



PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

QUARTERLY STATEMENT

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

SONNENBERG MUTUAL INSURANCE COMPANY

NAIC Group Code	0207 (Current Period)	00207 (Prior Period)	NAIC Company Code	10271	Employer's ID Number	34-0541185
Organized under the Laws of	Ohio		State of Domicile or Port of Entry	Ohio		
Country of Domicile	United States					
Incorporated/Organized	01/01/1905		Commenced Business	01/01/1859		
Statutory Home Office	1685 Cleveland Road (Street and Number)		Wooster, OH 44691 (City or Town, State and Zip Code)			
Main Administrative Office	1685 Cleveland Road (Street and Number)		Wooster, OH 44691-0036 (City or Town, State and Zip Code)		330-262-9060 (Area Code) (Telephone Number)	
Mail Address	1685 Cleveland Road (Street and Number or P.O. Box)		Wooster, OH 44691-0036 (City or Town, State and Zip Code)			
Primary Location of Books and Records	1685 Cleveland Road (Street and Number)		Wooster, OH 44691-0036 (City or Town, State and Zip Code)		330-262-9060-2437 (Area Code) (Telephone Number)	
Internet Web Site Address	www.wrg-ins.com					
Statutory Statement Contact	Joseph Earl Wilford (Name)		330-262-9060-2437 (Area Code) (Telephone Number) (Extension)			
	joe_wilford@wrg-ins.com (E-mail Address)		330-264-7822 (Fax Number)			

OFFICERS

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

OTHER OFFICERS

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

DIRECTORS OR TRUSTEES

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

State of Ohio

County of Wayne 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.

John P. Murphy
PresidentJohn P. Murphy
SecretaryMichael A. Shutt
Treasurer

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

b. If no:

1. State the amendment number
2. Date filed
3. Number of pages attached

Subscribed and sworn to before me this

15 day of November, 2012

Mary Lou Hart, Notary Public
March 08, 2015

STATEMENT AS OF SEPTEMBER 30, 2012 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	12,155,940		12,155,940	12,065,280
2. Stocks:				
2.1 Preferred stocks	287,758		287,758	294,011
2.2 Common stocks	5,659,447	.45,090	5,614,357	5,071,483
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$ 344,257), cash equivalents (\$ 0) and short-term investments (\$ 200,723)	544,980		.544,980	403,141
6. Contract loans (including \$ premium notes)			0	0
7. Derivatives			0	0
8. Other invested assets	468,298		.468,298	459,688
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets			0	0
11. Aggregate write-ins for invested assets	0	.0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	19,116,423	.45,090	19,071,333	18,293,603
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	150,962		150,962	124,806
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	306,548	.565	.305,983	306,254
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)			0	0
15.3 Accrued retrospective premiums			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	233,652		.233,652	.87,664
16.2 Funds held by or deposited with reinsured companies	0		0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon34,213		.34,213	.34,213
18.2 Net deferred tax asset	299,518		.299,518	.237,109
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software			0	0
21. Furniture and equipment, including health care delivery assets (\$)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates			0	139,260
24. Health care (\$) and other amounts receivable			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)	20,141,316	45,655	20,095,661	19,222,909
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	20,141,316	45,655	20,095,661	19,222,909
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	.0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501.				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page	0	.0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0	0	0

STATEMENT AS OF SEPTEMBER 30, 2012 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$)	2,741,258	2,536,568
2. Reinsurance payable on paid losses and loss adjustment expenses	0	0
3. Loss adjustment expenses	495,500	495,500
4. Commissions payable, contingent commissions and other similar charges	227,344	207,342
5. Other expenses (excluding taxes, licenses and fees)	173,006	215,904
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	85,393	104,410
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))	0	0
7.2 Net deferred tax liability	0	0
8. Borrowed money \$ and interest thereon \$	0	0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act).....	4,191,630	3,801,759
10. Advance premium	66,034	43,301
11. Dividends declared and unpaid:		
11.1 Stockholders	0	0
11.2 Policyholders	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions)	14,201	27,394
13. Funds held by company under reinsurance treaties	0	0
14. Amounts withheld or retained by company for account of others	509,927	563,150
15. Remittances and items not allocated	0	0
16. Provision for reinsurance	26,640	26,640
17. Net adjustments in assets and liabilities due to foreign exchange rates	0	0
18. Drafts outstanding	0	0
19. Payable to parent, subsidiaries and affiliates	312,473	0
20. Derivatives	0	0
21. Payable for securities	0	0
22. Payable for securities lending	0	0
23. Liability for amounts held under uninsured plans	0	0
24. Capital notes \$ and interest thereon \$	0	0
25. Aggregate write-ins for liabilities	8,383	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	8,851,789	8,021,968
27. Protected cell liabilities	0	0
28. Total liabilities (Lines 26 and 27)	8,851,789	8,021,968
29. Aggregate write-ins for special surplus funds	0	174,829
30. Common capital stock	0	0
31. Preferred capital stock	0	0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes	0	0
34. Gross paid in and contributed surplus	0	0
35. Unassigned funds (surplus)	11,243,872	11,026,112
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)	0	0
36.2 shares preferred (value included in Line 31 \$)	0	0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	11,243,872	11,200,941
38. Totals (Page 2, Line 28, Col. 3)	20,095,661	19,222,909
DETAILS OF WRITE-INS		
2501. Option Liability	4,632	
2502. Deferred Income Option	3,751	
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	8,383	0
2901. Surplus from SSAP No. 10R	0	174,829
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	174,829
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

