

ANNUAL STATEMENT

For the Year Ended

December 31, 2011

OF THE CONDITION AND AFFAIRS OF THE

West and Knox Mutual Insurance Company

ORGANIZED UNDER THE LAWS OF THE STATE OF OHIO

Made to the

INSURANCE COMMISSIONER OF THE STATE OF OHIO

Pursuant to the Laws thereof

TLM/JAC
12/25/11
D MPP

NAIC Company Code

10254

Home Office

355 Leatherberry Road SE

Carrollton, 44615

OH

Street and Number

City

Zip Code

Mail Address

355 Leatherberry Road SE

Carrollton, 44615

OH

Street and Number

City

Zip Code

Main Administrative Office

330-627-0230

Telephone Number

Organized

02-07-1878

Commenced Business

02-07-1878

Annual Statement Contact Person

Elizabeth Barber

Telephone Number

330-627-0230

Contact Person Email Address

insurance@westandknox.com

OFFICERS

President

Sherman Oyer

Vice President

Joseph Coniglio

Secretary

Tennile Puskarich

Treasurer

Elizabeth J. Barber

DIRECTORS

(ALL DIRECTORS MUST BE SHOWN)

Sherman Oyer

Joseph Coniglio

Charlotte Boord

Charles Kooser

Larry Romigh

Donna Detchon

Nicholas Puskarich

State of Ohio

County of

Carroll

Sherman Oyer

President and

Tennile Puskarich

Secretary of the

West and Knox Mutual Insurance Company

, being duly sworn each for himself/herself deposes and says, that they are the above described officers of said reporting entity, and that on the reporting period stated above all 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, with the schedules and explanations herein contained, annexed or referred to, is a full and correct 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, according to the best of their information, knowledge and belief, respectively.

Subscribed and sworn to before me, this _____

day of _____ 20____

ANNUAL STATEMENT FOR THE YEAR
West and Knox Mutual Insurance Company

2011

ASSETS

		Assets Current Year	Nonadmitted Assets Current Year	Net Admitted Assets Current Year	Net Admitted Assets Prior Year
1	Bonds (Schedule D - Part 1)	0.00	0.00	0.00	
2	Preferred stocks, common stocks and mutual funds (Schedule D - Part 2)	91,359.36	43,312.61	48,046.75	53,214.69
3	Real estate (less liens, encumbrances) (Schedule A)	110,288.45	27,416.84	82,871.61	95,478.64
4	Cash (Schedule E)	756,952.69	0.00	756,952.69	642,761.86
5	Short-term investments		0.00	0.00	
6	Aggregate write-ins for invested assets		0.00	0.00	
7	Subtotals, cash and invested assets	958,600.50	70,729.45	887,871.05	791,455.19
8	Investment income due and accrued		0.00	0.00	
9.1	Assessments or premiums in the course of collection (including agents balances)	14,714.74	0.00	14,714.74	34,660.98
9.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due		0.00	0.00	
9.3	Earned but unbilled premiums (post assessment)		0.00	0.00	
10.1	Amounts recoverable from reinsurers		0.00	0.00	2,599.95
10.2	Funds held by or deposited with reinsured companies		0.00	0.00	
11.1	Current federal income tax recoverable and interest thereon		0.00	0.00	
11.2	Net deferred tax asset		0.00	0.00	
12	Electronic data processing equipment and software		0.00	0.00	
13	Furniture and equipment	2,810.42	0.00	2,810.42	
14	Receivables from parent, subsidiaries and affiliates		0.00	0.00	
15	Aggregate write-ins for other than invested assets	4,750.00	4,750.00	0.00	0.00
16	Total Assets	980,875.66	75,479.45	905,396.21	828,716.12
	Details of Write-Ins for Assets:				
1501	Customer List - Net Amortization	4,750.00	4,750.00	0.00	
1502				0.00	
1503				0.00	
1598	Summary or remaining write-ins from overflow page	0.00	0.00	0.00	0.00
1599	Total aggregate write-ins	4,750.00	4,750.00	0.00	0.00

