



QUARTERLY STATEMENT

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

LIGHTNING ROD MUTUAL INSURANCE COMPANY

NAIC Group Code	0207 <small>(Current Period)</small>	,	00207 <small>(Prior Period)</small>	NAIC Company Code	26123	Employer's ID Number	34-0359380
Organized under the Laws of	Ohio			State of Domicile or Port of Entry	Ohio		
Country of Domicile	United States						
Incorporated/Organized	01/01/1906			Commenced Business	03/01/1906		
Statutory Home Office	1685 Cleveland Road <small>(Street and Number)</small>			Wooster, OH 44691-0036 <small>(City or Town, State and Zip Code)</small>			
Main Administrative Office	1685 Cleveland Road <small>(Street and Number)</small>			Wooster, OH 44691-0036 <small>(City or Town, State and Zip Code)</small>	330-262-9060 <small>(Area Code) (Telephone Number)</small>		
Mail Address	1685 Cleveland Road <small>(Street and Number or P.O. Box)</small>			Wooster, OH 44691-0036 <small>(City or Town, State and Zip Code)</small>			
Primary Location of Books and Records	1685 Cleveland Road <small>(Street and Number)</small>			Wooster, OH 44691-0036 <small>(City or Town, State and Zip Code)</small>	330-262-9060 <small>(Area Code) (Telephone Number)</small>		
Internet Web Site Address	www.wrg-ins.com						
Statutory Statement Contact	Joseph Earl Wilford <small>(Name)</small>			330-262-9060-2437 <small>(Area Code) (Telephone Number) (Extension)</small>			
	joe_wilford@wrg-ins.com <small>(E-mail Address)</small>			330-264-7822 <small>(Fax Number)</small>			

OFFICERS

Name	Title	Name	Title
JOHN P. MURPHY	PRESIDENT	JOHN P. MURPHY	SECRETARY
MICHAEL A. SHUTT	VP FINANCE/CFO/TREASURER		

OTHER OFFICERS

GREGORY A. BRUNN	VP UNDERWRITING AND MARKETING	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 ofOhio.....
County ofWayne.....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 President	John P. Murphy Secretary	Michael A. Shutt VP Finance/CFO/Treasurer
Subscribed and sworn to before me this 15 day of November, 2012		a. Is this an original filing? Yes [X] No [] b. If no: 1. State the amendment number 2. Date filed 3. Number of pages attached
Mary Lou Hart, Notary Public March 08, 2015		

STATEMENT AS OF SEPTEMBER 30, 2012 OF THE LIGHTNING ROD 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	102,996,217		102,996,217	103,795,225
2. Stocks:				
2.1 Preferred stocks	1,789,778		1,789,778	1,832,281
2.2 Common stocks	65,016,894	283,553	64,733,341	58,503,282
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)	5,829,555		5,829,555	6,002,167
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 (\$14,589,471), cash equivalents (\$0) and short-term investments (\$2,989,502)	17,578,973		17,578,973	19,374,805
6. Contract loans (including \$ premium notes)			0	0
7. Derivatives			0	0
8. Other invested assets	5,151,508		5,151,508	5,056,795
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)	198,362,925	283,553	198,079,372	194,564,555
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	1,217,856		1,217,856	1,144,542
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	15,921,142	38,222	15,882,920	15,876,790
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	2,570,167		2,570,167	963,933
16.2 Funds held by or deposited with reinsured companies			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 thereon			0	0
18.2 Net deferred tax asset	1,801,797		1,801,797	1,315,066
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software	92,704		92,704	92,704
21. Furniture and equipment, including health care delivery assets (\$)	726,302	726,302	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates	0		0	0
23. Receivables from parent, subsidiaries and affiliates	0		0	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)	220,692,893	1,048,077	219,644,816	213,957,590
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	220,692,893	1,048,077	219,644,816	213,957,590
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501.				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0	0	0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$)	30,153,833	27,902,250
2. Reinsurance payable on paid losses and loss adjustment expenses	0	0
3. Loss adjustment expenses	5,450,500	5,450,500
4. Commissions payable, contingent commissions and other similar charges	2,500,786	2,280,758
5. Other expenses (excluding taxes, licenses and fees)	1,947,190	2,386,607
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	939,328	1,148,506
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))	102	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)	46,107,927	41,819,323
10. Advance premium	726,372	476,312
11. Dividends declared and unpaid:		
11.1 Stockholders	0	0
11.2 Policyholders	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions)	156,206	301,337
13. Funds held by company under reinsurance treaties	0	28,164
14. Amounts withheld or retained by company for account of others	5,609,191	6,166,601
15. Remittances and items not allocated	0	0
16. Provision for reinsurance	293,040	293,040
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	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	82,137	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	93,966,612	88,253,398
27. Protected cell liabilities	0	0
28. Total liabilities (Lines 26 and 27)	93,966,612	88,253,398
29. Aggregate write-ins for special surplus funds	0	632,486
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)	125,678,204	125,071,706
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)	125,678,204	125,704,192
38. Totals (Page 2, Line 28, Col. 3)	219,644,816	213,957,590
DETAILS OF WRITE-INS		
2501. Option Liability.....	48,863	
2502. Deferred Income Option.....	33,274	
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)	82,137	0
2901. Surplus from SSAP No. 10R.....	0	632,486
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	632,486
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