STATEMENT AS OF SEPTEMBER 30, 2012 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

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 \$ 1,647,451)	1,406,709	1,038,102	1,431,661
1.2 Assumed (written \$ 6,493,336)	6,103,463	5,758,794	7,753,808
1.3 Ceded (written \$ 1,502,785)	1,262,043	940,868	1,300,509
1.4 Net (written \$ 6,638,002)	6,248,129	5,856,028	7,884,960
DEDUCTIONS:			
2. Losses incurred (current accident year \$):			
2.1 Direct	171,292	684,887	466,535
2.2 Assumed	4,786,306	3,609,282	5,245,061
2.3 Ceded	503,445	581,196	564,911
2.4 Net	4,454,153	3,712,973	5,146,685
3. Loss adjustment expenses incurred	610,405	556,762	736,889
4. Other underwriting expenses incurred	2,125,161	2,115,348	2,768,986
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	7,189,719	6,385,083	8,652,560
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(941,590)	(529,055)	(767,600)
INVESTMENT INCOME			
9. Net investment income earned	418,232	438,308	560,321
10. Net realized capital gains (losses) less capital gains tax of \$ 6,552	12,718	47,060	110,253
11. Net investment gain (loss) (Lines 9 + 10)	430,950	485,368	670,574
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ 6,023)	(6,023)	(4,856)	(7,037)
13. Finance and service charges not included in premiums	103,075	100,093	135,931
14. Aggregate write-ins for miscellaneous income	(369)	253	1,568
15. Total other income (Lines 12 through 14)	96,683	95,490	130,462
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(413,957)	51,803	33,436
17. Dividends to policyholders	0	0	0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	(413,957)	51,803	33,436
19. Federal and foreign income taxes incurred	(6,552)	(35,469)	(68,023)
20. Net income (Line 18 minus Line 19)(to Line 22)	(407,405)	87,272	101,459
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	11,200,940	11,163,380	11,163,381
22. Net income (from Line 20)	(407,405)	87,272	101,459
23. Net transfers (to) from Protected Cell accounts	0	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 129,998	252,350	(295,293)	(145,775)
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	192,408	18,438	(81,696)
27. Change in nonadmitted assets	10,246	(209)	(11,258)
28. Change in provision for reinsurance		0	0
29. Change in surplus notes		0	0
30. Surplus (contributed to) withdrawn from protected cells		0	0
31. Cumulative effect of changes in accounting principles		0	0
32. Capital changes:			
32.1 Paid in		0	0
32.2 Transferred from surplus (Stock Dividend)		0	0
32.3 Transferred to surplus		0	0
33. Surplus adjustments:			
33.1 Paid in		0	0
33.2 Transferred to capital (Stock Dividend)		0	0
33.3 Transferred from capital		0	0
34. Net remittances from or (to) Home Office		0	0
35. Dividends to stockholders		0	0
36. Change in treasury stock		0	0
37. Aggregate write-ins for gains and losses in surplus	(4,632)	0	174,829
38. Change in surplus as regards policyholders (Lines 22 through 37)	42,967	(189,792)	37,559
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	11,243,907	10,973,588	11,200,940
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0
1401. OTHER INCOME	(369)	253	1,568
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	(369)	253	1,568
3701. Change in surplus from SSAP No. 10R	0	0	174,829
3702. Option Liability Surplus	(4,632)	0	0
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)	(4,632)	0	174,829

STATEMENT AS OF SEPTEMBER 30, 2012 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

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.....	6,647,540	6,135,221	8,124,456
2. Net investment income.....	405,653	408,578	574,835
3. Miscellaneous income.....	96,683	95,490	130,462
4. Total (Lines 1 to 3).....	7,149,876	6,639,289	8,829,753
5. Benefit and loss related payments.....	4,387,053	3,834,457	4,886,164
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	2,777,743	2,862,334	3,696,553
8. Dividends paid to policyholders.....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	0	(67,058)	(78,284)
10. Total (Lines 5 through 9).....	7,164,796	6,629,733	8,504,433
11. Net cash from operations (Line 4 minus Line 10).....	(14,920)	9,556	325,320
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	600,081	630,903	1,260,124
12.2 Stocks.....	1,136,371	883,640	1,874,556
12.3 Mortgage loans.....	0	0	0
12.4 Real estate.....	0	0	0
12.5 Other invested assets.....	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	0	0	0
12.7 Miscellaneous proceeds.....	550	0	1
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	1,737,002	1,514,543	3,134,681
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	695,850	1,229,504	1,698,162
13.2 Stocks.....	1,286,653	798,757	1,755,087
13.3 Mortgage loans.....	0	0	0
13.4 Real estate.....	0	0	0
13.5 Other invested assets.....	0	0	0
13.6 Miscellaneous applications.....	1	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6).....	1,982,504	2,028,261	3,453,249
14. Net increase (or decrease) in contract loans and premium notes.....	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	(245,502)	(513,718)	(318,568)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds.....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	0	0	0
16.5 Dividends to stockholders.....	0	0	0
16.6 Other cash provided (applied).....	402,261	(449,906)	(643,101)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	402,261	(449,906)	(643,101)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....	141,839	(954,068)	(636,349)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	403,141	1,039,490	1,039,490
19.2 End of period (Line 18 plus Line 19.1).....	544,980	85,422	403,141

1. Summary of Significant Accounting Policies

A. Accounting Practices

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

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

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

No change.

C. Accounting Policy

No change.

2. Accounting Changes and Corrections of Errors

No change.

