



QUARTERLY STATEMENT

AS OF MARCH 31, 2012
OF THE CONDITION AND AFFAIRS OF THE

SONNENBERG MUTUAL INSURANCE COMPANY

NAIC Group Code	0207	0207	NAIC Company Code	10271	Employer's ID Number	34-0541185
	(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	01/01/1905			Commenced Business	01/01/1859	
Statutory Home Office	1685 Cleveland Road			Wooster, OH 44691		
	(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	330-262-9060-2437	
	(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	Joseph Earl Wilford			330-262-9060-2437		
	(Name)			(Area Code) (Telephone Number) (Extension)		
	joe_wilford@wrg-ins.com			330-264-7822		
	(E-Mail Address)			(Fax Number)		

OFFICERS

Name	Title	Name	Title
JOHN P. MURPHY	PRESIDENT	JOHN P. MURPHY	SECETARY
MICHAEL A. SHUTT	TREASURER		

OTHER OFFICERS

GREGORY A. BRUNN	VP MARKETING AND UNDERWRITING	KEVIN W. DAY	EXECUTIVE VP
GARY W. GWINN #	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 of OHIO
County of WAYNE

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 TREASURER
Subscribed and sworn to before me this 15 day of MAY, 2012		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 MARCH 31, 2012 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	12,457,357		12,457,357	12,065,280
2. Stocks:				
2.1 Preferred stocks	290,338		290,338	294,011
2.2 Common stocks	5,463,741	47,241	5,416,500	5,071,483
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)	0		0	0
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 (\$16,325), cash equivalents (\$0) and short-term investments (\$220,806)	237,131		237,131	403,141
6. Contract loans (including \$premium notes)	0		0	0
7. Derivatives	0		0	0
8. Other invested assets	472,266		472,266	459,688
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)	18,920,833	47,241	18,873,592	18,293,603
13. Title plants less \$charged off (for Title insurers only)	0		0	0
14. Investment income due and accrued	157,479		157,479	124,806
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	306,547	116	306,431	306,254
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premiums).....	0		0	0
15.3 Accrued retrospective premiums	0		0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	76,428		76,428	87,664
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	34,213		34,213	34,213
18.2 Net deferred tax asset.....	146,427		146,427	237,109
19. Guaranty funds receivable or on deposit	0		0	0
20. Electronic data processing equipment and software	0		0	0
21. Furniture and equipment, including health care delivery assets (\$)	0		0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates	0		0	0
23. Receivables from parent, subsidiaries and affiliates	0		0	139,260
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)	19,641,927	47,357	19,594,570	19,222,909
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0		0	0
28. Total (Lines 26 and 27)	19,641,927	47,357	19,594,570	19,222,909
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.				
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 \$)	2,758,497	2,536,568
2. Reinsurance payable on paid losses and loss adjustment expenses	0	0
3. Loss adjustment expenses	495,500	495,500
4. Commissions payable, contingent commissions and other similar charges	173,343	207,342
5. Other expenses (excluding taxes, licenses and fees)	154,033	215,904
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	121,598	104,410
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))	0	0
7.2 Net deferred tax liability	0	0
8. Borrowed money \$ and interest thereon \$	0	0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act)	3,831,390	3,801,759
10. Advance premium	83,734	43,301
11. Dividends declared and unpaid: 11.1 Stockholders	0	0
11.2 Policyholders	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions)	(2,586)	27,394
13. Funds held by company under reinsurance treaties	0	0
14. Amounts withheld or retained by company for account of others	552,345	563,150