STATEMENT OF INCOME

	1	2	3
	Current Year	Prior Year	Prior Year Ended
	to Date	to Date	December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 63,810,990)	60,327,865	56,633,507	76,134,456
1.2 Assumed (written \$ 68,307,991)	64,049,806	60,574,823	81,612,976
1.3 Ceded (written \$ 59,100,961)	55,648,257	52,792,033	71,012,833
1.4 Net (written \$ 73,018,020)	68,729,414	64,416,297	86,734,599
DEDUCTIONS:			
2. Losses incurred (current accident year \$)::			
2.1 Direct	56,333,588	45,871,404	59,730,519
2.2 Assumed	32,864,816	39,014,933	41,659,500
2.3 Ceded	40,202,725	44,043,638	44,776,477
2.4 Net	48,995,679	40,842,699	56,613,542
3. Loss adjustment expenses incurred	6,714,454	6,124,380	8,105,761
4. Other underwriting expenses incurred	23,376,765	23,346,940	30,458,859
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	79,086,898	70,314,019	95,178,162
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(10,357,484)	(5,897,722)	(8,443,563)
INVESTMENT INCOME			
9. Net investment income earned	3,459,301	3,823,487	4,807,848
10. Net realized capital gains (losses) less capital gains tax of \$ 213,761	414,948	630,884	1,452,134
11. Net investment gain (loss) (Lines 9 + 10)	3,874,249	4,454,371	6,259,982
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ 66,263)	(66,263)	(53,412)	(77,412)
13. Finance and service charges not included in premiums	1,133,820	1,101,026	1,495,243
14. Aggregate write-ins for miscellaneous income	(16,645)	(14,652)	(6,730)
15. Total other income (Lines 12 through 14)	1,050,912	1,032,962	1,411,101
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(5,432,323)	(410,389)	(772,480)
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)	(5,432,323)	(410,389)	(772,480)
19. Federal and foreign income taxes incurred	(213,761)	(368,602)	(791,670)
20. Net income (Line 18 minus Line 19)(to Line 22)	(5,218,562)	(41,787)	19,190
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	125,704,192	126,295,656	126,295,656
22. Net income (from Line 20)	(5,218,562)	(41,787)	19,190
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 \$ 1,616,869	3,138,629	(3,118,385)	(1,567,400)
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	2,103,600	947,227	421,482
27. Change in nonadmitted assets	(405)	(76,841)	(97,222)
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
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	(48,863)	0	632,486
38. Change in surplus as regards policyholders (Lines 22 through 37)	(25,601)	(2,289,786)	(591,464)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	125,678,591	124,005,870	125,704,192
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	(4,059)	(17,437)	17,249
1402. GAIN/(LOSS) SALE OF EQUIPMENT	(12,586)	2,785	(23,979)
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)	(16,645)	(14,652)	(6,730)
3701. Change in surplus from SSAP No. 10R	0	0	632,486
3702. Option Liability Surplus	(48,863)	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)	(48,863)	0	632,486

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.....	73,122,947	66,432,604	88,314,233
2. Net investment income	3,473,961	3,758,757	5,159,564
3. Miscellaneous income	1,050,912	1,032,962	1,411,101
4. Total (Lines 1 to 3)	77,647,820	71,224,323	94,884,898
5. Benefit and loss related payments	48,257,949	42,179,026	53,747,438
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	30,522,702	31,421,467	40,573,075
8. Dividends paid to policyholders	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	(102)	(670,045)	(946,753)
10. Total (Lines 5 through 9)	78,780,549	72,930,448	93,373,760
11. Net cash from operations (Line 4 minus Line 10)	(1,132,729)	(1,706,125)	1,511,138
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	12,348,050	10,278,023	13,153,459
12.2 Stocks	17,154,014	11,516,186	17,511,141
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	190,725	0	1
12.8 Total investment proceeds (Lines 12.1 to 12.7)	29,692,789	21,794,209	30,664,601
13. Cost of investments acquired (long-term only):			
13.1 Bonds	11,277,684	8,094,500	13,165,910
13.2 Stocks	18,431,466	10,013,210	15,813,450
13.3 Mortgage loans	0	0	0
13.4 Real estate	15,913	0	10,746
13.5 Other invested assets	0	0	0
13.6 Miscellaneous applications	0	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	29,725,063	18,107,710	28,990,106
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)	(32,274)	3,686,499	1,674,495
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).....	(630,829)	(1,020,088)	(790,954)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	(630,829)	(1,020,088)	(790,954)
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)	(1,795,832)	.960,286	2,394,679
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	19,374,805	16,980,126	16,980,126
19.2 End of period (Line 18 plus Line 19.1)	17,578,973	17,940,412	19,374,805

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of Lightning Rod 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.

