



# QUARTERLY STATEMENT

AS OF JUNE 30, 2012  
OF THE CONDITION AND AFFAIRS OF THE

## WESTERN RESERVE MUTUAL CASUALTY COMPANY

NAIC Group Code 0207 (Current Period), 00207 (Prior Period) NAIC Company Code 26131 Employer's ID Number 34-0613930

Organized under the Laws of Ohio, State of Domicile or Port of Entry Ohio

Country of Domicile United States

Incorporated/Organized 06/29/1937 Commenced Business 07/30/1937

Statutory Home Office 1685 Cleveland Road, Wooster, OH 44691-0036  
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office 1685 Cleveland Road Wooster, OH 44691-0036 330-262-9060  
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 1685 Cleveland Road, Wooster, OH 44691-0036  
(Street and Number or P.O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records 1685 Cleveland Road Wooster, OH 44691-0036 330-262-9060-2437  
(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
<u>JOHN P. MURPHY</u>	<u>PRESIDENT</u>	<u>JOHN P. MURPHY</u>	<u>SECRETARY</u>
<u>MICHAEL A. SHUTT</u>	<u>VP FINANCE/CFO/TREASURER</u>		

### OTHER OFFICERS

<u>GREGORY A. BRUNN</u>	<u>VP MARKETING AND UNDERWRITING</u>	<u>KEVIN W. DAY</u>	<u>EXECUTIVE VP</u>
<u>GARY W. GWINN #</u>	<u>VP CLAIMS</u>	<u>GREGORY J. OWEN</u>	<u>VP INFORMATION TECHNOLOGY</u>

### DIRECTORS OR TRUSTEES

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

State of .....OHIO.....

County of .....WAYNE.....ss

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.

President

Secretary

Vice President of Finance/CFO/Treasurer

a. Is this an original filing? Yes [X] No [ ]

Subscribed and sworn to before me this 14 day of AUGUST, 2012

- 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 JUNE 30, 2012 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	82,305,414		82,305,414	80,377,318
2. Stocks:				
2.1 Preferred stocks .....	1,253,048		1,253,048	1,271,768
2.2 Common stocks .....	44,711,997	268,053	44,443,944	41,643,177
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) .....	7,891,013		7,891,013	8,000,268
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 (\$ ..... (8,792,160) ), cash equivalents (\$ ..... 0 ) and short-term investments (\$ ..... 1,084,902 ) .....	(7,707,258)		(7,707,258)	(3,231,384)
6. Contract loans (including \$ ..... premium notes) .....			0	0
7. Derivatives .....			0	0
8. Other invested assets .....	5,740,702	2,038,074	3,702,628	3,677,639
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) .....	134,194,916	2,306,127	131,888,789	131,738,786
13. Title plants less \$ ..... charged off (for Title insurers only) .....	0		0	0
14. Investment income due and accrued .....	898,417		898,417	876,818
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	23,793,561	133,810	23,659,751	22,045,171
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 .....	496,609	53,972	442,637	701,042
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 .....	0		0	0
18.2 Net deferred tax asset .....	961,097		961,097	912,224
19. Guaranty funds receivable or on deposit .....	0		0	0
20. Electronic data processing equipment and software .....	510,292		510,292	319,795
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....	127,017	127,017	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....	0		0	0
23. Receivables from parent, subsidiaries and affiliates .....	148,481		148,481	0
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) .....	161,130,390	2,620,926	158,509,464	156,593,836
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
28. Total (Lines 26 and 27) .....	161,130,390	2,620,926	158,509,464	156,593,836
<b>DETAILS OF WRITE-INS</b>				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) .....	0	0	0	0
2501. ....				
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 \$ ..... )	21,492,949	20,292,545
2. Reinsurance payable on paid losses and loss adjustment expenses	0	0
3. Loss adjustment expenses	3,964,000	3,964,000
4. Commissions payable, contingent commissions and other similar charges	1,596,863	1,658,733
5. Other expenses (excluding taxes, licenses and fees)	1,320,893	1,738,894
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	482,794	835,277
7.1 Current federal and foreign income taxes (including \$ ..... on realized capital gains (losses))	75	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)	31,790,249	30,414,052
10. Advance premium	537,886	346,409
11. Dividends declared and unpaid:		
11.1 Stockholders	0	0
11.2 Policyholders	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions)	(304,380)	219,154
13. Funds held by company under reinsurance treaties	939	13,473
14. Amounts withheld or retained by company for account of others	4,472,673	4,491,810
15. Remittances and items not allocated	0	0
16. Provision for reinsurance	213,119	213,119
17. Net adjustments in assets and liabilities due to foreign exchange rates	0	0
18. Drafts outstanding	0	0
19. Payable to parent, subsidiaries and affiliates	0	103,318
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)	65,568,060	64,290,784
27. Protected cell liabilities	0	0
28. Total liabilities (Lines 26 and 27)	65,568,060	64,290,784
29. Aggregate write-ins for special surplus funds	461,607	412,734
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)	92,479,797	91,890,318
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)	92,941,404	92,303,052
38. Totals (Page 2, Line 28, Col. 3)	158,509,464	156,593,836
<b>DETAILS OF WRITE-INS</b>		
2501. ....	0	0
2502. ....	0	0
2503. ....	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0
2901. Surplus from SSAP No. 10R	461,607	412,734
2902. ....	0	0
2903. ....	0	0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	461,607	412,734
3201. ....	0	0
3202. ....	0	0
3203. ....	0	0
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

## STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct (written \$ 49,687,489 )	48,058,570	44,706,530	91,196,454
1.2 Assumed (written \$ 32,167,660 )	30,854,510	27,535,662	57,269,057
1.3 Ceded (written \$ 46,966,563 )	45,400,691	41,557,982	85,385,804
1.4 Net (written \$ 34,888,586 )	33,512,389	30,684,210	63,079,707
DEDUCTIONS:			
2. Losses incurred (current accident year \$ ):)			
2.1 Direct	31,189,211	32,643,565	66,646,876
2.2 Assumed	20,851,614	16,336,844	25,967,037
2.3 Ceded	29,250,968	28,579,252	51,440,429
2.4 Net	22,789,857	20,401,157	41,173,484
3. Loss adjustment expenses incurred	3,110,751	2,961,905	5,895,099
4. Other underwriting expenses incurred	11,203,599	11,517,225	22,151,897
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	37,104,207	34,880,287	69,220,480
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(3,591,818)	(4,196,077)	(6,140,773)
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	1,880,848	1,961,171	3,928,695
10. Net realized capital gains (losses) less capital gains tax of \$ 66,903	129,870	277,520	1,089,735
11. Net investment gain (loss) (Lines 9 + 10)	2,010,718	2,238,691	5,018,430
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ 32,681 )	(32,681)	(24,304)	(56,300)
13. Finance and service charges not included in premiums	574,541	509,594	1,087,449
14. Aggregate write-ins for miscellaneous income	1,309	223	12,685
15. Total other income (Lines 12 through 14)	543,169	485,513	1,043,834
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(1,037,931)	(1,471,873)	(78,509)
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)	(1,037,931)	(1,471,873)	(78,509)
19. Federal and foreign income taxes incurred	(66,903)	(142,965)	(595,692)
20. Net income (Line 18 minus Line 19)(to Line 22)	(971,028)	(1,328,908)	517,183
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year	92,303,052	92,091,549	92,091,549
22. Net income (from Line 20)	(971,028)	(1,328,908)	517,183
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 \$ 520,702	1,010,775	1,148,323	(1,079,499)
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	520,702	943,466	119,655
27. Change in nonadmitted assets	29,029	134,496	241,430
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	48,873	0	412,734
38. Change in surplus as regards policyholders (Lines 22 through 37)	638,351	897,377	211,503
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	92,941,403	92,988,926	92,303,052
<b>DETAILS OF WRITE-INS</b>			
0501.	0		
0502.	0		
0503.	0		
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	(1,474)	223	12,545
1402. GAIN/(LOSS) SALE OF EQUIPMENT	2,783	0	140
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)	1,309	223	12,685
3701. Change in surplus from SSAP No. 10R	48,873	0	412,734
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)	48,873	0	412,734

STATEMENT AS OF JUNE 30, 2012 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance.....	32,925,779	31,792,342	63,607,585
2. Net investment income .....	1,907,628	1,985,286	4,244,017
3. Miscellaneous income .....	543,169	485,513	1,043,834
4. Total (Lines 1 to 3) .....	35,376,576	34,263,141	68,895,436
5. Benefit and loss related payments .....	21,317,834	21,925,245	39,089,046
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 .....	15,166,448	16,570,825	29,521,252
8. Dividends paid to policyholders .....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses).....	0	(957,691)	(1,132,075)
10. Total (Lines 5 through 9) .....	36,484,282	37,538,379	67,478,223
11. Net cash from operations (Line 4 minus Line 10) .....	(1,107,706)	(3,275,238)	1,417,213
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	4,789,684	7,057,766	10,826,075
12.2 Stocks .....	6,427,365	5,772,419	13,853,974
12.3 Mortgage loans .....	0	0	0
12.4 Real estate .....	0	0	0
12.5 Other invested assets .....	127,376	120,875	244,957
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) .....	11,344,425	12,951,060	24,925,007
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	6,489,321	5,929,830	10,722,384
13.2 Stocks .....	7,796,186	5,054,615	12,686,316
13.3 Mortgage loans .....	0	0	0
13.4 Real estate .....	1,798	0	0
13.5 Other invested assets .....	0	0	0
13.6 Miscellaneous applications .....	1	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	14,287,306	10,984,445	23,418,700
14. Net increase (or decrease) in contract loans and premium notes .....	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	(2,942,881)	1,966,615	1,506,307
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds .....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0	0
16.5 Dividends to stockholders .....	0	0	0
16.6 Other cash provided (applied).....	(425,287)	(302,118)	236,605
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	(425,287)	(302,118)	236,605
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(4,475,874)	(1,610,741)	3,160,125
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	(3,231,384)	(6,391,509)	(6,391,509)
19.2 End of period (Line 18 plus Line 19.1) .....	(7,707,258)	(8,002,250)	(3,231,384)

## 1. Summary of Significant Accounting Policies

### A. Accounting Practices

The financial statements of Western Reserve Mutual Casualty 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

No change.

### 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

#### (1) Fair Value Measurements at Reporting Date:

Description	Period ended 06/30/2012	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	\$ 859,520	\$ 859,520	\$ -	\$ -
Parent, Subsidiaries, and Affiliates	-	-	-	-
Total Perpetual Preferred Stock	859,520	859,520	-	-
Bonds:				
U.S. Governments	20,718,709	20,718,709	-	-
Foreign Governments	1,139,183	1,139,183	-	-
Industrial and Misc	67,983,226	67,983,226	-	-
Parent, Subsidiaries, and Affiliates	-	-	-	-
Total Bonds	89,841,119	89,841,119	-	-
Common stock:				
Industrial and Misc	24,940,524	24,852,378	88,146	-
Mutual Funds	19,487,272	19,487,272	-	-
Money Market Funds	16,148	16,148	-	-
Parent, Subsidiaries, and Affiliates	-	-	-	-
Total Common Stocks	44,443,944	44,355,798	88,146	-
Other invested assets:				
Real estate	-	-	-	-
Other	3,702,628	-	-	3,702,628
Total Other Invested Assets	3,702,628	-	-	3,702,628
Total Assets at Fair Value:	<u>\$ 228,688,321</u>	<u>\$ 224,897,557</u>	<u>\$ 88,146</u>	<u>\$ 3,702,628</u>
b. Liabilities at fair value: Not applicable.				

