

ANNUAL STATEMENT

For the Year Ended

December 31, 2012

OF THE CONDITION AND AFFAIRS OF THE

NORTON MUTUAL FIRE ASSOCIATION

ORGANIZED UNDER THE LAWS OF THE STATE OF OHIO

Made to the

INSURANCE COMMISSIONER OF THE STATE OF OHIO

Pursuant to the Laws thereof

NAIC Company Code 10264

Home Office 529 W TUSCARAWAS AVE
Street and Number City Zip Code

BARBERTON 44203 OH

Mail Address PO BOX 107
Street and Number City Zip Code

BARBERTON 44203 OH

Main Administrative Office (330) 745-5225
Telephone Number

Organized MARCH 1879

Commenced Business

MARCH 1879

Annual Statement Contact Person DIANNE L ANZALDI

Telephone Number

(330) 745-5225

Contact Person Email Address danzaldi@nortonmutual.com

OFFICERS

President CYNTHIA K KELLER

Vice President

THOMAS HARNDEN

Secretary DIANNE L ANZALDI

Treasurer

DIANNE L ANZALDI

DIRECTORS

(ALL DIRECTORS MUST BE SHOWN)

WAYNE AULT
CHARLES NOVAK

EDWARD GRESSER

THOMAS HARNDEN

JAMES CARPENTER

State of Ohio
County of
SUMMIT

CYNTHIA K KELLER President and

DIANNE L ANZALDI

Secretary of the

NORTON MUTUAL FIRE ASSOCIATION

above described officers of said reporting entity, and that on the reporting period stated above all 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, with the schedules and explanations herein contained, annexed or referred to, is a full and correct 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, according to the best of their information, knowledge and belief, respectively

Subscribed and sworn to before me, this 27
day of Feb 20 13


Notary Public

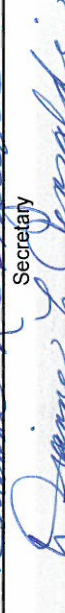
Mitchell A. Neumoff Attorney at Law
Notary Public - State of Ohio
My commission expires no exp. date. Sec.
147.03 ORC



President



Secretary



Signature of Person Preparing Statement

**ANNUAL STATEMENT FOR THE YEAR
NORTON MUTUAL FIRE ASSOCIATION**

2012

ASSETS

		Assets Current Year	Nonadmitted Assets Current Year	Net Admitted Assets Current Year	Net Admitted Assets Prior Year
1	Bonds (Schedule D - Part 1)	64,825.27	0.00	64,825.27	114,531.83
2	Preferred stocks, common stocks and mutual funds (Schedule D - Part 2)	165,145.00	0.00	165,145.00	90,224.05
3	Real estate (less liens, encumbrances) (Schedule A)	0.00	0.00	0.00	
4	Cash (Schedule E)	405,051.03	0.00	405,051.03	412,301.45
5	Short-term investments		0.00	0.00	
6	Aggregate write-ins for invested assets		0.00	0.00	
7	Subtotals, cash and invested assets	635,021.30	0.00	635,021.30	617,057.33
8	Investment income due and accrued	636.06	0.00	636.06	1,288.22
9.1	Assessments or premiums in the course of collection (including agents balances)	2,902.00	0.00	2,902.00	6,923.00
9.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due	62,129.00	0.00	62,129.00	60,013.00
9.3	Earned but unbilled premiums (post assessment)		0.00	0.00	
10.1	Amounts recoverable from reinsurers	10,231.35	0.00	10,231.35	11,482.42
10.2	Funds held by or deposited with reinsured companies		0.00	0.00	
11.1	Current federal income tax recoverable and interest thereon		0.00	0.00	1,252.00
11.2	Net deferred tax asset		0.00	0.00	
12	Electronic data processing equipment and software	2,456.71	0.00	2,456.71	3,702.87
13	Furniture and equipment	6,685.62	6,685.62	0.00	
14	Receivables from parent, subsidiaries and affiliates		0.00	0.00	
15	Aggregate write-ins for other than invested assets	0.00	0.00	0.00	0.00
16	Total Assets	720,062.04	6,685.62	713,376.42	701,718.84
	Details of Write-Ins for Assets:				
1501				0.00	
1502				0.00	
1503				0.00	
1598	Summary or remaining write-ins from overflow page	0.00	0.00	0.00	0.00
1599	Total aggregate write-ins	0.00	0.00	0.00	0.00