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 Risks

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	\$ 1,789,778	\$ 1,789,778	\$ -	\$ -
Parent, Subsidiaries, and Affiliates	-	-	-	-
Total Perpetual Preferred Stock	1,789,778	1,789,778	-	-
Bonds:				
U.S. Governments	17,649,952	17,649,952	-	-
Foreign Governments	1,510,201	1,510,201	-	-
Industrial and Misc	93,847,670	93,847,670	-	-
Parent, Subsidiaries, and Affiliates	-	-	-	-
Total Bonds	113,007,823	113,007,823	-	-
Common stock:				
Industrial and Misc	37,439,556	37,261,941	177,614	-
Mutual Funds	27,293,786	27,293,786	-	-
Money Market Funds	-	-	-	-
Parent, Subsidiaries, and Affiliates	-	-	-	-
Total Common Stocks	64,733,342	64,555,727	177,614	-
Other invested assets:				

Real estate	-	-	-	-
Other	5,151,508	-	-	5,151,508
Total Other Invested Assets	5,151,508	-	-	5,151,508
Total Assets at Fair Value:	<u>\$ 184,682,451</u>	<u>\$ 179,353,328</u>	<u>\$ 177,614</u>	<u>\$ 5,151,508</u>
b. Liabilities at fair value:				
Not applicable.				

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

	Balance 12/31/2011	Transfers In/(out) Level 3	Total Gain/(Loss) Included in Net Income	Total Gain/(Loss) Included in Surplus	Purchases, Issuances, Sales, & Settlements	Balance 09/30/2012
Other Invested Assets	\$ 5,056,795	\$ -	\$ -	\$ 94,713	\$ -	\$ 5,151,508
Total	<u>\$ 5,056,795</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 94,713</u>	<u>\$ -</u>	<u>\$ 5,151,508</u>

(3) The Company's policy is to recognize transfers in and out as of the end of the reporting period. No transfers occurred.

(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 \$5.2 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 \$34.5 million. In calendar year 2012, \$16.4 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 \$17.1 million. Therefore, there has been a \$1.0 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.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes ☐ No ☒
- 1.2

If yes, has the report been filed with the domiciliary state?

Yes ☐ No ☐
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes ☐ No ☒
- 2.2

If yes, date of change:
3.

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes ☐ No ☒
- If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒
- 4.2

If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

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	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC

GENERAL INTERROGATORIES

9.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?
(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.

Yes [X] No []

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:\$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 [X] No []

14.2

If yes, please complete the following:

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$	\$
14.22 Preferred Stock	\$	\$
14.23 Common Stock	\$263,165	\$283,553
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).....	\$263,165	\$283,553
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.

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:

.....

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 []
If yes, attach an explanation.

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? Yes [] No [X]
If yes, attach an explanation.

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:

			TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
1	2	3	4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Discount Rate	Unpaid Losses	Unpaid LAE	IBNR	TOTAL	Unpaid Losses	Unpaid LAE	IBNR	TOTAL
.....										
.....										
.....										
.....										
.....										
TOTAL			0	0	0	0	0	0	0	0

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 LIGHTNING ROD MUTUAL INSURANCE COMPANY

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

[illegible]

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories								
States, etc.	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid		
		2	3	4	5	6	7	
	Active Status	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	
1. Alabama	AL	N	0	0	0	0	0	
2. Alaska	AK	N	0	0	0	0	0	
3. Arizona	AZ	N	0	0	0	0	0	
4. Arkansas	AR	N	0	0	0	0	0	
5. California	CA	N	0	0	0	0	0	
6. Colorado	CO	N	0	0	0	0	0	
7. Connecticut	CT	N	0	0	0	0	0	
8. Delaware	DE	N	0	0	0	0	0	
9. 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	18,557,596	17,275,564	14,557,306	12,771,511	6,433,046	3,440,639
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	45,253,394	42,749,276	32,342,595	14,201,476	15,606,296	4,864,763
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	63,810,990	60,024,840	46,899,901	26,972,987	22,039,342	8,305,402	
DETAILS OF WRITE-INS								
5801.	XXX							
5802.	XXX							
5803.	XXX							
5898. Summary of remaining write-ins for Line 58 from overflow page.	XXX	0	0	0	0	0	0	
5899. TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX	0	0	0	0	0	0	

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.
(a) Insert the number of L responses except for Canada and Other Alien.