3. Business Combinations and Goodwill

Not applicable.

4. Discontinued Operations

Not applicable.

5. Investments

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

No change.

6. Joint Ventures, Partnerships and Limited Liability Companies

No change.

7. Investment Income

No change.

8. Derivative Instruments

No change.

9. Income Taxes

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

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

G. The Company previously cited SSAP 25 *Accounting for and Disclosures about Transactions with Affiliates and Other Related Parties* as the basis for nonadmitting common stock of its subsidiaries. The Company now considers SSAP 97 *Investments in Subsidiary, Controlled, and Affiliated Entities* to be the governing guidance for nonadmission of its common stock of subsidiaries.

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

Not applicable.

14. Contingencies

No change.

15. Leases

No change.

16. Information about Financial Instruments With Off-Balance-Sheet Risk and Financial Instruments With Concentrations of Credit Risk

No change.

17. Sale, Transfer, and Servicing of Financial Assets and Extinguishment of Liabilities

Not applicable.

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

A. Administrative Services Only ("ASO") Plans

Not applicable.

B. Administrative Services Contract ("ASC") Plans

Not applicable.

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract

Not applicable.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

Not applicable.

20. Fair Value Measurements

A.

(1) Fair Value Measurements at Reporting Date:

Description	Period ended 09/30/2012	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:				
Preferred stock:				
Industrial and Misc	\$ 287,758	\$ 287,758	\$ -	\$ -
Parent, Subsidiaries, and Affiliates	-	-	-	-
Total Perpetual Preferred Stock	287,758	287,758	-	-
Bonds:				
U.S. Governments	1,879,885	1,879,885	-	-
Foreign Governments	348,202	348,202	-	-
Industrial and Misc	11,163,097	11,163,097	-	-
Parent, Subsidiaries, and Affiliates	-	-	-	-
Total Bonds	13,391,184	13,391,184	-	-
Common stock:				
Industrial and Misc	3,289,335	3,223,225	66,109	-
-	-	-	-	-
Mutual Funds	2,323,345	2,323,345	-	-
Money Market Funds	1,677	-	1,677	-
Parent, Subsidiaries, and Affiliates	-	-	-	-
Total Common Stocks	5,614,357	5,546,570	67,786	-

Other invested assets:						
Real estate		-	-	-	-	
Other	468,296					468,296
Total Other Invested Assets	468,296					468,296
Total Assets at Fair Value:	\$ 19,761,595	\$ 19,225,512	\$ 67,786		\$ 468,296	

b. Liabilities at fair value: Not applicable.

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

	Balance 12/31/2011	Total Transfers In/(out) Level 3	Total Gain/(Loss) Included in Net Income	Purchases, Gain/(Loss) Included in Surplus	Issuances, Sales, & Settlements	Balance 09/30/2012
Other Invested Assets	\$ 459,688	\$ -	\$ -	\$ 8,608	\$ -	\$ 468,296
Total	\$ 459,688	\$ -	\$ -	\$ 8,608	\$ -	\$ 468,296

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

(4) As of September 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 one partnership is measured and reported at fair value as of September 30, 2012 totaling \$0.5 million. Fair value measurement is determined by the underlying assets that are primarily investments in private limited partnerships in which the fair value is determined by each partnership's audited GAAP financial statements and adjusted for the Company's proportional share of the entity's earnings. Some inputs to the valuation methodology are unobservable and significant to the fair value measurement, and result in disclosure at Level 3.

21. Other Items

No change.

22. 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 \$3.1 million. In calendar year 2012, \$1.5 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 \$1.6 million. Therefore, there has been a \$0.1 million favorable prior-year development from December 31, 2011 to September 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 change.

31. High Deductibles

Not applicable.

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

No change.

33. Asbestos/Environmental Reserves

No change.

34. Subscriber Savings Accounts

Not applicable.

35. Multiple Peril Crop Insurance

Not applicable.

36. Financial Guaranty Insurance

Not applicable.

STATEMENT AS OF SEPTEMBER 30, 2012 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

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 []

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 [] NA [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. 12/31/2011

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 [X]

6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] 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 [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

STATEMENT AS OF SEPTEMBER 30, 2012 OF THE SONNENBERG MUTUAL INSURANCE COMPANY**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 [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 [] No [X]

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

INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [] No [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: \$

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

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [X] 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	\$	\$
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)	\$	\$
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? Yes [] No []

If no, attach a description with this statement.

STATEMENT AS OF SEPTEMBER 30, 2012 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

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 [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
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 [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, 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 [X] No []

17.2 If no, list exceptions:

.....

STATEMENT AS OF SEPTEMBER 30, 2012 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

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? Yes [] No [X] NA []

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?

