817	3,462,067	5,565,285	3,738	80,873,319	79,892,817	77,793,337	81,674,925
2. Class 2 (a).....	1,314,686	0	0	(714)	1,315,388	1,314,686	1,313,972	1,316,086
3. Class 3 (a).....	370,000	0	0	0	370,000	370,000	370,000	370,000
4. Class 4 (a).....	0	0	0	0	0	0	0	0
5. Class 5 (a).....	0	0	0	0	0	0	0	0
6. Class 6 (a).....	0	0	0	0	0	0	0	0
7. Total Bonds	81,577,503	3,462,067	5,565,285	3,024	82,558,707	81,577,503	79,477,309	83,361,011
PREFERRED STOCK								
8. Class 1	1,058,256	0	0	(9,888)	1,063,256	1,058,256	1,048,368	1,055,424
9. Class 2	223,360	0	0	(2,880)	223,120	223,360	220,480	220,400
10. Class 3	0	0	0	0	0	0	0	0
11. Class 4	0	0	0	0	0	0	0	0
12. Class 5	0	0	0	0	0	0	0	0
13. Class 6	0	0	0	0	0	0	0	0
14. Total Preferred Stock	1,281,616	0	0	(12,768)	1,286,376	1,281,616	1,268,848	1,275,824
15. Total Bonds & Preferred Stock	82,859,119	3,462,067	5,565,285	(9,744)	83,845,083	82,859,119	80,746,157	84,636,835

(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 \$.....78,841,705 ; NAIC 2 \$.....1,534,452 ; NAIC 3 \$.....370,000 ; NAIC 4 \$.....0 ; NAIC 5 \$.....0 ; NAIC 6 \$.....0

SCHEDULE DA - PART 1

Short-Term Investments					
	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	585,590	XXX	585,590	1,860	0

SCHEDULE DA - VERIFICATION

Short-Term Investments		
	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	3,047,893	5,068,799
2. Cost of short-term investments acquired	11,824,867	22,932,709
3. Accrual of discount.....	0	0
4. Unrealized valuation increase (decrease).....	0	0
5. Total gain (loss) on disposals.....	0	0
6. Deduct consideration received on disposals.....	14,287,169	24,953,615
7. Deduct amortization of premium.....	0	0
8. Total foreign exchange change in book/adjusted carrying value.....	0	0
9. Deduct current year's other than temporary impairment recognized.....	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	585,590	3,047,893
11. Deduct total nonadmitted amounts.....	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	585,590	3,047,893

Schedule DB - Part A - Verification

NONE

Schedule DB - Part B- Verification

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

NONE

Schedule E Verification

NONE

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

SCHEDULE BA - PART 2

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

[illegible]

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

SCHEDULE BA - PART 3

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

1 CUSIP Identification	2 Name or Description	Location		5 Name of Purchaser or Nature of Disposal	6 Date Originally Acquired	7 Disposal Date	8 Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Change in Book/Adjusted Carrying Value						15 Book/Adjusted Carrying Value Less Encumbrances on Disposal	16 Consideration	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Investment Income
		3 City	4 State					9 Unrealized Valuation Increase (Decrease)	10 Current Year's (Depreciation) or (Amortization)/ Accretion	11 Current Year's Other Than Temporary Impairment Recognized	12 Capitalized Deferred Interest and Other	13 Total Change in B./A.C.V. (9+10-11+12)	14 Total Foreign Exchange Change in B./A.C.V.						
.000000-00-0-	Voidico / Encore		Ohio	principal payment	10/31/2010	09/30/2011	\$1,635	0	0	0		0		\$1,635	\$1,635			0	23,875
1199999 - Fixed or Variable Rate - Other	Fixed Income - Unaffiliated						\$1,635							\$1,635	\$1,635				23,875
3999999 – Subtotals Unaffiliated							\$1,635	0	0	0	0	0	0	\$1,635	\$1,635	0	0	0	23,875
4099999 – Subtotals Affiliated							0	0	0	0	0	0	0	0	0	0	0	0	0
4199999 TOTALS							\$1,635	0	0	0	0	0	0	\$1,635	\$1,635	0	0	0	23,875

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

SCHEDULE D - PART 3

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

[illegible]