Schedule Y - Part 1

NONE

Schedule Y - Part 1A

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	4,262	0	0.0	0.0
2.	Allied lines	5,088	43,520	855.3	0.0
3.	Farmowners multiple peril	11,773,423	13,194,556	112.1	69.1
4.	Homeowners multiple peril	20,333,713	27,054,313	133.1	125.1
5.	Commercial multiple peril	6,040,859	3,714,129	61.5	104.9
6.	Mortgage guaranty			0.0	0.0
8.	Ocean marine			0.0	0.0
9.	Inland marine	546,474	275,123	50.3	46.3
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	15,485	0	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	342,850	35,537	10.4	1.2
17.2	Other liability-claims made	12,369	0	0.0	0.0
17.3	Excess Workers' Compensation			0.0	0.0
18.1	Products liability-occurrence	28,145	(9,801)	(34.8)	101.9
18.2	Products liability-claims made			0.0	0.0
19.1,19.2	Private passenger auto liability	9,049,985	5,692,253	62.9	48.3
19.3,19.4	Commercial auto liability	2,564,851	941,621	36.7	21.2
21.	Auto physical damage	9,309,504	5,376,642	57.8	54.9
22.	Aircraft (all perils)			0.0	0.0
23.	Fidelity			0.0	0.0
24.	Surety			0.0	0.0
26.	Burglary and theft	48,243	15,695	32.5	(69.6)
27.	Boiler and machinery	252,614	0	0.0	33.0
28.	Credit		0	0.0	0.0
29.	International		0	0.0	0.0
30.	Warranty		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	60,327,865	56,333,588	93.4	81.0
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.	Fire	1,851	4,267	6,638
2.	Allied lines	1,443	4,584	6,198
3.	Farmowners multiple peril	4,065,205	12,371,090	11,341,504
4.	Homeowners multiple peril	8,334,999	22,315,514	19,253,801
5.	Commercial multiple peril	2,055,807	6,160,749	5,640,957
6.	Mortgage guaranty	0		0
8.	Ocean marine	0		0
9.	Inland marine	179,212	589,942	544,449
10.	Financial guaranty	0		0
11.1	Medical professional liability-occurrence	0		0
11.2	Medical professional liability-claims made	0		0
12.	Earthquake	5,544	17,616	14,582
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	97,994	354,759	340,173
17.2	Other liability-claims made	11,230	22,462	0
17.3	Excess Workers' Compensation	0		0
18.1	Products liability-occurrence	10,308	28,564	28,887
18.2	Products liability-claims made	0		0
19.1,19.2	Private passenger auto liability	3,218,317	9,265,976	9,998,458
19.3,19.4	Commercial auto liability	811,241	2,713,446	2,546,564
21.	Auto physical damage	3,314,759	9,649,358	10,036,794
22.	Aircraft (all perils)	0		0
23.	Fidelity	0		0
24.	Surety	0		0
26.	Burglary and theft	16,774	49,915	44,427
27.	Boiler and machinery	88,549	262,748	221,408
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
35.	TOTALS	22,213,233	63,810,990	60,024,840
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 LIGHTNING ROD MUTUAL INSURANCE COMPANY

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2012 Loss and LAE Payments on Claims Reported as of Prior Year-End	2012 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2012 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols.7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2009 + Prior	5,297	329	5,626	2,833	111	2,944	2,451	23	153	2,627	(13)	(42)	(55)
2. 2010	6,635	532	7,167	2,851	61	2,912	3,307	61	339	3,707	(477)	(71)	(548)
3. Subtotals 2010 + prior	11,932	861	12,793	5,684	172	5,856	5,758	84	492	6,334	(490)	(113)	(603)
4. 2011.....	16,165	4,395	20,560	8,190	2,353	10,543	7,634	519	1,512	9,665	(341)	(11)	(352)
5. Subtotals 2011 + prior	28,097	5,256	33,353	13,874	2,525	16,399	13,392	603	2,004	15,999	(831)	(124)	(955)
6. 2012	XXX	XXX	XXX	XXX	37,059	37,059	XXX	11,442	8,164	19,606	XXX	XXX	XXX
7. Totals	28,097	5,256	33,353	13,874	39,584	53,458	13,392	12,045	10,168	35,605	(831)	(124)	(955)
8. Prior Year-End Surplus As Regards Policy-holders	125,704										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. (3.0)	2. (2.4)	3. (2.9)
											Col. 13, Line 7 Line 8		
											4. (0.8)		

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?	.....YES.....

Explanation:

- 1.
- 2.
- 3.

Bar Code:

1.



26123201249000003

2.



26123201245500003

3.