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:

5. Operating Percentages:

5.1 A&H loss percent.....	0.0	%
5.2 A&H cost containment percent	0.0	%
5.3 A&H expense percent excluding cost containment expenses.....	0.0	%

6.1 Do you act as a custodian for health savings accounts?..... Yes [] No [X]
6.2 If yes, please provide the amount of custodial funds held as of the reporting date..... \$ _____
6.3 Do you act as an administrator for health savings accounts?..... Yes [] No [X]
6.4 If yes, please provide the balance of the funds administered as of the reporting date..... \$ _____

STATEMENT AS OF SEPTEMBER 30, 2012 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

STATEMENT AS OF SEPTEMBER 30, 2012 OF THE SONNENBERG MUTUAL INSURANCE 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.	N.	0	0	0	0	0	
15. Indiana	IN.	L	412,502	288,422	256,937	145,223	68,827	85,067
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	1,234,949	883,686	374,263	435,973	402,444	303,705
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.	N.	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)	2	1,647,451	1,172,108	631,200	581,196	471,271	388,772
DETAILS OF WRITE-INS		XXX						
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

STATEMENT AS OF SEPTEMBER 30, 2012 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

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	27,916		0.0	0.0
2. Allied lines	13,170		0.0	1.1
3. Farmowners multiple peril	271,424	4,413	1.6	22.0
4. Homeowners multiple peril	1,092,990	166,879	15.3	88.2
5. Commercial multiple peril			0.0	0.0
6. Mortgage guaranty			0.0	0.0
8. Ocean marine			0.0	0.0
9. Inland marine			0.0	0.0
10. Financial guaranty			0.0	0.0
11.1 Medical professional liability -occurrence			0.0	0.0
11.2 Medical professional liability -claims made			0.0	0.0
12. Earthquake			0.0	0.0
13. Group accident and health			0.0	0.0
14. Credit accident and health			0.0	0.0
15. Other accident and health			0.0	0.0
16. Workers' compensation			0.0	0.0
17.1 Other liability occurrence	1,209	0	0.0	74.4
17.2 Other liability-claims made			0.0	0.0
17.3 Excess Workers' Compensation			0.0	0.0
18.1 Products liability-occurrence			0.0	0.0
18.2 Products liability-claims made			0.0	0.0
19.1,19.2 Private passenger auto liability			0.0	0.0
19.3,19.4 Commercial auto liability			0.0	0.0
21. Auto physical damage			0.0	0.0
22. Aircraft (all perils)			0.0	0.0
23. Fidelity			0.0	0.0
24. Surety			0.0	0.0
26. Burglary and theft			0.0	0.0
27. Boiler and machinery			0.0	0.0
28. Credit			0.0	0.0
29. International			0.0	0.0
30. Warranty			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
TOTALS	1,406,709	171,292	12.2	66.0
DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
				1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire	11,429	27,125	30,672			
2. Allied lines	4,657	12,384	14,208			
3. Farmowners multiple peril	76,741	255,377	267,209			
4. Homeowners multiple peril	516,097	1,351,335	858,605			
5. Commercial multiple peril	0		0			
6. Mortgage guaranty	0		0			
8. Ocean marine	0		0			
9. Inland marine	0		0			
10. Financial guaranty	0		0			
11.1 Medical professional liability-occurrence	0		0			
11.2 Medical professional liability-claims made	0		0			
12. Earthquake	0		0			
13. Group accident and health	0		0			
14. Credit accident and health	0		0			
15. Other accident and health	0		0			
16. Workers' compensation	0		0			
17.1 Other liability occurrence	552	1,230	1,414			
17.2 Other liability-claims made	0		0			
17.3 Excess Workers' Compensation	0		0			
18.1 Products liability-occurrence	0		0			
18.2 Products liability-claims made	0		0			
19.1,19.2 Private passenger auto liability	0		0			
19.3,19.4 Commercial auto liability	0		0			
21. Auto physical damage	0		0			
22. Aircraft (all perils)	0		0			
23. Fidelity	0		0			
24. Surety	0		0			
26. Burglary and theft	0		0			
27. Boiler and machinery	0		0			
28. Credit	0		0			
29. International	0		0			
30. Warranty	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			
TOTALS	609,476	1,647,451	1,172,108			
DETAILS OF WRITE-INS						
3401.						
3402.						
3403.						
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0			
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0			

STATEMENT AS OF SEPTEMBER 30, 2012 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

Years in Which Losses Occurred	1 Prior Year-End Known Case Loss and LAE Reserves	2 Prior Year-End IBNR Loss and LAE Reserves	3 Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	4 2012 Loss and LAE Payments on Claims Reported as of Prior Year-End	5 2012 Loss and LAE Payments on Claims Unreported as of Prior Year-End	6 Total 2012 Loss and LAE Payments (Cols. 4 + 5)	7 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened and Open as of Prior Year End	8 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	9 Q.S. Date IBNR Loss and LAE Reserves	10 Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	11 Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	12 Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	13 Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2009 + Prior	480	30	510	258	.10	.268	.223	.2	.14	.239	1	(4)	(3)
2. 2010	604	49	.653	259	.6	.265	.301	.6	.31	.338	(44)	(6)	(50)
3. Subtotals 2010 + prior	1,084	79	1,163	517	.16	.533	.524	.8	.45	.577	(43)	(10)	(53)
4. 2011	1,470	.399	1,869	745	.214	.959	.694	.47	.137	.878	(31)	(1)	(32)
5. Subtotals 2011 + prior	2,554	478	3,032	1,262	.230	.1,492	1,218	.55	.182	1,455	(74)	(11)	(85)
6. 2012	XXX	XXX	XXX	XXX	3,369	.3,369	XXX	1,040	.742	1,782	XXX	XXX	XXX
7. Totals	2,554	478	3,032	1,262	3,599	4,861	1,218	1,095	924	3,237	(74)	(11)	(85)
Prior Year-End Surplus As Regards Policy-holders											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
8. Surplus As Regards Policy-holders		11,201									1. (2.9)	2. (2.3)	3. (2.8)
											Col. 13, Line 7 Line 8		
											4. (0.8)		

STATEMENT AS OF SEPTEMBER 30, 2012 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

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.

Response

1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?NO.....
2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?NO.....
3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?NO.....
4. Will the Director and Officer Supplement be filed with the state of domicile and the NAIC with this statement?NO.....

