

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	19,102,951		19,102,951	19,109,680
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks				
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances)				
4.2 Properties held for the production of income (less \$.....0 encumbrances)				
4.3 Properties held for sale (less \$.....0 encumbrances)				
5. Cash (\$.....2,878,656), cash equivalents (\$.....0) and short-term investments (\$.....708,670)	3,587,326		3,587,326	1,047,105
6. Contract loans (including \$.....0 premium notes)				
7. Derivatives				
8. Other invested assets				
9. Receivables for securities	1,806		1,806	1,806
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	22,692,083		22,692,083	20,158,591
13. Title plants less \$.....0 charged off (for Title insurers only)				
14. Investment income due and accrued	270,845		270,845	270,850
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	(523)		(523)	762
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums)	85,795		85,795	95,605
15.3 Accrued retrospective premiums				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	3,895,399		3,895,399	8,163,402
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset	36,078	36,078		
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets (\$.....0)				
22. Net adjustments in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	(517,344)		(517,344)	(388,090)
24. Health care (\$.....0) and other amounts receivable				
25. Aggregate write-ins for other than invested assets				
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	26,462,333	36,078	26,426,255	28,301,120
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	26,462,333	36,078	26,426,255	28,301,120
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501.				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)				

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$.....0)		
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses		
4. Commissions payable, contingent commissions and other similar charges		
5. Other expenses (excluding taxes, licenses and fees)		
6. Taxes, licenses and fees (excluding federal and foreign income taxes)		
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses))		
7.2 Net deferred tax liability		
8. Borrowed money \$.....0 and interest thereon \$.....0		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$.....68,418,884 and including warranty reserves of \$.....0 and accrued accident and health experience rating refunds including \$.....0 for medical loss ratio rebate per the Public Health Service Act)		
10. Advance premium	1,818,254	1,157,854
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	1,791,801	(4,932,349)
13. Funds held by company under reinsurance treaties		
14. Amounts withheld or retained by company for account of others	(1,512)	(1,487)
15. Remittances and items not allocated	(2,508)	(5,808)
16. Provision for reinsurance		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding	3,751,440	10,945,486
19. Payable to parent, subsidiaries and affiliates	3,368,238	5,908,359
20. Derivatives		
21. Payable for securities		
22. Payable for securities lending		
23. Liability for amounts held under uninsured plans		
24. Capital notes \$.....0 and interest thereon \$.....0		
25. Aggregate write-ins for liabilities	653,591	618,821
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	11,379,304	13,690,876
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	11,379,304	13,690,876
29. Aggregate write-ins for special surplus funds		
30. Common capital stock	1,000,000	1,000,000
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds		
33. Surplus notes		
34. Gross paid in and contributed surplus	4,241,335	4,241,335
35. Unassigned funds (surplus)	9,805,616	9,368,909
36. Less treasury stock, at cost:		
36.10 shares common (value included in Line 30 \$.....0)		
36.20 shares preferred (value included in Line 31 \$.....0)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	15,046,951	14,610,244
38. Totals (Page 2, Line 28, Col. 3)	26,426,255	28,301,120
DETAILS OF WRITE-INS		
2501. All Other Liabilities	653,591	618,821
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	653,591	618,821
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)		
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. TOTALS (Lines 3201 through 3203 plus 3298) (Line 32 above)		

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned			
1.1 Direct (written \$.....93,426,136)	90,288,522	86,975,199	174,411,297
1.2 Assumed (written \$.....0)			
1.3 Ceded (written \$.....93,426,136)	90,288,522	86,975,199	174,411,297
1.4 Net (written \$.....0)			
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....0)			
2.1 Direct	63,279,955	59,759,935	109,026,039
2.2 Assumed			
2.3 Ceded	63,279,955	59,759,935	109,026,039
2.4 Net			
3. Loss adjustment expenses incurred			
4. Other underwriting expenses incurred			
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)			
7. Net income of protected cells			
8. Net underwriting gain or (loss) (Line 1 minus Line 6 + Line 7)			
INVESTMENT INCOME			
9. Net investment income earned	455,403	438,204	904,867
10. Net realized capital gains (losses) less capital gains tax of \$.....0			
11. Net investment gain (loss) (Lines 9 + 10)	455,403	438,204	904,867
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0)			
13. Finance and service charges not included in premiums	88		110
14. Aggregate write-ins for miscellaneous income			
15. Total other income (Lines 12 through 14)	88		110
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	455,491	438,204	904,977
17. Dividends to policyholders			
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)	455,491	438,204	904,977
19. Federal and foreign income taxes incurred	18,784	(42,560)	16,204
20. Net income (Line 18 minus Line 19) (to Line 22)	436,707	480,764	888,773
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	14,610,244	13,721,471	13,721,471
22. Net income (from Line 20)	436,707	480,764	888,773
23. Net transfers (to) or from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0			
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax	(6)	(55,210)	(19,139)
27. Change in nonadmitted assets	6	55,223	19,139
28. Change in provision for reinsurance			
29. Change in surplus notes			
30. Surplus (contributed to) withdrawn from Protected cells			
31. Cumulative effect of changes in accounting principles			
32. Capital changes:			
32.1 Paid in			
32.2 Transferred from surplus (Stock Dividend)			
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in			
33.2 Transferred to capital (Stock Dividend)			
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders			
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus			
38. Change in surplus as regards policyholders (Lines 22 through 37)	436,707	480,777	888,773
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	15,046,951	14,202,248	14,610,244
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page			
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)			
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)			
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page			
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)			