26123201236500003

OVERFLOW PAGE FOR WRITE-INS

SCHEDULE A – VERIFICATION

Real Estate

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	6,002,167	6,242,106
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	15,913	10,746
2.2 Additional investment made after acquisition		0
3. Current year change in encumbrances		0
4. Total gain (loss) on disposals		0
5. Deduct amounts received on disposals		0
6. Total foreign exchange change in book/adjusted carrying value		0
7. Deduct current year's other than temporary impairment recognized		0
8. Deduct current year's depreciation	188,525	250,685
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)	5,829,555	6,002,167
10. Deduct total nonadmitted amounts	0	0
11. Statement value at end of current period (Line 9 minus Line 10)	5,829,555	6,002,167

SCHEDULE B – VERIFICATION

Mortgage Loans

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

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	5,056,795	5,260,556
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)	94,713	(203,761)
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and depreciation		0
9. Total foreign exchange change in book/adjusted carrying value		0
10. Deduct current year's other than temporary impairment recognized		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	5,151,508	5,056,795
12. Deduct total nonadmitted amounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	5,151,508	5,056,795

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	164,393,953	166,135,870
2. Cost of bonds and stocks acquired	29,709,150	28,979,360
3. Accrual of discount	83,202	107,949
4. Unrealized valuation increase (decrease)	4,660,785	(2,171,089)
5. Total gain (loss) on disposals	626,509	2,200,203
6. Deduct consideration for bonds and stocks disposed of	29,499,534	30,664,600
7. Deduct amortization of premium	171,176	193,741
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)	169,802,889	164,393,953
11. Deduct total nonadmitted amounts	283,553	263,165
12. Statement value at end of current period (Line 10 minus Line 11)	169,519,336	164,130,788

STATEMENT AS OF SEPTEMBER 30, 2012 OF THE LIGHTNING ROD 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).....	102,466,820	9,024,121	9,795,180	(49,149)	104,378,408	102,466,820	101,646,612	101,727,600
2. Class 2 (a).....	4,470,647		499,298	(2,241)	4,472,200	4,470,647	3,969,108	4,791,849
3. Class 3 (a).....	370,000				370,000	370,000	370,000	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	107,307,467	9,024,121	10,294,478	(51,390)	109,220,609	107,307,467	105,985,720	106,889,448
PREFERRED STOCK								
8. Class 1	963,720			(5,760)	966,960	963,720	957,960	983,880
9. Class 2	840,771			(8,953)	843,598	840,771	831,818	848,401
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.....	1,804,491	0	0	(14,713)	1,810,558	1,804,491	1,789,778	1,832,281
15. Total Bonds & Preferred Stock	109,111,958	9,024,121	10,294,478	(66,103)	111,031,167	109,111,958	107,775,498	108,721,729

(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 \$

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	2,989,502	XXX	2,989,502	1,148	

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.....	3,094,223	3,220,410
2. Cost of short-term investments acquired	17,776,517	23,664,930
3. Accrual of discount		0
4. Unrealized valuation increase (decrease).....		0
5. Total gain (loss) on disposals		0
6. Deduct consideration received on disposals	17,881,237	23,791,117
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).....	2,989,502	3,094,223
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	2,989,502	3,094,223

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	33,275
3. Unrealized Valuation increase/(decrease)	15,588
4. Total gain (loss) on termination recognized	2,200
5. Considerations received/(paid) on terminations	(200)
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)	51,263
10. Deduct nonadmitted assets	
11. Statement value at end of current period (Line 9 minus Line 10)	51,263

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

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.....	33,275
2.	Part B, Section 1, Column 14.....	0
3.	Total (Line 1 plus Line 2).....	33,275
4.	Part D, Column 5.....	0
5.	Part D, Column 6.....	0
6.	Total (Line 3 minus Line 4 minus Line 5).....	33,275
		Fair Value Check
7.	Part A, Section 1, Column 16.....	48,863
8.	Part B, Section 1, Column 13.....	0
9.	Total (Line 7 plus Line 8).....	48,863
10.	Part D, Column 8.....	0
11.	Part D, Column 9.....	0
12.	Total (Line 9 minus Line 10 minus Line 11).....	48,863
		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
(Cash Equivalents)

	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 cash equivalents acquired		0
3. Accrual of discount		0
4. Unrealized valuation increase (decrease)		0
5. Total gain (loss) on disposals.....		0
6. Deduct consideration received on disposals		0
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)	0	0
11. Deduct total nonadmitted amounts		0
12. Statement value at end of current period (Line 10 minus Line 11)	0	0

NONE

STATEMENT AS OF SEPTEMBER 30, 2012 OF THE LIGHTNING ROD MUTUAL INSURANCE COMPANY

SCHEDULE A - PART 2

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

[illegible]

SCHEDULE A - PART 3

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

[illegible]