**ANNUAL STATEMENT FOR THE YEAR
West and Knox Mutual Insurance Company**

2011

LIABILITIES, SURPLUS AND OTHER FUNDS

		Current Year	Prior Year
1	Unpaid Losses (Underwriting Exhibit - Part 2A)	38,800.00	50,099.95
2	Unpaid loss adjustment expenses (Underwriting Exhibit - Part 2A)	0.00	775.90
3	Commissions due and payable to agents		4,258.07
4	Other expenses (excluding taxes, licenses and fees)		
5	Taxes, licenses and fees (excluding federal income taxes)	2,014.03	1,900.55
6	Current federal income taxes (including \$0 on realized capital gains (losses))		
7	Net deferred tax liability		
8	Borrowed money and interest thereon		500.00
9	Unearned assessment/premium reserve	146,664.85	127,839.24
10	Advance premium		
11	Ceded reinsurance premiums payable	6,769.08	6,900.97
12	Funds held by company under reinsurance treaties		
13	Amounts withheld or retained by company for account of others		
14	Provision for unauthorized reinsurance		
15	Payable to parent, subsidiaries and affiliates	4,201.64	1,924.31
16	Aggregate write-ins for liabilities	0.00	0.00
17	Total liabilities	198,449.60	194,198.99
18	Surplus as regards policyholders	706,946.61	634,517.13
19	Total liabilities and surplus	905,396.21	828,716.12
	Details of Write-Ins for Liabilities:		
1601			
1602			
1603			
1698	Summary or remaining write-ins from overflow page	0.00	0.00
1699	Total aggregate write-ins	0.00	0.00

ANNUAL STATEMENT FOR THE YEAR
West and Knox Mutual Insurance Company
STATEMENT OF INCOME

2011

		Current Year	Prior Year
UNDERWRITING INCOME			
1.1	Gross Assessments/Premiums earned	404,230.33	340,398.82
1.2	Less: Return Assessments/Premiums earned	(340,398.82)	(340,398.82)
1.3	Direct Assessments/Premiums earned	404,230.33	340,398.82
1.4	Deduct premiums for reinsurance ceded (Reinsurance Schedule)	88,287.29	81,430.79
1.5	Add premiums received for reinsurance assumed (Reinsurance Schedule)	0.00	(81,430.79)
1.6	Net Assessments/Premiums earned	315,943.04	258,968.03
DEDUCTIONS			
2	Losses incurred (Underwriting Exhibit - Part 2)	88,556.37	116,953.44
3	Loss expenses incurred (Expense Exhibit)	6,170.39	8,097.77
4	Other underwriting expenses incurred (Expense Exhibit)	191,688.21	220,250.29
5	Aggregate write-ins for underwriting deductions	0.00	0.00
6	Total underwriting deductions	286,414.97	345,301.50
7	Net underwriting gain (loss)	29,528.07	-86,333.47
INVESTMENT INCOME			
8	Net investment income earned	28,415.34	30,546.21
9	Net realized capital gains (losses) less capital gains tax	(2,130.87)	(8,097.77)
10	Net investment gain (loss)	28,415.34	30,546.21
OTHER INCOME			
11	Net gain (loss) from agents' or premium balances charged off	(1,424.60)	(1,424.60)
12	Finance and service charges not included in premiums	(1,424.60)	(1,424.60)
13	Aggregate write-ins for miscellaneous income	23,771.77	21,424.60
14	Total other income	23,771.77	21,424.60
15	Net income, after capital gains tax and before federal income taxes	81,715.18	-34,362.66
16	Federal income taxes incurred	(11,890.00)	(11,890.00)
17	Net income	81,715.18	-22,472.66
SURPLUS ACCOUNT			
18	Surplus as regards policyholders, December 31 prior year	634,517.13	684,849.56
19	Net income	81,715.18	-22,472.66
20	Change in net unrealized capital gains or (losses) less capital gains tax	3,724.67	10,613.24
21	Change in net deferred income tax	(3,724.67)	(3,724.67)
22	Change in nonadmitted assets (Exhibit of Nonadmitted Assets)	-13,010.37	-38,473.01
23	Change in provision for reinsurance	(13,010.37)	(13,010.37)
24	Aggregate write-ins for gains and losses in surplus	0.00	0.00
25	Change in surplus as regards policyholders for the year	72,429.48	-50,332.43
26	Surplus as regards policyholders, December 31 current year	706,946.61	634,517.13
DETAILS OF WRITE-INS			
0501	Management Fee	22,500.00	20,100.00
0502	Late Fee	1,271.77	1,274.60
0503	Rewrite Fee	50.00	50.00
0599	Total Aggregate write-ins for underwriting deductions	0.00	0.00
1301	Management Fee	22,500.00	20,100.00
1302	Late Fee	1,271.77	1,274.60
1303	Rewrite Fee	50.00	50.00
1304		(50.00)	(50.00)
1399	Total Aggregate write-ins for miscellaneous income	23,771.77	21,424.60
2401		(21,424.60)	(21,424.60)
2402		(50.00)	(50.00)
2499	Total Aggregate write-ins for gains and losses in surplus	0.00	0.00