15. Remittances and items not allocated	0	0
16. Provision for reinsurance	26,640	26,640
17. Net adjustments in assets and liabilities due to foreign exchange rates	0	0
18. Drafts outstanding	0	0
19. Payable to parent, subsidiaries and affiliates	53,830	0
20. Derivatives	0	0
21. Payable for securities	0	0
22. Payable for securities lending	0	0
23. Liability for amounts held under uninsured plans	0	0
24. Capital notes \$ and interest thereon \$	0	0
25. Aggregate write-ins for liabilities	0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	8,248,324	8,021,968
27. Protected cell liabilities	0	0
28. Total liabilities (Lines 26 and 27)	8,248,324	8,021,968
29. Aggregate write-ins for special surplus funds	65,427	174,829
30. Common capital stock	0	0
31. Preferred capital stock	0	0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes	0	0
34. Gross paid in and contributed surplus	0	0
35. Unassigned funds (surplus)	11,280,819	11,026,112
36. Less treasury stock, at cost: 36.1 shares common (value included in Line 30 \$)	0	0
36.2 shares preferred (value included in Line 31 \$)	0	0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	11,346,246	11,200,941
38. Totals (Page 2, Line 28, Col. 3)	19,594,570	19,222,909
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. CHANGE IN SURPLUS FROM SSAP NO. 10R	65,427	174,829
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)	65,427	174,829
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 \$ 476,587)	429,552	329,910	1,431,661
1.2 Assumed (written \$ 2,066,356)	2,036,723	1,922,152	7,753,808
1.3 Ceded (written \$ 443,470)	396,435	309,220	1,300,509
1.4 Net (written \$ 2,099,473)	2,069,840	1,942,842	7,884,960
DEDUCTIONS:			
2. Losses incurred (current accident year \$)::			
2.1 Direct	163,128	94,702	466,535
2.2 Assumed	1,456,059	1,193,581	5,245,061
2.3 Ceded	161,460	94,702	564,911
2.4 Net	1,457,727	1,193,581	5,146,685
3. Loss adjustment expenses incurred	196,604	178,984	736,889
4. Other underwriting expenses incurred	693,793	711,826	2,768,986
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	2,348,124	2,084,391	8,652,560
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(278,284)	(141,549)	(767,600)
INVESTMENT INCOME			
9. Net investment income earned	142,820	137,640	560,321
10. Net realized capital gains (losses) less capital gains tax of \$ (385)	(745)	19,458	110,253
11. Net investment gain (loss) (Lines 9 + 10)	142,075	157,098	670,574
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ (2,071))	(2,071)	(1,615)	(7,037)
13. Finance and service charges not included in premiums	36,858	31,199	135,931
14. Aggregate write-ins for miscellaneous income	838	10	1,568
15. Total other income (Lines 12 through 14)	35,625	29,594	130,462
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(100,584)	45,143	33,436
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)	(100,584)	45,143	33,436
19. Federal and foreign income taxes incurred	385	3,079	(68,023)
20. Net income (Line 18 minus Line 19)(to Line 22)	(100,969)	42,064	101,459
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	11,200,940	11,163,380	11,163,381
22. Net income (from Line 20)	(100,969)	42,064	101,459
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 \$ 111,660	216,752	90,774	(145,775)
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	130,380	(5,771)	(81,696)
27. Change in nonadmitted assets	8,544	(321)	(11,258)
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	(109,402)	0	174,829
38. Change in surplus as regards policyholders (Lines 22 through 37)	145,305	126,746	37,559
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	11,346,245	11,290,126	11,200,940
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. OTHER INCOME	838	10	1,568
1402.			
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)	838	10	1,568
3701. Change in surplus from SSAP No. 10R	(109,402)	0	174,829
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)	(109,402)	0	174,829