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	7,395,645	11,130,122	1,176,810
2. Net investment income	462,137	444,724	918,004
3. Miscellaneous income	88		110
4. Total (Lines 1 to 3)	7,857,870	11,574,846	2,094,924
5. Benefit and loss related payments	(4,268,003)	(287,930)	8,199,031
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions		1,627	
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)	18,784	(42,560)	16,204
10. Total (Lines 5 through 9)	(4,249,219)	(328,863)	8,215,235
11. Net cash from operations (Line 4 minus Line 10)	12,107,089	11,903,709	(6,120,311)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds			
12.2 Stocks			
12.3 Mortgage loans			
12.4 Real estate			
12.5 Other invested assets			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments			
12.7 Miscellaneous proceeds			64
12.8 Total investment proceeds (Lines 12.1 to 12.7)			64
13. Cost of investments acquired (long-term only):			
13.1 Bonds			
13.2 Stocks			
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets			
13.6 Miscellaneous applications		61	
13.7 Total investments acquired (Lines 13.1 to 13.6)		61	
14. Net increase (or decrease) in contract loans and premium notes			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)		(61)	64
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes			
16.2 Capital and paid in surplus, less treasury stock			
16.3 Borrowed funds			
16.4 Net deposits on deposit-type contracts and other insurance liabilities			
16.5 Dividends to stockholders			
16.6 Other cash provided (applied)	(9,566,868)	(14,566,096)	865,314
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	(9,566,868)	(14,566,096)	865,314
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)	2,540,221	(2,662,448)	(5,254,933)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	1,047,105	6,302,038	6,302,038
19.2 End of period (Line 18 plus Line 19.1)	3,587,326	3,639,590	1,047,105

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

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Notes to Financial Statement

1. SIGNIFICANT ACCOUNTING POLICIES

- A. American Family Insurance Company (the Company) prepares its statutory financial statements in accordance with accounting practices prescribed or permitted by the Office of the Commissioner of Insurance of the State of Ohio (OCI). Prescribed statutory accounting practices include the National Association of Insurance Commissioners' (NAIC) "Accounting Practices and Procedures Manual", version effective March 1, 2012, as well as state laws, regulations, and general administrative rules applicable to all insurance enterprises domiciled in a particular state. In addition, the OCI has a right to permit other specific practices that may deviate from prescribed practices. No permitted differences in statutory accounting practices between the OCI and the NAIC are used in the preparation of these statutory financial statements
- B. The preparation of financial statements in conformity with the Annual Statement Instructions and Accounting Practices and Procedures manual requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. It also requires estimates in the disclosure of contingent assets and liabilities. Actual results could differ from these estimates.
- C. Premiums, reserves and expenses are accounted for in accordance with the NAIC Accounting Practices and Procedures manual, subject to deviations prescribed or permitted by the State of Ohio as described above.

In addition, the Company uses the following accounting policies:

- (1) Investments in short-term bonds rated "1" (highest quality), or "2" (high quality) by the Securities Valuation Office ("SVO") of the NAIC are reported in the financial statements at amortized cost. Bonds rated "3" (medium quality), "4" (low quality), "5" (lower quality), or "6" (lowest quality) by the SVO are reported at the lower of amortized cost or fair value. The interest method is used to amortize any purchase premium or discount, including estimates of future prepayments obtained from independent sources. Money Market Mutual Funds are recorded at amortized cost, which approximates fair market value.
- (2) Investments in bonds rated "1" (highest quality), or "2" (high quality) by the Securities Valuation Office ("SVO") of the NAIC are reported in the financial statements at amortized cost. Bonds rated "3" (medium quality), "4" (low quality), "5" (lower quality), or "6" (lowest quality) by the SVO are reported at the lower of amortized cost or fair value. Investments in commercial mortgage backed securities (CMBS) and non-amortized residential mortgage backed securities (RMBS) utilize a two step process to obtain a valuation and rating in accordance with SSAP 43R, *Loan Backed and Structured Securities*. The first step derives a rating for valuation by comparing the current amortized cost to the modeled range of values assigned to the six NAIC designations for each security. This determines whether the securities are stated at the lower of amortized cost or fair value per the above rules. The second step utilizes the same modeled range of values to derive a rating for reporting using the current carrying value as determined in the first step.

Ratings and valuations for investments in asset backed securities that are otherwise rated by an accredited ratings organization (ARO) or the SVO are calculated using a two step process. The first step derives a rating for valuation based on the ARO or SVO rating and the NAIC model valuation table. The second step utilizes the model valuation table to derive a rating for reporting using the current carrying value as determined in the first step. Securities whose initial rating is NAIC 1 or NAIC 6 in step one are not further modified by step two. The interest method is used to amortize any purchase premium or discount, including estimates of future prepayments obtained from independent sources.
- (3) The Company holds no common stocks.
- (4) The Company holds no preferred stocks.
- (5) The Company holds no mortgage loans.
- (6) Loan-backed securities are valued at amortized cost using the scientific interest method and include anticipated prepayments at the date of purchase. Prepayment assumptions are updated monthly, and book values are recalculated using the retrospective method.
- (7) Investments in subsidiary, controlled and affiliated companies are stated as follows: The Company is wholly owned by AMFAM Inc., a holding company, which is wholly owned by American Family Mutual Insurance Company (AFMIC).
- (8) The Company has no investments in joint ventures, partnerships and limited liability.
- (9) The Company holds no derivatives.
- (10) The Company does anticipate investment income as a factor in premium deficiency calculations.
- (11) 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 amounts are adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates are continually reviewed and any adjustments are reflected in the period determined.
- (12) The Company has not modified its capitalization policy during the current reporting period.
- (13) The Company does not have pharmaceutical rebate receivables.

Notes to Financial Statement

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

The Company adopted *SSAP 101, Income Taxes, A Replacement of SSAP 10R and SSAP 10* (SSAP 101), as of January 1, 2012. Adoption of SSAP 101 did not have a material impact on the Company's results of operations or financial position.