**ANNUAL STATEMENT FOR THE YEAR
West and Knox Mutual Insurance Company
CASH FLOW STATEMENT**

2011

		Current Year	Prior Year
Cash from Operations			
1	Premiums/Assessments collected net of reinsurance	315,943.04	347,712.02
2	Net investment income	29,551.08	30,546.21
3	Miscellaneous income	23,771.77	
4	Total	369,265.89	378,258.23
5	Benefit and loss related payments	88,556.37	79,664.46
6	Commissions, expenses paid and aggregate write-ins for deductions	171,061.80	244,169.20
7	Federal and foreign income taxes paid (recovered)		11,890.00
8	Total	259,618.17	311,943.66
9	Net cash from operations	109,647.72	66,314.57
Cash from Investments			
10	Proceeds from investments sold, matured or repaid:		
10.1	Bonds		
10.2	Stocks	-1,135.74	
10.3	Real estate		
10.4	Net gains (losses) on cash, cash equivalents and short- term investments		
10.5	Miscellaneous proceeds		
10.6	Total investment proceeds	-1,135.74	0.00
11	Cost of investments acquired (long-term only):		
11.1	Bonds		
11.2	Stocks		
11.3	Real estate		
11.4	Miscellaneous applications	-5,678.85	6,001.99
11.5	Total investments acquired	-5,678.85	6,001.99
11.6	Net cash from investments	4,543.11	-6,001.99
Cash from Financing and Miscellaneous Sources			
12.1	Borrowed funds (cash provided/applied)		
12.2	Other cash provided (applied)		-127,000.00
13	Net cash from financing and miscellaneous sources	0.00	-127,000.00
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT- TERM INVESTMENTS			
14	Net change in cash, cash equivalents and short-term investments	114,190.83	-66,687.42
15.1	Beginning of year (cash, cash equivalents and short-term investments)	642,761.86	709,449.28
15.2	End of year (cash, cash equivalents and short-term investments)	756,952.69	642,761.86