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.....	2,109,925	1,971,544	8,124,456
2. Net investment income	114,665	113,630	574,835
3. Miscellaneous income	35,625	29,594	130,462
4. Total (Lines 1 to 3)	2,260,215	2,114,768	8,829,753
5. Benefit and loss related payments	1,216,164	1,120,422	4,886,164
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	969,081	1,130,144	3,696,553
8. Dividends paid to policyholders	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	(1)	(100,308)	(78,284)
10. Total (Lines 5 through 9)	2,185,244	2,150,258	8,504,433
11. Net cash from operations (Line 4 minus Line 10)	74,971	(35,490)	325,320
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	0	530,903	1,260,124
12.2 Stocks	145,772	426,894	1,874,556
12.3 Mortgage loans	0	0	0
12.4 Real estate	0	0	0
12.5 Other invested assets	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0	0
12.7 Miscellaneous proceeds	0	0	1
12.8 Total investment proceeds (Lines 12.1 to 12.7)	145,772	957,797	3,134,681
13. Cost of investments acquired (long-term only):			
13.1 Bonds	395,850	569,941	1,698,162
13.2 Stocks	173,187	413,980	1,755,087
13.3 Mortgage loans	0	0	0
13.4 Real estate	0	0	0
13.5 Other invested assets	0	0	0
13.6 Miscellaneous applications	0	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	569,037	983,921	3,453,249
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)	(423,265)	(26,124)	(318,568)
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).....	182,285	159,383	(643,101)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	182,285	159,383	(643,101)
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)	(166,009)	97,769	(636,349)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	403,141	1,039,490	1,039,490
19.2 End of period (Line 18 plus Line 19.1)	237,132	1,137,259	403,141

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of Sonnenberg Mutual Insurance Company are presented on the basis of accounting principles prescribed or permitted by the Ohio Department of Insurance.

The Ohio Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under Ohio Insurance Law. The National Association of Insurance Commissioners' ("NAIC") *Accounting Practices and Procedures Manual* ("NAIC SAP") has been adopted as a component of prescribed or permitted practices by the state of Ohio.

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

No change.

C. Accounting Policy

No change.

2. Accounting Changes and Corrections of Errors

No change.

3. Business Combinations and Goodwill

Not applicable.

4. Discontinued Operations

Not applicable.

5. Investments

A, B, C, D, E, F, G.

No change.

6. Joint Ventures, Partnerships and Limited Liability Companies

No change.

7. Investment Income

No change.

8. Derivative Instruments

No change.

9. Income Taxes

In September 2011, the NAIC adopted SSAP No. 101, *Income Taxes*, which supersedes SSAP No. 10R. The standard applies a 'more likely than not' threshold for the recognition of federal and foreign tax loss contingencies, establishes a new framework for determining the admissibility of deferred tax assets and adopts new disclosure requirements. The Company adopted this guidance effective January 1, 2012. The adoption of this guidance will result in increased disclosures and will have an immaterial impact on the Company's combined statutory financial statements.

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

No change.

11. Debt

No change.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

No change.

13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

NOTES TO FINANCIAL STATEMENTS

- Not applicable.
14. Contingencies
- No change.
15. Leases
- No change.
16. Information about Financial Instruments With Off-Balance-Sheet Risk and Financial Instruments With Concentrations of Credit Risk
- No change.
17. Sale, Transfer, and Servicing of Financial Assets and Extinguishment of Liabilities
- Not applicable.
18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans
- A. Administrative Services Only ("ASO") Plans
- Not applicable.
- B. Administrative Services Contract ("ASC") Plans
- Not applicable.
- C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract
- Not applicable.
19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators
- Not applicable.
20. Fair Value Measurements
- A.