3. BUSINESS COMBINATIONS AND GOODWILL

No Change

4. DISCONTINUED OPERATIONS

No Change

5. INVESTMENTS

A. B. & C. No Change

D. Loan-Backed Securities

(1) Not applicable

(2) Not applicable

(3) Not applicable

(4) Not applicable

(5) Not applicable

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

No Change

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

A. B. & C. No Change

D. As of June 30, 2012, The Company reported \$3,378,055 due from affiliates, and \$5,160,039 due to affiliates. Terms of the settlement require that these amounts be settled within 30 days.

E. – L. No Change

11. DEBT

No Change

12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT PLANS

No Change

13. CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

(1) - (9) No Change

(10) The portion of unassigned funds (surplus) represented or (reduced) by cumulative gross unrealized gains (losses) was \$0.

(11) - (13) No Change

Notes to Financial Statement**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

- A. Transfer of Receivables reported as sales – The proceeds from the transfer for the year-to-date ending 6/30/2012 and 6/30/2011 are \$93,864,859 and \$88,642,191, respectively. There is no gain or loss from this transaction.
- B. Transfer and servicing of Financial Assets-Not Applicable
- C. Wash Sales-None

18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED A&H PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

No Change

19. DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS

No Change

20. FAIR VALUE MEASUREMENTS**A. Valuation, Techniques, and Inputs**

1. The following summarizes the Company's financial assets measured and reported at fair value as of June 30, 2012.

	Quoted Prices in Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of June 30, 2012
Short-term Investments,	\$ 708,670	\$ 0	\$ 0	\$ 708,670
Total Fair Value Financial Assets	\$ 708,670	\$ 0	\$ 0	\$ 708,670

There were no material transfers between Levels 1 and 2 as of June 30, 2012.

2. The Company held no Level 3 assets as of June 30, 2012.
3. There were no material transfers into or out of Level 3 as of June 30, 2012.
4. The Financial assets and financial liabilities recorded on the Balance Sheet at fair value are categorized based on the reliability of inputs to the valuation techniques as follows:

Level 1 Financial assets and financial liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that the Company can access.

Level 2 Financial assets and financial liabilities whose values are based on the following:
Quoted prices for similar assets or liabilities in active markets;
Quoted prices for identical or similar assets or liabilities in non-active markets; or
Valuation models whose inputs are observable, directly or indirectly, for substantially the full term of the asset or liability.

Level 3 Financial assets and financial liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs may reflect the Company's estimates of the assumptions that market participants would use in valuing the financial assets and financial liabilities.

Notes to Financial Statement

The availability of observable inputs varies by instrument. In situations where fair value is based on internally developed pricing models or inputs that are unobservable in the market, the determination of fair value requires more judgment. In many instances, inputs used to measure fair value fall into different levels of the fair value hierarchy. In those instances, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement is categorized is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The fair value guidance establishes a hierarchy for inputs used in determining fair value that maximize the use of observable inputs and minimizes the use of unobservable inputs by requiring that observable inputs be used when available.

Fair value is a market-based measure considered from the perspective of a market participant who owns an asset or owes a liability. Accordingly, when market observable data is not readily available, the Company's own assumptions are set to reflect those that market participants would be presumed to use in pricing the asset or liability at the measurement date. The Company uses prices and inputs that are current as of the measurement date, including during periods of market disruption. In periods of market disruption, the ability to observe prices and inputs may be reduced for many instruments. This condition could cause an instrument to be reclassified from Level 1 to Level 2 or from Level 2 to Level 3.

When available, the Company uses the market approach to estimate the fair value of its financial instruments, which is based on quoted prices in active markets that are readily and regularly available. Generally, these are the most liquid of the Company's holdings and valuation of these securities does not involve management judgment. Matrix pricing and other similar techniques are other examples of the market approach.

When quoted prices in active markets are not available, the Company uses the income approach, or a combination of the market and income approaches, to estimate the fair value of its financial instruments. The income approach involves using discounted cash flow and other standard valuation methodologies. The inputs in applying these market standard valuation methodologies include, but are not limited to interest rates, benchmark yields, bid/ask spreads, dealer quotes, liquidity, term to maturity, estimated future cash flows, credit risk and default projections, collateral performance, deal and tranche attributes, and general market data.

The following valuation techniques and inputs were used to estimate the fair value of each class of significant financial instruments:

Level 1 Measurements

Short-term Investments: Comprise actively traded money market funds that have daily quoted net asset values for identical assets that the Company can access.

The Company held no Level 2 or Level 3 fair value securities as of June 30, 2012.

B. Not Required

C. Valuation, Methods, and Assumptions

- The following summarizes the fair value of the Company's financial assets as of June 30, 2012:

	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)
Bonds	\$ 20,747,709	\$ 19,102,951	\$ 100,314	\$20,647,395	\$ 0
Short-term Investments	<u>708,670</u>	<u>708,670</u>	<u>708,670</u>	<u>0</u>	<u>0</u>
Total Financial Assets	\$ 21,456,379	\$ 19,811,621	\$ 808,984	\$20,647,395	\$ 0

- The following valuation methods and assumptions were used to measure the fair values of each type of financial asset and financial liability:

Notes to Financial Statement

Bonds: The fair value of Level 1 bonds, consisting of U.S. Treasury Notes, is determined using unadjusted quoted prices in an active market. Level 2 bonds are valued using leading, nationally recognized providers of market data and analytics to price the majority of fixed income securities using the market and income approaches. When available, recent trades of identical or similar assets are used to price these securities. However, because many fixed income securities do not actively trade on a daily basis, pricing models are often used to determine security prices. The pricing models discount future cash flows at estimated market interest rates. These rates are derived by calculating the appropriate spreads over comparable U.S. Treasury securities based on credit quality, industry, and structure of the asset. Observable inputs used by the models include benchmark yields, bid/ask spreads, dealer quotes, liquidity, term to maturity, credit risk and default projections, collateral performance, deal and tranche attributes, and general market data. Inputs may vary depending on type of security.

