



## **PROPERTY AND CASUALTY COMPANIES —ASSOCIATION EDITION**

**QUARTERLY STATEMENT**  
AS OF MARCH 31, 2013  
OF THE CONDITION AND AFFAIRS OF THE  
**GERMAN MUTUAL INSURANCE COMPANY**

NAIC Group Code	0000 (Current Period)	0000 (Prior Period)	NAIC Company Code	17884	Employer's ID Number	34-4469685	
Organized under the Laws of			Ohio	State of Domicile or Port of Entry			Ohio
Country of Domicile			United States				
Incorporated/Organized	12/28/1984		Commenced Business	06/01/1867			
Statutory Home Office	1000 WESTMORELAND AVENUE (Street and Number)		NAPOLEON, OH, US 43545 (City or Town, State, Country and Zip Code)		NAPOLEON, OH, US 43545 (City or Town, State, Country and Zip Code)		
Main Administrative Office	1000 WESTMORELAND AVENUE (Street and Number)		NAPOLEON, OH, US 43545 (City or Town, State, Country and Zip Code)		419-599-3993 (Area Code) (Telephone Number)		
Mail Address	P.O. BOX 230 (Street and Number or P.O. Box)		NAPOLEON, OH, US 43545 (City or Town, State, Country and Zip Code)		NAPOLEON, OH, US 43545 (City or Town, State, Country and Zip Code)		
Primary Location of Books and Records	1000 WESTMORELAND AVENUE (Street and Number)		NAPOLEON, OH, US 43545 (City or Town, State, Country and Zip Code)		419-599-3993-208 (Area Code) (Telephone Number)		
Internet Web Site Address	www.heartland-ins.com						
Statutory Statement Contact	RHONDA K. BOCKELMAN (Name)		419-599-3993-208 (Area Code) (Telephone Number) (Extension)				
	rhonda.bockelman@heartland-ins.com (E-Mail Address)		419-599-0109 (Fax Number)				

## OFFICERS

**OFFICERS**

<b>Name</b> SCOTT C. PIPER # RHONDA K. BOCKELMAN	<b>Title</b> PRESIDENT TREASURER	<b>Name</b> RONALD D. SANDS	<b>Title</b> SECRETARY
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## OTHER OFFICERS

PHYLLIS A. KNAPE, Vice President, **DIRECTORS OR TRUSTEES**,  
SCOTT C. PIPER RONALD D. SANDS GREGORY A. EDWARDS J. SCOTT MILLER  
ALAN E. WYSE LESTER L. GERICKE RONALD H. GERKEN LORI B. MILLER  
GENE A. ROTH PAUL F. BRINKER

State of ..... OHIO.....  
County of ..... HENRY.....

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.

SCOTT C. PIPER  
PRESIDENT

RONALD D. SANDS  
SECRETARY

RHONDA K. BOCKELMAN  
TREASURER

Subscribed and sworn to before me this  
26 day of APRIL, 2013

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

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05/15/2013

MEGAN BATT, NOTARY  
FEBRUARY 12, 2016

**STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN 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 .....	.7,405,794		.7,405,794	.3,091,655
2. Stocks:				
2.1 Preferred stocks .....			0	202,960
2.2 Common stocks .....	11,002,835		.11,002,835	.9,036,647
3. Mortgage loans on real estate:				
3.1 First liens .....			0	0
3.2 Other than first liens .....			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....	1,352,263		.1,352,263	.1,367,745
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ ..... encumbrances) .....	107,916		.107,916	.107,916
5. Cash (\$ ..... 2,395,936 ), cash equivalents (\$ ..... 0 )	.2,490,826		.2,490,826	.8,997,074
and short-term investments (\$ ..... 94,890 ) .....				
6. Contract loans (including \$ ..... premium notes)			0	0
7. Derivatives .....	0		0	0
8. Other invested assets .....	0		0	0
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)	22,359,634	.0	.22,359,634	.22,803,997
13. Title plants less \$ ..... charged off (for Title insurers only) .....			0	0
14. Investment income due and accrued .....	45,947		.45,947	.49,830
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	.4,192,814		.4,192,814	.3,828,597
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 .....	.1,266,273		.1,266,273	.1,269,942
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 .....	.5,097,248	.4,288,794	.808,454	.879,257
19. Guaranty funds receivable or on deposit .....			0	0
20. Electronic data processing equipment and software .....	.1,800,154	.1,602,221	.197,933	.197,933
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....	.23,100	.23,100	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
23. Receivables from parent, subsidiaries and affiliates .....			0	0
24. Health care (\$ ..... ) and other amounts receivable .....	.45,000	.45,000	0	0
25. Aggregate write-ins for other than invested assets .....	.119,274	.119,274	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	34,949,444	.6,078,389	.28,871,055	.29,029,556
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
28. Total (Lines 26 and 27)	34,949,444	.6,078,389	.28,871,055	.29,029,556
<b>DETAILS OF WRITE-INS</b>				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	.0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. PREPAID EXPENSES .....	.14,186	.14,186	0	0
2502. AUTOS .....	.105,088	.105,088	0	0
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)	119,274	.119,274	0	0

**STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY**

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ )	4,825,112	4,778,655
2. Reinsurance payable on paid losses and loss adjustment expenses	0	0
3. Loss adjustment expenses	1,190,831	1,191,826
4. Commissions payable, contingent commissions and other similar charges	454,208	505,609
5. Other expenses (excluding taxes, licenses and fees)	1,249,917	1,225,745
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	414,253	376,006
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))	0	0
7.2 Net deferred tax liability	0	0
8. Borrowed money \$ and interest thereon \$	0	0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 1,307,137 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)	11,378,661	8,935,480
10. Advance premium	400,712	326,872
11. Dividends declared and unpaid:		
11.1 Stockholders	0	0
11.2 Policyholders	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions)	(625,595)	1,693,452
13. Funds held by company under reinsurance treaties	147,590	147,588
14. Amounts withheld or retained by company for account of others	3,007	340
15. Remittances and items not allocated	0	0
16. Provision for reinsurance (including \$ certified)	0	0
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	0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	19,438,696	19,181,573
27. Protected cell liabilities	0	0
28. Total liabilities (Lines 26 and 27)	19,438,696	19,181,573
29. Aggregate write-ins for special surplus funds	0	0
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)	9,432,359	9,847,983
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)	9,432,359	9,847,983
38. Totals (Page 2, Line 28, Col. 3)	28,871,055	29,029,556
<b>DETAILS OF WRITE-INS</b>		
2501.	0	0
2502.	0	0
2503.	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0
2901.	0	0
2902.	0	0
2903.	0	0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201.	0	0
3202.	0	0
3203.	0	0
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

**STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY**

**STATEMENT OF INCOME**

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct (written \$ 8,016,978 )	5,573,797	7,469,616	30,745,979
1.2 Assumed (written \$ 731,519 )	0	0	0
1.3 Ceded (written \$ 7,285,459 )	731,519	3,100,807	13,175,420
1.4 Net (written \$ 7,285,459 )	4,842,278	4,368,809	17,570,559
<b>DEDUCTIONS:</b>			
2. Losses incurred (current accident year \$ ):			
2.1 Direct	6,807,463	3,364,219	34,102,469
2.2 Assumed	0	0	0
2.3 Ceded	4,273,223	1,223,731	22,493,205
2.4 Net	2,534,240	2,140,488	11,609,264
3. Loss adjustment expenses incurred	418,184	523,576	1,916,266
4. Other underwriting expenses incurred	2,898,758	2,099,589	7,855,424
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	5,851,182	4,763,653	21,380,954
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(1,008,904)	(394,844)	(3,810,395)
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	147,327	206,530	750,804
10. Net realized capital gains (losses) less capital gains tax of \$	520,758	15,572	641,729
11. Net investment gain (loss) (Lines 9 + 10)	668,085	222,102	1,392,533
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ )	0	0	0
13. Finance and service charges not included in premiums	29,247	29,163	128,605
14. Aggregate write-ins for miscellaneous income	(895)	(40,089)	1,831
15. Total other income (Lines 12 through 14)	28,352	(10,926)	130,436
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(312,467)	(183,668)	(2,287,426)
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)	(312,467)	(183,668)	(2,287,426)
19. Federal and foreign income taxes incurred	0	0	0
20. Net income (Line 18 minus Line 19)(to Line 22)	(312,467)	(183,668)	(2,287,426)
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year	9,847,983	10,695,222	10,695,222
22. Net income (from Line 20)	(312,467)	(183,668)	(2,287,426)
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 \$	(159,566)	689,180	838,643
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	(70,803)	0	912,779
27. Change in nonadmitted assets	127,212	161,734	(311,235)
28. Change in provision for reinsurance	0	0	0
29. Change in surplus notes	0	0	0
30. Surplus (contributed to) withdrawn from protected cells	0	0	0
31. Cumulative effect of changes in accounting principles	0	0	0
32. Capital changes:			
32.1 Paid in	0	0	0
32.2 Transferred from surplus (Stock Dividend)	0	0	0
32.3 Transferred to surplus	0	0	0
33. Surplus adjustments:			
33.1 Paid in	0	0	0
33.2 Transferred to capital (Stock Dividend)	0	0	0
33.3 Transferred from capital	0	0	0
34. Net remittances from or (to) Home Office	0	0	0
35. Dividends to stockholders	0	0	0
36. Change in treasury stock	0	0	0
37. Aggregate write-ins for gains and losses in surplus	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37)	(415,624)	667,246	(847,239)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	9,432,359	11,362,468	9,847,983
<b>DETAILS OF WRITE-INS</b>			
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. SALE OF FIXED ASSETS		(40,589)	0
1402. OTHER INCOME		(895)	500
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)	(895)	(40,089)	1,831
3701. ADDITIONAL ADMITTED DEFERRED TAX ASSETS		77,224	0
3702. RECLASSIFICATION OF ADDITIONAL ADMITTED DEFERRED TAX ASSETS TO SPECIAL SURPLUS FUNDS		(77,224)	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)	0	0	0

**STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY**

**CASH FLOW**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance.....	4,676,037	4,824,606	18,117,202
2. Net investment income.....	167,601	248,200	959,139
3. Miscellaneous income .....	28,352	(10,926)	130,436
4. Total (Lines 1 to 3) .....	4,871,990	5,061,880	19,206,777
5. Benefit and loss related payments .....	2,903,293	3,533,162	13,897,414
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	2,887,740	2,139,533	7,909,163
8. Dividends paid to policyholders .....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	0	0	(167,907)
10. Total (Lines 5 through 9) .....	5,791,033	5,672,695	21,638,670
11. Net cash from operations (Line 4 minus Line 10) .....	(919,043)	(610,815)	(2,431,893)
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	293,623	85,000	9,761,086
12.2 Stocks .....	8,335,944	406,245	406,245
12.3 Mortgage loans .....	0	0	0
12.4 Real estate .....	0	10,000	10,000
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 .....	0	0	1
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	8,629,568	501,245	10,177,332
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	4,602,999	0	0
13.2 Stocks .....	9,743,653	15,295	226,517
13.3 Mortgage loans .....	0	0	0
13.4 Real estate .....	0	0	58,503
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) .....	14,346,652	15,295	285,020
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) .....	(5,717,085)	485,950	9,892,312
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds .....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0	0
16.5 Dividends to stockholders .....	0	0	0
16.6 Other cash provided (applied).....	129,880	177,856	(32,196)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) .....	129,880	177,856	(32,196)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(6,506,248)	52,991	7,428,223
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	8,997,074	1,568,851	1,568,851
19.2 End of period (Line 18 plus Line 19.1) .....	2,490,826	1,621,842	8,997,074

## NOTES TO FINANCIAL STATEMENTS

### Note 1 - Summary of Significant Accounting Policies

#### A. Accounting Practices

The Company prepares its financial statements in conformity with accounting practices prescribed or permitted by the Ohio Insurance Department. These practices vary from generally accepted accounting principles. The principle variances include the nonadmittance of a portion of the deferred tax asset and certain fixed assets, the omission of deferred policy acquisition costs and the inclusion of certain unpaid loss reserves in excess of those required under generally accepted accounting principles.

The Ohio Insurance Department 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 the Ohio Insurance Law. The NAIC Accounting Practices and Procedures Manual version effective March, 2013, 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

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Significant estimates used in preparing these financial statements include those used in computing the liability for outstanding claims. It is at least reasonably possible that the significant estimates used will change within the next year.

#### C. Accounting Policies

1. For purposes of the statement of cash flows, the Company considers all certificates of deposit, repurchase agreements and savings accounts to be cash equivalents. Short-term investments are stated at cost, which is also their fair value.
2. Bonds are reported at amortized cost and adjusted for other than temporary fair value declines unless required by the NAIC to be carried at fair value. Common stocks (including mutual funds) and preferred stocks are reported at current fair value. Unrealized appreciation and depreciation of stocks are reported as changes in policyholders' surplus. Realized gains and losses are determined on the specific identification basis.
3. Ohio Insurance Department regulations require advance premium property and casualty insurance companies to maintain a minimum surplus of \$5,000,000.
4. Premiums are earned over the terms of the related insurance policies. Unearned premium reserves are established to cover the unexpired portion of premiums written and are computed on a pro rata basis.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

## NOTES TO FINANCIAL STATEMENTS

Reinsurance recoverables are estimates of paid and unpaid losses collectible from the Company's reinsurers. The amounts ultimately collected may be more or less than these estimates. Any adjustments of these estimates are reflected in income as they are determined. The Company periodically reviews the financial condition of its reinsurers and amounts recoverable therefrom, recording an allowance when necessary for uncollectible reinsurance.

5. Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed, and any adjustments are reflected in the period determined.
6. The Company's building, equipment and application software are depreciated primarily on the straight-line method.

### **Note 2 - Accounting Changes and Correction of Errors**

#### A. Accounting Changes and Correction of Errors

Not applicable

### **Note 3 - Business Combinations and Goodwill**

#### A. Statutory Purchase Method

Not applicable.

#### B. Statutory Mergers

Not applicable.

#### C. Impairment Loss

Not applicable.

### **Note 4 - Discontinued Operations**

#### A. Not applicable.

**STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY**

**NOTES TO FINANCIAL STATEMENTS**

**Note 5 - Investments**

A. Mortgage Loans

Not applicable.

B. Troubled Debt Restructuring for Creditors

Not applicable.

C. Reverse Mortgages

Not applicable.

D. Loan-Backed Securities

Not applicable.

E. Repurchase Agreements

For repurchased agreements, Company policy requires a minimum of 102% of the fair value of securities purchased under repurchase agreements to be maintained as collateral. There were no open repurchase agreements as of March 31, 2013.

F. Writedown for Impairments of Real Estate and Retail Land Sales

Not applicable.

G. Low Income Housing Tax Credits

Not applicable.

**Note 6 - Joint Ventures, Partnerships and Limited Liability Companies**

A. Detail for Those Greater than 10% of Admitted Assets

Not applicable.

B. Writedown for Impairments of Joint Ventures, Partnerships and LLC's

# STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY

## NOTES TO FINANCIAL STATEMENTS

Not applicable.

### **Note 7 - Investment Income**

#### A. Accrued Investment Income

The Company does not admit investment income due and accrued if amounts are over 90 days past due.