(1) Fair Value Measurements at Reporting Date:				
Description	Period ended 03/31/2012	Quoted prices in active markets for identical assets (Level 1)	Other observable inputs (Level 2)	Other unobservable inputs (Level 3)
a. Assets at fair value:				
Perpetual Preferred stock:				
Industrial and Misc	\$ 214,880	\$ 214,880	\$ -	\$ -
Parent, Subsidiaries, and Affiliates	-	-	-	-
Total Perpetual Preferred Stock	214,880	214,880	-	-
Bonds:				
U.S. Governments	2,300,245	2,300,245	-	-
Foreign Governments	334,634	334,634	-	-
Industrial and Misc	10,926,127	10,926,127	-	-
Parent, Subsidiaries, and Affiliates	-	-	-	-
Total Bonds	13,561,006	13,561,006	-	-
Common stock:				
Industrial and Misc	3,169,111	3,169,111	-	-
Mutual Funds	2,246,237	2,246,237	-	-
Money Market Funds	1,151	1,151	-	-
Parent, Subsidiaries, and Affiliates	-	-	-	-
Total Common Stocks	5,416,499	5,416,499	-	-
Other invested assets:				
Real estate	-	-	-	-
Other	472,265	-	-	472,265
Total Other Invested Assets	472,265	-	-	472,265
Total Assets at Fair Value:	\$ 19,564,650	\$ 19,192,385	\$ -	\$ 472,265
b. Liabilities at fair value:	Not applicable.			

NOTES TO FINANCIAL STATEMENTS

(2) Fair Value Measurements in Level 3 of the Fair Value Hierarchy:

	Balance 12/31/2011	Total Transfers In/(out) Level 3	Total Gain/(Loss) Included in Net Income	Purchases, Gain/(Loss) Included in Surplus	Issuances, Sales, & Settlements	Balance 03/31/2012
Other Invested Assets	\$ 459,688	\$ -	\$ -	\$ 12,577	\$ -	\$ 472,265
Total	\$ 459,688	\$ -	\$ -	\$ 12,577	\$ -	\$ 472,265

(3) The Company's policy is to recognize transfers in and out as of the end of the reporting period.

(4) As of March 31, 2012, the reported fair value of the entity's investments categorized within Level 3 of the fair value hierarchy are as follows:

Other invested assets – The Company's investment in two subsidiaries are measured and reported at fair value as of March 31, 2012 for each respective entity totaling \$0.5 million in aggregate. Fair value measurement is determined by the individual entity's surplus at the end of a period, or the amount by which assets exceed liabilities. Some inputs to the valuation methodology are unobservable and significant to the fair value measurement, and result in disclosure at Level 3.

20. Other Items

No change.

21. Events Subsequent

No change.

22. Reinsurance

No change.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

Not applicable.

25. Changes in Incurred Losses and Loss Adjustment Expense

Reserves as of December 31, 2011 were \$3.1 million. In calendar year 2012, \$0.8 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 \$2.1 million. Therefore, there has been a \$0.2 million favorable prior-year development from December 31, 2011 to March 31, 2012. 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: commercial auto liability, auto physical damage, homeowners/farmowners, commercial multi-peril, other liability, workers compensation and special property. These decreases were offset, in part, by increases in private passenger auto liability. 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

No change.

27. Structured Settlements

Not applicable.

28. Health Care Receivables

Not applicable.

29. Participating Policies

Not applicable.

NOTES TO FINANCIAL STATEMENTS

- 30. Premium Deficiency Reserves
No change.
- 31. High Deductibles
Not applicable.
- 32. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses
No change.
- 33. Asbestos/Environmental Reserves
No change.
- 34. Subscriber Savings Accounts
Not applicable.
- 35. Multiple Peril Crop Insurance
Not applicable.
- 36. Financial Guaranty Insurance
Not applicable.

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.

12/31/2011
- 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 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
Affiliate Name	Location (City, State)	FRB	OCC	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	\$47,209	\$47,241	
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).....	\$47,209	\$47,241	
14.28	Total Investment in Parent included in Lines 14.21 to 14.26 above	\$	\$	
- 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.....	Akron, 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

PART 2

PROPERTY & CASUALTY INTERROGATORIES

If yes, attach an explanation.

If yes, attach an explanation.

3.2 If yes, give full and complete information thereto

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 Line of Business	2 Maximum Interest	3 Discount Rate	4 Unpaid Losses	5 Unpaid LAE	6 IBNR	7 TOTAL	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 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	%
-----	---	---

5.1 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. \$.....