ANNUAL STATEMENT FOR THE YEAR
West and Knox Mutual Insurance Company

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EXPENSE EXHIBIT

		Current Year
1.1	Claim Adjusting: Direct	0.00
1.2	Reinsurance assumed	0.00
1.3	Reinsurance ceded excluding contingent (commission and brokerage)	0.00
1.4	Net claim adjusting	0.00
2.1	Commission and Brokerage: Direct commission and brokerage	39,224.58
2.2	Reinsurance assumed excluding contingent	0.00
2.3	Reinsurance ceded excluding contingent (commission and brokerage)	0.00
2.4	Contingent - direct (commission and brokerage)	0.00
2.5	Contingent - reinsurance assumed (commission and brokerage)	0.00
2.6	Contingent - reinsurance ceded (commission and brokerage)	0.00
2.7	Policy and membership fees (commission and brokerage)	0.00
2.8	Net commission and brokerage	39,224.58
3	Allowances to managers and agents	0.00
4	Advertising	4,465.06
5	Boards, bureaus and associations	1,948.00
6	Surveys and underwriting reports	0.00
7	Audit of assureds' records	3,785.62
8.1	Salary and related items: Salaries	63,348.15
8.2	Payroll taxes	5,227.72
9	Employee relations and welfare	0.00
10	Insurance	5,095.43
11	Directors' fees	25,800.00
12	Travel and travel items	2,202.65
13	Rent and rent items	0.00
14	Equipment	4,442.01
15	Cost or depreciation of EDP equipment and software	5,678.85
16	Printing and stationery	3,754.17
17	Postage, telephone, exchange and express	8,845.10
18	Legal and auditing	11,748.13
19	Loss adjustment expenses	6,170.39
18	Investment expenses	0.00
19	Totals	152,511.28
20.1	Taxes, licenses and fees: State and local insurance taxes	250.00
20.2	Insurance department licenses and fees	1,220.00
20.3	All other (excluding federal income and real estate)	0.00
20.4	Total taxes, licenses and fees	1,470.00
21	Real estate expenses	3,100.52
22	Real estate taxes	812.86
23	Aggregate write-ins for miscellaneous expenses	739.36
24	Total expenses incurred (a)	197,858.60
25	Less unpaid expenses - current year	0.00
26	Add unpaid expenses - prior year	0.00
27	Total expenses paid	197,858.60
	Details of Write-Ins:	
2301	Continuing Education	259.90
2302	Interest Expense	2.71
2303	Miscellaneous Contributions	476.75
2304		0.00
2305		0.00
2399	Total Write-ins	739.36

**ANNUAL STATEMENT FOR THE YEAR
West and Knox Mutual Insurance Company**

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INSURANCE IN FORCE

	Amount (dollars)	Number
1 In force December 31 of previous year (to equal prior year's statement)	110,403,109	743
2 Written during the year	6,082,600	60
3 Total	116,485,709	803
4 Deduct those expired and cancelled	21,264,815	189
5 In force December 31 of current year	95,220,894	614
6 Deduct amount reinsured	0	XXX
7 Net amount in force	95,220,894	XXX

**ANNUAL STATEMENT FOR THE YEAR
West and Knox Mutual Insurance Company**

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**UNDERWRITING EXHIBIT - PART 2
LOSSES INCURRED**

1 Lines of Business	2 Direct Losses Incurred	3 Losses Incurred on Reinsurance Assumed	4 Deduct: Reinsurance Recovered on Incurred Losses	5 Deduct: Salvage and Subrogation Converted To Cash	6 * Net Losses Incurred Columns 2 and 3 minus Columns 4 and 5
Fire	\$ 62,692.20		\$ 1,658.00		\$ 61,034.20
Wind	\$ 23,284.49				\$ 23,284.49
Lightning	\$ 3,420.59				\$ 3,420.59
Theft/Vandalism	\$ 817.09				\$ 817.09
Upset&Turnover					-
					-
					-
OVERFLOW AMOUNTS					
Totals	\$ 90,214.37	\$ -	\$ 1,658.00	\$ -	\$ 88,556.37

* Total should equal Line 2, Page 4, Current Year.

**UNDERWRITING EXHIBIT - PART 2A
UNPAID LOSSES and LOSS ADJUSTMENT EXPENSES**

1 Lines of Business	2 Direct Unpaid Losses	3 Unpaid Losses on Reinsurance Assumed	4 Deduct: Reinsurance Recoverable on Unpaid Losses	5 ** Unpaid Loss Adjustment Expenses	6 *** Net Unpaid Losses Columns 2 and 3 minus Column 4
Fire	\$ 38,800.00				\$ 38,800.00
					-
					-
					-
					-
					-
OVERFLOW AMOUNTS					
Totals	\$ 38,800.00	\$ -	\$ -	\$ -	\$ 38,800.00