#### B. Amounts Nonadmitted

Not applicable

### **Note 8 - Derivative Instruments**

#### A. No applicable.

### **Note 9 - Income Taxes**

#### A. Components of Net Deferred Tax Assets

	<u>2013</u>
Total gross deferred tax assets	\$ 5,228,302
Total gross deferred tax liabilities	131,054
Net deferred tax asset	5,097,248
Nonadmitted deferred tax asset	( 4,288,880)
Net admitted deferred tax asset	<u>\$ 808,368</u>

#### B. Unrecognized Deferred Tax Liabilities

Not applicable

#### C. Current Tax and Change in Deferred Tax

The provisions for federal and foreign income taxes incurred on earnings were:

	<u>2013</u>
Federal income taxes realized(recoverable) from 2012	\$ 0
Federal income taxes on realized capital gains	0
Foreign	0
	<u>\$ 0</u>

**STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY**

**NOTES TO FINANCIAL STATEMENTS**

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate

Immaterial

E. Operating Loss and Tax Credit Carryforwards

1. No change

F. Consolidated Federal Income Tax Return

Not applicable

**Note 10 - Information Concerning Parent, Subsidiaries and Affiliates**

A. Nature of Relationships

Not applicable

B. Detail of Transactions Greater than 1/2% of Admitted Assets

Not applicable

C. Change in Terms of Intercompany Arrangements

Not applicable

D. Amounts Due to or from Related Parties

Not applicable

E. Guarantees or Contingencies for Related Parties

Not applicable

F. Management, Service Contracts, Cost Sharing Arrangements

Not applicable

G. Nature of Relationships that Could Affect Operations

.

Not applicable

H. Amount Deducted for Investment in Upstream Company

Not applicable

**STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY**

**NOTES TO FINANCIAL STATEMENTS**

**I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets**

Not applicable

**K. Investment in Foreign Subsidiaries**

Not applicable

**L. Valuation of Downstream Entities**

Not applicable

**Note 11 - Debt**

A. Not applicable

**Note 12 - Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans**

**A. Defined Benefit Plans**

The Company sponsors a postretirement health care benefit plan covering substantially all employees of the Company and members of the Board of Directors who reach retirement age while working for the Company, have at least 15 years of service, and were employed as of December 31, 2004. This plan also covers the employee's spouse who has reached retirement age. The Company has terminated this plan for all employees hired and board of directors elected after December 31, 2004. In 2013 the company has begun to move towards the new guidelines of SSAP 92. Using the 10 year phase in period model, the first quarter of 2013 expense recorded was \$ 69,555. The Company's actuary analyses its Plan on an annual basis. Therefore, there is no new information available on a quarterly basis.

	Pension Benefits 2013	Pension Benefits 2012	Postretire Benefits 2013	Postretire Benefits 2012	Postemply Comp Absence 2013	Postemply Comp Benefits 2012
<b>(6) The amount of net periodic benefit cost</b>						
a. Service cost	0	0	0	0	0	0
b. Interest cost	0	0	0	52,396	0	0
c. Expected return on plan assets	0	0	0	0	0	0
d. Transition asset or obligation	0	0	0	44,193	0	0
e. Gains losses	0	0	0	0	0	0
f. Prior serv cost or credit	0	0	0	0	0	0
g. Gain loss rec due to settlement curtailment	0	0	0	0	0	0
h. Total net periodic benefit cost	0	0	0	0	0	0
	0	0	0	96,589	0	0

**B. Defined Contribution Plans**

**STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY**

**NOTES TO FINANCIAL STATEMENTS**

The Company sponsors a 401(K) plan for the benefit of substantially all of its employees who meet eligibility requirements. The Company contributes up to a maximum of 5% of compensation of each employee who contributes to the plan. Additional contributions may be made at the discretion of the board of directors.

**C. Multiemployer Plans**

Not applicable

**D. Consolidated/Holding Company Plans**

Not applicable

**E. Postemployment Benefits and Compensated Absences**

Not applicable

**Note 13 - Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations**

**A. Outstanding Shares**

Not applicable

**B. Dividend Rate of Preferred Stock**

Not applicable

**C., D. and E. Dividend Restrictions**

Not applicable

**F. Mutual Surplus Advances**

Not applicable

**G. Company Stock Held for Special Purposes**

Not applicable

**H. Changes in Special Surplus Funds**

Not applicable

**I. Changes in Unassigned Funds**

The portion of unassigned funds (surplus) represented or reduced by each item below is as follows:

**STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY**

**NOTES TO FINANCIAL STATEMENTS**

Unrealized gain (loss) securities	\$ (159,566)
Nonadmitted assets	\$ 127,212

**J. Surplus Notes**

Not applicable

**K. and L. Quasi Reorganizations**

Not applicable

**Note 14 - Contingencies**

**A. Contingent Commitments**

Not applicable

**B. Guaranty Fund and Other Assessments**

There are no known assessments expected at this time

**C. Gain Contingencies**

Not applicable

**D. All Other Contingencies**

Lawsuits arise against the Company in the normal course of business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company. The Company is contingently liable under certain structured settlement agreements (see Note 27A)

**Uncollectible Premiums Receivable**

Based upon Company experience, these receivables are expected to be fully collectible and no provision for uncollectible amounts has been recorded.

**Note 15 - Leases**

**A. Lessee Leasing Arrangements**

The Company leases office equipment under various noncancelable operating leases that expire through 2013.

**B. Lessor Leasing Arrangements**

Not applicable

## NOTES TO FINANCIAL STATEMENTS

### **Note 16 - Information about Financial Instruments with Off-Balance Sheet Risk and with Concentrations of Credit Risk**

#### A. Financial Instruments with Off-Balance Sheet Risk

Not applicable

#### B. Financial Instruments with Concentrations of Credit Risk

The Company maintains its cash balances at several financial institutions located in Northwest Ohio and at several brokerage companies. Accounts at each financial institution are insured by the Federal Deposit Insurance Corporation up to \$250,000.

### **Note 17 - Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**

#### A. Transfers of Receivables Reported as Sales

Not applicable

#### B. Transfers and Servicing of Financial Assets

Not applicable

(2) Not applicable  
b. Not applicable

(4) Not applicable  
a. Not applicable  
b. Not applicable

#### C. Wash Sales

Not applicable

### **Note 18 - Gain or Loss from Uninsured Plans and the Uninsured Portion of Partially Insured Plans**

#### A. Administrative Services Only Plans

Not applicable

#### B. Administrative Services Contract Plans

Not applicable

#### C. Medicare or Other Similarly Structured Cost Based Reimbursement Contracts

Not applicable

## NOTES TO FINANCIAL STATEMENTS

### Note 19 - Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

A. Not applicable

### Note 20 - Fair Value Measurements

SSAP 100, Fair Value Measurements, establishes a framework of measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under SSAP 100 are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for measurement.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2012.

Common stocks, mutual funds and preferred stocks - valued at the closing price reported on the active market on which the individual securities and mutual funds are traded.

The methods described above may produce a fair value calculation that may not be indicative of the net realizable value or reflective of future fair values. Furthermore, while the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

# STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY

## NOTES TO FINANCIAL STATEMENTS

The following tables set forth by level, within the fair value hierarchy, the Company's assets at fair value.

### Assets at Fair Value as of March 31, 2013

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common stocks				
Industrial & Misc.	\$ 4,668,692	-	-	\$ 4,668,692
Mutual funds	6,334,143	-	-	6,334,143
Preferred stocks				
Industrial & Misc.		<u>-0-</u>	-	<u>-0-</u>
Total assets at fair value		\$ 11,002,835		\$ 11,002,835

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred between Levels 1, 2, and 3.

### **Note 21 - Other Items**

#### A. Extraordinary Items

Not applicable

#### B. Troubled Debt Restructuring of Debtors

Not applicable

#### C. Other Disclosures

Not applicable

#### D. Business Interruption Insurance Recoveries

Not applicable

#### E. Subprime Exposure

The Company has no directly held subprime mortgage loans. The Company believes that there is minimal exposure in mutual funds held.

# STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY

## NOTES TO FINANCIAL STATEMENTS

### Note 22 Events Subsequent

A. There were no events occurring subsequent to March 31, 2013, through the date of this filing meriting disclosure. April 2013 investment activity meriting disclosures due to economic events was not available at filing date. The Company has filed an application with its domicile state for Affiliation with Goodville Mutual Casualty Insurance Company, of New Holland, PA and is currently awaiting approval.

### Note 23 - Reinsurance

#### A. Unsecured Reinsurance Recoverables

Reported annually, immaterial as of March 31, 2013.

#### B. Reinsurance Recoverables in Dispute

The Company does not have reinsurance recoverables in dispute for paid losses and loss adjustment expenses that exceed 5% of policyholders' surplus for an individual reinsurer or 10% of policyholders' surplus in aggregate.

#### C. Reinsurance Assumed and Ceded

The Company reinsurance risks with other companies and treats expected recoveries on unpaid losses as risks for which the Company is not liable. To the extent that the reinsuring companies are unable to meet their obligations under these reinsurance agreements, the Company is contingently liable for all such losses. The Company is not aware of any obligations as of March 31, 2013.

Certain ceded reinsurance contracts provide for additional or return commissions based on the actual loss experience of the reinsured business.

On September 30, 2011 the Company entered into an Umbrella Quota Share Contract with two current Reinsurers. In January 2013 the Company elected to run off the contract with one Reinsurer and continue the contract for the second Reinsurer, with a cut-off period after March 31, 2013. 2013 year to date Quota Share Cession for cut off contract amounted to \$ 1,579,684 with a reduction of \$ 473,905 for commission on returning premium with no adjustment for incoming premium. Ceded premium on continued contract amounted to \$5,863,112 with a reduction of \$ 1,758,934 for commission with no premiums charged for run off contract. Run off contract unearned premium add back amounted to \$ 385,150.

#### D. Uncollectible Reinsurance

During the most recent year, the Company did not write off any reinsurance balances.

#### E. Commutation of Ceded Reinsurance

Not applicable

#### F. Retroactive Reinsurance

**STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY**

**NOTES TO FINANCIAL STATEMENTS**

Not applicable

G. Reinsurance Accounted for as a Deposit

Not applicable

**Note 24 - Retrospectively Rated Contracts and Contracts Subject to Redetermination**

A., B., C. and D. Not applicable

**Note 25 - Changes in Incurred Losses and Loss Adjustment Expenses**

A. No material change.

**Note 26 - Intercompany Pooling Arrangements**

A. and B. Not applicable

**Note 27 - Structural Settlements**

A. Reserves Released Due to Purchase of Annuities

The Company has purchased annuities from life insurers under which the claimants are payees (see note 14D). These annuities have been used to reduce unpaid losses. The amount of the reduction has not been fully determined at the time of filing. The Company has a contingent liability should the issuers of these annuities fail to perform under the terms of the annuities.

B. Not applicable

**Note 28 - Health Care Receivables**

A. and B. Not applicable

**Note 29 - Participating Policies**

A. Not applicable

**Note 30 - Premium Deficiency Reserves**

No significant change since calculation on February 26, 2013 which was zero.

**Note 31 - High Deductibles**

A. Not applicable

**Note 32 - Discounting of Liabilities for Unpaid Losses and Unpaid Loss Adjustment Expenses**

A., B. and C. Not applicable

**STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY**

**NOTES TO FINANCIAL STATEMENTS**

**Note 33 - Asbestos and Environmental Reserves**

A., B., C., D., E., and F. Not applicable

**Note 34 - Subscriber Savings Accounts**

A. Not applicable

**Note 35 - Multiple Peril Crop Insurance**

A. Not applicable

**Note 36 - Financial Guaranty Insurance**

A. Not applicable

# STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY

## GENERAL INTERROGATORIES

### PART 1 - COMMON INTERROGATORIES GENERAL

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? ..... Yes [ ] No [X]

1.2 If yes, has the report been filed with the domiciliary state? ..... Yes [ ] No [ ]

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

2.2 If yes, date of change: .....

3.1 Have there been any substantial changes in the organizational chart since the prior quarter end? ..... Yes [ ] No [X]

3.2 If the response to 3.1 is yes, provide a brief description of those changes.

4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes [ ] No [X]

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

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? ..... Yes [ ] No [ ] NA [ ]  
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. ..... 12/31/2007

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). ..... 05/27/2008

6.4 By what department or departments?  
OHIO DEPARTMENT OF INSURANCE.....

6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? ..... Yes [ ] No [ ] NA [X]

6.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes [X] No [ ] NA [ ]

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

7.2 If yes, give full information:

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? ..... Yes [ ] No [X]

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? ..... Yes [ ] No [X]

8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

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

# STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY

## GENERAL INTERROGATORIES

9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?..... Yes [X] No [ ]

- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.

9.11 If the response to 9.1 is No, please explain:  
.....

9.2 Has the code of ethics for senior managers been amended?..... Yes [ ] No [X]

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).  
.....

9.3 Have any provisions of the code of ethics been waived for any of the specified officers?..... Yes [X] No [ ]

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).  
.....

PHYLLIS KNAPE - VP COMPLIANCE, ALSO AN AGENT RECEIVING COMMISSIONS; PAUL BRINKER, BOARD MEMBER, ALSO AN AGENT RECEIVING COMMISSIONS, J. SCOTT MILLER, BOARD MEMBER, ALSO SERVING AS OFFICER OF FARMERS & MERCHANTS STATE BANK, A DEPOSITORY OF GERMAN MUTUAL.....

## 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 [ ] No [X]

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....	\$ .....	\$ .....
14.22 Preferred Stock .....	\$ .....	\$ .....
14.23 Common Stock .....	\$ .....	\$ .....
14.24 Short-Term Investments .....	\$ .....	\$ .....
14.25 Mortgage Loans on Real Estate .....	\$ .....	\$ .....
14.26 All Other .....	\$ .....	\$ .....
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$ ..... 0	\$ ..... 0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....	\$ .....	\$ .....

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? ..... Yes [ ] No [X]

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

**STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY**

**GENERAL INTERROGATORIES**

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.....	\$ ..... 0
16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.....	\$ ..... 0
16.3 Total payable for securities lending reported on the liability page.....	\$ ..... 0

17. 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 [ ]

17.1 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
CHARLES SCHWAB.....	5025 ARLINGTON CENTRE BLVD., SUITE 300, COLUMBUS, OH 43220.....

17.2 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)
.....	.....	.....

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?.....

Yes [ ] No [X]

17.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
.....	.....	.....	.....

17.5 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
.....	.....	.....

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

Yes [X] No [ ]

18.2 If no, list exceptions:

.....

**STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY**

## GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted.)

## **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 [ ] NA [X]

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? ..... 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

4.2 If yes, complete the following schedule:

## 5. Operating Percentages:

5.1 A&H loss percent..... %

5.2 A&H cost containment percent .....

5.3 A&H expense percent excluding cost containment expenses .....

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 MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY

## **SCHEDULE F—CEDED REINSURANCE**

**Showing All New Reinsurers - Current Year to Date**

STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

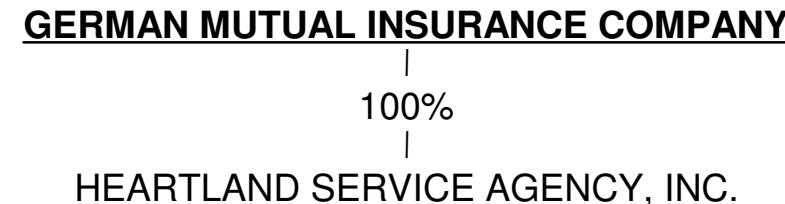
Current Year to Date - Allocated by States and Territories

States, etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
1. Alabama	AL	N	0	0	0	0	0
2. Alaska	AK	N	0	0	0	0	0
3. Arizona	AZ	N	0	0	0	0	0
4. Arkansas	AR	N	0	0	0	0	0
5. California	CA	N	0	0	0	0	0
6. Colorado	CO	N	0	0	0	0	0
7. Connecticut	CT	N	0	0	0	0	0
8. Delaware	DE	N	0	0	0	0	0
9. Dist. Columbia	DC	N	0	0	0	0	0
10. Florida	FL	N	0	0	0	0	0
11. Georgia	GA	N	0	0	0	0	0
12. Hawaii	HI	N	0	0	0	0	0
13. Idaho	ID	N	0	0	0	0	0
14. Illinois	IL	N	0	0	0	0	0
15. Indiana	IN	N	0	0	0	0	0
16. Iowa	IA	N	0	0	0	0	0
17. Kansas	KS	N	0	0	0	0	0
18. Kentucky	KY	N	0	0	0	0	0
19. Louisiana	LA	N	0	0	0	0	0
20. Maine	ME	N	0	0	0	0	0
21. Maryland	MD	N	0	0	0	0	0
22. Massachusetts	MA	N	0	0	0	0	0
23. Michigan	MI	N	0	0	0	0	0
24. Minnesota	MN	N	0	0	0	0	0
25. Mississippi	MS	N	0	0	0	0	0
26. Missouri	MO	N	0	0	0	0	0
27. Montana	MT	N	0	0	0	0	0
28. Nebraska	NE	N	0	0	0	0	0
29. Nevada	NV	N	0	0	0	0	0
30. New Hampshire	NH	N	0	0	0	0	0
31. New Jersey	NJ	N	0	0	0	0	0
32. New Mexico	NM	N	0	0	0	0	0
33. New York	NY	N	0	0	0	0	0
34. No. Carolina	NC	N	0	0	0	0	0
35. No. Dakota	ND	N	0	0	0	0	0
36. Ohio	OH	L	8,016,978	7,865,526	4,560,466	5,961,146	10,081,348
37. Oklahoma	OK	N	0	0	0	0	0
38. Oregon	OR	N	0	0	0	0	0
39. Pennsylvania	PA	N	0	0	0	0	0
40. Rhode Island	RI	N	0	0	0	0	0
41. So. Carolina	SC	N	0	0	0	0	0
42. So. Dakota	SD	N	0	0	0	0	0
43. Tennessee	TN	N	0	0	0	0	0
44. Texas	TX	N	0	0	0	0	0
45. Utah	UT	N	0	0	0	0	0
46. Vermont	VT	N	0	0	0	0	0
47. Virginia	VA	N	0	0	0	0	0
48. Washington	WA	N	0	0	0	0	0
49. West Virginia	WV	N	0	0	0	0	0
50. Wisconsin	WI	N	0	0	0	0	0
51. Wyoming	WY	N	0	0	0	0	0
52. American Samoa	AS	N	0	0	0	0	0
53. Guam	GU	N	0	0	0	0	0
54. Puerto Rico	PR	N	0	0	0	0	0
55. U.S. Virgin Islands	VI	N	0	0	0	0	0
56. Northern Mariana Islands	MP	N	0	0	0	0	0
57. Canada	CAN	N	0	0	0	0	0
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0
59. Totals	(a)	1	8,016,978	7,865,526	4,560,466	5,961,146	10,081,348
<b>DETAILS OF WRITE-INS</b>							
58001.		XXX		0	0	0	0
58002.		XXX		0	0	0	0
58003.		XXX		0	0	0	0
58998.	Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0
58999.	Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX	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 - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**  
**PART 1 - ORGANIZATIONAL CHART**



**SCHEDULE Y PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

# ZONE

**STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY**

**PART 1 - LOSS EXPERIENCE**

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire	119,688	54,775	45.8	34.3
2. Allied lines	2,572	0.0	0.0	0.0
3. Farmowners multiple peril	1,075,173	1,234,450	114.8	46.3
4. Homeowners multiple peril	1,411,345	823,313	58.3	32.3
5. Commercial multiple peril	418,393	378,513	90.5	26.8
6. Mortgage guaranty			0.0	0.0
8. Ocean marine			0.0	0.0
9. Inland marine	72,517	17,793	24.5	3.9
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	6,816	0.0	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	117,483	1,980,770	1,686.0	0.0
17.2 Other liability - claims made			0.0	0.0
17.3 Excess Workers' Compensation			0.0	0.0
18.1 Products liability - occurrence	7,167	0.0	(39.5)	
18.2 Products liability - claims made			0.0	0.0
19.1,19.2 Private passenger auto liability	1,099,553	1,615,086	146.9	55.6
19.3,19.4 Commercial auto liability	67,256	(34,454)	(51.2)	130.8
21. Auto physical damage	1,172,607	736,675	62.8	63.0
22. Aircraft (all perils)			0.0	0.0
23. Fidelity			0.0	0.0
24. Surety			0.0	0.0
26. Burglary and theft	3,227	542	16.8	0.0
27. Boiler and machinery			0.0	0.0
28. Credit			0.0	0.0
29. International			0.0	0.0
30. Warranty			0.0	0.0
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0.0	0.0
<b>TOTALS</b>	<b>5,573,797</b>	<b>6,807,463</b>	<b>122.1</b>	<b>45.0</b>
<b>DETAILS OF WRITE-INS</b>				
3401.				
3402.				
3403.				
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0.0	0.0

**PART 2 - DIRECT PREMIUMS WRITTEN**

Line of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
				1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire	199,759	199,759	149,343			
2. Allied lines	3,437	3,437	3,161			
3. Farmowners multiple peril	2,030,726	2,030,726	1,977,789			
4. Homeowners multiple peril	1,897,779	1,897,779	1,807,991			
5. Commercial multiple peril	606,380	606,380	599,762			
6. Mortgage guaranty	0	0	0			
8. Ocean marine	0	0	0			
9. Inland marine	109,819	109,819	104,197			
10. Financial guaranty	0	0	0			
11.1 Medical professional liability - occurrence	0	0	0			
11.2 Medical professional liability - claims made	0	0	0			
12. Earthquake	8,739	8,739	9,032			
13. Group accident and health	0	0	0			
14. Credit accident and health	0	0	0			
15. Other accident and health	0	0	0			
16. Workers' compensation	0	0	0			
17.1 Other liability-occurrence	127,650	127,650	120,485			
17.2 Other liability - claims made	0	0	0			
17.3 Excess Workers' Compensation	0	0	0			
18.1 Products liability - occurrence	12,332	12,332	12,376			
18.2 Products liability - claims made	0	0	0			
19.1,19.2 Private passenger auto liability	1,384,826	1,384,826	1,454,124			
19.3,19.4 Commercial auto liability	125,629	125,629	119,902			
21. Auto physical damage	1,504,133	1,504,133	1,503,694			
22. Aircraft (all perils)	0	0	0			
23. Fidelity	0	0	0			
24. Surety	0	0	0			
26. Burglary and theft	5,769	5,769	3,670			
27. Boiler and machinery	0	0	0			
28. Credit	0	0	0			
29. International	0	0	0			
30. Warranty	0	0	0			
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX			
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX			
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX			
34. Aggregate write-ins for other lines of business	0	0	0			
<b>TOTALS</b>	<b>8,016,978</b>	<b>8,016,978</b>	<b>7,865,526</b>			
<b>DETAILS OF WRITE-INS</b>						
3401.						
3402.						
3403.						
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0			
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0			

STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY

**PART 3 (000 omitted)**

**LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE**

Years in Which Losses Occurred	1 Prior Year-End Known Case Loss and LAE Reserves	2 Prior Year-End IBNR Loss and LAE Reserves	3 Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	4 2013 Loss and LAE Payments on Claims Reported as of Prior Year-End	5 2013 Loss and LAE Payments on Claims Unreported as of Prior Year-End	6 Total 2013 Loss and LAE Payments (Cols. 4 + 5)	7 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened and Open as of Prior Year-End	8 Q.S. Date IBNR Loss and LAE Reserves	9	10 Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	11 Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	12 Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	13 Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2010 + Prior	851	259	1,110	114		114	783	(1)	151	933	46	(109)	(63)
2. 2011	609	570	1,179	124		124	334	23	245	602	(151)	(302)	(453)
3. Subtotals 2011 + prior	1,460	829	2,289	238	0	238	1,117	22	396	1,535	(105)	(411)	(516)
4. 2012	2,335	1,346	3,681	822	341	1,163	1,403	177	1,288	2,868	(110)	460	350
5. Subtotals 2012 + prior	3,795	2,175	5,970	1,060	341	1,401	2,520	199	1,684	4,403	(215)	.49	(166)
6. 2013	XXX	XXX	XXX	XXX	1,506	1,506	XXX	1,096	517	1,613	XXX	XXX	XXX
7. Totals	3,795	2,175	5,970	1,060	1,847	2,907	2,520	1,295	2,201	6,016	(215)	49	(166)
8. Prior Year-End Surplus As Regards Policy-holders											Col. 11, Line 7 As % of Col. 1 Line 7	Col. 12, Line 7 As % of Col. 2 Line 7	Col. 13, Line 7 As % of Col. 3 Line 7
											1. (5.7)	2.	2.3
													3. (2.8)
													Col. 13, Line 7 As a % of Col. 1 Line 8
													4. (1.7)

# STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY

## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing on "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

### RESPONSE

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

### Explanation:

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

### Bar Code:

1.   
1 7 8 8 4 2 0 1 3 4 9 0 0 0 0 0 1
2.   
1 7 8 8 4 2 0 1 3 4 5 5 0 0 0 0 0 1
3.   
1 7 8 8 4 2 0 1 3 3 6 5 0 0 0 0 0 1
4.   
1 7 8 8 4 2 0 1 3 5 0 5 0 0 0 0 0 1

**OVERFLOW PAGE FOR WRITE-INS**

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STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY

**SCHEDULE A - VERIFICATION**

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	1,475,662	1,540,631
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		58,503
2.2 Additional investment made after acquisition		0
3. Current year change in encumbrances		0
4. Total gain (loss) on disposals		(40,486)
5. Deduct amounts received on disposals		10,000
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	15,481	72,986
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)	1,460,181	1,475,662
10. Deduct total nonadmitted amounts	0	0
11. Statement value at end of current period (Line 9 minus Line 10)	1,460,181	1,475,662

**SCHEDULE B – VERIFICATION**

Mortgage Loans

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

**SCHEDULE BA – VERIFICATION**

Other Long-Term Invested Assets

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	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 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)	0	0
12. Deduct total nonadmitted amounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	0	0

**SCHEDULE D – VERIFICATION**

Bonds and Stocks

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	12,331,261	20,760,706
2. Cost of bonds and stocks acquired	14,346,652	226,517
3. Accrual of discount	144	11,029
4. Unrealized valuation increase (decrease)	(159,565)	838,643
5. Total gain (loss) on disposals	520,758	682,215
6. Deduct consideration for bonds and stocks disposed of	8,629,567	10,167,331
7. Deduct amortization of premium	1,054	20,516
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)	18,408,629	12,331,261
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	18,408,629	12,331,261

STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN 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
<b>BONDS</b>								
1. Class 1 (a).....	2,861,254	4,602,999	287,950	(743)	7,175,560	0	0	2,861,254
2. Class 2 (a).....	230,401			(167)	230,234	0	0	230,401
3. Class 3 (a).....	0				0	0	0	0
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.....	3,091,655	4,602,999	287,950	(910)	7,405,794	0	0	3,091,655
<b>PREFERRED STOCK</b>								
8. Class 1.....	202,960		195,608	(7,352)	0	0	0	202,960
9. Class 2.....	0				0	0	0	0
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.....	202,960	0	195,608	(7,352)	0	0	0	202,960
15. Total Bonds & Preferred Stock.....	3,294,615	4,602,999	483,558	(8,262)	7,405,794	0	0	3,294,615

(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 \$ .....

STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY

**SCHEDULE DA - PART 1**

**Short-Term Investments**

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999	94,890	XXX	94,890	10	

**SCHEDULE DA - VERIFICATION**

**Short-Term Investments**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	147,590	.562
2. Cost of short-term investments acquired .....	10	147,590
3. Accrual of discount.....		0
4. Unrealized valuation increase (decrease).....		0
5. Total gain (loss) on disposals.....		0
6. Deduct consideration received on disposals.....	.52,710	.562
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).....	.94,890	147,590
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	94,890	147,590