Explanation:

- 1.
- 2.
- 3.
- 4.

Bar Code:

1. 
1 0 2 7 1 2 0 1 2 4 9 0 0 0 0 0 3
2. 
1 0 2 7 1 2 0 1 2 4 5 5 0 0 0 0 0 3
3. 
1 0 2 7 1 2 0 1 2 3 6 5 0 0 0 0 0 3
4. 
1 0 2 7 1 2 0 1 2 5 0 5 0 0 0 0 0 3

OVERFLOW PAGE FOR WRITE-INS

STATEMENT AS OF SEPTEMBER 30, 2012 OF THE SONNENBERG MUTUAL 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	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	0	0
2.2 Additional investment made after acquisition	0	0
3. Current year change in encumbrances	0	0
4. Total gain (loss) on disposals	0	0
5. Deduct amounts received on disposals	0	0
6. Total foreign exchange change in book/adjusted carrying value	0	0
7. Deduct current year's other than temporary impairment recognized	0	0
8. Deduct current year's depreciation	0	0
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)	0	0
10. Deduct total nonadmitted amounts	0	0
11. Statement value at end of current period (Line 9 minus Line 10)	0	0

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

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	459,688	478,210
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	0	0
2.2 Additional investment made after acquisition	0	0
3. Capitalized deferred interest and other	0	0
4. Accrual of discount	0	0
5. Unrealized valuation increase (decrease)	8,610	(18,522)
6. Total gain (loss) on disposals	0	0
7. Deduct amounts received on disposals	0	0
8. Deduct amortization of premium and depreciation	0	0
9. Total foreign exchange change in book/adjusted carrying value	0	0
10. Deduct current year's other than temporary impairment recognized	0	0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	468,298	459,688
12. Deduct total nonadmitted amounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	468,298	459,688

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	17,477,983	17,210,061
2. Cost of bonds and stocks acquired	1,982,503	3,453,249
3. Accrual of discount	9,591	12,695
4. Unrealized valuation increase (decrease)	373,739	(202,349)
5. Total gain (loss) on disposals	18,720	167,050
6. Deduct consideration for bonds and stocks disposed of	1,736,222	3,134,680
7. Deduct amortization of premium	23,168	28,043
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other than temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	18,103,145	17,477,983
11. Deduct total nonadmitted amounts	45,090	47,209
12. Statement value at end of current period (Line 10 minus Line 11)	18,058,055	17,430,774

STATEMENT AS OF SEPTEMBER 30, 2012 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 1B

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

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a).....	12,214,072	411,982	775,912	(6,839)	12,163,543	12,214,072	11,843,303	12,060,318
2. Class 2 (a).....	439,991			(631)	440,620	439,991	439,360	441,239
3. Class 3 (a).....	74,000				74,000	74,000	74,000	74,000
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.....	12,728,063	411,982	775,912	(7,470)	12,678,163	12,728,063	12,356,663	12,575,557
PREFERRED STOCK								
8. Class 1.....	214,160			(1,280)	214,880	214,160	212,880	218,640
9. Class 2.....	75,081			(203)	75,458	75,081	74,878	75,371
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.....	289,241	0	0	(1,483)	290,338	289,241	287,758	294,011
15. Total Bonds & Preferred Stock.....	13,017,304	411,982	775,912	(8,953)	12,968,501	13,017,304	12,644,421	12,869,568

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

NAIC 3 \$; NAIC 4 \$; NAIC 5 \$; NAIC 6 \$

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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	200,723	XXX	200,723	135	

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.....	510,277	841,528
2. Cost of short-term investments acquired	1,305,421	2,212,949
3. Accrual of discount		0
4. Unrealized valuation increase (decrease).....		0
5. Total gain (loss) on disposals		0
6. Deduct consideration received on disposals	1,614,975	2,544,199
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).....	200,723	510,277
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	200,723	510,277

SCHEDULE DB - PART A - VERIFICATION

Options, Caps, Floors, Collars, Swaps and Forwards

1. Book/Adjusted Carrying Value, December 31, prior year (Line 9, prior year)	0
2. Cost Paid/(Consideration Received) on additions.....	3,751
3. Unrealized Valuation increase/(decrease)	881
4. Total gain (loss) on termination recognized.....	600
5. Considerations received/(paid) on terminations.....	(50)
6. Amortization	
7. Adjustment to the Book/Adjusted Carrying Value of hedged item	
8. Total foreign exchange change in Book/Adjusted Carrying Value.....	
9. Book/Adjusted Carrying Value at End of Current Period (Lines 1+2+3+4-5+6+7+8).....	5,282
10. Deduct nonadmitted assets.....	
11. Statement value at end of current period (Line 9 minus Line 10).....	5,282

SCHEDULE DB - PART B - VERIFICATION

Futures Contracts

1. Book/Adjusted carrying value, December 31 of prior year	0
2. Net cash deposits (Section 1, Broker Name/Net Cash Deposits Footnote)	0
3.1 Change in variation margin on open contracts.....	
3.2 Add:	
Change in adjustment to basis of hedged item	
3.21 Section 1, Column 17, current year to date minus.....	0
3.22 Section 1, Column 17, prior year.....	0
Change in amount recognized	
3.23 Section 1, Column 16, current year to date minus.....	0
3.24 Section 1, Column 16, prior year.....	0
3.3 Subtotal (Line 3.1 minus Line 3.2)	0
4.1 Variation margin on terminated contracts during the year	
4.2 Less:	
4.21 Amount used to adjust basis of hedged item.....	
4.22 Amount recognized.....	0
4.3 Subtotal (Line 4.1 minus Line 4.2)	0
5. Dispositions gains (losses) on contracts terminated in prior year:	
5.1 Recognized.....	
5.2 Used to adjust basis of hedged items.....	
6. Book/Adjusted carrying value at end of current period (Lines 1+2+3.3-4.3-5.1-5.2)	0
7. Deduct total nonadmitted amounts	
8. Statement value at end of current period (Line 6 minus Line 7)	0