** Total should equal Line 2, Page 3, Current Year.

*** Total should equal Line 1, Page 3, Current Year.

**ANNUAL STATEMENT FOR THE YEAR
West and Knox Mutual Insurance Company**

2011

EXHIBIT OF NONADMITTED ASSETS

		Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets
1	Bonds			0.00
2	Preferred and common stocks and mutual funds	43,312.61	34,420.00	-8,892.61
3	Real estate (less liens, encumbrances)	27,416.84	17,833.57	-9,583.27
4	Cash			0.00
5	Short-term investments			0.00
6	Aggregate write-ins for invested assets			0.00
7	Subtotals, cash and invested assets	70,729.45	52,253.57	-18,475.88
8	Investment income due and accrued			0.00
9.1	Assessments or premiums in the course of collection (including agents balances)			0.00
9.2	Premium receivable for advance pay			0.00
9.3	Earned but unbilled premiums (post assessment)			0.00
10.1	Amounts recoverable from reinsurers			0.00
10.2	Funds held by or deposited with reinsured companies			0.00
11.1	Current federal income tax recoverable and interest thereon			0.00
11.2	Net deferred tax asset			0.00
12	Electronic data processing equipment and software			0.00
13	Furniture and equipment		4,965.51	4,965.51
14	Receivables from parent, subsidiaries and affiliates			0.00
15	Aggregate write-ins for other than invested assets	4,750.00	5,250.00	500.00
16	Total Assets	75,479.45	62,469.08	-13,010.37
	Details of Write-Ins for Assets:			
1501	Customer List-Net of Amortization	4,750.00	5,250.00	500.00
1502		0.00	0.00	0.00
1503		0.00	0.00	0.00
1598	Summary or remaining write-ins from overflow page	0.00	0.00	0.00
1599	Total aggregate write-ins	4,750.00	5,250.00	500.00

SCHEDULE A

Showing All Real Estate OWNED December 31 of Current Year

Date Acquired	Name of Vendor	Actual Cost	4	5	6	7	8	9	10
			Current Year Acquisitions or Permanent Improvements	Accumulated Depreciation	Amount of Encumbrances	(Col. 4+5-6-7)*	Book Value End of Current Year	Gross Income Current Year (Real Estate)	Gross Expenses Current Year (Real Estate)
10/27/2006		88,834.61		10,500.20		76,334.41			
10/27/2006		6,760.47					6,460.47		
5/31/2008		31,091.98						27,483.57	
XXX	XXX	\$ 124,387.06	\$ -	\$ 14,098.61	\$ -	\$ 110,288.45	\$ -	\$ -	\$ -

Current Year.

FURNITURE, FIXTURES and AUTOMOBILES

Showing All Furniture, Fixtures and Automobiles OWNED December 31 of Current Year

Date Acquired	Name of Vendor	Actual Cost	4	5	6	7	8
			Current Year Acquisitions or Permanent Improvements	Accumulated Depreciation	Amount of Encumbrances		Book Value End of Current Year (Col. 4+5-6-7)
12/10/2007		137.78				128.19	9.59
4/10/2007		2,368.00				2,249.60	118.40
3/24/2008 Dell		3,187.01				2,918.31	287.70
7/17/2008 Dell		778.52				848.77	129.75
8/13/2008		338.53				305.56	30.97
7/28/2008		2,500.00				2,165.32	384.68
10/9/2007		1,112.91				888.95	225.96
7/18/2007		200.00				\$188.00	12.00
12/9/2008		2,577.60				2,019.12	558.48
8/3/2008 Larry Stoffer		175.00				125.42	49.58
8/5/2009		540.78				288.05	282.73
2/9/2010 Staples		851.98				624.80	227.19
7/28/2008		7,500.00				2,750.00	4,750.00
XXX	XXX	\$ 22,266.12	\$ -	\$ 15,289.09	\$ -	\$ 6,997.03	

SCHEDULE D - PART 2

Showing all Preferred & Common Stocks and Mutual Funds Owned December 31 of Current Year

2 Description	3	4	5	6	7	8 Rate Per Share Used To Obtain Market Value	9 Market Value/ Fair Value	10 December 31 of Current Year	11 Received During Year	12 Dividends Amount Due and Accrued Dec. 31	13 Increase, by Adjustment, in Book Value During Year	14 Decrease, by Adjustment in Book Value During Year	
Accrued description of all stocks and mutual funds owned.													
Non Stock	From Whom Acquired	Date Acquired	No. of Shares	Par Value Per Share (Preferred Stocks)	Book Value	6.610.95 84.748.41		1.530.00				1.135.74 2.588.93	
West and Knox Insurance Agency, Inc.	Unknown	12/29/2005	30.00	220.38									
S FROM PAGE 19	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

ANNUAL STATEMENT OF THE

West and Knox Mutual Insurance Company

SCHEDULE D - PART 3

Showing all Bonds and Preferred & Common Stocks ACQUIRED During the Current Year

bonds or stocks acquired at public offerings may be totaled in one line and the word "various" inserted in Columns 2 and 3.