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

	<u>Balance 12/31/2011</u>	<u>Transfers In/(out) Level 3</u>	<u>Total Gain/(Loss) Included in Net Income</u>	<u>Total Gain/(Loss) Included in Surplus</u>	<u>Purchases, Issuances, Sales, &amp; Settlements</u>	<u>Balance 06/30/2012</u>
Other Invested Assets	\$ 3,677,639	\$ -	\$ -	\$ 24,990	\$ -	\$ 3,702,628
Total	<u>\$ 3,677,639</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,990</u>	<u>\$ -</u>	<u>\$ 3,702,628</u>

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

(4) As of June 30, 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 a joint venture fund is measured and reported at fair value as of June 30, 2012 totaling \$3.7 million in aggregate. Fair value measurement is determined by the underlying unaudited GAAP equity. 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.

**23. 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 \$25.1 million. In calendar year 2012, \$10.2 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 \$14.5 million. Therefore, there has been a \$4 million favorable prior-year development from December 31, 2011 to June 30, 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.

**30. Premium Deficiency Reserves**

No significant change.

**31. High Deductibles**

Not applicable.

**32. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses**

No significant change.

**33. Asbestos/Environmental Reserves**

No significant 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 Name of Entity	2 NAIC Company Code	3 State of Domicile

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? ..... Yes  No  NA   
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. .... 12/31/2011
- 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 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 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: ..... \$ ..... 148,481

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

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....	\$ .....	\$ .....
14.22 Preferred Stock .....	\$ .....	\$ .....
14.23 Common Stock .....	\$ ..... 253,019	\$ ..... 268,053
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).....	\$ ..... 253,019	\$ ..... 268,053
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.....
First Merit.....	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:

.....





STATEMENT AS OF JUNE 30, 2012 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

Current Year to Date - Allocated by States and Territories

States, etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid		
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date	
1. Alabama	AL	N	0	0	0	0	0	
2. Alaska	AK	N	0	0	0	0	0	
3. Arizona	AZ	N	0	0	0	0	0	
4. Arkansas	AR	N	0	0	0	0	0	
5. California	CA	N	0	0	0	0	0	
6. Colorado	CO	N	0	0	0	0	0	
7. Connecticut	CT	N	0	0	0	0	0	
8. Delaware	DE	N	0	0	0	0	0	
9. District of Columbia	DC	N	0	0	0	0	0	
10. Florida	FL	N	0	0	0	0	0	
11. Georgia	GA	N	0	0	0	0	0	
12. Hawaii	HI	N	0	0	0	0	0	
13. Idaho	ID	N	0	0	0	0	0	
14. Illinois	IL	L	0	0	0	0	0	
15. Indiana	IN	L	14,944,527	13,144,736	9,752,921	9,143,889	6,396,529	6,305,358
16. Iowa	IA	N	0	0	0	0	0	0
17. Kansas	KS	N	0	0	0	0	0	0
18. Kentucky	KY	N	0	0	0	0	0	0
19. Louisiana	LA	N	0	0	0	0	0	0
20. Maine	ME	N	0	0	0	0	0	0
21. Maryland	MD	N	0	0	0	0	0	0
22. Massachusetts	MA	N	0	0	0	0	0	0
23. Michigan	MI	N	0	0	0	0	0	0
24. Minnesota	MN	N	0	0	0	0	0	0
25. Mississippi	MS	N	0	0	0	0	0	0
26. Missouri	MO	N	0	0	0	0	0	0
27. Montana	MT	N	0	0	0	0	0	0
28. Nebraska	NE	N	0	0	0	0	0	0
29. Nevada	NV	N	0	0	0	0	0	0
30. New Hampshire	NH	N	0	0	0	0	0	0
31. New Jersey	NJ	N	0	0	0	0	0	0
32. New Mexico	NM	N	0	0	0	0	0	0
33. New York	NY	N	0	0	0	0	0	0
34. North Carolina	NC	N	0	0	0	0	0	0
35. North Dakota	ND	N	0	0	0	0	0	0
36. Ohio	OH	L	34,742,962	32,840,083	22,388,662	29,245,076	22,855,168	20,266,699
37. Oklahoma	OK	N	0	0	0	0	0	0
38. Oregon	OR	N	0	0	0	0	0	0
39. Pennsylvania	PA	N	0	0	0	0	0	0
40. Rhode Island	RI	N	0	0	0	0	0	0
41. South Carolina	SC	N	0	0	0	0	0	0
42. South Dakota	SD	N	0	0	0	0	0	0
43. Tennessee	TN	L	0	0	0	0	0	0
44. Texas	TX	N	0	0	0	0	0	0
45. Utah	UT	N	0	0	0	0	0	0
46. Vermont	VT	N	0	0	0	0	0	0
47. Virginia	VA	N	0	0	0	0	0	0
48. Washington	WA	N	0	0	0	0	0	0
49. West Virginia	WV	N	0	0	0	0	0	0
50. Wisconsin	WI	N	0	0	0	0	0	0
51. Wyoming	WY	N	0	0	0	0	0	0
52. American Samoa	AS	N	0	0	0	0	0	0
53. Guam	GU	N	0	0	0	0	0	0
54. Puerto Rico	PR	N	0	0	0	0	0	0
55. U.S. Virgin Islands	VI	N	0	0	0	0	0	0
56. Northern Mariana Islands	MP	N	0	0	0	0	0	0
57. Canada	CN	N	0	0	0	0	0	0
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0	0
59. Totals	(a) 4		49,687,489	45,984,819	32,141,583	38,388,965	29,251,697	26,572,057
<b>DETAILS OF WRITE-INS</b>								
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