**ANNUAL STATEMENT FOR THE YEAR
NORTON MUTUAL FIRE ASSOCIATION**

LIABILITIES, SURPLUS AND OTHER FUNDS

		Current Year	Prior Year
1	Unpaid Losses (Underwriting Exhibit - Part 2A)	34,113.75	25,000.00
2	Unpaid loss adjustment expenses (Underwriting Exhibit - Part 2A)	0.00	
3	Commissions due and payable to agents	10,260.96	10,133.16
4	Other expenses (excluding taxes, licenses and fees)	14,320.00	21,632.00
5	Taxes, licenses and fees (excluding federal income taxes)		
6	Current federal income taxes (including \$0 on realized capital gains (losses))	767.00	
7	Net deferred tax liability		
8	Borrowed money and interest thereon		
9	Unearned assessment/premium reserve	200,191.00	194,377.00
10	Advance premium		
11	Ceded reinsurance premiums payable		
12	Funds held by company under reinsurance treaties		
13	Amounts withheld or retained by company for account of others		
14	Provision for unauthorized reinsurance		
15	Payable to parent, subsidiaries and affiliates		
16	Aggregate write-ins for liabilities	0.00	0.00
17	Total liabilities	259,652.71	251,142.16
18	Surplus as regards policyholders	453,723.71	450,576.68
19	Total liabilities and surplus	713,376.42	701,718.84
	Details of Write-Ins for Liabilities:		
1601			
1602			
1603			
1698	Summary or remaining write-ins from overflow page	0.00	0.00
1699	Total aggregate write-ins	0.00	0.00

**ANNUAL STATEMENT FOR THE YEAR
NORTON MUTUAL FIRE ASSOCIATION
STATEMENT OF INCOME**

2012

		Current Year	Prior Year
	UNDERWRITING INCOME		
1.1	Gross Assessments/Premiums earned	436,032.90	440,152.66
1.2	Less: Return Assessments/Premiums earned		
1.3	Direct Assessments/Premiums earned	436,032.90	440,152.66
1.4	Deduct premiums for reinsurance ceded (Reinsurance Schedule)	201,557.90	194,226.96
1.5	Add premiums received for reinsurance assumed (Reinsurance Schedule)	0.00	
1.6	Net Assessments/Premiums earned	234,475.00	245,925.70
	DEDUCTIONS		
2	Losses incurred (Underwriting Exhibit - Part 2)	50,189.25	18,205.60
3	Loss expenses incurred (Expense Exhibit)	6,570.20	6,664.00
4	Other underwriting expenses incurred (Expense Exhibit)	205,561.72	196,397.18
5	Aggregate write-ins for underwriting deductions	0.00	0.00
6	Total underwriting deductions	262,321.17	221,266.78
7	Net underwriting gain (loss)	-27,846.17	24,658.92
	INVESTMENT INCOME		
8	Net investment income earned	11,553.18	10,810.09
9	Net realized capital gains (losses) less capital gains tax	8,982.80	
10	Net investment gain (loss)	20,535.98	10,810.09
	OTHER INCOME		
11	Net gain (loss) from agents' or premium balances charged off		
12	Finance and service charges not included in premiums		
13	Aggregate write-ins for miscellaneous income	9,517.92	10,036.91
14	Total other income	9,517.92	10,036.91
15	Net income, after capital gains tax and before federal income taxes	2,207.73	45,505.92
16	Federal income taxes incurred	2,267.00	1,262.61
17	Net income	-59.27	44,243.31
	SURPLUS ACCOUNT		
18	Surplus as regards policyholders, December 31 prior year	450,576.68	402,139.77
19	Net income	-59.27	44,243.31
20	Change in net unrealized capital gains or (losses) less capital gains tax	148.35	1,135.74
21	Change in net deferred income tax		
22	Change in nonadmitted assets (Exhibit of Nonadmitted Assets)	3,057.95	3,057.86
23	Change in provision for reinsurance		
24	Aggregate write-ins for gains and losses in surplus	0.00	0.00
25	Change in surplus as regards policyholders for the year	3,147.03	48,436.91
26	Surplus as regards policyholders, December 31 current year	453,723.71	450,576.68
	DETAILS OF WRITE-INS		
0501			
0502			
0503			
0599	Total Aggregate write-ins for underwriting deductions	0.00	0.00
1301	RENT INCOME	2,652.00	2,652.00
1302	OTHER INCOME	6,865.92	7,384.91
1303			
1304			
1399	Total Aggregate write-ins for miscellaneous income	9,517.92	10,036.91
2401			
2402			
2499	Total Aggregate write-ins for gains and losses in surplus	0.00	0.00