STATEMENT OF THE

West and Knox Mutual Insurance Company

SCHEDULE D - PART 4
Showing all Bonds and Preferred & Common Stocks SOLD, REDEEMED OR Otherwise DISPOSED OF During the Current Year

REINSURANCE SCHEDULE
Reinsurance Ceded and Reinsurance Assumed

*Total to agree with Page 4, Line 1.4, Current Year.

**Total to agree with Page 4, Line 1.5, Current Year.

COMPENSATION SCHEDULE

Show all salaries, commissions, claim adjustment expenses, directors fees and expenses, and travel items paid in the current year for the top 5 officers/employees and all directors, travel or car allowances, if paid, are to be included.

1 Name of Payee	2 Title	3 Salaries	4 Commissions	5 Claim Adjustment Expenses	6 Directors Fees & Expenses	7 Travel & Travel Items	8 All Other	9 Total
Officers/Employees:								
1) Elizabeth Barber	Administrative Assistant	20,185.50						\$ 20,185.50
2) Cara Borland	Underwriter/Agent	1,637.50						\$ 1,637.50
3) Leslie Patton-Mckinney	Underwriter/Agent	19,187.40						\$ 19,187.40
4) Terrielle Puskarich	Administrative Assistant	22,337.75						\$ 22,337.75
5)								\$ -
Directors:								
Sherman Oyer	President				7,200.00			\$ 7,200.00
Joseph Coniglio	Vice-President				3,600.00			\$ 3,600.00
Charlotte Board	Board Member				3,000.00			\$ 3,000.00
Donna Detchond	Board Member				3,000.00			\$ 3,000.00
Charles Kooser	Board Member				3,000.00			\$ 3,000.00
Nicholas Puskarich	Board Member				3,000.00			\$ 3,000.00
Larry Romigh	Board Member				3,000.00			\$ 3,000.00
								\$ -
								\$ -
								\$ -
								\$ -
								\$ -
Totals	XXXX	\$ 63,348.15	\$ -	\$ -	\$ 25,800.00	\$ -	\$ -	\$ 89,148.15

GENERAL INTERROGATORIES

GENERAL INTERROGATORIES
(Answer all questions and attach additional sheets if necessary.)

1. Company's retention:	Fire <input checked="" type="checkbox"/> \$50,000	Wind <input checked="" type="checkbox"/> \$50,000	Other <input checked="" type="checkbox"/> \$50,000
2. Retention before reinsurance applies for:	Catastrophe Reinsurance <input checked="" type="checkbox"/> \$2,795,000		
3. What is the largest risk assumed and retained:			
4. What kind of perils are being covered?	Fire, Wind, Lightning		
5. Have the by-laws been amended during the current year? Ohio Department of Insurance?	<input checked="" type="checkbox"/> No If so, were such amendments filed with the		
6. In what counties does the Company operate: Trumbull and Tuscarawas	N/A Belmont, Carroll, Columbiana, Guernsey, Harrison, Jefferson, Mahoning, Monroe, Stark		
7. Name of Principal Officer and amount of bond.	Sherman Oyer, Pres-No bond directly on him, He is insured under Directors/Officers Policy.		
8. Are all of the persons who handle funds of the Company bonded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> X <input type="checkbox"/> No <input type="checkbox"/> Elizabeth Barber, Treasurer, Office		
9. State the name and amount of each bond on each, except person named in Item 6 above. employees are covered under Fidelity bond through St. Paul Fire & Marine Ins Co. Single loss limit of liability is \$100,000			
10. Does the Company have an annual audit conducted by an independent CPA?	<input checked="" type="checkbox"/> No		
11. State the number of members holding policies in the Company.	448		
12. Was an annual report of the Company made available to each policyholder? with the annual statement filed with the Ohio Department of Insurance?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> If so, did such report agree		
13. State as of what date the latest examination of the Company was made by the Ohio Department of Insurance.	12/31/2010		
14. How many assessments were made during the year?	<input checked="" type="checkbox"/> None Date of last assessment		
15. Did the assessment provide for all losses, expenses and all other liabilities prior to the date of assessment?	<input checked="" type="checkbox"/> N/A		
16. Rate of policy fee	\$4.05		
17. State the amount of borrowed money since date of last assessment	<input checked="" type="checkbox"/> None <input type="checkbox"/> interest thereon		
18. Does any person, firm, corporation or association have any claim, contingent or otherwise, against this Company which is NOT Included in the liabilities on page 2 of this statement?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> X <input type="checkbox"/> No		