**NONE**

**PART 1 - LOSS EXPERIENCE**

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire	1,432,474	66,415	4.6	39.7
2. Allied lines	776,136	1,066,852	137.5	218.0
3. Farmowners multiple peril	0	0	0.0	0.0
4. Homeowners multiple peril	9,658,571	6,939,233	71.8	107.6
5. Commercial multiple peril	4,924,360	1,456,487	29.6	49.2
6. Mortgage guaranty	0	0	0.0	0.0
8. Ocean marine	0	0	0.0	0.0
9. Inland marine	375,435	24,450	6.5	31.4
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	8,510	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	489,372	343,346	70.2	17.2
17.1 Other liability occurrence	1,335,421	429,716	32.2	(2.6)
17.2 Other liability-claims made	2,054	0	0.0	0.0
17.3 Excess Workers' Compensation	0	0	0.0	0.0
18.1 Products liability-occurrence	43,065	4,207	9.8	(16.3)
18.2 Products liability-claims made	0	0	0.0	0.0
19.1,19.2 Private passenger auto liability	14,632,469	11,794,102	80.6	65.8
19.3,19.4 Commercial auto liability	1,451,039	1,022,639	70.5	20.0
21. Auto physical damage	12,853,870	8,064,692	62.7	78.0
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	21,934	(25,643)	(116.9)	22.9
27. Boiler and machinery	53,860	2,715	5.0	11.4
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	48,058,570	31,189,211	64.9	73.0
<b>DETAILS OF WRITE-INS</b>				
3401.	0	0	0.0	
3402.	0	0	0.0	
3403.	0	0	0.0	
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	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire	759,467	1,441,952	1,304,855
2. Allied lines	411,188	785,473	705,494
3. Farmowners multiple peril	0	0	0
4. Homeowners multiple peril	5,436,816	9,559,866	8,802,138
5. Commercial multiple peril	2,978,219	5,437,316	5,018,472
6. Mortgage guaranty	0	0	0
8. Ocean marine	0	0	0
9. Inland marine	208,259	397,920	412,065
10. Financial guaranty	0	0	0
11.1 Medical professional liability-occurrence	0	0	0
11.2 Medical professional liability-claims made	0	0	0
12. Earthquake	3,497	8,369	8,257
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	300,150	557,897	514,772
17.1 Other liability occurrence	729,186	1,399,926	1,312,747
17.2 Other liability-claims made	2,055	2,609	0
17.3 Excess Workers' Compensation	0	0	0
18.1 Products liability-occurrence	33,784	47,590	37,409
18.2 Products liability-claims made	0	0	0
19.1,19.2 Private passenger auto liability	7,341,701	14,987,953	14,005,682
19.3,19.4 Commercial auto liability	857,948	1,577,916	1,558,260
21. Auto physical damage	6,626,419	13,404,017	12,227,356
22. Aircraft (all perils)	0	0	0
23. Fidelity	0	0	0
24. Surety	0	0	0
26. Burglary and theft	11,018	19,624	19,348
27. Boiler and machinery	29,508	59,061	57,964
28. Credit	0	0	0
29. International	0	0	0
30. Warranty	0	0	0
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0
35. TOTALS	25,729,215	49,687,489	45,984,819
<b>DETAILS OF WRITE-INS</b>			
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 JUNE 30, 2012 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	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 .....	3,852	240	4,092	1,854	74	1,928	2,005	7	154	2,166	7	(5)	2
2. 2010 .....	4,824	387	5,211	1,503	24	1,527	3,038	59	239	3,336	(283)	(65)	(348)
3. Subtotals 2010 + prior .....	8,676	627	9,303	3,357	98	3,455	5,043	66	393	5,502	(276)	(70)	(346)
4. 2011 .....	11,756	3,197	14,953	5,219	1,368	6,587	6,464	521	1,293	8,278	(73)	(15)	(88)
5. Subtotals 2011 + prior .....	20,432	3,824	24,256	8,576	1,466	10,042	11,507	587	1,686	13,780	(349)	(85)	(434)
6. 2012 .....	XXX	XXX	XXX	XXX	14,657	14,657	XXX	6,130	5,546	11,676	XXX	XXX	XXX
7. Totals .....	20,432	3,824	24,256	8,576	16,123	24,699	11,507	6,717	7,232	25,456	(349)	(85)	(434)
8. Prior Year-End Surplus As Regards Policy-holders	92,303												
											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. (1.7)	2. (2.2)	3. (1.8)
													Col. 13, Line 7 Line 8
													4. (0.5)

## 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 a "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.

	<u>Response</u>
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.	 2 6 1 3 1 2 0 1 2 4 9 0 0 0 0 0 2
2.	 2 6 1 3 1 2 0 1 2 4 5 5 0 0 0 0 2
3.	 2 6 1 3 1 2 0 1 2 3 6 5 0 0 0 0 2
4.	 2 6 1 3 1 2 0 1 2 5 0 5 0 0 0 0 2

**OVERFLOW PAGE FOR WRITE-INS**

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## 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 .....	8,000,268	8,222,375
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		.0
2.2 Additional investment made after acquisition .....	1,798	.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 .....	111,053	222,107
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8) .....	7,891,013	8,000,268
10. Deduct total nonadmitted amounts .....	0	0
11. Statement value at end of current period (Line 9 minus Line 10) .....	7,891,013	8,000,268