**ANNUAL STATEMENT FOR THE YEAR
NORTON MUTUAL FIRE ASSOCIATION**

2012

CASH FLOW STATEMENT

	Current Year	Prior Year
Cash from Operations		
1	242,194.00	225,877.70
2	12,205.34	23,077.30
3	9,517.92	10,036.91
4	263,917.26	258,991.91
5	39,824.43	3,013.98
6	219,316.12	194,027.76
7	248.00	-15.39
8	259,388.55	197,026.35
9	4,528.71	61,965.56
Cash from Investments		
10		
10.1	73,548.50	
10.2	5,000.00	
10.3		
10.4		
10.5		
10.6	78,548.50	0.00
11		
11.1	14,432.74	
11.2	80,199.00	5,426.40
11.3		
11.4		
11.5	94,631.74	5,426.40
11.6	-16,083.24	-5,426.40
Cash from Financing and Miscellaneous Sources		
12.1		
12.2	4,304.11	4,512.51
13	4,304.11	4,512.51
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
14	-7,250.42	61,051.67
15.1	412,301.45	351,249.78
15.2	405,051.03	412,301.45

ANNUAL STATEMENT FOR THE YEAR 2012
NORTON MUTUAL FIRE ASSOCIATION

EXPENSE EXHIBIT

		Current Year
1.1	Claim Adjusting:	
	Direct	
1.2	Reinsurance assumed	0.00
1.3	Reinsurance ceded excluding contingent (commission and brokerage)	0.00
1.4	Net claim adjusting	0.00
2.1	Commission and Brokerage:	47,294.91
	Direct commission and brokerage	
2.2	Reinsurance assumed excluding contingent	0.00
2.3	Reinsurance ceded excluding contingent (commission and brokerage)	0.00
2.4	Contingent - direct (commission and brokerage)	0.00
2.5	Contingent - reinsurance assumed (commission and brokerage)	0.00
2.6	Contingent - reinsurance ceded (commission and brokerage)	0.00
2.7	Policy and membership fees (commission and brokerage)	0.00
2.8	Net commission and brokerage	47,294.91
3	Allowances to managers and agents	0.00
4	Advertising	5,428.25
5	Boards, bureaus and associations	5,418.43
6	Surveys and underwriting reports	0.00
7	Audit of assureds' records	0.00
8.1	Salary and related items:	0.00
	Salaries	
8.2	Payroll taxes	0.00
9	Employee relations and welfare	0.00
10	Insurance	4,928.80
11	Directors' fees	7,100.00
12	Travel and travel items	483.57
13	Rent and rent items	5,400.00
14	Equipment	8,860.01
15	Cost or depreciation of EDP equipment and software	0.00
16	Printing and stationery	5,427.85
17	Postage, telephone, exchange and express	4,474.90
18	Legal and auditing	14,759.75
19	Loss adjustment expenses	6,570.20
18	Investment expenses	0.00
19	Totals	68,851.76
	Taxes, licenses and fees:	
20.1	State and local insurance taxes	250.00
20.2	Insurance department licenses and fees	1,411.00
20.3	All other (excluding federal income and real estate)	0.00
20.4	Total taxes, licenses and fees	1,661.00
21	Real estate expenses	292.88
22	Real estate taxes	0.00
23	Aggregate write-ins for miscellaneous expenses	94,031.37
24	Total expenses incurred (a)	212,131.92
25	Less unpaid expenses - current year	24,580.96
26	Add unpaid expenses - prior year	31,765.16
27	Total expenses paid	219,316.12
	Details of Write-Ins:	
2301	CLERICAL	91,200.00
2302	UTILITIES	2,745.74
2303	OTHER EXPENSES	85.63
2304		
2305		
2399	Total Write-ins	94,031.37