If yes, give the amount, terms for payment and reasons why such were not recorded as a liability on page 2 of this statement.

West and Knox Mutual Insurance Company is currently in litigation with Arnold L. Garren (A. L. Garren & Associates Agency, Inc.), over a distributed

amount of Unearned Premium: As of 12/31/2011, our attorneys have still not been able to determine the amount of liability insurance in this litigation.

**ANNUAL STATEMENT FOR THE YEAR
West and Knox Mutual Insurance Company**

2011

SCHEDULE E - CASH or CASH EQUIVALENTS

Showing All Balances (according to Company's Records) Carried in Each Bank or Savings and Loan

All Columns Must Be Completed for Each Deposit, CD, Checking Account, etc.

**ANNUAL STATEMENT FOR THE YEAR
West and Knox Mutual Insurance Company**

2011

ORGANIZATIONAL CHART

**LIST ALL ENTITIES THAT ARE MEMBERS OF AN INSURANCE COMPANY HOLDING SYSTEM AS
DEFINED IN ORC 3901.32**

West and Knox Mutual Insurance Company NAIC #10254
West & Knox Insurance Agency Inc License #34014

**ANNUAL STATEMENT FOR THE YEAR
West and Knox Mutual Insurance Company
Overflow Page for Write-ins**

2011

Additional Write-ins for Assets:

		Assets Current Year	Nonadmitted Assets Current Year	Net Admitted Assets Current Year	Net Admitted Assets Prior Year
1504				0.00	
1505				0.00	
1506					
1507					
1508					
1509					
1510					
1511				0.00	
1597	Summary of remaining write-ins for Line 15 page 2	0.00	0.00	0.00	0.00

Additional Write-ins for Liabilities:

		Current Year	Prior Year
1604			
1605			
1606			
1607			
1608			
1609			
1610			
1606			
1697	Summary of remaining write-ins for Line 16 page 3	0.00	0.00

Additional Write-ins for Statement of Income:

		Current Year	Prior Year
	Summary of remaining write-ins for Statement of Income page 4	0.00	0.00

Additional Write-ins for Nonadmitted Assets:

		Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets
1504	6,000,000	6,000,000	6,000,000	0.00
1505	1,000,000	1,000,000	1,000,000	0.00
1506	1,000,000	1,000,000	1,000,000	0.00
1507	1,000,000	1,000,000	1,000,000	0.00
1508	1,000,000	1,000,000	1,000,000	0.00
1509	1,000,000	1,000,000	1,000,000	0.00
1510	1,000,000	1,000,000	1,000,000	0.00
1511	1,000,000	1,000,000	1,000,000	0.00
1597	Summary of remaining write-ins for Line 15 page 9	0.00	0.00	0.00

SCHEDULE D - PART 1

Showing all BONDS Owned on December 31 of Current Year

Description of all bonds Id.	From Whom Acquired	Date Acquired	Par Value	Actual Cost	Book Value / Amortized Value*	Market Value December 31 of Current Year	Rate (%)	Amount Due and Accrued Dec. 31 of Current Year on bonds not in default	Gross Am't Received During Year	10 11	12 13	14 Amount of Interest due and accrued Dec. 31. Current year, on bonds in default as to principal or interest	15 16	Decrease by Adjustment, in Book Value During Year	Increase by Adjustment, in Book Value During Year	Maturity Date	NAIC Designation		
\$ in yellow above if needed!	XXX	XXX	\$ -	\$ -	\$ -	\$ -												XXX	XXX