Schedule DB - Part A - Verification

**NONE**

Schedule DB - Part B- Verification

**NONE**

Schedule DB - Part C - Section 1

**NONE**

Schedule DB - Part C - Section 2

**NONE**

Schedule DB - Verification

**NONE**

Schedule E Verification

**NONE**

Schedule A - Part 2

**NONE**

Schedule A - Part 3

**NONE**

Schedule B - Part 2

**NONE**

Schedule B - Part 3

**NONE**

Schedule BA - Part 2

**NONE**

Schedule BA - Part 3

**NONE**

**STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY**

**SCHEDULE D - PART 3**

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
912795-6R-7.....	US TREAS BIL 0% 05/13.....		03/28/2013.....	Charles Schwab.....		399,968	400,000	0	.....
912795-6W-6.....	US TREAS BILL 0% 06/13.....		03/27/2013.....	Charles Schwab.....		499,899	500,000	0	1.....
912796-AJ-8.....	US TREAS BILL 0% 06/13.....		03/27/2013.....	Charles Schwab.....		499,937	500,000	0	1.....
912796-AN-9.....	US TREAS BILL 0% 07/13.....		03/27/2013.....	Charles Schwab.....		499,910	500,000	0	1.....
912828-QW-3.....	US TREAS NT 0.375% 07/13.....		03/27/2013.....	Charles Schwab.....		500,508	500,000	290	1.....
912828-QE-3.....	US TREAS NT 0.625% 04/13.....		03/27/2013.....	Charles Schwab.....		700,350	700,000	1,789	1.....
912828-NH-9.....	US TREAS NT 1.125% 06/13.....		03/29/2013.....	Charles Schwab.....		501,143	500,000	1,592	1.....
912828-NC-0.....	US TREAS NT 1.375% 05/13.....		03/27/2013.....	Charles Schwab.....		500,859	500,000	2,526	1.....
912828-MX-5.....	US TREAS NT 1.75% 04/13.....		03/27/2013.....	Charles Schwab.....		500,425	500,000	3,942	1.....
0599999 - Total - Bonds - U.S. Governments						4,602,999	4,600,000	10,139	XXX
1099999 - Total - Bonds - All Other Governments						0	0	0	XXX
1799999 - Total - Bonds - U.S. States, Territories and Possessions						0	0	0	XXX
2499999 - Total - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						0	0	0	XXX
3199999 - Total - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of...						0	0	0	XXX
3899999 - Total - Bonds - Industrial, Misc.						0	0	0	XXX
4899999 - Total - Bonds - Hybrid Securities						0	0	0	XXX
5599999 - Total - Bonds - Parent, Subsidiaries, Affiliates						0	0	0	XXX
8399997 - Total - Bonds - Part 3						4,602,999	4,600,000	10,139	XXX
8399999 - Total - Bonds						4,602,999	4,600,000	10,139	XXX
8499999 - Total - Preferred Stocks - Industrial, Misc.						0	XXX	0	XXX
8599999 - Total - Preferred Stocks - Parent, Subsidiaries, Affiliates						0	XXX	0	XXX
8999997 - Total - Preferred Stocks - Part 3						0	XXX	0	XXX
8999999 - Total - Preferred Stocks						0	XXX	0	XXX
00078H-15-8.....	ASTON FAIRPOINTE MID CAP.....		01/30/2013.....	Charles Schwab.....	1,550,942	56,800		0	.....
19765J-60-8.....	COLUMBIA MID CAP INDEX.....		01/30/2013.....	Charles Schwab.....	18,030,159	227,200		0	.....
302933-20-5.....	FMI LARGE CAP FUND.....		01/30/2013.....	Charles Schwab.....	11,735,537	213,000		0	.....
30254T-75-9.....	FPA CRESCENT INSTL.....		01/02/2013.....	Reinvested Shares.....	368,560	10,537		0	.....
00141B-30-3.....	INVESCO CHARTER FD CL Y.....		01/30/2013.....	Purchased.....	6,541,864	124,250		0	.....
00142J-77-6.....	INVESCO EQUITY.....		01/30/2013.....	Charles Schwab.....	11,770,655	426,000		0	.....
683974-50-5.....	OPPENHEIMER DEVELOPING MKTS FD CL Y.....		01/30/2013.....	Charles Schwab.....	6,931,102	248,500		0	.....
701769-40-8.....	PARNASSUS EQUITY.....		03/28/2013.....	Reinvested Shares.....	10,310,456	320,633		0	.....
76628T-40-5.....	RIDGEWORTH HIGH INCOME.....		03/28/2013.....	Reinvested Shares.....	64,743,725	470,493		0	.....
808509-84-8.....	SCHWAB SMALL CAP INDEX FUND.....		01/30/2013.....	Charles Schwab.....	3,185,385	71,000		0	.....
922908-49-6.....	VANGUARD 500 INDEX FD.....		03/21/2013.....	Reinvested Shares.....	14,999,322	1,712,288		0	.....
922031-81-0.....	VANGUARD INTERM TERM.....		03/28/2013.....	Reinvested Shares.....	61,177,793	626,475		0	.....
9099999 - Total - Common Stocks - Industrial, Misc.						4,507,176	XXX	0	XXX
9199999 - Total - Common Stocks - Parent, Subsidiaries, Affiliates						0	XXX	0	XXX
54348T-28-4.....	LOOMIS SAYLES STRATEGIC INCM FD.....		01/28/2013.....	Dividend Reinvestment.....	20,035	.317		0	.....
592905-84-8.....	METRO WEST HGH YIELD BOND.....		03/28/2013.....	Reinvested Shares.....	31,299,066	330,245		0	.....
64128K-86-8.....	NEUBERGER BERMAN.....		03/28/2013.....	Reinvested Shares.....	53,702,850	513,971		0	.....
693390-70-0.....	PIMCO TOTAL RETURN INSTL.....		03/28/2013.....	Reinvested Shares.....	13,365,627	149,603		0	.....
693390-70-0.....	PIMCO TOTAL RETURN INSTL (8774).....		03/28/2013.....	Reinvested Shares.....	12,026,299	134,594		0	.....
74441R-50-8.....	PRUDENTIAL SHORT TERM CORP.....		03/28/2013.....	Reinvested Shares.....	354,055,248	4,092,926		0	.....
880208-10-3.....	TEMPLETON GLOBAL BD FD.....		01/15/2013.....	Reinvested Shares.....	221,062	2,975		0	.....
245524-10-3.....	THE DELAFIELD FUND.....		01/01/2013.....	Charles Schwab.....	391,320	11,845		0	.....
9299999 - Total - Common Stocks - Mutual Funds						5,236,477	XXX	0	XXX
9399999 - Total - Common Stocks - Money Market Mutual Funds						0	XXX	0	XXX
9799997 - Total - Common Stocks - Part 3						9,743,653	XXX	0	XXX
9799999 - Total - Common Stocks						9,743,653	XXX	0	XXX
9899999 - Total - Preferred and Common Stocks						9,743,653	XXX	0	XXX
<b>9999999 Totals</b>						14,346,652	XXX	10,139	XXX