Short-term investments: Valuation methods and assumptions are discussed in Note 20.A.4.

D. Not Applicable

21. OTHER ITEMS

A.- B. No Change

C. Other Disclosures

Assets in the amount of \$86,667 and \$86,806 at June 30, 2012 and December 31, 2011, respectively, were on deposit with government authorities or trustees as required by law.

D – G. No Change

22. EVENTS SUBSEQUENT

No Change

23. REINSURANCE

A & B. No Change

C. Reinsurance Assumed And Ceded

1. The following table summarizes ceded and assumed unearned premiums and the related commission equity at June 30, 2012:

	ASSUMED		CEDED		ASSUMED LESS CEDED	
	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity
a. Affiliated	0	0	68,332,031	11,503,810	(68,332,031)	(11,503,810)
b. All Other	0	0	86,853	13,349	(86,853)	(13,349)
c. Total	0	0	68,418,884	11,517,159	(68,418,884)	(11,517,159)
d. Direct Unearned Premium Reserve			68,418,884			

2. Certain agency agreements and ceded reinsurance contracts provide for additional or return commissions based on the actual loss experience of the produced or reinsured business. Amounts accrued at June 30, 2012 are as follows:

DESCRIPTION	DIRECT	ASSUMED	CEDED	NET
a. Contingent Commissions	0	0	0	0
b. Sliding Scale Adjustments	0	0	0	0
c. Other Profit Commissions	0	0	0	0
d. Totals	0	0	0	0

3. Not Applicable.

D - H. No Change

24. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION

No Change

25. CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

No Change

26. INTERCOMPANY POOLING ARRANGEMENTS

No Change

Notes to Financial Statement

27. STRUCTURED SETTLEMENTS

No Change

28. HEALTH CARE RECEIVABLES

No Change

29. PARTICIPATING POLICIES

No Change

30. PREMIUM DEFICIENCY RESERVES

No Change

31. HIGH DEDUCTIBLES

No Change

32. DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES AND UNPAID LOSS ADJUSTMENT EXPENSES

No Change

33. ASBESTOS/ENVIRONMENTAL RESERVES

No Change

34. SUBSCRIBERS SAVINGS ACCOUNT

No Change

35. MULTIPLE PERIL CROP INSURANCE

No Change

36. FINANCIAL GUARANTY INSURANCE

No Change

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes[] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes[] No[] N/A[X]

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

- 3. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes[] No[X]
If yes, complete the Schedule Y - Part 1 - organizational chart.

- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

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

- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.12/31/2006.....
- 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).01/09/2008.....
- 6.4 By what department or departments?
Ohio Department of Insurance
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes[] No[] N/A[X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[X] No[] N/A[]

- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes[] No[X]
- 7.2 If yes, give full information

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes[] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC
.....	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes[X] No[]
 - (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 - (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 - (c) Compliance with applicable governmental laws, rules and regulations;
 - (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 - (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? Yes[] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes[] No[X]
- 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[X] No[]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$..... 3,378,055

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes[] No[X]
- 11.2 If yes, give full and complete information relating thereto:

- 12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$..... 0
- 13. Amount of real estate and mortgages held in short-term investments: \$..... 0

- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes[] No[X]
- 14.2 If yes, please complete the following:

GENERAL INTERROGATORIES (Continued)

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds		
14.22 Preferred Stock		
14.23 Common Stock		
14.24 Short-Term Investments		
14.25 Mortgages Loans on Real Estate		
14.26 All Other		
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)		
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[X]

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement.

Yes[] No[] N/A[X]

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[X] 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
US Bank	777 E Wisconsin Ave, Milwaukee, WI 53202

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[X]

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

1 Central Registration Depository	2 Name(s)	3 Address
.....

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

Yes[X] No[]

17.2 If no, list exceptions:

GENERAL INTERROGATORIES

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?
If yes, attach an explanation. Yes[] No[] N/A[X]
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?
If yes, attach an explanation. Yes[] No[X]
- 3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes[] No[X]
3.2 If yes, give full and complete information thereto
- 4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see annual statement instructions pertaining to disclosure of discounting for definition of "tabular reserves"), discounted at a rate of interest greater than zero? Yes[] No[X]
4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 Discount Rate	TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD				
			4 Unpaid Losses	5 Unpaid LAE	6 IBNR	7 TOTAL	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 TOTAL	
04.2999 Total											

5. Operating Percentages:
 5.1 A&H loss percent 0.000%
 5.2 A&H cost containment percent 0.000%
 5.3 A&H expense percent excluding cost containment expenses 0.000%
- 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. \$ 0
 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. \$ 0

SCHEDULE F - CEDED REINSURANCE
Showing all new reinsurers - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Name of Reinsurer	4 Domiciliary Jurisdiction	5 Is Insurer Authorized? (Yes or No)
NONE				

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**Current Year to Date - Allocated by States and Territories**