NONE

Schedule DB - Part C - Section 1
NONE

Schedule DB - Part C - Section 2
NONE

STATEMENT AS OF SEPTEMBER 30, 2012 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

SCHEDULE DB - VERIFICATION

Verification of Book/Adjusted Carrying Value, Fair Value and Potential Exposure of all Open Derivative Contracts

	Book/Adjusted Carrying Value Check
1. Part A, Section 1, Column 14.....	3,751
2. Part B, Section 1, Column 14.....	0
3. Total (Line 1 plus Line 2).....	3,751
4. Part D, Column 5.....	0
5. Part D, Column 6.....	0
6. Total (Line 3 minus Line 4 minus Line 5).....	3,751

	Fair Value Check
7. Part A, Section 1, Column 16.....	4,632
8. Part B, Section 1, Column 13.....	0
9. Total (Line 7 plus Line 8).....	4,632
10. Part D, Column 8.....	0
11. Part D, Column 9.....	0
12. Total (Line 9 minus Line 10 minus Line 11).....	4,632

	Potential Exposure Check
13. Part A, Section 1, Column 21.....	0
14. Part B, Section 1, Column 19.....	0
15. Part D, Column 11.....	0
16. Total (Line 13 plus Line 14 minus Line 15).....	0

Schedule E - Verification

NONE

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

Schedule BA - Part 2

NONE

Schedule BA - Part 3

NONE

STATEMENT AS OF SEPTEMBER 30, 2012 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator ^(a)
Bonds - Industrial and Miscellaneous (Unaffiliated)									
38143A-XU-4.....	Goldman Sachs Bank - CD.....		07/24/2012.....	First Empire Securities I.....		100,000	100,000		1.....
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						100,000	100,000	0	XXX
8399997 - Subtotals- Bonds - Part 3						100,000	100,000	0	XXX
8399999 - Subtotals - Bonds						100,000	100,000	0	XXX
Common Stocks - Industrial and Miscellaneous									
037833-10-0.....	Apple Inc.....		09/28/2012.....	Merrill Lynch.....	.32,000	19,799			L.....
.46625H-10-0.....	JP Morgan Chase & Co.....		07/09/2012.....	Merrill Lynch.....	440,000	14,870			L.....
580135-10-1.....	McDonalds Corporation.....		07/12/2012.....	Merrill Lynch.....	165,000	14,865			L.....
9099999 - Common Stocks - Industrial and Miscellaneous (Unaffiliated)						49,534	XXX	0	XXX
Common Stocks - Mutual Funds									
00162Q-86-6.....	Alerian MLP ETF.....		09/28/2012.....	Merrill Lynch.....	600,000	.9,922			L.....
22544R-30-5.....	Credit Suisse Commodity Fnd Inst 'I.....		07/16/2012.....	Stock Exchange.....	11,480,198	94,750			U.....
277911-49-1.....	Eaton Vance Floating Rate Fnd CL I.....		09/28/2012.....	Merrill Lynch.....	3,298,517	30,000			U.....
67074U-10-3.....	Nuveen Energy MLP Total Rtn Fnd.....		08/24/2012.....	Stock Exchange.....	4,447,681	38,569			L.....
880208-85-5.....	Templeton Global Total Rtn Fund.....	R.....	07/06/2012.....	Merrill Lynch.....	780,000	10,000			U.....
9299999 - Common Stocks - Mutual Funds						183,241	XXX	0	XXX
Common Stocks - Money Market Mutual Funds									
998911-UC-3.....	BBIF Money Fund Class 4.....		09/30/2012.....	Merrill Lynch.....	224,250,000	224,250			U.....
9399999 - Common Stocks - Money Market Mutual Funds						224,250	XXX	0	XXX
9799997 - Subtotals - Common Stocks - Part 3						457,025	XXX	0	XXX
9799999 - Subtotals - Common Stocks						457,025	XXX	0	XXX
9899999 - Subtotals- Preferred and Common Stocks						457,025	XXX	0	XXX
9999999 Totals						557,025	XXX	0	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues4

STATEMENT AS OF SEPTEMBER 30, 2012 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 4