EO1

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 LIGHTNING ROD MUTUAL INSURANCE 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)
Bonds - U.S. Special Revenue									
035361-BC-7	Ankeny IA Cmnty Sch Dist		09/26/2012	D A Davidson & Co.		300,000	300,000		1FE
135521-AS-1	Canadian Cnty OK Edu Fac Rev		07/18/2012	D A Davidson & Co.		650,874	600,000		1FE
89952P-DS-1	Tulsa Cnty OK Broken Arrow Pub Sch		09/24/2012	D A Davidson & Co.		446,860	400,000	1,156	1FE
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Government and Their Political Subdivisions						1,397,734	1,300,000	1,156	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)									
38143A-XU-4	Goldman Sachs Bank - CD		07/24/2012	First Empire Securities L		245,000	245,000		1
911312-AQ-9	United Parcel Service		09/25/2012	Raymond James & Associate		600,420	600,000	41	1FE
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						845,420	845,000	41	XXX
8399997 - Subtotals- Bonds - Part 3						2,243,154	2,145,000	1,196	XXX
8399999 - Subtotals - Bonds						2,243,154	2,145,000	1,196	XXX
Common Stocks - Industrial and Miscellaneous									
037833-10-0	Apple Inc.		09/28/2012	Merrill Lynch	347.000	214,893			L
46625H-10-0	JP Morgan Chase & Co		07/09/2012	Merrill Lynch	4,875.000	164,775			L
580135-10-1	McDonalds Corporation		07/12/2012	Merrill Lynch	1,825.000	164,396			L
9099999 - Common Stocks - Industrial and Miscellaneous (Unaffiliated)						544,063	XXX	0	XXX
Common Stocks - Mutual Funds									
001620-86-6	Alerian MLP ETF		09/28/2012	Merrill Lynch	6,650.000	109,991			L
22544R-30-5	Credit Suisse Commodity Fnd Inst'l		07/16/2012	Stock Exchange	126,883.009	1,047,200			U
277911-49-1	Eaton Vance Floating Rate Fnd CL I		09/28/2012	Merrill Lynch	36,283.683	330,000			U
67074U-10-3	Nuveen Energy MLP Total Rtn Fnd		08/24/2012	Stock Exchange	48,502.376	414,424			L
880208-85-5	Templeton Global Total Rtn Fund	R	07/06/2012	Merrill Lynch	8,580.343	110,000			U
9299999 - Common Stocks - Mutual Funds						2,011,615	XXX	0	XXX
Common Stocks - Money Market Mutual Funds									
998911-UC-3	BBIF Money Fund Class 4		09/28/2012	Merrill Lynch	5,586,347.000	5,586,347			U
9399999 - Common Stocks - Money Market Mutual Funds						5,586,347	XXX	0	XXX
9799997 - Subtotals - Common Stocks - Part 3						8,142,025	XXX	0	XXX
9799999 - Subtotals - Common Stocks						8,142,025	XXX	0	XXX
9899999 - Subtotals- Preferred and Common Stocks						8,142,025	XXX	0	XXX
9999999 Totals						10,385,179	XXX	1,196	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 LIGHTNING ROD 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	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	For e i g n	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)
Bonds - U.S. Governments																					
36217A-HM-5...	GNMA Pool #187536.....		09/15/2012..	PRINCIPAL RECEIPT.....		220	220	218	220		1		1		220			0	13	02/15/2017..	1FE...
36295P-6H-0...	GNMA Pool #676872.....		09/15/2012..	PRINCIPAL RECEIPT.....		44,367	44,367	44,755	44,701		(334)		(334)		44,367			0	1,330	03/15/2023..	1FE...
912828-AJ-9...	U S Treasury Note.....		08/15/2012..	MATURITY.....		500,000	500,000	507,422	500,746		(746)		(746)		500,000			0	21,875	08/15/2012..	1...
0599999 - Bonds - U.S. Governments						544,587	544,587	552,396	545,666	0	(1,079)	0	(1,079)	0	544,587	0	0	0	23,219	XXX	XXX
Bonds - U.S. States, Territories and Possessions																					
677520-GJ-1...	Ohio St GO BDS 2005A.....		09/01/2012..	MATURITY.....		500,000	500,000	500,000	500,000				0		500,000			0	18,750	09/01/2012..	1FE...
1799999 - Bonds - U.S. States, Territories and Possessions						500,000	500,000	500,000	500,000	0	0	0	0	0	500,000	0	0	0	18,750	XXX	XXX
Bonds - U.S. Political Subdivisions of States, Territories and Possessions																					
306297-WL-2...	Fall River MA.....		07/02/2012..	CALLED @ 100.5000000.....		90,450	90,000	91,209	90,192		(67)		(67)		90,126		324	324	2,637	06/01/2018..	1FE...