(a) Includes management fees of \$0 to affiliates and \$0 to non-affiliates

INSURANCE IN FORCE

		Amount (dollars)	Number
1	In force December 31 of previous year (to equal prior year's statement)	50,935,252	642
2	Written during the year	16,073,150	160
3	Total	67,008,402	802
4	Deduct those expired and cancelled	12,445,550	154
5	In force December 31 of current year	54,562,852	648
6	Deduct amount reinsured	0	XXX
7	Net amount in force	54,562,852	XXX

UNDERWRITING EXHIBIT - PART 2
 LOSSES INCURRED

1	2	3	4	5	6
Lines of Business	Direct Losses Incurred	Losses Incurred on Reinsurance Assumed	Deduct: Reinsurance Recovered on Incurred Losses	Deduct: Salvage and Subrogation Converted To Cash	Net Losses Incurred Columns 2 and 3 minus Columns 4 and 5
PROPERTY	155,609.15		105,419.90		50,189.25
OVERFLOW AMOUNTS					
Totals	\$ 155,609.15	\$ -	\$ 105,419.90	\$ -	\$ 50,189.25

* Total should equal Line 2, Page 4, Current Year.

UNDERWRITING EXHIBIT - PART 2A
 UNPAID LOSSES and LOSS ADJUSTMENT EXPENSES

1	2	3	4	5	6
Lines of Business	Direct Unpaid Losses	Unpaid Losses on Reinsurance Assumed	Deduct: Reinsurance Recoverable on Unpaid Losses	Unpaid Loss Adjustment Expenses	Net Unpaid Losses Columns 2 and 3 minus Column 4
INCURRED BUT NOT REPORTED	25,000.00				25,000.00
PROPERTY	23,810.38		14,696.63		9,113.75
OVERFLOW AMOUNTS					
Totals	\$ 48,810.38	\$ -	\$ 14,696.63	\$ -	\$ 34,113.75

** Total should equal Line 2, Page 3, Current Year.

*** Total should equal Line 1, Page 3, Current Year.

**ANNUAL STATEMENT FOR THE YEAR
NORTON MUTUAL FIRE ASSOCIATION**

EXHIBIT OF NONADMITTED ASSETS

	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets
1	Bonds		0.00
2	Preferred and common stocks and mutual funds		0.00
3	Real estate (less liens, encumbrances)		0.00
4	Cash		0.00
5	Short-term investments		0.00
6	Aggregate write-ins for invested assets		0.00
7	Subtotals, cash and invested assets	0.00	0.00
8	Investment income due and accrued		0.00
9.1	Assessments or premiums in the course of collection (including agents balances)		0.00
9.2	Premium receivable for advance pay		0.00
9.3	Earned but unbilled premiums (post assessment)		0.00
10.1	Amounts recoverable from reinsurers		0.00
10.2	Funds held by or deposited with reinsured companies		0.00
11.1	Current federal income tax recoverable and interest thereon		0.00
11.2	Net deferred tax asset		0.00
12	Electronic data processing equipment and software		0.00
13	Furniture and equipment	9,743.57	3,057.95
14	Receivables from parent, subsidiaries and affiliates		0.00
15	Aggregate write-ins for other than invested assets	0.00	0.00
16	Total Assets	9,743.57	3,057.95
	Details of Write-Ins for Assets:		
1501		0.00	0.00
1502		0.00	0.00
1503		0.00	0.00
1598	Summary or remaining write-ins from overflow page	0.00	0.00
1599	Total aggregate write-ins	0.00	0.00