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

STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 4

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

1 CUSIP Identifi- cation	2 Description	3 For- eign	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Design- ation or Market Indicator (a)				
										11 Unrealized Valuation Increase/ Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11 + 12 - 13)	15 Total Foreign Exchange Change in B./A.C.V.											
0599999 - Bonds - U.S. Governments						0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX			
1099999 - Bonds - All Other Governments						0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX			
1799999 - Bonds - U.S. States, Territories and Possessions						0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX			
959767-CT-9... UTILS.....	WESTERN TOWNSHIP MICH		01/02/2013.	Redeemed.....		50,000	.50,000	.51,103	.50,000	0	0	0	0	0	0	0	0	0	0	1,063	01/01/2017	1FE			
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						50,000	50,000	.51,103	.50,000	0	0	0	0	0	0	50,000	0	0	0	0	1,063	XXX	XXX		
34074M-BE-0...	F HSGN FIN CORP		07/01/15.....	Partial Call.....		10,000	.10,000	.10,000	.10,000	0	0	0	0	0	0	10,000	0	0	0	0	0	0	07/01/2015	1FE	
34074M-BF-7...	FL HSGN FIN CORP		07/01/16.....	Partial Call.....		15,000	.15,000	.15,000	.15,000	0	0	0	0	0	0	15,000	0	0	0	0	0	0	07/01/2016	1FE	
34074M-BG-5...	FL HSGN FIN CORP		07/01/17.....	Partial Call.....		15,000	.15,000	.15,000	.15,000	0	0	0	0	0	0	15,000	0	0	0	0	0	0	07/01/2017	1FE	
45528S-BR-6...	INDIANAPOLIS IN		01/15/16.....	Redemption.....		40,000	.40,000	.40,263	.40,001	0	0	0	0	0	0	40,000	0	0	0	0	0	0	1,080	01/15/2016	1FE
67756Q-MQ-7...	OH HSG FIN AGY 03/01/19		03/01/2013.	Redemption.....		5,000	.5,000	.5,000	.0	0	0	0	0	0	5,000	0	0	0	0	0	0	32	03/01/2019	1FE	
939718-VJ-8...	WASHINGTON ST CTRS PARTN		01/01/17.....	Redeemed.....		5,000	.5,000	.4,845	.4,947	0	0	0	0	0	0	4,947	0	0	0	0	0	0	0	01/01/2017	1FE
3199999 - Total - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of						90,000	90,000	.90,108	.89,948	0	(1)	0	(1)	0	0	89,947	0	53	53	1,112	XXX	XXX			
24240V-AE-1...	DW 130C15 10/15/13.....		02/01/2013.	Sold.....		.52,760	.50,000	.50,125	.50,005	0	0	0	(1)	0	0	.50,004	0	2,757	2,757	1,022	10/15/2013	1FE			
51803T-7K-8...	LASALLE CL 14AP25		04/25/14.....	Sold.....		100,863	.98,000	.98,000	.98,000	0	0	0	0	0	0	.98,000	0	2,863	2,863	401	04/25/2014	1FE			
3899999 - Bonds - Industrial and Miscellaneous						153,623	148,000	148,125	148,005	0	0	(1)	0	0	0	148,004	0	5,619	5,619	1,423	XXX	XXX			
4899999 - Total - Bonds - Hybrid Securities						0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX			
5599999 - Bonds - Parent, Subsidiaries and Affiliates						0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX			
8399997 - Bonds - Part 4						293,623	288,000	289,336	287,953	0	0	(3)	0	0	(3)	0	287,950	0	5,673	5,673	3,598	XXX	XXX		
8399999 - Total - Bonds						293,623	288,000	289,336	287,953	0	0	(3)	0	0	(3)	0	287,950	0	5,673	5,673	3,598	XXX	XXX		
225448-20-8... CREDIT SUISSE GG 7.9%			02/01/2013.	Sold.....		8,000,000	204,220	0.00	195,608	202,960	(7,352)	0	0	0	(7,352)	0	0	195,608	0	8,612	8,612	0	P2LPE		
8499999 - Preferred Stocks - Industrial and Miscellaneous						204,220	XXX	195,608	202,960	0	0	(7,352)	0	0	(7,352)	0	0	195,608	0	8,612	8,612	0	XXX	XXX	
8599999 - Preferred Stocks - Parent, Subsidiaries and Affiliates						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX			
8999997 - Preferred Stocks - Part 4						204,220	XXX	195,608	202,960	0	0	(7,352)	0	0	(7,352)	0	195,608	0	8,612	8,612	0	XXX	XXX		
8999999 - Total - Preferred Stocks						204,220	XXX	195,608	202,960	0	0	(7,352)	0	0	(7,352)	0	195,608	0	8,612	8,612	0	XXX	XXX		
30254T-75-9... FPA CRESCENT INSTL			01/30/2013.	Sold.....		9,452,290	.277,405	269,983	.276,600	(6,616)	0	0	0	(6,616)	0	0	269,983	0	7,422	7,422	10,537	L			
369604-10-3... GENERAL ELECTRIC CO			02/11/2013.	Sold.....		16,000,000	.355,984	.432,085	.335,840	.96,245	0	0	0	.96,245	0	0	.432,085	0	(76,101)	(76,101)	3,040	L			
411511-30-6... HARBON INTL INSTL FD			01/30/2013.	Sold.....		5,684,718	.365,394	.318,956	.353,135	(34,179)	0	0	0	(34,179)	0	0	.318,956	0	46,438	46,438	0	L			
922908-49-6...	VANGUARD 500 INDEX FD		02/07/2013.	Sold.....		102,555	.11,706	.11,706	.11,706	0	0	0	0	0	0	.11,706	0	.76	.76	0	L				
9099999 - Common Stocks - Industrial and Miscellaneous						1,010,564	XXX	1,032,730	977,280	55,449	0	0	0	55,449	0	0	1,032,730	0	(22,165)	(22,165)	13,577	XXX	XXX		
9199999 - Common Stocks - Parent, Subsidiaries and Affiliates						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX			
140193-10-3...	AMERICAN CAP INC BUILDER		01/30/2013.	Sold.....		12,771,320	.693,610	706,689	.673,943	32,746	0	0	0	32,746	0	0	.706,689	0	(13,078)	(13,078)	0	L			
643822-10-9...	AMERICAN FUND NEW		01/30/2013.	Sold.....		5,649,566	.171,238	144,108	.160,617	(16,510)	0	0	0	(16,510)	0	0	.144,108	0	27,131	27,131	0	L			
45956T-10-5...	AMERICAN INTL GRW & INC		01/30/2013.	Sold.....		7,378,848	.242,100	223,380	.233,909	(10,530)	0	0	0	(10,530)	0	0	.223,380	0	18,720	18,720	0	L			
007004-15-3...	AMERICAN NEW WORLD A...		01/30/2013.	Sold.....		5,004,117	.278,229	.232,372	.272,674	(40,302)	0	0	0	(40,302)	0	0	.232,372	0	.45,856	.45,856	0	L			
04315J-10-0...	ARTIO TOTAL RETURN FD CL		01/30/2013.	Sold.....		41,604,881	.573,731	.552,538	.577,476	(24,937)	0	0	0	(24,937)	0	0	.552,538	0	21,193	21,193	1,040	L			
09251T-10-3...	BLACKROCK GLOBAL ALLOCAT FUND		01/30/2013.	Sold.....		5,640,162	.114,439	.105,459	.111,337	(5,878)	0	0	0	(5,878)	0	0	.105,459	0	8,980	8,980	0	L			
304871-40-3...	FAIRHOLME ALLOCATION FUND		01/30/2013.	Sold.....		5,078,229	.50,356	.50,377	.47,532	2,845	0	0	0	2,845	0	0	.50,377	0	(21)	(21)	0	L			
304871-10-6...	FAIRHOLME FUND		01/30/2013.	Sold.....		20,104,268	.660,405	.655,881	.632,078	23,803	0	0	0	23,803	0	0	.655,881	0	4,524	4,524	0	L			
316071-10-9...	FIDELITY CONTRAFUND		01/30/2013.	Sold.....		4,744,892	.383,177	.257,068	.368,061	(110,993)	0	0	0	(110,993)	0	0	.257,068	0	126,109	126,109	0	L			
316128-50-3...	FIDELITY TAX-FREE BN		02/26/2013.	Sold.....		30,400,950	.356,279	.321,352	.356,299	(34,947)	0	0	0	(34,947)	0	0	.321,352	0	34,927	34,927	1,216	L			
543495-84-0...	LOOMIS SAYLES BN INST'L		01/30/2013.	Sold.....		78,453,706	.1,201,106	.1,066,114	.1,186,220	(120,106)	0	0	0	(120,106)	0	0	.1,066,114	0	.134,992	.134,992	4,237	L			
543487-87-0...	LOOMIS SAYLES GLOBAL MARKETS		01/30/2013.	Sold.....		16,109,280	.283,503	.259,100	.276,113	(17,013)	0	0	0	(17,013)	0	0	.259,100	0	24,404	24,404	0	L			
543487-28-4...	LOOMIS SAYLES STRATEGIC INCM FD		01/31/2013.	Sold.....		6,628,850	.104,670</td																		

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245524-10-3.	THE DELAFIELD FUND.....		.01/30/2013.	Sold.....	6,954,743	222,204		214,226	212,292	1,934	0	0	1,934	0	214,226	0	7,978	7,978	11,845	.....	1.....	
9299999 - Common Stocks - Mutual Funds					7,121,160	XXX	6,592,522	6,956,410	(363,888)	0	0	0	(363,888)	0	6,592,522	0	528,638	528,638	21,630	XXX	XXX	
9399999 - Common Stocks - Money Market Mutual Funds						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9799997 - Common Stocks - Part 4					8,131,725	XXX	7,625,251	7,933,690	(308,439)	0	0	0	(308,439)	0	7,625,251	0	506,473	506,473	35,207	XXX	XXX	
9799999 - Total - Common Stocks					8,131,725	XXX	7,625,251	7,933,690	(308,439)	0	0	0	(308,439)	0	7,625,251	0	506,473	506,473	35,207	XXX	XXX	
9899999 - Total - Preferred and Common Stocks					8,335,944	XXX	7,820,859	8,136,650	(315,791)	0	0	0	(315,791)	0	7,820,859	0	515,085	515,085	35,207	XXX	XXX	
99999999 Totals					8,629,567	XXX	8,110,195	8,424,603	(315,791)	(3)	0	0	(315,793)	0	8,108,810	0	520,758	520,758	38,805	XXX	XXX	

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

Schedule DB - Part A - Section 1

**NONE**

Sch. DB - Pt. A - Sn. 1 - Footnotes

**NONE**

Schedule DB - Part B - Section 1

**NONE**

Sch. DB - Pt. B - Sn. 1 - Footnotes

**NONE**

Schedule DB - Part D Section 1

**NONE**

Schedule DB - Part D Section 2

**NONE**

Schedule DB - Part D Section 2 [Cont.]

**NONE**

Schedule DL - Part 1

**NONE**

Schedule DL - Part 2

**NONE**

STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY

**SCHEDULE E - PART 1 - CASH**

STATEMENT AS OF MARCH 31, 2013 OF THE GERMAN MUTUAL INSURANCE COMPANY

## **SCHEDULE E - PART 2 - CASH EQUIVALENTS**

**Show Investments Owned End of Current Quarter**

**NONE**

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