## SCHEDULE B – VERIFICATION

### Mortgage Loans

	1 Year To Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year .....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		.0
2.2 Additional investment made after acquisition .....		.0
3. Capitalized deferred interest and other .....		.0
4. Accrual of discount .....		.0
5. Unrealized valuation increase (decrease) .....		.0
6. Total gain (loss) on disposals .....		.0
7. Deduct amounts received on disposals .....		.0
8. Deduct amortization of premium and mortgage interest points and commitment fees .....		.0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest .....		.0
10. Deduct current year's other than temporary impairment recognized .....		.0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....	0	0
12. Total valuation allowance .....		.0
13. Subtotal (Line 11 plus Line 12) .....	0	0
14. Deduct total nonadmitted amounts .....	0	0
15. Statement value at end of current period (Line 13 minus Line 14) .....	0	0

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 .....	5,843,088	6,236,234
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) .....	24,990	(148,189)
6. Total gain (loss) on disposals .....		.0
7. Deduct amounts received on disposals .....	127,376	244,957
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) .....	5,740,702	5,843,088
12. Deduct total nonadmitted amounts .....	2,038,074	2,165,449
13. Statement value at end of current period (Line 11 minus Line 12) .....	3,702,628	3,677,639

## 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 .....	123,545,282	124,716,824
2. Cost of bonds and stocks acquired .....	14,285,506	23,418,700
3. Accrual of discount .....	37,954	73,197
4. Unrealized valuation increase (decrease) .....	1,506,488	(1,487,416)
5. Total gain (loss) on disposals .....	196,772	1,651,113
6. Deduct consideration for bonds and stocks disposed of .....	11,215,209	24,680,049
7. Deduct amortization of premium .....	86,333	147,087
8. Total foreign exchange change in book/adjusted carrying value .....		.0
9. Deduct current year's other than temporary impairment recognized .....		.0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	128,270,460	123,545,282
11. Deduct total nonadmitted amounts .....	268,053	253,019
12. Statement value at end of current period (Line 10 minus Line 11) .....	128,002,407	123,292,263

STATEMENT AS OF JUNE 30, 2012 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

**SCHEDULE D - PART 1B**

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

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1 (a).....	81,236,470	7,174,030	8,088,367	41,405	81,236,470	80,363,539	.0	79,323,987
2. Class 2 (a).....	2,657,958			(1,180)	2,657,958	2,656,778	.0	2,871,194
3. Class 3 (a).....	370,000				370,000	370,000	.0	370,000
4. Class 4 (a).....	.0				.0	.0	.0	.0
5. Class 5 (a).....	.0				.0	.0	.0	.0
6. Class 6 (a).....	0				0	0	0	0
7. Total Bonds	84,264,428	7,174,030	8,088,367	40,225	84,264,428	83,390,316	0	82,565,180
<b>PREFERRED STOCK</b>								
8. Class 1.....	644,640			(2,160)	644,640	642,480	.0	655,920
9. Class 2.....	612,704			(2,136)	612,704	610,568	.0	615,848
10. Class 3.....	.0				.0	.0	.0	.0
11. Class 4.....	.0				.0	.0	.0	.0
12. Class 5.....	.0				.0	.0	.0	.0
13. Class 6.....	0				0	0	0	0
14. Total Preferred Stock.....	1,257,344	0	0	(4,296)	1,257,344	1,253,048	0	1,271,768
15. Total Bonds & Preferred Stock	85,521,772	7,174,030	8,088,367	35,929	85,521,772	84,643,364	0	83,836,948

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$ ..... ; NAIC 2 \$ ..... ;  
NAIC 3 \$ ..... ; NAIC 4 \$ ..... ; NAIC 5 \$ ..... ; NAIC 6 \$ .....

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## 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	1,084,902	XXX	1,084,902	437	

## 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.....	2,187,863	3,047,893
2. Cost of short-term investments acquired .....	7,384,806	21,023,014
3. Accrual of discount .....		.0
4. Unrealized valuation increase (decrease).....		.0
5. Total gain (loss) on disposals .....		.0
6. Deduct consideration received on disposals .....	8,487,766	21,883,044
7. Deduct amortization of premium.....		.0
8. Total foreign exchange change in book/adjusted carrying value.....		.0
9. Deduct current year's other than temporary impairment recognized.....		.0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	1,084,902	2,187,863
11. Deduct total nonadmitted amounts.....		.0
12. Statement value at end of current period (Line 10 minus Line 11)	1,084,902	2,187,863

Schedule DB - Part A - Verification

**NONE**

Schedule DB - Part B - Verification

**NONE**

Schedule DB - Part C - Section 1

**NONE**

Schedule DB - Part C - Section 2

**NONE**

Schedule DB - Verification

**NONE**

Schedule E - Verification

**NONE**

STATEMENT AS OF JUNE 30, 2012 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

**SCHEDULE A - PART 2**

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

1 Description of Property	Location		4 Date Acquired	5 Name of Vendor	6 Actual Cost at Time of Acquisition	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Additional Investment Made After Acquisition
	2 City	3 State						
Acquired by purchase Improvement	Wooster	OH	04/10/2012	Lasley Construction	1,798			
0199999 - Acquired by purchase					1,798	0	0	0
0399999 Totals					1,798	0	0	0