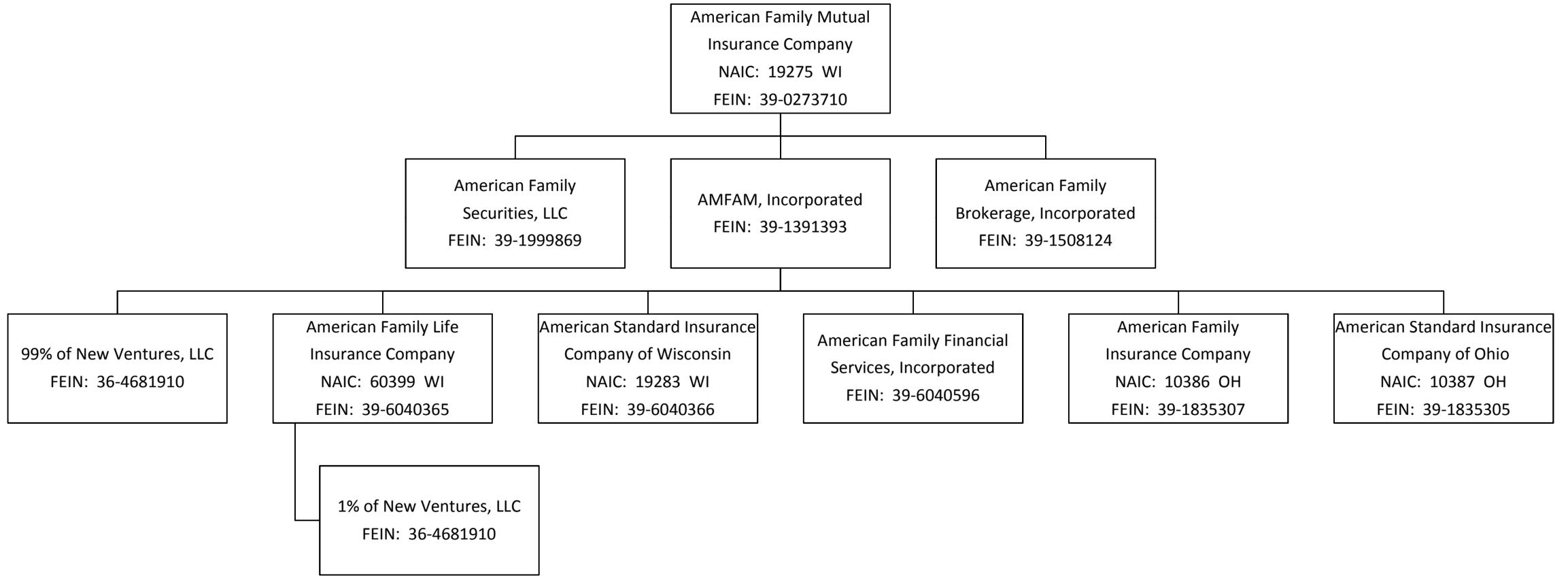
States, Etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
1. Alabama (AL)	N						
2. Alaska (AK)	N						
3. Arizona (AZ)	N						
4. Arkansas (AR)	N						
5. California (CA)	N						
6. Colorado (CO)	N						
7. Connecticut (CT)	N						
8. Delaware (DE)	N						
9. District of Columbia (DC)	N						
10. Florida (FL)	N						
11. Georgia (GA)	L	17,541,986	9,442,655	9,095,747	4,436,666	10,042,162	5,714,450
12. Hawaii (HI)	N						
13. Idaho (ID)	N						
14. Illinois (IL)	N						
15. Indiana (IN)	N						
16. Iowa (IA)	N						
17. Kansas (KS)	N						
18. Kentucky (KY)	N						
19. Louisiana (LA)	N						
20. Maine (ME)	N						
21. Maryland (MD)	N						
22. Massachusetts (MA)	N						
23. Michigan (MI)	N						
24. Minnesota (MN)	N						
25. Mississippi (MS)	N						
26. Missouri (MO)	N						
27. Montana (MT)	N						
28. Nebraska (NE)	N						
29. Nevada (NV)	N						
30. New Hampshire (NH)	N						
31. New Jersey (NJ)	N						
32. New Mexico (NM)	N						
33. New York (NY)	N						
34. North Carolina (NC)	N						
35. North Dakota (ND)	N						
36. Ohio (OH)	L	75,884,150	78,220,706	43,600,014	50,863,940	70,040,480	79,606,721
37. Oklahoma (OK)	N						
38. Oregon (OR)	N						
39. Pennsylvania (PA)	N						
40. Rhode Island (RI)	N						
41. South Carolina (SC)	N						
42. South Dakota (SD)	N						
43. Tennessee (TN)	N						
44. Texas (TX)	N						
45. Utah (UT)	N						
46. Vermont (VT)	N						
47. Virginia (VA)	N						
48. Washington (WA)	N						
49. West Virginia (WV)	N						
50. Wisconsin (WI)	N						
51. Wyoming (WY)	N						
52. American Samoa (AS)	N						
53. Guam (GU)	N						
54. Puerto Rico (PR)	N						
55. U.S. Virgin Islands (VI)	N						
56. Northern Mariana Islands (MP)	N						
57. Canada (CN)	N						
58. Aggregate other alien (OT)	X X X						
59. Totals	(a) 2	93,426,136	87,663,361	52,695,761	55,300,606	80,082,642	85,321,171
DETAILS OF WRITE-INS							
5801. write-in description 1 for line 58	X X X						
5802. write-in description 2 for line 58	X X X						
5803. write-in description 3 for line 58	X X X						
5898. Summary of remaining write-ins for Line 58 from overflow page	X X X						
5899. TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X						

(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

Q11



SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name of Parent Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	*
473	American Family Insurance Group	19275	39-0273710				American Family Mutual Insurance Company	WI	UIP	American Family Mutual Insurance Company - Board of Directors	Board of Directors		American Family Mutual Insurance Company - Board of Directors	
		0	39-1999869				American Family Securities, LLC	WI	NIA	American Family Mutual Insurance Company	Ownership	100.0	American Family Mutual Insurance Company	
		0	39-1508124				American Family Brokerage, Inc.	WI	NIA	American Family Mutual Insurance Company	Ownership	100.0	American Family Mutual Insurance Company	
		0	39-1391393				AMFAM, Inc.	WI	UDP	American Family Mutual Insurance Company	Ownership	100.0	American Family Mutual Insurance Company	
473	American Family Insurance Group	19283	39-6040366				American Standard Insurance Co. of WI	WI	IA	AMFAM, Inc.	Ownership	100.0	American Family Mutual Insurance Company	
473	American Family Insurance Group	10386	39-1835307				American Family Insurance Company	OH	OTH	AMFAM, Inc.	Ownership	100.0	American Family Mutual Insurance Company	
473	American Family Insurance Group	10387	39-1835305				American Standard Insurance Co. of OH	OH	IA	AMFAM, Inc.	Ownership	100.0	American Family Mutual Insurance Company	
473	American Family Insurance Group	60399	39-6040365				American Family Life Insurance Co.	WI	IA	AMFAM, Inc.	Ownership	100.0	American Family Mutual Insurance Company	
		0	39-6040596				American Family Financial Services, Inc.	WI	NIA	AMFAM, Inc.	Ownership	100.0	American Family Mutual Insurance Company	
		0	36-4681910				New Ventures, LLC	WI	NIA	AMFAM, Inc.	Ownership	99.0	American Family Mutual Insurance Company	
		0	36-4681910				New Ventures, LLC	WI	NIA	American Family Life Insurance Co.	Ownership	1.0	American Family Mutual Insurance Company	