STATEMENT AS OF MARCH 31, 2012 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

SCHEDULE F—CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

[illegible]

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	0	
2. Alaska	AK	N	0	0	0	0	0	
3. Arizona	AZ	N	0	0	0	0	0	
4. Arkansas	AR	N	0	0	0	0	0	
5. California	CA	N	0	0	0	0	0	
6. Colorado	CO	N	0	0	0	0	0	
7. Connecticut	CT	N	0	0	0	0	0	
8. Delaware	DE	N	0	0	0	0	0	
9. Dist. Columbia	DC	N	0	0	0	0	0	
10. Florida	FL	N	0	0	0	0	0	
11. Georgia	GA	N	0	0	0	0	0	
12. Hawaii	HI	N	0	0	0	0	0	
13. Idaho	ID	N	0	0	0	0	0	
14. Illinois	IL	N	0	0	0	0	0	
15. Indiana	IN	L	116,506	81,995	65,227	13,662	105,841	72,093
16. Iowa	IA	N	0	0	0	0	0	
17. Kansas	KS	N	0	0	0	0	0	
18. Kentucky	KY	N	0	0	0	0	0	
19. Louisiana	LA	N	0	0	0	0	0	
20. Maine	ME	N	0	0	0	0	0	
21. Maryland	MD	N	0	0	0	0	0	
22. Massachusetts	MA	N	0	0	0	0	0	
23. Michigan	MI	N	0	0	0	0	0	
24. Minnesota	MN	N	0	0	0	0	0	
25. Mississippi	MS	N	0	0	0	0	0	
26. Missouri	MO	N	0	0	0	0	0	
27. Montana	MT	N	0	0	0	0	0	
28. Nebraska	NE	N	0	0	0	0	0	
29. Nevada	NV	N	0	0	0	0	0	
30. New Hampshire	NH	N	0	0	0	0	0	
31. New Jersey	NJ	N	0	0	0	0	0	
32. New Mexico	NM	N	0	0	0	0	0	
33. New York	NY	N	0	0	0	0	0	
34. No. Carolina	NC	N	0	0	0	0	0	
35. No. Dakota	ND	N	0	0	0	0	0	
36. Ohio	OH	L	360,081	245,433	62,780	61,432	174,841	232,597
37. Oklahoma	OK	N	0	0	0	0	0	
38. Oregon	OR	N	0	0	0	0	0	
39. Pennsylvania	PA	N	0	0	0	0	0	
40. Rhode Island	RI	N	0	0	0	0	0	
41. So. Carolina	SC	N	0	0	0	0	0	
42. So. Dakota	SD	N	0	0	0	0	0	
43. Tennessee	TN	N	0	0	0	0	0	
44. Texas	TX	N	0	0	0	0	0	
45. Utah	UT	N	0	0	0	0	0	
46. Vermont	VT	N	0	0	0	0	0	
47. Virginia	VA	N	0	0	0	0	0	
48. Washington	WA	N	0	0	0	0	0	
49. West Virginia	WV	N	0	0	0	0	0	
50. Wisconsin	WI	N	0	0	0	0	0	
51. Wyoming	WY	N	0	0	0	0	0	
52. American Samoa	AS	N	0	0	0	0	0	
53. Guam	GU	N	0	0	0	0	0	
54. Puerto Rico	PR	N	0	0	0	0	0	
55. U.S. Virgin Islands	VI	N	0	0	0	0	0	
56. Northern Mariana Islands	MP	N	0	0	0	0	0	
57. Canada	CN	N	0	0	0	0	0	
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0	
59. Totals	(a) 2		476,587	327,428	128,007	75,094	280,682	304,690
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 - Part 1

NONE

SCHEDULE Y PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

[illegible]