**SCHEDULE A - PART 3**

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

1 Description of Property	Location		4 Disposal Date	5 Name of Purchaser	6 Actual Cost	7 Expended for Additions, Permanent Improvements and Changes in Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances Prior Year	Changes in Book/Adjusted Carrying Value Less Encumbrances					14 Book/Adjusted Carrying Value Less Encumbrances on Disposal	15 Amounts Received During Year	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain(Loss) on Disposal	18 Total Gain (Loss) on Disposal	19 Gross Income Earned Less Interest Incurred on Encumbrances	20 Taxes, Repairs and Expenses Incurred
	2 City	3 State						9 Current Year's Depreciation	10 Current Year's Other Than Temporary Impairment Recognized	11 Current Year's Change in Encumbrances	12 Total Change in B./A. C.V. (11-9-10)	13 Total Foreign Exchange Change in B./A. C. V.							
<b>NONE</b>																			
0399999 Totals																			

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STATEMENT AS OF JUNE 30, 2012 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

**SCHEDULE B - PART 2**

Showing All Mortgage Loans ACQUIRED AND ADDITIONS MADE During the Current Quarter

1 Loan Number	Location		4 Loan Type	5 Date Acquired	6 Rate of Interest	7 Actual Cost at Time of Acquisition	8 Additional Investment Made After Acquisition	9 Value of Land and Buildings
	2 City	3 State						
<b>NONE</b>								
3399999 Totals						0	0	0

**SCHEDULE B - PART 3**

Showing All Mortgage Loans DISPOSED, Transferred or Repaid During the Current Quarter

1 Loan Number	Location		4 Loan Type	5 Date Acquired	6 Disposal Date	7 Book Value/Recorded Investment Excluding Accrued Interest Prior Year	Change in Book Value/Recorded Investment						14 Book Value/Recorded Investment Excluding Accrued Interest on Disposal	15 Consideration	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal
	2 City	3 State					8 Unrealized Valuation Increase (Decrease)	9 Current Year's (Amortization)/ Accretion	10 Current Year's Other Than Temporary Impairment Recognized	11 Capitalized Deferred Interest and Other	12 Total Change in Book Value (8+9-10+11)	13 Total Foreign Exchange Change in Book Value					
<b>NONE</b>																	
0599999 Totals																	

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STATEMENT AS OF JUNE 30, 2012 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

**SCHEDULE BA - PART 2**

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

1 CUSIP Identification	2 Name or Description	3 Location		5 Name of Vendor or General Partner	6 NAIC Designation	7 Date Originally Acquired	8 Type and Strategy	9 Actual Cost at Time of Acquisition	10 Additional Investment Made After Acquisition	11 Amount of Encumbrances	12 Commitment for Additional Investment	13 Percentage of Ownership
		3 City	4 State									
<b>NONE</b>												
3999999 – Subtotals Unaffiliated								0	0	0	0	XXX
4099999 – Subtotals Affiliated								0	0	0	0	XXX
4199999 Totals								0	0	0	0	XXX

**SCHEDULE BA - PART 3**

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

1 CUSIP Identification	2 Name or Description	3 Location		5 Name of Purchaser or Nature of Disposal	6 Date Originally Acquired	7 Disposal Date	8 Book/ Adjusted Carrying Value Less Encumbrances Prior Year	9 Change in Book/Adjusted Carrying Value						15 Book/Adjusted Carrying Value Less Encumbrances on Disposal	16 Consideration	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Investment Income
		3 City	4 State					9 Unrealized Valuation Increase (Decrease)	10 Current Year's (Depreciation) or (Amortization)/ Accretion	11 Current Year's Other Than Temporary Impairment Recognized	12 Capitalized Deferred Interest and Other	13 Total Change in B./A.C.V. (9+10-11+12)	14 Total Foreign Exchange Change in B./A.C.V.						
Fixed or Variable Rate - Other - Unaffiliated																			
000000-00-0	Voidico / Encore	Wooster	OH	Voidico / Encore	10/31/2010	06/30/2012	1,715,449	0	0	0	0	0	0	0	1,588,074	64,105	0	0	280
1199999 - Fixed or Variable Interest Rate Investments that have the Underlying Characteristics - Other Fixed Income - Unaffiliated								1,715,449	0	0	0	0	0	0	1,588,074	64,105	0	0	280
3999999 – Subtotals Unaffiliated								1,715,449	0	0	0	0	0	0	1,588,074	64,105	0	0	280
4099999 – Subtotals Affiliated								0	0	0	0	0	0	0	0	0	0	0	0
4199999 Totals								1,715,449	0	0	0	0	0	0	1,588,074	64,105	0	0	280