SCHEDULE A

Showing All Real Estate OWNED December 31 of Current Year

1	2	3	4	5	6	7	8	9	10
Description of Property	Date Acquired	Name of Vendor	Actual Cost	Current Year Acquisitions or Permanent Improvements	Accumulated Depreciation	Amount of Encumbrances	Book Value End of Current Year (Col. 4+5-6-7) *	Gross Income (Real Estate)	Gross Expenses (Real Estate)
RENTAL SPACE IN OFFICE	5/16/2005	NORTON MUTUAL AGY					-	2,652.00	292.88
OVERFLOW AMOUNTS							-		
Totals	XXX	XXX	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,652.00	\$ 292.88

*Total to agree with Page 2, Line 3, Current Year.

FURNITURE, FIXTURES and AUTOMOBILES

Showing All Furniture, Fixtures and Automobiles OWNED December 31 of Current Year

1	2	3	4	5	6	7	8
Description	Date Acquired	Name of Vendor	Actual Cost	Current Year Acquisitions or Permanent Improvements	Accumulated Depreciation	Amount of Encumbrances	Book Value End of Current Year (Col. 4+5-6-7)
FURNITURE & FIXTURES	VARIOUS		12,826.92		12,826.92		-
CANVAS MURAL	2/8/2002		2,000.00				2,000.00
RCC SOFTWARE	1/19/2007		20,446.00		16,870.45		3,575.55
IBM TYPEWRITER	10/4/1994		997.98		778.41		219.57
DESKS	6/17/2009		1,370.00		479.50		890.50
PRINTERS AND COMPUTERS	VARIOUS		6,957.72		\$6,226.53		731.19
DELL COMPUTER	3/7/2005		1,134.78		976.72		158.06
2 DELL COMPUTERS	5/6/2004		1,541.42		1,192.75		348.67
SERVER	1/19/2007		8,534.00		7,315.21		1,218.79
OVERFLOW AMOUNTS							-
Totals	XXX	XXX	\$ 55,808.82	\$ -	\$ 46,666.49	\$ -	\$ 9,142.33

SCHEDULE D - PART 1

Showing all BONDS Owned on December 31 of Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Cusip #	Give complete and accurate description of all bonds owned.	From Whom Acquired	Date Acquired	Par Value	Actual Cost	Book Value / Amortized Value*	Market Value December 31 of Current Year	Amount Due and Accrued Dec. 31 of Current Year	Interest on bonds not in default	Increase by Adjustment, in Book Value During Year	Decrease by Adjustment, in Book Value During Year	Amount of Interest due and accrued Dec. 31. Current year, on bonds in default as to interest	Maturity Date	NAIC Designation	
Description															
17312QM4	CITIBANK NA CD	MERRILL LYNCH	10/14/2009	20,000.00	20,000.00	20,000.00	20,772.80	120.60	623.40	772.80			10/21/2014	IFE	
361601LT1	GE CAPITAL FINANCIAL CD	MERRILL LYNCH	10/14/2009	20,000.00	20,000.00	20,339.40	20,339.40	112.44	541.48	339.40			10/16/2013	IFE	
694918AJ3	MICROSOT CORP	MERRILL LYNCH	10/27/2010	15,000.00	14,666.81	16,927.95	16,927.95	168.75	675.00	2,261.14			10/1/2040	IFE	
931142CV3	WAL MART STORES INC	MERRILL LYNCH	10/20/2010	15,000.00	10,158.46	10,158.46	11,549.60	234.27	487.50	1,391.14			7/8/2040	IFE	
Totals		XXX	XXX	\$ 70,000.00	\$ 64,825.27	\$ 64,825.27	\$ 69,589.75	XXX	\$ 636.06	\$ 2,327.38	\$ -	\$ 4,764.48	XXX	XXX	
XXX	OVERFLOW AMOUNTS FROM PAGE 19	XXX	XXX	-	-	-	-	XXX	-	-	-	-	XXX	XXX	