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues 4

E04

STATEMENT AS OF SEPTEMBER 30, 2011 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
3136FP-LA-3..	Federal Nat'l Mtg Assn. FHLMC Gold Pool		09/30/2011..	CALLED @ 100.0000000..		400,000	400,000	400,000	400,000	.0	.0	.0	.0	.0	400,000	.0	.0	.0	7,000	09/30/2020..	1FE..
3128M1-LA-5..	#G12221.. FHLMC (Gold) Pool		09/15/2011..	PRINCIPAL RECEIPT..		12,888	12,888	12,888	12,888	.0	.0	.0	.0	.0	12,888	.0	.0	.0	471	06/01/2021..	1FE..
31335H-5P-4..	#C90854.. FHLMC (Gold) Pool		09/15/2011..	PRINCIPAL RECEIPT..		12,611	12,611	12,652	12,652	.0	(41)	.0	(41)	.0	12,611	.0	.0	.0	465	09/01/2024..	1FE..
31294K-NV-3..	#E01304.. FHLMC (gold) Pool		09/15/2011..	PRINCIPAL RECEIPT..		9,797	9,797	9,787	9,788	.0	.8	.0	.8	.0	9,797	.0	.0	.0	296	01/01/2018..	1FE..
31294K-K5-3..	#E01216.. FHLMC Gold Pool #G11934..		09/15/2011..	PRINCIPAL RECEIPT..		10,216	10,216	10,292	10,270	.0	(55)	.0	(55)	.0	10,216	.0	.0	.0	375	10/01/2017..	1FE..
3128M1-BB-4..	FHLMC Gold Pool #G12317..		09/15/2011..	PRINCIPAL RECEIPT..		7,411	7,411	7,407	7,403	.0	.9	.0	.9	.0	7,411	.0	.0	.0	269	04/01/2016..	1FE..
3128M1-PA-1..	FHLMC Gold Pool #G12317..		09/15/2011..	PRINCIPAL RECEIPT..		13,581	13,581	13,581	13,581	.0	.0	.0	.0	.0	13,581	.0	.0	.0	500	08/01/2021..	1FE..
3128MB-3A-3..	FHLMC Pool #G13293..		09/15/2011..	PRINCIPAL RECEIPT..		19,407	19,407	19,261	19,275	.0	132	.0	132	.0	19,407	.0	.0	.0	652	12/01/2018..	1FE..
31402R-GM-5..	FNMA Pool #735604..		09/25/2011..	PRINCIPAL RECEIPT..		21,669	21,669	21,736	21,722	.0	(54)	.0	(54)	.0	21,669	.0	.0	.0	737	06/01/2020..	1FE..
31381P-C9-7..	FNMA DUS Pool #466396..		09/25/2011..	PRINCIPAL RECEIPT..		1,074	1,074	1,076	.0	.0	(2)	.0	(2)	.0	1,074	.0	.0	.0	6	11/01/2020..	1FE..
31371L-JU-4..	#255075.. FNMA Gtd Mtg Pool #25549..		09/25/2011..	PRINCIPAL RECEIPT..		18,176	18,176	18,170	18,167	.0	.9	.0	.9	.0	18,176	.0	.0	.0	664	02/01/2024..	1FE..
31371L-XW-4..	FNMA Gtd Mtg Pool		09/25/2011..	PRINCIPAL RECEIPT..		15,314	15,314	15,228	15,233	.0	.82	.0	.82	.0	15,314	.0	.0	.0	563	10/01/2024..	1FE..
31371L-7J-2..	#255697.. FNMA Gtd Mtg Pool		09/25/2011..	PRINCIPAL RECEIPT..		24,723	24,723	25,380	25,212	.0	(489)	.0	(489)	.0	24,723	.0	.0	.0	743	04/01/2015..	1FE..
31402Y-NJ-9..	#742093.. FNMA Gtd Mtg Pool		09/25/2011..	PRINCIPAL RECEIPT..		19,226	19,226	18,709	18,768	.0	.458	.0	.458	.0	19,226	.0	.0	.0	579	04/01/2019..	1FE..
31416X-HY-9..	#AB2046.. FNMA Pool #254510..		09/25/2011..	PRINCIPAL RECEIPT..		12,124	12,124	11,920	.0	.0	205	.0	205	.0	12,124	.0	.0	.0	216	01/01/2026..	1FE..
31371K-VB-4..	FNMA Pool #254690..		09/25/2011..	PRINCIPAL RECEIPT..		7,072	7,072	7,165	7,137	.0	(69)	.0	(69)	.0	7,072	.0	.0	.0	237	11/01/2017..	1FE..
31371K-ZX-8..	FNMA Pool #254914..		09/25/2011..	PRINCIPAL RECEIPT..		9,682	9,682	9,616	9,620	.0	62	.0	62	.0	9,682	.0	.0	.0	354	04/01/2023..	1FE..
31371L-DT-3..	FNMA Pool #255323..		09/25/2011..	PRINCIPAL RECEIPT..		8,800	8,800	8,866	8,817	.0	(17)	.0	(17)	.0	8,800	.0	.0	.0	263	09/01/2013..	1FE..
31371L-SL-4..	FNMA Pool #555014..		09/25/2011..	PRINCIPAL RECEIPT..		9,252	9,252	9,370	9,298	.0	(47)	.0	(47)	.0	9,252	.0	.0	.0	274	07/01/2014..	1FE..
31385W-SB-6..	FNMA Pool #555602..		09/25/2011..	PRINCIPAL RECEIPT..		10,530	10,530	10,628	10,591	.0	(62)	.0	(62)	.0	10,530	.0	.0	.0	384	11/01/2017..	1FE..
31385X-GK-7..	GNMA PH#282581..		09/15/2011..	PRINCIPAL RECEIPT..		10,925	10,925	10,843	10,855	.0	.70	.0	.70	.0	10,925	.0	.0	.0	364	06/01/2018..	1FE..