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

1 CUSIP Identifi- cation	2 Description	3 For- eign Disposal Date	4 Name of Purchaser	5 Number of Shares of Stock	6 Consideration	7 Par Value	8 Actual Cost	9 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 Design- ation or Market Indicator (a)		
									11 Unrealized Value 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.									
Bonds - U.S. Governments																						
912828-AJ-9...	U.S Treasury Note	08/15/2012	MATURITY		200,000	200,000	202,969	200,298	(298)			(298)		200,000		0	0	8,750	08/15/2012	1		
0599999 - Bonds - U.S. Governments					200,000	200,000	202,969	200,298	0	(298)	0	(298)	0	200,000	0	0	0	0	8,750	XXX	XXX	
Bonds - Industrial and Miscellaneous (Unaffiliated)																						
046353-AC-2...	Astrazeneca PLC N...	09/17/2012	MATURITY		100,000	100,000	101,066	100,170	(170)			(170)		100,000		0	0	5,400	09/15/2012	1FE		
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)					100,000	100,000	101,066	100,170	0	(170)	0	(170)	0	100,000	0	0	0	5,400	XXX	XXX		
8399997 - Subtotals - Bonds - Part 4					300,000	300,000	304,035	300,468	0	(468)	0	(468)	0	300,000	0	0	0	14,150	XXX	XXX		
8399999 - Subtotals - Bonds					300,000	300,000	304,035	300,468	0	(468)	0	(468)	0	300,000	0	0	0	14,150	XXX	XXX		
Common Stocks - Industrial and Miscellaneous (Unaffiliated)																						
26441C-20-4...	Duke Energy Corp.	07/23/2012	CASH IN LIEU - FRAC'L SHR	0.660	44	XXX	25	44	(19)			(19)		25		19	19	19	1	XXX	L	
9099999 - Common Stocks - Industrial and Miscellaneous (Unaffiliated)					44	XXX	25	44	(19)	0	0	(19)	0	25	0	19	19	19	1	XXX	XXX	
Common Stock - Mutual Funds																						
09253X-10-2...	BlackRock Muni Intermediate Dur...	07/20/2012	Merrill Lynch	480,000	8,021	XXX	6,240	7,354	(1,114)			(1,114)		6,240		1,781	1,781	1,781	240	XXX	L	
22544R-10-7...	Credit Suisse Commodity Fd CL A	07/16/2012	Stock Exchange	11,594,857	94,750	XXX	94,750	94,034	716			716		94,750		0	0	0	XXX	U		
25264S-83-3...	Diamond Hill Long Short Fd Cl 1	08/07/2012	Merrill Lynch	1,405,284	25,000	XXX	19,491	23,791	(4,300)			(4,300)		19,491		5,509	5,509	5,509	XXX	U		
27829L-10-5...	Eaton Vance Nat'l Muni OpprsTr	07/20/2012	Merrill Lynch	350,000	7,961	XXX	6,216	7,315	(1,099)			(1,099)		6,216		1,745	1,745	1,745	225	XXX	L	
46428R-10-7...	iShares S&P GSCI Cmmnty Idx ETF	08/07/2012	Merrill Lynch	804,000	26,885	XXX	23,582	26,516	(2,934)			(2,934)		23,582		3,303	3,303	3,303	XXX	L		
486606-10-6...	Kayne Anderson MLP MLP & Strategic Equity	07/13/2012	ROC	1,163	1,163	XXX	1,163	1,163	0			0		1,163		0	0	0	XXX			
55312N-10-6...	Fund Inc.	08/24/2012	VARIOUS	4,320,000	39,593	XXX	39,593	71,738	(32,145)			(32,145)		39,593		0	0	0	XXX	L		
67074U-10-3...	Nuveen Energy MLP Total Rtn Fnd	09/11/2012	CASH IN LIEU - FRAC'L SHR	0.681	12	XXX	7					0		7		5	5	5	XXX	L		
67062N-10-3...	Nuveen Insured Quality Muni Fd Inc	07/20/2012	Merrill Lynch	525,000	7,907	XXX	6,232	7,875	(1,643)			(1,643)		6,232		1,675	1,675	1,675	276	XXX	L	
67062E-10-3...	Nuveen Investment Quality Muni Fd	07/20/2012	Merrill Lynch	475,000	7,923	XXX	6,241	7,415	(1,173)			(1,173)		6,241		1,682	1,682	1,682	279	XXX	L	
72201M-55-2...	PIMCO Total Return Fd CL P	08/06/2012	Stock Exchange	2,990,703	34,273	XXX	30,445	32,509	(2,064)			(2,064)		30,445		3,828	3,828	3,828	646	XXX	U	
9299999 - Common Stocks - Mutual Funds					253,489	XXX	233,962	279,710	(45,756)	0	0	(45,756)	0	233,962	0	19,527	19,527	19,527	1,665	XXX	XXX	
Common Stocks - Money Market Mutual Funds																						
998911-UC-3...	BBTF Money Fund Class 4	09/30/2012	Merrill Lynch	225,094,000	225,094	XXX	225,094		0			0		225,094		0	0	0	XXX	U		
9399999 - Common Stocks - Money Market Mutual Funds					225,094	XXX	225,094	0	0	0	0	0	225,094	0	0	0	0	0	XXX	XXX		
9799997 - Subtotals - Common Stocks - Part 4					478,627	XXX	459,080	279,754	(45,775)	0	0	(45,775)	0	459,080	0	19,547	19,547	19,547	1,666	XXX		
9799999 - Subtotals - Common Stocks					478,627	XXX	459,080	279,754	(45,775)	0	0	(45,775)	0	459,080	0	19,547	19,547	19,547	1,666	XXX		
9899999 - Subtotals - Preferred and Common Stocks					478,627	XXX	459,080	279,754	(45,775)	0	0	(45,775)	0	459,080	0	19,547	19,547	19,547	1,666	XXX		
9999999 Totals					778,627	XXX	763,115	580,222	(45,775)	(468)	0	(46,243)	0	759,080	0	19,547	19,547	19,547	15,816	XXX	XXX	

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

STATEMENT AS OF SEPTEMBER 30, 2012 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