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	9,474	0	0.0	0.0
2.	Allied lines	4,486	0	0.0	0.0
3.	Farmowners multiple peril	91,318	335	0.4	14.4
4.	Homeowners multiple peril	323,860	163,433	50.5	37.6
5.	Commercial multiple peril	0	0	0.0	0.0
6.	Mortgage guaranty	0	0	0.0	0.0
8.	Ocean marine	0	0	0.0	0.0
9.	Inland marine	0	0	0.0	0.0
10.	Financial guaranty	0	0	0.0	0.0
11.1	Medical professional liability - occurrence	0	0	0.0	0.0
11.2	Medical professional liability – claims made	0	0	0.0	0.0
12.	Earthquake	0	0	0.0	0.0
13.	Group accident and health	0	0	0.0	0.0
14.	Credit accident and health	0	0	0.0	0.0
15.	Other accident and health	0	0	0.0	0.0
16.	Workers' compensation	0	0	0.0	0.0
17.1	Other liability occurrence	414	0	0.0	0.0
17.2	Other liability – claims made	0	0	0.0	0.0
17.3	Excess Workers' Compensation	0	0	0.0	0.0
18.1	Products liability - occurrence	0	0	0.0	0.0
18.2	Products liability – claims made	0	0	0.0	0.0
19.1,19.2	Private passenger auto liability	0	(40)	0.0	0.0
19.3,19.4	Commercial auto liability	0	0	0.0	0.0
21.	Auto physical damage	0	(600)	0.0	0.0
22.	Aircraft (all perils)	0	0	0.0	0.0
23.	Fidelity	0	0	0.0	0.0
24.	Surety	0	0	0.0	0.0
26.	Burglary and theft	0	0	0.0	0.0
27.	Boiler and machinery	0	0	0.0	0.0
28.	Credit	0	0	0.0	0.0
29.	International	0	0	0.0	0.0
30.	Warranty	0	0	0.0	0.0
31.	Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34.	Aggregate write-ins for other lines of business	0	0	0.0	0.0
35.	TOTALS	429,552	163,128	38.0	28.7
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	6,721	6,721	8,917
2.	Allied lines	3,326	3,326	4,419
3.	Farmowners multiple peril	86,489	86,489	85,452
4.	Homeowners multiple peril	379,751	379,751	228,249
5.	Commercial multiple peril	0	0	0
6.	Mortgage guaranty	0	0	0
8.	Ocean marine	0	0	0
9.	Inland marine	0	0	0
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	0	0	0
13.	Group accident and health	0	0	0
14.	Credit accident and health	0	0	0
15.	Other accident and health	0	0	0
16.	Workers' compensation	0	0	0
17.1	Other liability-occurrence	300	300	391
17.2	Other liability – claims made	0	0	0
17.3	Excess Workers' Compensation	0	0	0
18.1	Products liability - occurrence	0	0	0
18.2	Products liability – claims made	0	0	0
19.1,19.2	Private passenger auto liability	0	0	0
19.3,19.4	Commercial auto liability	0	0	0
21.	Auto physical damage	0	0	0
22.	Aircraft (all perils)	0	0	0
23.	Fidelity	0	0	0
24.	Surety	0	0	0
26.	Burglary and theft	0	0	0
27.	Boiler and machinery	0	0	0
28.	Credit	0	0	0
29.	International	0	0	0
30.	Warranty	0	0	0
31.	Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX
34.	Aggregate write-ins for other lines of business	0	0	0
35.	TOTALS	476,587	476,587	327,428
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 MARCH 31, 2012 OF THE SONNENBERG MUTUAL INSURANCE 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)	2012 Loss and LAE Payments on Claims Reported as of Prior Year-End	2012 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2012 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. 2009 + Prior	480	30	510	143	0	143	317	0	14	331	(20)	(16)	(36)
2. 2010	604	49	653	87	1	88	464	4	5	473	(53)	(39)	(92)
3. Subtotals 2010 + prior	1,084	79	1,163	230	1	231	781	4	19	804	(73)	(55)	(128)
4. 2011	1,470	399	1,869	490	86	576	1,031	48	207	1,286	51	(58)	(7)
5. Subtotals 2011 + prior	2,554	478	3,032	720	87	807	1,812	52	226	2,090	(22)	(113)	(135)
6. 2012	XXX	XXX	XXX	XXX	625	625	XXX	434	730	1,164	XXX	XXX	XXX
7. Totals	2,554	478	3,032	720	712	1,432	1,812	486	956	3,254	(22)	(113)	(135)
8. Prior Year-End Surplus As Regards Policy-holders	11,201										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. (0.9)	2. (23.6)	3. (4.5)
											Col. 13, Line 7 As a % of Col. 1 Line 8		
											4. (1.2)		

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.