Q12

Asterisk	Explanation
0000001	American Family Insurance Company is the Reporting Entity

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	38,866	(1,020)	(2.624)	11.521
2. Allied lines	37,326	3,698	9.907	69.578
3. Farmowners multiple peril	30,750	(5,089)	(16.550)	353.027
4. Homeowners multiple peril	28,013,460	24,432,343	87.216	82.484
5. Commercial multiple peril	1,136,066	510,570	44.942	74.705
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine	4,603	3,559	77.319	4.804
10. Financial guaranty				
11.1 Medical professional liability - occurrence				
11.2 Medical professional liability - claims made				
12. Earthquake	49,538			
13. Group accident and health				
14. Credit accident and health				
15. Other accident and health	337,027	161,959	48.055	64.611
16. Workers' compensation	42,285	21,938	51.881	45.017
17.1 Other liability - occurrence	990,201	499,567	50.451	(1.820)
17.2 Other liability - claims made				
17.3 Excess Workers' Compensation				
18.1 Products liability - occurrence	1,190			
18.2 Products liability - claims made				
19.1 19.2 Private passenger auto liability	34,390,973	23,641,542	68.744	62.335
19.3 19.4 Commercial auto liability	137,430	132,509	96.419	15.793
21. Auto physical damage	25,078,683	13,878,379	55.339	64.728
22. Aircraft (all perils)				
23. Fidelity	79			
24. Surety				
26. Burglary and theft	45			
27. Boiler and machinery				
28. Credit				
29. International				
30. Warranty				
31. Reinsurance-Nonproportional Assumed Property	X X X	X X X	X X X	X X X
32. Reinsurance-Nonproportional Assumed Liability	X X X	X X X	X X X	X X X
33. Reinsurance-Nonproportional Assumed Financial Lines	X X X	X X X	X X X	X X X
34. Aggregate write-ins for other lines of business				
35. TOTALS	90,288,522	63,279,955	70.086	68.709
DETAILS OF WRITE-INS				
3401. write-in description 1 for line 33				
3402. write-in description 2 for line 33				
3403. write-in description 3 for line 33				
3498. Summary of remaining write-ins for Line 34 from overflow page				
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)				

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire	25,010	47,100	47,681
2. Allied lines	24,513	48,661	41,840
3. Farmowners multiple peril	1,732	13,262	3,533
4. Homeowners multiple peril	15,823,579	28,550,064	26,851,156
5. Commercial multiple peril	915,751	1,675,307	749,021
6. Mortgage guaranty			
8. Ocean marine			
9. Inland marine	4,372	9,997	4,276
10. Financial guaranty			
11.1 Medical professional liability - occurrence			
11.2 Medical professional liability - claims made			
12. Earthquake	29,518	52,818	48,572
13. Group accident and health			
14. Credit accident and health			
15. Other accident and health	206,430	395,687	485,948
16. Workers' compensation	53,951	88,098	29,645
17.1 Other liability - occurrence	509,450	981,233	906,485
17.2 Other liability - claims made			
17.3 Excess Workers' Compensation			
18.1 Products liability - occurrence	726	2,491	378
18.2 Products liability - claims made			
19.1 19.2 Private passenger auto liability	18,272,231	35,909,061	34,057,556
19.3 19.4 Commercial auto liability	75,609	159,463	84,061
21. Auto physical damage	12,528,332	25,492,296	24,353,209
22. Aircraft (all perils)			
23. Fidelity	450	528	
24. Surety			
26. Burglary and theft	(163)	70	
27. Boiler and machinery			
28. Credit			
29. International			
30. Warranty			
31. Reinsurance-Nonproportional Assumed Property	X X X	X X X	X X X
32. Reinsurance-Nonproportional Assumed Liability	X X X	X X X	X X X
33. Reinsurance-Nonproportional Assumed Financial Lines	X X X	X X X	X X X
34. Aggregate write-ins for other lines of business			
35. TOTALS	48,471,491	93,426,136	87,663,361
DETAILS OF WRITE-INS			
3401. write-in description 1 for line 33			
3402. write-in description 2 for line 33			
3403. write-in description 3 for line 33			
3498. Summary of remaining write-ins for Line 34 from overflow page			
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)			

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 Reserves Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2009 + Prior													
2. 2010													
3. Subtotals 2010 + Prior													
4. 2011													
5. Subtotals 2011 + Prior													
6. 2012	X X X	X X X	X X X	X X X			X X X				X X X	X X X	X X X
7. Totals													
8. Prior Year-End's Surplus As Regards Policyholders											Col. 11, Line 7 As % of Col. 1 Line 7 1.....	Col. 12, Line 7 As % of Col. 2 Line 7 2.....	Col. 13, Line 7 As % of Col. 3 Line 7 3.....
													Col. 13, Line 7 Line 8 4.....