SCHEDULE D - PART 2

Showing all Preferred & Common Stocks and Mutual Funds Owned December 31 of Current Year

Description of all stocks is owned.	From Whom Acquired	Date Acquired	No. of Shares	Per Value Per Share (Preferred Stocks)	Book Value	Rate Per Share Used To Obtain Market Value	Market Value/ Fair Value December 31 of Current Year	Actual Cost	10	11	12	Dividends Received During Year	13	14	Decrease by Adjustment, in Book Value During Year
\$ in yellow above if needed!	XXX	XXX	XXX	\$ -	XXX										

**ANNUAL STATEMENT FOR THE YEAR
West and Knox Mutual Insurance Company
OVERFLOW PAGE FOR SCHEDULE E
SCHEDULE E - CASH or CASH EQUIVALENTS**

2011

Showing All Balances (according to Company's Records) Carried in Each Bank or Savings and Loan

All Columns Must Be Completed for Each Deposit, CD, Checking Account, etc.

** You can insert additional rows in yellow above if needed!

West and Knox Mutual Insurance Company
2011 Annual Report
December 31, 2011

3/9/2012 11:01 AM

		12/31/11	12/31/10	Change
Assets				
Line 4	Cash (Schedule E)	756,952.69	642,761.86	114,190.83
<i>Change due to profit in 2011</i>				
Line 9.1	Assessments or premiums in the course of collections	14,714.74	34,660.98	(19,946.24)
<i>Premium invoicing less than December 2010</i>				
Line 10.1	Amounts recoverable from reinsurers	2,599.95	(2,599.95)	
<i>No outstanding amounts due</i>				
Liabilities, Surplus & Other Funds				
Line 1	Unpaid Losses	38,800.00	50,099.95	(11,299.95)
<i>Less claims this year</i>				
Line 2	Unpaid loss adjustment expenses	-	775.90	(775.90)
<i>No Adjusting fee payable</i>				
Line 3	Commissions due and payable to agents	4,258.07	(4,258.07)	
<i>New method to book Agent commissions they are paid when due</i>				
Line 8	Borrowed money and interest thereon	-	500.00	(500.00)
<i>Key Bank Loan has been paid in full</i>				
Line 15	Payable to parent, subsidiaries & affiliates	4,201.64	1,924.31	2,277.33
<i>This is the payables at the end of December</i>				
Statement of Income				
		12/31/2011	12/31/2010	Change
Line 1.1	Gross Assessments/Premiums earned	404,230.33	340,398.82	63,831.51
<i>Increase in premiums rate</i>				
Line 2	Losses incurred	88,556.37	116,953.44	(28,397.07)
<i>Reported fewer claims than last year.</i>				
Line 3	Loss expenses incurred	6,170.39	8,097.77	(1,927.38)
<i>Reported fewer claims than last year.</i>				
Line 15	Net income, after capital gains tax and before federal income taxes	81,715.18	(34,362.66)	116,077.84
<i>Profit due to increase in rate, fewer claims, reduction in expenses</i>				
Line 16	Federal Income Tax incurred	-	11,890.00	(11,890.00)
<i>2010 - IRS did not recognize the company's non profit status it was reinstated and total funds have been recovered.</i>				
Line 20	Change in net unrealized capital gains	3,724.67	10,613.24	(6,888.57)
<i>Agency equity less than last year.</i>				
Line 22	Change in non admitted assets	(13,010.37)	(38,473.01)	25,462.64
<i>Agency equity less than last year.</i>				
Line 25	Change in surplus as regards to policyholder for the year	72,429.48	(50,332.43)	122,761.91
<i>Mutual Profit</i>				
Line 1303	Rewrite Fee	-	50.00	(50.00)
<i>No rewrite fee 2011</i>				