463777-JW-3...	Irving TX Dallas Cnty.....		09/15/2012..	CALLED @ 100.0000000.....		500,000	500,000	505,535	500,000				0		500,000			0	25,000	09/15/2015..	1FE...
473502-HV-7...	Jefferson Cnty TX FGIC.....		08/01/2012..	CALLED @ 100.0000000.....		500,000	500,000	496,740	499,432		205		205		499,636		364	364	23,750	08/01/2013..	1FE...
567219-TU-4...	Maricopa Cnty SD No 41 Gilbert.....		07/01/2012..	CALLED @ 100.0000000.....		500,000	500,000	503,280	500,198		(198)		(198)		500,000			0	23,000	07/01/2014..	1FE...
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						1,590,450	1,590,000	1,596,764	1,589,822	0	(60)	0	(60)	0	1,589,762	0	688	688	74,387	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																					
3128M1-LA-5...	FHLMC (Gold) Pool #G12221.....		09/15/2012..	PRINCIPAL RECEIPT.....		16,047	16,047	16,047	16,047				0		16,047			0	595	06/01/2021..	1FE...
31335H-5P-4...	FHLMC (Gold) Pool #C90854.....		09/15/2012..	PRINCIPAL RECEIPT.....		15,804	15,804	15,856	15,854		(50)		(50)		15,804			0	580	09/01/2024..	1FE...
31294K-NV-3...	FHLMC (Gold) Pool #E01304.....		09/15/2012..	PRINCIPAL RECEIPT.....		14,351	14,351	14,337	14,337		13		13		14,351			0	434	01/01/2018..	1FE...
31294K-K5-3...	FHLMC (Gold) Pool #E01216.....		09/15/2012..	PRINCIPAL RECEIPT.....		11,822	11,822	11,911	11,877		(55)		(55)		11,822			0	431	10/01/2017..	1FE...
3128M1-BB-4...	FHLMC (Gold) Pool #G11934.....		09/15/2012..	PRINCIPAL RECEIPT.....		11,424	11,424	11,417	11,409		15		15		11,424			0	416	04/01/2016..	1FE...
3128M1-PA-1...	FHLMC (Gold) Pool #G12317.....		09/15/2012..	PRINCIPAL RECEIPT.....		13,658	13,658	13,658	13,658		0		0		13,658			0	499	08/01/2021..	1FE...
3128MB-3A-3...	FHLMC (Gold) Pool #G13293.....		09/15/2012..	PRINCIPAL RECEIPT.....		19,598	19,598	19,451	19,472		125		125		19,598			0	653	12/01/2018..	1FE...
3137AP-BD-1...	FHLMC CMO 4033 EB.....		09/15/2012..	PRINCIPAL RECEIPT.....		8,253	8,253	8,232			21		21		8,253			0	42	10/15/2036..	1FE...
31371L-JU-4...	FNMA Gtd Mtg Pool #255075.....		09/25/2012..	PRINCIPAL RECEIPT.....		19,492	19,492	19,486	19,481		11		11		19,492			0	719	02/01/2024..	1FE...
31402R-GM-5...	FNMA Pool #735604.....		09/25/2012..	PRINCIPAL RECEIPT.....		21,429	21,429	21,496	21,475		(47)		(47)		21,429			0	717	06/01/2020..	1FE...
3136A2-VK-6...	FNMA CMO TR-2011-126.....		09/25/2012..	PRINCIPAL RECEIPT.....		14,525	14,525	14,525	14,525		0		0		14,525			0	238	06/25/2040..	1FE...
31381P-C9-7...	FNMA DUS Pool #466396.....		09/25/2012..	PRINCIPAL RECEIPT.....		1,505	1,505	1,508	1,508		(3)		(3)		1,505			0	35	11/01/2020..	1FE...
31371L-XW-4...	FNMA Gtd Mtg Pool #255497.....		09/25/2012..	PRINCIPAL RECEIPT.....		21,193	21,193	21,074	21,081		112		112		21,193			0	797	10/01/2024..	1FE...
31371L-7J-2...	FNMA Gtd Mtg Pool #255697.....		09/25/2012..	PRINCIPAL RECEIPT.....		27,781	27,781	28,519	28,212		(430)		(430)		27,781			0	837	04/01/2015..	1FE...
31402Y-NJ-9...	FNMA Gtd Mtg Pool #742093.....		09/25/2012..	PRINCIPAL RECEIPT.....		17,277	17,277	16,812	16,888		388		388		17,277			0	522	04/01/2019..	1FE...
31416X-HY-9...	FNMA Gtd Mtg Pool #AB2046.....		09/25/2012..	PRINCIPAL RECEIPT.....		26,248	26,248	25,805	25,812		436		436		26,248			0	530	01/01/2026..	1FE...
31371K-VB-4...	FNMA Pool #254510.....		09/25/2012..	PRINCIPAL RECEIPT.....		11,050	11,050	11,195	11,139		(89)		(89)		11,050			0	371	11/01/2017..	1FE...
31371K-2X-8...	FNMA Pool #254690.....		09/25/2012..	PRINCIPAL RECEIPT.....		11,150	11,150	11,073	11,080		71		71		11,150			0	411	04/01/2023..	1FE...
31371L-DT-3...	FNMA Pool #254914.....		09/25/2012..	PRINCIPAL RECEIPT.....		12,090	12,090	12,180	12,093		(3)		(3)		12,090			0	362	09/01/2013..	1FE...
31371L-SL-4...	FNMA Pool #255323.....		09/25/2012..	PRINCIPAL RECEIPT.....		13,046	13,046	13,214	13,087		(41)		(41)		13,046			0	393	07/01/2014..	1FE...