STATEMENT AS OF JUNE 30, 2012 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Special Revenue</b>									
172254-FU-3	Cincinnati OH Econ Dev Revenue		05/24/2012	Fifth Third Securities, L		200,000	200,000		1FE
3137AP-BD-1	FHLMC CMO 4033 EB		05/10/2012	First Empire Securities L		497,523	498,770	388	1FE
67756A-4Q-2	Ohio St Higher Ed Denison U Rev		05/09/2012	Fifth Third Securities, L		267,711	220,000		1FE
61212L-MF-3	University of Montana Revenue		05/25/2012	D A Davidson & Co.		400,000	400,000		1FE
<b>3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Government and Their Political Subdivisions</b>						1,365,235	1,318,770	388	XXX
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>									
141781-BB-9	Cargill Inc 144A		04/27/2012	Robert W. Baird & Co. Inc.		404,528	400,000	2,237	1FE
428236-AS-2	Hewlett Packard Company		06/01/2012	Robert W. Baird & Co. Inc.		338,394	300,000	4,354	1FE
<b>3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)</b>						742,922	700,000	6,591	XXX
<b>8399997 - Subtotals- Bonds - Part 3</b>						2,108,157	2,018,770	6,979	XXX
<b>8399999 - Subtotals - Bonds</b>						2,108,157	2,018,770	6,979	XXX
<b>Common Stocks - Industrial and Miscellaneous</b>									
025537-10-1	American Electric Power Co		05/07/2012	Merrill Lynch	3,113.000	120,006			L
037833-10-0	Apple Inc		05/11/2012	Merrill Lynch	140.000	79,702			L
46625H-10-0	JP Morgan Chase & Co		05/11/2012	Merrill Lynch	3,275.000	120,078			L
767204-10-0	Rio Tinto	R	05/24/2012	Merrill Lynch	895.000	40,033			L
<b>9099999 - Common Stocks - Industrial and Miscellaneous (Unaffiliated)</b>						359,820	XXX	0	XXX
<b>Common Stocks - Mutual Funds</b>									
018642-74-4	AllianceBernstein High Inc Muni Fn		05/04/2012	Merrill Lynch	18,165.304	200,000			U
04315J-86-0	Artio Global High Income Fund	R	05/04/2012	Merrill Lynch	20,576.132	200,000			U
57060U-10-0	Market Vectors Tr Gold Miners ETF		05/07/2012	Merrill Lynch	2,738.000	119,887			L
72201M-73-5	PIMCO High Yield Fd CL P		04/27/2012	Merrill Lynch	21,459.227	200,000			U
780905-60-0	Royce Premier Fund		05/18/2012	Merrill Lynch	4,336.043	80,000			U
<b>9299999 - Common Stocks - Mutual Funds</b>						799,887	XXX	0	XXX
<b>Common Stocks - Money Market Mutual Funds</b>									
998911-UC-3	BBIF Money Fund Class 4		06/29/2012	Merrill Lynch	3,451,056.000	3,451,056			U
<b>9399999 - Common Stocks - Money Market Mutual Funds</b>						3,451,056	XXX	0	XXX
<b>9799997 - Subtotals - Common Stocks - Part 3</b>						4,610,763	XXX	0	XXX
<b>9799999 - Subtotals - Common Stocks</b>						4,610,763	XXX	0	XXX
<b>9899999 - Subtotals- Preferred and Common Stocks</b>						4,610,763	XXX	0	XXX
<b>9999999 Totals</b>						6,718,919	XXX	6,979	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....5