SCHEDULE DB - PART A - SECTION 1

Showing all Options, Caps, Floors, Collars, Swaps and Forwards Open as of Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Description	Description of Items Hedged or Used For Income Generation	Schedule/ Exhibit Identifier	Type(s) of Risk(s)	Exchange or Counterparty	Trade Date	Date of Maturity or Expiration	Number of Contracts	Notional Amount	Strike Price, Rate or Index Received (Paid)	Prior Year Initial Cost of Premium (Received) Paid	Current Year Initial Cost of Premium (Received) Paid	Current Year Income	Book/ Adjusted Carrying Value	Code	Fair Value	Unrealized Valuation Increase/ (Decrease)	Total Foreign Exchange Change in B/A/C.V.	Current Year's (Amortization)/ Accretion	Adjustment to Carrying Value of Hedged Item	Potential Exposure	Credit Quality of Reference Entity	Hedge Effectiveness at Inception and at Quarter-end (a)
Written Options - Income Generation - Call Options																						
Canadian Nat'l Railway (CNI 1220 L 95)	Canadian Nat'l Railway (CNI)			Mid-West	08/31/2012	10/20/2012	2		95.00			.160	.160			20	(140)					
Equity Residential (EOR 1220 K 62.50)	Equity Residential (EOR)			Mid-West	08/31/2012	10/20/2012	2		62.50			.100	.100			10	(90)					
Market Vectors Gold Tr (GDX 1220 J 48.50)	Market Vectors Gold Trust (GDX)			Mid-West	08/23/2012	10/20/2012	3		48.50			.567	.567			.1,560	.993					
Colgate Palmolive (CL 1217 K 110)	Colgate Palmolive (CL)			Mid-West	08/15/2012	11/17/2012	5		110.00			.485	.485			.375	(110)					
Gen'l Dynamics Corp (GD 1217 K 70)	Gen'l Dynamics Corp (GD)			Amex	08/15/2012	11/17/2012	5		70.00			.175	.175			.175	0					
Genuine Parts Co (GPX 1217 K 65)	Genuine Parts (GPX)			Pacific	08/15/2012	11/17/2012	2		65.00			.330	.330			.105	(225)					
JP Morgan Chase (JPM 1217 K 42)	JP Morgan Chase (JPM)			Philadelphia	08/31/2012	11/17/2012	4		42.00			.108	.108			.252	.144					
Schlumberger LTD (SLB 1217 K 80)	Schlumberger LTD (SLB)			Mid-West	08/15/2012	11/17/2012	5		80.00			.735	.735			.190	(545)					
Market Vectors Gold Trust (GDX)	Market Vectors Gold Trust (GDX)			Mid-West	08/24/2012	12/22/2012	3		50.00			.741	.741			.1,710	.969					
Wal-Mart stores Inc. (WMT 1222 L 77.50)	Wal-Mart Stores Inc (WMT)			Mid-West	09/18/2012	12/22/2012	5		77.50			.350	.350			.235	(115)					
0649999 - Income Generation - Call Options and Warrants									0	3,751	3,751	3,751	XXX	4,632	881	0	0	0	0	0	XXX	XXX
0709999 - Subtotal - Income Generation									0	3,751	3,751	3,751	XXX	4,632	881	0	0	0	0	0	XXX	XXX
0789999 - Total Written Options - Subtotal - Call Options and Warrants									0	3,751	3,751	3,751	XXX	4,632	881	0	0	0	0	0	XXX	XXX
0849999 - Total Written Options - Subtotal									0	3,751	3,751	3,751	XXX	4,632	881	0	0	0	0	0	XXX	XXX
1269999 Subtotal - Forwards									0	0	0	0	XXX	0	0	0	0	0	0	0	XXX	XXX
1399999 Subtotal - Hedging Effective									0	0	0	0	XXX	0	0	0	0	0	0	0	XXX	XXX
1409999 Subtotal - Hedging Other									0	0	0	0	XXX	0	0	0	0	0	0	0	XXX	XXX
1419999 Subtotal - Replication									0	0	0	0	XXX	0	0	0	0	0	0	0	XXX	XXX
1429999 Subtotal - Income Generation									0	3,751	3,751	3,751	XXX	4,632	881	0	0	0	0	0	XXX	XXX
1439999 Subtotal - Other									0	0	0	0	XXX	0	0	0	0	0	0	0	XXX	XXX
1449999 Totals									0	3,751	3,751	3,751	XXX	4,632	881	0	0	0	0	0	XXX	XXX

(a)	Code	Financial or Economic Impact of the Hedge at the End of the Reporting Period

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 SEPTEMBER 30, 2012 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

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								
Bank of America.....	Chicago, IL.....		0.150	1		2,068	2,068	2,068 XXX
First Merit Bank.....	Akron, OH.....				125	0	0	.376 XXX
JP Morgan Chase.....	New York, NY.....				159,494	375,423	375,424 XXX	
Merrill Lynch.....	Columbus, OH.....				99,227	599	(33,611)	XXX
0199998 Deposits in depositories that do not exceed the allowable limit in any one depository (See Instructions) - Open Depositories	XXX	XXX						XXX
0199999 Total Open Depositories	XXX	XXX	1	0	260,914	378,090	344,257	XXX
0399999 Total Cash on Deposit	XXX	XXX	1	0	260,914	378,090	344,257	XXX
0499999 Cash in Company's Office	XXX	XXX	XXX	XXX				XXX
0599999 Total	XXX	XXX	1	0	260,914	378,090	344,257	XXX

STATEMENT AS OF SEPTEMBER 30, 2012 OF THE SONNENBERG MUTUAL INSURANCE 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

NONE

E12