31385W-SB-6...	FNMA Pool #555014.....		09/25/2012..	PRINCIPAL RECEIPT.....		20,420	20,420	20,612	20,522		(102)		(102)		20,420			0	756	11/01/2017..	1FE...
31385X-GK-7...	FNMA Pool #555602.....		09/25/2012..	PRINCIPAL RECEIPT.....		17,371	17,371	17,241			106		106		17,371			0	574	06/01/2018..	1FE...
3136A1-6Y-6...	FNMA REMIC Ser 2011-M8 CL AB.....		09/25/2012..	PRINCIPAL RECEIPT.....		7,664	7,664	7,889			(225)		(225)		7,664			0	129	08/25/2021..	1FE...
593791-CQ-7...	Miami Univ OH.....		09/01/2012..	MATURITY.....		600,000	600,000	606,942	600,684		(684)		(684)		600,000			0	20,250	09/01/2012..	1FE...
67756B-QN-3...	Ohio St Higher EDL Fac Rev.....		09/01/2012..	MATURITY.....		395,000	395,000	396,359	395,152		(152)		(152)		395,000			0	15,800	09/01/2012..	1FE...
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						1,348,198	1,348,198	1,356,839	1,332,659	0	(582)	0	(582)	0	1,348,198	0	0	0	47,086	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
724479-AF-7...	Pitney Bowes Inc SR NT.....		07/02/2012..	VARIOUS.....		505,590	500,000	483,935	497,907		1,391		1,391		499,298		6,292	6,292	17,280	10/01/2012..	2FE...
046353-AC-2...	Astrazeneca PLC Nt.....		09/15/2012..	MATURITY.....		500,000	500,000	505,330	500,850		(850)		(850)		500,000			0	27,000	09/15/2012..	1FE...
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						1,005,590	1,000,000	989,265	998,756	0	542	0	542	0	999,298	0	6,292	6,292	44,280	XXX	XXX
8399997 - Subtotals - Bonds - Part 4						4,988,825	4,982,785	4,995,263	4,966,903	0	(1,179)	0	(1,179)	0	4,981,845	0	6,980	6,980	207,721	XXX	XXX
8399999 - Subtotals - Bonds						4,988,825	4,982,785	4,995,263	4,966,903	0	(1,179)	0	(1,179)	0	4,981,845	0	6,980	6,980	207,721	XXX	XXX
Common Stocks - Industrial and Miscellaneous (Unaffiliated)																					
26441C-20-4...	Duke Energy Corp.....		07/23/2012..	CASH IN LIEU - FRAC'L SHR.....	0.597	44	XXX	22	39	(17)			(17)		22		22	22	1	XXX	L...
636180-10-1...	National Fuel Gas Company.....		07/09/2012..	Merrill Lynch Transfer.....	3,850,000	179,817	XXX	84,994	213,983	(128,989)			(128,989)		84,994		94,822	94,822	3,464	XXX	L...
9099999 - Common Stocks - Industrial and Miscellaneous (Unaffiliated)						179,861	XXX	85,017	214,022	(129,006)	0	0	(129,006)	0	85,017	0	94,844	94,844	3,464	XXX	XXX
Common Stock - Mutual Funds																					
09253X-10-2...	Blackrock Muni Intermediate Dur.....		07/20/2012..	Merrill Lynch.....	5,280,000	88,215	XXX	68,889	80,890	(12,001)			(12,001)		68,889		19,327	19,327	2,643	XXX	L...
22544R-10-7...	Credit Suisse Commodity Fd CL A.....		07/16/2012..	Stock Exchange.....	128,150,256	1,047,200	XXX	1,047,200	1,039,299	7,901			7,901		1,047,200			0		XXX	U...

SCHEDULE D - PART 4

[illegible]

E05.1

E06

E06

E06

E06

SCHEDULE DB - PART A - SECTION 1

(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

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter							
1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
NONE							
8699999 Total Cash Equivalents					0	0	0



SUPPLEMENT FOR THE QUARTER ENDING SEPTEMBER 30, 2012 OF THE LIGHTNING ROD MUTUAL INSURANCE COMPANY

DIRECTOR AND OFFICER INSURANCE COVERAGE SUPPLEMENT

NAIC Group Code 0207 Year To Date For The Period Ended 2012 NAIC Company Code 26123

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

1. Monoline Policies

1 Direct Written Premium	2 Direct Earned Premium	3 Direct Losses Incurred
\$ 0	\$ 0	\$ 0

2. Commercial Multiple Peril (CMP) Packaged Policies

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

Yes ☒ No ☐
- 2.2 Can the direct premium earned for D&O liability coverage provided as part of a CMP packaged policy be quantified or estimated?

Yes ☒ No ☐
- 2.3 If the answer to question 2.2 is yes, provide the quantified or estimated direct premium earned amount for D&O liability coverage in CMP packaged policies

2.31 Amount quantified:

\$9,180

2.32 Amount estimated using reasonable assumptions:

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

\$0