* Annual Statement Value

SCHEDULE D - PART 2
Showing all Preferred & Common Stocks and Mutual Funds Owned December 31 of Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Cusip #	Description and accurate description of all stocks and mutual funds owned	From Whom Acquired	Acquired Date	No. of Shares	Par Value (Preferred Stocks)	Book Value	Per Share Used To Obtain Market Value	Market Value/ Fair Value December 31 of Current Year	Actual Cost	Received During Year	Dividends and Accrued Amount Due Dec. 31	Increase, by Book Value Adjustment, in Book Value During Year	Decrease, by Adjustment, in Book Value During Year
62989*105	NAMICO STOCK	NAMICO	4/2/1987	30.00	6,759.30	225.31	6,759.30	300.00	300.00			148.35	
054937602	BB & T CORPORATION 5.2%	MERRILL LYNCH	10/24/2012	1,000.00	25,000.00	24.57	24,570.00	25,000.00	25,000.00				
369622444	GENERAL ELECTRIC CAP CORP	MERRILL LYNCH	8/26/2009	3,100.00	78,186.70	27.50	85,250.00	78,186.70	78,186.70	5,037.52			
48126E750	JP MORGAN CHASE 5.5%	MERRILL LYNCH	9/21/2012	600.00	15,087.00	25.14	15,084.00	15,087.00	15,087.00	215.42			
48126E750	JP MORGAN CHASE 5.5%	MERRILL LYNCH	12/19/2012	400.00	10,112.00	25.14	10,056.00	10,112.00	10,112.00				
48126E750	JP MORGAN CHASE 5.5%	MERRILL LYNCH	11/15/2012	600.00	15,000.00	25.09	15,054.00	15,000.00	15,000.00				
744320607	PRUDENTIAL FINCL INC 5.75%	MERRILL LYNCH	11/28/2012	600.00	15,000.00	25.50	15,300.00	15,000.00	15,000.00				
OVERFLOW AMOUNTS FROM PAGE 19													
XXX		XXX	XXX	XXX	XXX	165,145.00	XXX	172,073.30	158,685.70	5,252.94		148.35	
Totals													

SCHEDULE D - PART 4

Showing all Bonds and Preferred & Common Stocks SOLD, REDEEMED OR Otherwise DISPOSED OF During the Current Year

Bonds, preferred stocks, common stocks and mutual funds to be grouped separately.

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Description	Cusip # Give complete and accurate description of each bond and stock. If bonds are option summarize all bonds of the same issue called, matured or redeemed during the year and omit dates under column (3).	Date Sold	Name of Purchaser (if matured or called under redemption option, so state and give price at which called.)	No. of Shares of Stock	Consideration (Excluding Accrued Interest on Bonds)	Par Value of Bonds	Cost to Company (Excluding Accrued Interest on Bonds)	Book Value at Date of Sale	Increase, By Adjustment in Book Value During Year	Decrease, By Adjustment in Book Value During Year	Profit on Sale	Loss on Sale	Interest on Bonds Received During Year (including accrued interest on bonds sold)	Dividends on Stocks Received During Year (including accrued dividends on stocks sold)
		11/28/2012	MERRILL LYNCH		18,849.45	15,000.00	14,438.10				4,411.35	724.59		
	BANK OF AMERICA 5.875%	10/22/2012	MERRILL LYNCH		20,000.00	20,000.00	20,000.00					492.69		
	BARCLAYS BANK DEL CD	11/15/2012	MERRILL LYNCH		18,104.55	15,000.00	14,919.21				3,185.34	823.13		
	JOHNSON & JOHNSON	9/21/2012	MERRILL LYNCH		16,594.50	15,000.00	14,781.99				1,812.51	951.04		
	WACHOVIA CORP	2/15/2012	MERRILL LYNCH	200.00	5,000.00		5,426.40				426.40			79.69
	AT&T INC 6.375% PREFERRED													
Totals	** You can insert additional rows in yellow above if needed!					\$65,000.00	\$69,565.70	\$69,565.70	\$-	\$-	\$9,409.20	\$426.40	\$2,991.45	\$79.69

REINSURANCE SCHEDULE
Reinsurance Ceded and Reinsurance Assumed

1	2	3	4	5	6	7	8
Reinsurer or Reinsured	Ceded or Assumed	Location of Company	Total Amount Reinsured	Total Premiums Ceded *	Total Premiums Assumed **	Largest Risk Ceded or Assumed	Remarks
GUY CARPENTER & CO	CEDED	PA		121,768.00			
GUY CARPENTER & CO	CEDED	PA		79,789.90			
OVERFLOW AMOUNTS							
Totals	XXX	XXX	\$ -	\$ 201,557.90	\$ -	XXX	XXX

*Total to agree with Page 4, Line 1.4, Current Year.