36220M-ZN-8..	U S Treasury Note..		08/15/2011..	MATURITY..		29	29	29	29	.0	.0	.0	.0	.0	29	.0	.0	.0	2	10/15/2019..	1FE..
36295P-6H-0..	U S Treasury Note..		09/15/2011..	MATURITY..		24,042	24,042	24,252	24,230	.0	(188)	.0	(188)	.0	24,042	.0	.0	.0	658	03/15/2023..	1FE..
912827-7B-2..	U S Treasury Note..		08/15/2011..	MATURITY..		600,000	600,000	628,304	602,776	.0	(2,776)	.0	(2,776)	.0	600,000	.0	.0	.0	30,000	08/15/2011..	1..
0999999 - Bonds - U.S. Governments						1,278,547	1,278,547	1,307,160	1,268,314	0	(2,763)	0	(2,763)	0	1,278,547	0	0	0	46,072	XXX	XXX
67756B-OM-5..	Ohio St Higher EDL FAC REV..		09/01/2011..	MATURITY..		355,000	355,000	357,854	355,367	.0	(367)	.0	(367)	.0	355,000	.0	.0	.0	14,200	09/01/2011..	1FE..
3199999 - Total - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of....						355,000	355,000	357,854	355,367	0	(367)	0	(367)	0	355,000	0	0	0	14,200	XXX	XXX
8399997 - Bonds - Part 4						1,633,547	1,633,547	1,665,015	1,623,680	0	(3,129)	0	(3,129)	0	1,633,547	0	0	0	60,272	XXX	XXX
8399999 - Total - Bonds						1,633,547	1,633,547	1,665,015	1,623,680	0	(3,129)	0	(3,129)	0	1,633,547	0	0	0	60,272	XXX	XXX
8999999 - Total - Preferred Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
053015-10-3..	Automatic Data Proc.....		07/12/2011..	Full Call Convertible.....		1,485,000		1,485,000							1,485,000						
084670-70-2..	Berkshire Hathaway Inc.....		07/12/2011..	Merrill Lynch.....		120,078		120,078							120,078						
17275R-10-2..	Cisco Systems.....		07/13/2011..	Merrill Lynch.....		199,970		199,970							199,970						
302316-10-2..	Exxon Mobil Corp.....		07/08/2011..	Merrill Lynch.....		120,045		120,045							120,045						
428236-10-3..	Hewlett Packard Co.....		07/13/2011..	Merrill Lynch.....		148,552		148,552							148,552						
666807-10-2..	Northrop Grumman Corp.....		07/29/2011..	Merrill Lynch.....		120,886		120,886							120,886						
9099999 - Common Stocks - Industrial and Miscellaneous						789,541	XXX	492,185	684,190	(393,227)	0	0	(393,227)	0	492,185	0	297,357	297,357	6,493	XXX	XXX
277923-72-8..	Eaton Vance Global Macro Fund.....	R..	07/05/2011..	Merrill Lynch.....		19,646,365		19,646,365							19,646,365						
78463X-86-3..	SPDR DJ Wilshire Int'l ETF.....	R..	07/12/2011..	Merrill Lynch.....		80,068		80,068							80,068						
9299999 - Common Stocks - Mutual Funds						280,068	XXX	259,762	281,185	(21,424)	0	0	(21,424)	0	259,762	0	20,307	20,307	5,786	XXX	XXX
998911-UC-3.. BBIF Money Fund Class 4..						2,387,092		2,387,092							2,387,092						
9399999 - Common Stocks - Money Market Mutual Funds						2,387,092	XXX	2,387,092	0	0	0	0	0	0	2,387,092	0	0	0	0	XXX	XXX
9799997 - Common Stocks - Part 4						3,456,702	XXX	3,139,038	965,375	(414,650)	0	0	(414,650)	0	3,139,038	0	317,663	317,663	12,279	XXX	XXX
9799999 - Total - Common Stocks						3,456,702	XXX	3,139,038	965,375	(414,650)	0	0	(414,650)	0	3,139,038	0	317,663	317,663	12,279	XXX	XXX
9899999 - Total - Preferred and Common Stocks						3,456,702	XXX	3,139,038	965,375	(414,650)	0	0	(414,650)	0	3,139,038	0	317,663	317,663	12,279	XXX	XXX
9999999 Totals						5,090,249	XXX	4,804,053	2,589,055	(414,650)	(3,129)	0	(417,779)	0	4,772,585	0	317,663	317,663	72,552	XXX	XXX

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

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

Schedule E - Part 2 - Cash Equivalents

NONE