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STATEMENT AS OF JUNE 30, 2012 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Governments</b>																					
36220M-2N-8...	GNMA Pool #282581		06/15/2012	PRINCIPAL RECEIPT		31	31	31	31				0		31			0	1	10/15/2019	1FE
36295P-6H-0...	GNMA Pool #676872		06/15/2012	PRINCIPAL RECEIPT		57,394	57,394	57,896	57,826		(432)		(432)		57,394			0	1,074	03/15/2023	1FE
83162C-PP-2...	U S Small Business Admin - DCP		06/01/2012	PRINCIPAL RECEIPT		25,870	25,870	26,258	26,221		(351)		(351)		25,870			0	602	06/01/2025	1FE
<b>0599999 - Bonds - U.S. Governments</b>						83,295	83,295	84,185	84,077	0	(782)	0	(782)	0	83,295	0	0	0	1,677	XXX	XXX
<b>Bonds - U.S. States, Territories and Possessions</b>																					
837107-WE-7...	South Carolina St Cap Imp		05/01/2012	CALLED @ 100.000000		300,000	300,000	303,690	300,000				0		300,000			0	9,717	10/01/2012	1FE
97705L-HZ-3...	Wisconsin St FSA Ser D		05/01/2012	MATURITY		600,000	600,000	614,406	600,834		(834)		(834)		600,000			0	12,000	05/01/2012	1FE
<b>1799999 - Bonds - U.S. States, Territories and Possessions</b>						900,000	900,000	918,096	900,834	0	(834)	0	(834)	0	900,000	0	0	0	21,717	XXX	XXX
<b>Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions</b>																					
31331X-WM-1...	Federal Farm Credit Bank		04/17/2012	CALLED @ 100.000000		500,000	500,000	498,100	498,836		57		57		498,893		1,107	1,107	13,625	04/17/2017	1FE
3136FR-EZ-2...	Federal Natl Mtg Assoc		04/20/2012	VARIOUS		500,000	500,000	499,500	499,844		156		156		500,000			0	7,500	04/20/2012	1FE
<b>3128M1-LA-5...</b>						11,403	11,403	11,403	11,403				0		11,403			0	261	06/01/2021	1FE
<b>31335H-5P-4...</b>						12,992	12,992	13,034	13,033		(41)		(41)		12,992			0	287	09/01/2024	1FE
<b>31294K-NV-3...</b>						9,305	9,305	9,297	9,297				0		9,305			0	177	01/01/2018	1FE
<b>31294K-K5-3...</b>						9,405	9,405	9,476	9,449		(44)		(44)		9,405			0	216	10/01/2017	1FE
<b>3128M1-BB-4...</b>						7,061	7,061	7,057	7,052		9		9		7,061			0	157	04/01/2016	1FE
<b>3128M1-PA-1...</b>						10,997	10,997	10,997	10,997				0		10,997			0	252	08/01/2021	1FE
<b>3128MB-3A-3...</b>						16,732	16,732	16,607	16,625		107		107		16,732			0	342	12/01/2018	1FE
<b>3137AP-BD-1...</b>						1,144	1,144	1,141	1,141		3		3		1,144			0	2	10/15/2036	1FE
<b>3137L-JU-4...</b>						14,575	14,575	14,571	14,567		8		8		14,575			0	335	02/01/2024	1FE
<b>31402R-GM-5...</b>						19,151	19,151	19,211	19,192		(42)		(42)		19,151			0	391	06/01/2020	1FE
<b>3136A2-VK-6...</b>						6,627	6,627	6,627	6,627				0		6,627			0	66	06/25/2040	1FE
<b>31381P-C9-7...</b>						1,115	1,115	1,117	1,117		(2)		(2)		1,115			0	16	11/01/2020	1FE
<b>31371L-XW-4...</b>						15,278	15,278	15,192	15,197		81		81		15,278			0	344	10/01/2024	1FE
<b>31371L-7J-2...</b>						20,692	20,692	21,241	21,012		(320)		(320)		20,692			0	385	04/01/2015	1FE
<b>31402Y-NJ-9...</b>						15,321	15,321	14,909	14,909		344		344		15,321			0	293	04/01/2019	1FE
<b>31416X-HY-9...</b>						18,147	18,147	17,841	17,846		301		301		18,147			0	223	01/01/2026	1FE
<b>31371K-VB-4...</b>						6,177	6,177	6,258	6,227		(50)		(50)		6,177			0	127	11/01/2017	1FE
<b>31371K-2X-8...</b>						8,249	8,249	8,193	8,197		52		52		8,249			0	189	04/01/2023	1FE
<b>31371L-DT-3...</b>						6,710	6,710	6,760	6,711		(2)		(2)		6,710			0	125	09/01/2013	1FE
<b>31371L-SL-4...</b>						6,743	6,743	6,829	6,764		(21)		(21)		6,743			0	127	07/01/2014	1FE
<b>31385W-SB-6...</b>						8,412	8,412	8,491	8,454		(42)		(42)		8,412			0	193	11/01/2017	1FE
<b>31385X-GK-7...</b>						9,388	9,388	9,318	9,331		57		57		9,388			0	196	06/01/2018	1FE
<b>3136A1-6Y-6...</b>						1,720	1,720	1,770			(51)		(51)		1,720			0	13	08/25/2021	1FE
<b>3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions</b>						1,237,344	1,237,344	1,234,939	1,232,754	0	571	0	571	0	1,236,237	0	1,107	1,107	25,840	XXX	XXX
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>																					
035229-CX-9...	Anheuser Busch Cos Inc Notes	R	04/15/2012	MATURITY		400,000	400,000	410,556	400,479		(479)		(479)		400,000			0	9,400	04/15/2012	1FE
19416Q-DB-3...	Colgate Palmolive Co Tr		04/25/2012	MATURITY		500,000	500,000	509,500	500,710		(710)		(710)		500,000			0	14,950	04/25/2012	1FE
921937-82-7...	Vanguard S/T Bond ETF		04/04/2012	CAPITAL GAIN		357							0				357	357			1FE
<b>8399999 - Bonds - Industrial and Miscellaneous (Unaffiliated)</b>						900,357	900,000	920,056	901,189	0	(1,189)	0	(1,189)	0	900,000	0	357	357	24,350	XXX	XXX
<b>8399997 - Subtotals - Bonds - Part 4</b>						3,120,996	3,120,639	3,157,276	3,118,855	0	(2,235)	0	(2,235)	0	3,119,532	0	1,464	1,464	73,583	XXX	XXX
<b>8399999 - Subtotals - Bonds</b>						3,120,996	3,120,639	3,157,276	3,118,855	0	(2,235)	0	(2,235)	0	3,119,532	0	1,464	1,464	73,583	XXX	XXX
<b>Common Stock - Mutual Funds</b>																					
486606-10-6...	Kayne Anderson MLP MLP & Strategic Equity		04/02/2012	ROC		9,098	XXX	9,098	9,098				0		9,098			0	XXX		J
55312N-10-6...	Fund Inc		05/01/2012	ROC		8,089	XXX	8,089	8,089				0		8,089			0	XXX		J
<b>9299999 - Common Stocks - Mutual Funds</b>						17,186	XXX	17,186	17,186	0	0	0	0	0	17,186	0	0	0	0	XXX	XXX
<b>Common Stocks - Money Market Mutual Funds</b>																					
998911-JC-3...	BBTF Money Fund Class 4		06/29/2012	Merrill Lynch		3,446,722.000	3,446,722	3,446,722					0		3,446,722			0	XXX		J
<b>9399999 - Common Stocks - Money Market Mutual Funds</b>						3,446,722	XXX	3,446,722	0	0	0	0	0	0	3,446,722	0	0	0	0	XXX	XXX
<b>9799997 - Subtotals - Common Stocks - Part 4</b>						3,463,908	XXX	3,463,908	17,186	0	0	0	0	3,463,908	0	0	0	0	0	XXX	XXX
<b>9799999 - Subtotals - Common Stocks</b>						3,463,908	XXX	3,463,908	17,186	0	0	0	0	3,463,908	0	0	0	0	0	XXX	XXX
<b>9899999 - Subtotals - Preferred and Common Stocks</b>						3,463,908	XXX	3,463,908	17,186	0	0	0	0	3,463,908	0	0	0	0	0	XXX	XXX
<b>9999999 Totals</b>						6,584,904	XXX	6,621,184	3,136,041	0	(2,235)	0	(2,235)	0	6,583,440	0	1,464	1,464	73,583	XXX	XXX

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STATEMENT AS OF JUNE 30, 2012 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

**SCHEDULE D - PART 4**

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

1 CUSIP Identi- fication	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Desig- nation or Market Indicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.							

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....1.

Schedule DB - Part A - Section 1

**NONE**

Schedule DB - Part B - Section 1

**NONE**

Schedule DB - Part D

**NONE**

Schedule DL - Part 1

**NONE**

Schedule DL - Part 2

**NONE**



STATEMENT AS OF JUNE 30, 2012 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

**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
<b>NONE</b>							
8699999 Total Cash Equivalents					0	0	0

E12