102712012490000001

2.




102712012455000001

3.



102712012365000001

4.



102712012505000001

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	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		0
2.2 Additional investment made after acquisition		0
3. Current year change in encumbrances		0
4. Total gain (loss) on disposals		0
5. Deduct amounts received on disposals		0
6. Total foreign exchange change in book/adjusted carrying value		0
7. Deduct current year's other than temporary impairment recognized		0
8. Deduct current year's depreciation		0
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)	0	0
10. Deduct total nonadmitted amounts	0	0
11. Statement value at end of current period (Line 9 minus Line 10)	0	0

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	459,688	478,210
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)	12,578	(18,522)
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and depreciation		0
9. Total foreign exchange change in book/adjusted carrying value		0
10. Deduct current year's other than temporary impairment recognized		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	472,266	459,688
12. Deduct total nonadmitted amounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	472,266	459,688

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	17,477,983	17,210,061
2. Cost of bonds and stocks acquired	569,037	3,453,249
3. Accrual of discount	3,137	12,695
4. Unrealized valuation increase (decrease)	315,835	(202,349)
5. Total gain (loss) on disposals	(1,130)	167,050
6. Deduct consideration for bonds and stocks disposed of	145,772	3,134,680
7. Deduct amortization of premium	7,654	28,043
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)	18,211,436	17,477,983
11. Deduct total nonadmitted amounts	47,241	47,209
12. Statement value at end of current period (Line 10 minus Line 11)	18,164,195	17,430,774

STATEMENT AS OF MARCH 31, 2012 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 1B

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

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a).....	12,060,318	530,551	424,171	(3,155)	12,163,543	0	0	12,060,318
2. Class 2 (a).....	441,239	0	0	(618)	440,620	0	0	441,239
3. Class 3 (a).....	74,000	0	0	0	74,000	0	0	74,000
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	12,575,557	530,551	424,171	(3,773)	12,678,163	0	0	12,575,557
PREFERRED STOCK								
8. Class 1	218,640	0	0	(3,760)	214,880	0	0	218,640
9. Class 2	75,371	0	0	87	75,458	0	0	75,371
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	294,011	0	0	(3,673)	290,338	0	0	294,011
15. Total Bonds & Preferred Stock	12,869,568	530,551	424,171	(7,446)	12,968,501	0	0	12,869,568

(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 \$.....0 ; NAIC 2 \$.....0 ; NAIC 3 \$.....0 ; 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	220,806	XXX	220,806	11	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.....	510,277	841,528
2. Cost of short-term investments acquired	134,700	2,212,949
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.....	424,171	2,544,199
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).....	220,806	510,277
11. Deduct total nonadmitted amounts.....	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	220,806	510,277

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

Schedule BA - Part 2

NONE

Schedule BA - Part 3

NONE

SCHEDULE D - PART 3

[illegible]

E04

SCHEDULE D - PART 4

[illegible]

Schedule DB - Part A - Section 1

NONE

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

NONE

Schedule DB - Part B - Section 1

NONE

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

NONE

Schedule DB - Part D

NONE

Schedule DL - Part 1

NONE

Schedule DL - Part 2

NONE

STATEMENT AS OF MARCH 31, 2012 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

SCHEDULE E - PART 1 - CASH

[illegible]

Schedule E - Part 2 - Cash Equivalents

NONE