**Total to agree with Page 4, Line 1.5, Current Year.

COMPENSATION SCHEDULE

Show all salaries, commissions, claim adjustment expenses, directors fees and expenses, and travel items paid in the current year for the top 5 officers/employees and all directors, travel or car allowances, if paid, are to be included.

1	2	3	4	5	6	7	8	9
Name of Payee	Title	Salaries	Commissions	Claim Adjustment Expenses	Directors Fees & Expenses	Travel & Travel Items	All Other	Total
Officers/Employees:								
CYNTHIA K KELLER	PRESIDENT			1,200.00	1,200.00			\$ 1,200.00
THOMAS HARNDEN	VICE PRESIDENT			900.00	900.00			\$ 900.00
DIANNE ANZALDI	SEC/TREAS			1,200.00	1,200.00			\$ 1,200.00
JULIE JUSTICE	ASST SEC	4,823.89						\$ 4,823.89
Directors:								
WAYNE AULT				800.00	800.00			\$ 800.00
EDWARD GRESSER				1,000.00	1,000.00			\$ 1,000.00
CHARLES NOVAK				1,000.00	1,000.00			\$ 1,000.00
JAMES CARPENTER				1,000.00	1,000.00			\$ 1,000.00
Totals	XXXX	\$ -	\$ 4,823.89	\$ -	\$ 7,100.00	\$ -	\$ -	\$ 11,923.89

GENERAL INTERROGATORIES

(Answer all questions and attach additional sheets if necessary.)

- Company's retention:
 1a. Retention before reinsurance applies for: Fire \$10,000 Wind \$10,000 Other \$10,000
 Catastrophe Reinsurance \$10,000 Aggregate excess of loss
 2. What is the largest risk assumed and retained: \$45,000
 3. What kind of perils are being covered? FIRE, LIGHTNING, WIND, EXTENDED COVERAGE, THEFT, VANDALISM, EARTHQUAKE
- LOSS OF RENTS
 4. Have the by-laws been amended during the current year? NO if so, were such amendments filed with the Ohio Department of Insurance? N/A
 5. In what countries does the Company operate: STATE OF OHIO
- Name of Principal Officer and amount of bond. CYNTHIA K KELLER \$25,000
 7. Are all of the persons who handle funds of the Company bonded? Yes X No
 State the name and amount of each bond on each, except person named in Item 6 above. DIANNE ANZALDI \$25,000
- Does the Company have an annual audit conducted by an independent CPA? YES
 9. State the number of members holding policies in the Company. 648
 10. Was an annual report of the Company made available to each policyholder? YES if so, did such report agree with the annual statement filed with the Ohio Department of Insurance? Yes
 11. State as of what date the latest examination of the Company was made by the Ohio Department of Insurance. 12/31/2007
 12. How many assessments were made during the year? NONE Date of last assessment N/A
 13. Did the assessment provide for all losses, expenses and all other liabilities prior to the date of assessment? N/A
 14. Rate of policy fee \$30.00
 15. State the amount of borrowed money since date of last assessment NONE interest thereon NONE
 16. Does any person, firm, corporation or association have any claim, contingent or otherwise, against this Company which is included in the liabilities on page 2 of this statement? Yes No X
 If yes, give the amount, terms for payment and reasons why such were not recorded as a liability on page 2 of this statement.

ORGANIZATIONAL CHART

LIST ALL ENTITIES THAT ARE MEMBERS OF AN INSURANCE COMPANY HOLDING SYSTEM AS
DEFINED IN ORC 3901.32