NONE

Q14

STATEMENT AS OF **June 30, 2012** OF THE **American Family Insurance Company**
SCHEDULE A - VERIFICATION

Real Estate

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

NONE

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year To Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and mortgage interest points		
9. Total foreign exchange change in book value/recorded investment		
10. Deduct current year's other than temporary impairment recognized		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)		
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)		

NONE

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other than temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)		

NONE

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	19,109,680	19,122,817
2. Cost of bonds and stocks acquired		
3. Accrual of discount	740	1,282
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration for bonds and stocks disposed of		
7. Deduct amortization of premium	7,469	14,419
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	19,102,951	19,109,680
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	19,102,951	19,109,680

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)	19,585,666	229,319		(3,364)	19,585,666	19,811,621		19,339,031
2. Class 2 (a)								
3. Class 3 (a)								
4. Class 4 (a)								
5. Class 5 (a)								
6. Class 6 (a)								
7. Total Bonds	19,585,666	229,319		(3,364)	19,585,666	19,811,621		19,339,031
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	19,585,666	229,319		(3,364)	19,585,666	19,811,621		19,339,031

(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 \$.....708,670; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

QS102

SCHEDULE DA - PART 1**Short - Term Investments**

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals	708,670	X X X	708,670		

SCHEDULE DA - Verification**Short-Term Investments**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	229,351	6,446,527
2. Cost of short-term investments acquired	479,319	11,830,961
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals		18,048,137
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	708,670	229,351
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	708,670	229,351

SI04 Schedule DB - Part A Verification NONE

SI04 Schedule DB - Part B Verification NONE

SI05 Schedule DB Part C Section 1 NONE

SI06 Schedule DB Part C Section 2 NONE

SI07 Schedule DB - Verification NONE

SI08 Schedule E - Verification (Cash Equivalents) NONE

E01	Schedule A Part 2	NONE
E01	Schedule A Part 3	NONE
E02	Schedule B Part 2	NONE
E02	Schedule B Part 3	NONE
E03	Schedule BA Part 2	NONE
E03	Schedule BA Part 3	NONE
E04	Schedule D Part 3	NONE
E05	Schedule D Part 4	NONE
E06	Schedule DB Part A Section 1	NONE
E07	Schedule DB Part B Section 1	NONE
E08	Schedule DB Part D	NONE
E09	Schedule DL - Part 1 - Securities Lending Collateral Assets	NONE
E10	Schedule DL - Part 2 - Securities Lending Collateral Assets	NONE

SCHEDULE E - PART 1 - CASH**Month End Depository Balances**

1 Depository		2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
						6 First Month	7 Second Month	8 Third Month	
open depositories									
US Bank	Madison, Wisconsin					1,185,145	2,547,985	2,619,662	X X X
Wells Fargo	San Francisco, CA					243,215	254,730	258,994	X X X
0199998 Deposits in0 depositories that do not exceed the allowable limit in any one depository - open depositories		X X X	X X X						X X X
0199999 Totals - Open Depositories		X X X	X X X			1,428,360	2,802,715	2,878,656	X X X
0299998 Deposits in0 depositories that do not exceed the allowable limit in any one depository - suspended depositories		X X X	X X X						X X X
0299999 Totals - Suspended Depositories		X X X	X X X						X X X
0399999 Total Cash On Deposit		X X X	X X X			1,428,360	2,802,715	2,878,656	X X X
0499999 Cash in Company's Office		X X X	X X X	X X X	X X X				X X X
0599999 Total Cash		X X X	X X X			1,428,360	2,802,715	2,878,656	X X X

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
NONE							
8699999 Total - Cash Equivalents							



DIRECTOR AND OFFICER INSURANCE COVERAGE SUPPLEMENT

Year to Date For the Period Ended June 30

NAIC Group Code: 0473 NAIC Company Code: 10386

Company Name: American Family Insurance Company

If the reporting entity writes any director and officer (D&O) business, please provide the following:

Description	1 Direct Written Premium	2 Direct Earned Premium	3 Direct Losses Incurred
1. Monoline Policies	7,101	5,610	1,000

2. Commercial Multiple Peril (CMP) Packaged Policies

2.1 Does the reporting entity provide D&O liability coverage as part of a CMP packaged policy?

Yes No
Yes No

2.2 Can the direct premium earned for D&O liability coverage provided as part of a CMP packaged policy be quantified or estimated?

2.3 If the answer to question 2.2 is yes, provide the quantified or estimated direct premium earned amount for D&O liability coverage in CMP packaged policies

2.31 Amount quantified:

\$ 0
\$ 0

2.32 Amount estimated using reasonable assumptions:

2.4 If the answer to question 2.1 is yes, provide direct losses incurred (losses paid plus change in case reserves) for the D&O liability coverage provided in CMP packaged policies.

\$ 0

INDEX TO PROPERTY & CASUALTY QUARTERLY STATEMENT

Accident and Health Insurance; Q3; Q13
Accounting Changes and Corrections of Errors; Q6, Note 2
Accounting Practices and Policies; Q6, Note 1
Admitted Assets; Q2; QSI01
Affiliated Transactions; Q2; Q3; Q7; Q7.1
Asbestos Losses and Loss Adjustment Expenses; Q6, Note 33
Bonds; Q2; Q5; Q7.1; Q7.2; QSI01; QSI02; QE04; QE05; QSupp2
Business Combinations and Goodwill; Q6, Note 3
Capital Gains (Losses); Q3; Q4; Q5
Capital Stock; Q3; Q4; Q6, Note 13
Capital Notes; Q3; Q5; Q6, Note 11
Caps; QE06; QSI04
Cash; Q2; Q5; QE11; QSupp2
Cash Equivalents; Q2; Q5; QE12
Collars; QE06; QSI04
Commissions; Q3; Q5
Common Stock; Q2; Q7.1; Q7.2; QSI01; QE04; QE05; QSupp2
Counterparty Exposure; Q6, Note 8; QE06; QE08
Contingencies; Q6, Note 14
Debt; Q6, Note 11
Deferred Compensation; Q6, Note 12
Derivative Instruments; Q6, Note 8; QSI04; QSI05; QSI06; QSI07; QE06; QE07; QE08
Director and Officer; QSupp7
Discontinued Operations; Q6, Note 4
Discounting of Liabilities; Q6, Note 32; Q8
Electronic Data Processing Equipment; Q2
Environmental Losses and Loss Adjustment Expenses; Q6, Note 33
Exchange or Counterparty; QE06; QE08
Expenses; Q3; Q4; Q5; Q8; QE01; QSupp3
Extinguishment of Liabilities; Q6, Note 17
Extraordinary Items; Q6, Note 21
Fair Value; Q7, Note 20
Federal ID Number; Q9
Federal Reserve Board; Q7
Finance and Service Charge; Q4
Floors; QE06; QSI04
Foreign Exchange; Q2; Q3; Q4; QSI01; QSI02; QSI03; QE04; QE05
Forwards; QE06; QSI04
Futures Contracts; QE07; QSI04
Guaranty Fund; Q2
Health Care Receivables; Q6, Note 28
Hedging Transactions; Q7.1; QE06; QE07
High Deductible Policies; Q6, Note 31
Holding Company; Q7; Q11; Q12
Income Generation Transactions; QE06; QE07
Income Taxes; Q2; Q3; Q4; Q5; Q6, Note 9
Intercompany Pooling; Q6, Note 26
Investment Income; Q2; Q4; Q5; Q6, Note 7; QSupp2
Investments; Q2; Q4; Q6, Note 5; Q7.1; Q7.2; QSI01; QSI03; QE03; QE04; QE05; QE08; QE12; QSupp2
Joint Venture; Q6, Note 6
Leases; Q6, Note 15
Licensing; Q3; Q7; Q10
Limited Liability Company (LLC); Q6, Note 6
Limited Partnership; Q6, Note 6
Lines of Business; Q8; Q13
Long-Term Invested Assets; QSI01; QE03
Loss Development; Q6
Losses; Q3; Q4; Q5; Q6, Note 25; Q8; Q10; Q13; Q14; QSupp1; QSupp3
Loss Adjustment Expenses; Q3; Q6, Note 26; Q8; Q14; QSupp3
Managing General Agents; Q6, Note 19; Q7
Medical Malpractice Insurance; Q13; Q15; QSupp5
Medicare Part D Coverage; QSupp6
Mortgage Loans; Q2; Q5; Q7.1; QSI01; QE02; QSupp2
Multiple Peril Crop Insurance; Q6, Note 35
Nonadmitted Assets; Q2; Q4; QSI01; QSI03
Non-Tabular Discount; Q6, Note 32
Off-Balance Sheet Risk; Q6, Note 16

INDEX TO PROPERTY & CASUALTY QUARTERLY STATEMENT

Options; Q7.1; QE06; QSI04
Organizational Chart; Q7; Q11
Other Derivative Transactions; QE06; QE07
Parent, Subsidiaries and Affiliates; Q2; Q3; Q6, Note 10; Q7.1
Participating Policies; Q6, Note 29
Pharmaceutical Rebates; Q6, Note 28
Policyholder Dividends; Q3; Q4; Q5
Postemployment Benefits; Q6, Note 12
Postretirement Benefits; Q6, Note 12
Preferred Stock; Q2; Q7.1; Q7.2; QSI01; QSI02; QE04; QSupp2
Premium Deficiency Reserves; Q6, Note 30
Premium Notes; Q2; Q5
Premiums; Q3; Q5; Qsupp3
 Accrued Retrospective; Q2
 Advance; Q3
 Direct; Q10; Q13
 Earned; Q4; Q10; Q13; QSupp5
 Earned but Unbilled; Q2
 Unearned; Q3
 Written; Q4; Q10; Q13; QSupp5
Quasi Reorganizations; Q6, Note 13
Real Estate; Q2; Q5; Q7.1; QSI01; QE01; QSupp2
Redetermination, Contract Subject to; Q6, Note 24
Reinsurance; Q6, Note 23
 Assumed; Q13
 Ceded; Q3; Q9; QSupp3
 Commutation; Q6, Note 23
 Funds Held; Q2; Q3
 Losses; Q3; Q4; Q8; QSupp3
 Payable; Q3; QSupp3
 Premiums; Q3; QSupp3
 Receivable; Q2; QSupp3
 Unsecured; Q6, Note 23
 Uncollectible; Q6, Note 23
Reserves
 Incurred but Not Reported (IBNR); Q8; Q14
 Unpaid Loss Adjustment Expense (LAE); Q14
Retirement Plans; Q6, Note 12
Retrospectively Rated Contracts; Q6, Note 24
Salvage and Subrogation; Q10
Securities Lending; Q2; Q3; QE9; QE10
Servicing of Financial Assets; Q6, Note 17
Short-Term Investments; Q2; Q5; Q7.1; QSI03; QSupp2
Special Deposits; QSupp2
Stockholder Dividends; Q3; Q4; Q5
Structured Settlements; Q6, Note 27
Subscriber Savings Accounts; Q6, Note 34
Subsequent Events; Q6, Note 22
Surplus; Q3; Q4; Q5; Q6, Note 13; Q14; Q15; QSupp1; QSupp2; QSupp3
Surplus Notes; Q3; Q4; Q5
Swaps; QE07; QSI04
Synthetic Assets; QSI04; QSI05
Tabular Discount; Q6, Note 32
Third Party Administrator; Q6, Note 19; Q7
Treasury Stock; Q3; Q4; Q5
Underwriting Expenses; Q4
Uninsured Accident and Health; Q3; Q6, Note 18
Valuation Allowance; QSI01
Wash Sales; Q6, Note 17