



PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

QUARTERLY STATEMENT

**AS OF MARCH 31, 2013
OF THE CONDITION AND AFFAIRS OF THE**

WESTERN RESERVE MUTUAL CASUALTY COMPANY

NAIC Group Code	0207 (Current Period)	0207 (Prior Period)	NAIC Company Code	26131	Employer's ID Number	34-0613930
Organized under the Laws of	Ohio		State of Domicile or Port of Entry		Ohio	
Country of Domicile	United States					
Incorporated/Organized	06/29/1937		Commenced Business	07/30/1937		
Statutory Home Office	1685 Cleveland Road (Street and Number)		Wooster, OH, US 44691-0036 (City or Town, State, Country and Zip Code)			
Main Administrative Office	1685 Cleveland Road (Street and Number)		Wooster, OH, US 44691-0036 (City or Town, State, Country and Zip Code)	330-262-9060 (Area Code) (Telephone Number)		
Mail Address	1685 Cleveland Road (Street and Number or P.O. Box)		Wooster, OH, US 44691-0036 (City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	1685 Cleveland Road (Street and Number)		Wooster, OH, US 44691-0036 (City or Town, State, Country and Zip Code)	330-262-9060 (Area Code) (Telephone Number)		
Internet Web Site Address	www.wrg-ins.com					
Statutory Statement Contact	Brooke M. McVay, CPA (Name)		330-262-9060-2446 (Area Code) (Telephone Number) (Extension)			
	Brooke_McVay@wrg-ins.com (E-mail Address)		330-264-7822 (Fax Number)			

OFFICERS

Name	Title	Name	Title
KEVIN W. DAY #	PRESIDENT AND SECRETARY - CHIEF EXECUTIVE OFFICER	MICHAEL A. SHUTT	VICE PRESIDENT AND TREASURER -CHIEF FINANCIAL OFFICER

OTHER OFFICERS

GREGORY A. BRUNN, VICE PRESIDENT-CHIEF
VICE PRESIDENT-CHIEF
MARKETING & UNDERWRITING
OFFICER, GARY W. GWENN #, VICE PRESIDENT-CHIEF CLAIMS
VICE PRESIDENT-CHIEF CLAIMS
OFFICER
GREGORY J. OWEN, VICE PRESIDENT-CHIEF
INFORMATION OFFICER, ,

DIRECTORS OR TRUSTEES

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

State of OHIO

County of WAYNE ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

KEVIN W. DAY
PRESIDENT AND SECRETARY -CHIEF
EXECUTIVE OFFICER

MICHAEL A. SHUTT
VICE PRESIDENT AND TREASURER -CHIEF
FINANCIAL OFFICER

Subscribed and sworn to before me this
13 day of May, 2013

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

b. If no:

1. State the amendment number
2. Date filed

2. Date filed
3. Number of

3. Number of pages attached

Lauresa Durham, Notary Public
July 30, 2016

Yes [X] No []

Lauresa Durham, Notary Public
July 30, 2016

Lauresa Durham, Notary Public
July 30, 2016

STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	81,852,887		81,852,887	80,202,838
2. Stocks:				
2.1 Preferred stocks	1,660,949		1,660,949	1,642,768
2.2 Common stocks	48,767,449	277,646	48,489,803	45,993,165
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)	7,735,302		7,735,302	7,790,881
4.2 Properties held for the production of income (less \$ encumbrances)	0		0	0
4.3 Properties held for sale (less \$ encumbrances)	0		0	0
5. Cash (\$ (8,497,636)), cash equivalents (\$ 0) and short-term investments (\$ 3,185,570)	(5,312,066)		(5,312,066)	(6,939,263)
6. Contract loans (including \$ premium notes)			0	0
7. Derivatives			0	0
8. Other invested assets	5,385,739	1,794,243	3,591,496	3,748,180
9. Receivables for securities	0		0	0
10. Securities lending reinvested collateral assets	0		0	0
11. Aggregate write-ins for invested assets	0	.0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	140,090,260	2,071,889	138,018,371	132,438,569
13. Title plants less \$ charged off (for Title insurers only)	0		0	0
14. Investment income due and accrued	972,926		972,926	843,133
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	25,683,998	172,320	25,511,678	25,001,501
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	508,288		508,288	1,227,694
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			0	1,598,838
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software	478,049		478,049	411,696
21. Furniture and equipment, including health care delivery assets (\$)	115,259	115,259	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates	0		0	0
23. Receivables from parent, subsidiaries and affiliates	0		0	249,761
24. Health care (\$) and other amounts receivable	0		0	0
25. Aggregate write-ins for other than invested assets	0	.0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	167,848,780	2,359,468	165,489,312	161,771,192
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	167,848,780	2,359,468	165,489,312	161,771,192
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	.0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501.				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page	0	.0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0	0	0

STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$)	20,726,271	21,571,591
2. Reinsurance payable on paid losses and loss adjustment expenses	0	0
3. Loss adjustment expenses	4,511,248	4,511,248
4. Commissions payable, contingent commissions and other similar charges	1,507,487	2,024,623
5. Other expenses (excluding taxes, licenses and fees)	1,183,931	1,838,266
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	1,113,836	895,017
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))	75	75
7.2 Net deferred tax liability	1,076,901	0
8. Borrowed money \$ and interest thereon \$	0	0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 577,004 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).....	32,966,879	33,094,446
10. Advance premium	657,743	479,575
11. Dividends declared and unpaid:		
11.1 Stockholders	0	0
11.2 Policyholders	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions)	415,782	568,620
13. Funds held by company under reinsurance treaties	0	0
14. Amounts withheld or retained by company for account of others	3,195,253	4,063,002
15. Remittances and items not allocated	0	0
16. Provision for reinsurance (including \$ certified)	213,119	213,119
17. Net adjustments in assets and liabilities due to foreign exchange rates	0	0
18. Drafts outstanding	0	0
19. Payable to parent, subsidiaries and affiliates	165,741	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	52,572	29,791
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	67,786,838	69,289,373
27. Protected cell liabilities	0	0
28. Total liabilities (Lines 26 and 27)	67,786,838	69,289,373
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)	97,702,473	92,481,819
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)	97,702,473	92,481,819
38. Totals (Page 2, Line 28, Col. 3)	165,489,312	161,771,192
DETAILS OF WRITE-INS		
2501. Option Liability	38,227	14,748
2502. Deferred Option Income	14,345	15,043
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)	52,572	29,791
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 WESTERN RESERVE MUTUAL CASUALTY COMPANY

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 24,879,996)	25,431,293	23,707,009	98,335,458
1.2 Assumed (written \$ 16,080,010)	16,263,896	15,245,828	60,353,970
1.3 Ceded (written \$ 23,389,596)	23,997,212	22,394,119	91,509,080
1.4 Net (written \$ 17,570,410)	17,697,977	16,558,718	67,180,348
DEDUCTIONS:			
2. Losses incurred (current accident year \$):			
2.1 Direct	11,403,432	16,442,662	69,256,225
2.2 Assumed	8,592,765	9,488,803	65,943,493
2.3 Ceded	12,518,791	14,269,646	89,548,770
2.4 Net	7,477,406	11,661,819	45,650,948
3. Loss adjustment expenses incurred	1,535,395	1,572,835	7,176,988
4. Other underwriting expenses incurred	5,502,304	5,550,341	23,034,352
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	14,515,105	18,784,995	75,862,288
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	3,182,872	(2,226,277)	(8,681,940)
INVESTMENT INCOME			
9. Net investment income earned	885,772	951,730	3,811,679
10. Net realized capital gains (losses) less capital gains tax of \$ 116,746	226,625	128,903	397,897
11. Net investment gain (loss) (Lines 9 + 10)	1,112,396	1,080,633	4,209,576
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ 14,311)	(14,311)	(16,569)	(66,107)
13. Finance and service charges not included in premiums	285,121	294,866	1,113,607
14. Aggregate write-ins for miscellaneous income	401	10,490	(2,374)
15. Total other income (Lines 12 through 14)	271,210	288,787	1,045,126
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	4,566,479	(856,857)	(3,427,238)
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)	4,566,479	(856,857)	(3,427,238)
19. Federal and foreign income taxes incurred	(116,746)	(66,405)	(204,974)
20. Net income (Line 18 minus Line 19)(to Line 22)	4,683,225	(790,452)	(3,222,264)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	92,481,819	92,303,052	92,303,052
22. Net income (from Line 20)	4,683,225	(790,452)	(3,222,264)
23. Net transfers (to) from Protected Cell accounts	0	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 1,023,450	1,986,697	1,557,296	1,641,887
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	(1,619,474)	511,828	1,532,434
27. Change in nonadmitted assets	129,986	99,121	241,458
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	40,221	0	(14,748)
38. Change in surplus as regards policyholders (Lines 22 through 37)	5,220,654	1,377,793	178,767
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	97,702,473	93,680,845	92,481,819
DETAILS OF WRITE-INS			
0501.	0		
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0
1401. Other Income (Expense)	401	7,707	(5,157)
1402. Gain/(Loss) sale of Equipment	0	2,783	2,783
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)	401	10,490	(2,374)
3701. Surplus Adjustment SSAP 102	63,700	0	0
3702. Change in Option Liability	(23,479)	0	(14,748)
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)	40,221	0	(14,748)

STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance.....	17,034,947	15,785,476	67,382,980
2. Net investment income.....	797,854	910,221	4,181,320
3. Miscellaneous income.....	271,210	288,787	1,045,126
4. Total (Lines 1 to 3).....	18,104,011	16,984,484	72,609,426
5. Benefit and loss related payments.....	7,537,177	9,729,583	44,897,511
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.....	7,936,715	7,744,333	29,148,496
8. Dividends paid to policyholders.....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	0	(75)	(75)
10. Total (Lines 5 through 9).....	15,473,892	17,473,841	74,045,932
11. Net cash from operations (Line 4 minus Line 10).....	2,630,119	(489,357)	(1,436,506)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	2,434,078	1,668,688	10,616,084
12.2 Stocks.....	5,603,488	2,963,457	15,781,488
12.3 Mortgage loans.....	0	0	0
12.4 Real estate.....	0	0	0
12.5 Other invested assets.....	431,480	63,271	258,132
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	0	0	0
12.7 Miscellaneous proceeds.....	36,994	0	26,317
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	8,506,040	4,695,416	26,682,021
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	4,136,090	4,381,164	10,219,638
13.2 Stocks.....	4,815,192	3,185,423	17,845,754
13.3 Mortgage loans.....	0	0	0
13.4 Real estate.....	0	0	12,730
13.5 Other invested assets.....	131,000	0	0
13.6 Miscellaneous applications.....	19,312	1	0
13.7 Total investments acquired (Lines 13.1 to 13.6).....	9,101,594	7,566,588	28,078,122
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).....	(595,555)	(2,871,172)	(1,396,101)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds.....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	0	0	0
16.5 Dividends to stockholders.....	0	0	0
16.6 Other cash provided (applied).....	(407,367)	(417,658)	(875,272)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	(407,367)	(417,658)	(875,272)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....	1,627,197	(3,778,187)	(3,707,879)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	(6,939,263)	(3,231,384)	(3,231,384)
19.2 End of period (Line 18 plus Line 19.1).....	(5,312,066)	(7,009,571)	(6,939,263)

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of Western Reserve Mutual Casualty Company (WRMCC) are presented on the basis of accounting principles prescribed or permitted by the Ohio Department of Insurance.

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

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

No significant changes.

C. Accounting Policy

No significant changes.

2. Accounting Changes and Corrections of Errors

Accounting changes adopted to conform to the provisions of the NAIC Accounting Practices and Procedures Manual are reported as changes in accounting principles. The cumulative effect of the changes in accounting principles is reported as an adjustment to unassigned funds (surplus) in the period of the change in accounting principle. The cumulative effect is the difference between the amount of capital and surplus at the beginning of the year and the amount of capital and surplus that would have been reported at that date if the new accounting principles had been applied retroactively for all periods.

Effective January 1, 2013 the Company adopted the provisions of SSAP No. 102, *Accounting for Pensions, A Replacement of SSAP No. 89*. As a result, the Company recorded an adjustment to unassigned funds (surplus) net of deferred tax of \$63,700.

3. Business Combinations and Goodwill

Not applicable.

4. Discontinued Operations

Not applicable.

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

Not applicable.

B. Debt Restructuring

Not applicable.

C. Reverse Mortgages

Not applicable.

D. Loan-Backed Securities

Not applicable.

E. Repurchase Agreements and/or Securities Lending Transactions

Not applicable.

F. Real Estate

Not applicable.

G. Low-income Housing Tax Credits (LIHTC)

Not applicable.

6. Joint Ventures, Partnerships and Limited Liability Companies

No significant changes.

7. Investment Income

No significant changes.

NOTES TO FINANCIAL STATEMENTS

8. Derivative Instruments

No significant changes.

9. Income Taxes

A. The components of the net deferred tax asset/(liability) at March 31, 2013 and December 31, 2012 are as follows:

1.

	03/31/2013		
	(1)	(2)	(3)
	Ordinary	Capital	(Col 1+2) Total
(a) Gross Deferred Tax Assets	\$ 6,019,858	\$ 860,543	\$ 6,880,401
(b) Statutory Valuation Allowance Adjustments	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a – 1b)	6,019,858	860,543	6,880,401
(d) Deferred Tax Assets Nonadmitted	-	-	-
(e) Subtotal Net Deferred Tax Asset (1c – 1d)	6,019,858	860,543	6,880,401
(f) Deferred Tax Liabilities	(480,643)	(7,476,660)	(7,957,303)
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e – 1f)	<u>\$ 5,539,216</u>	<u>\$ (6,616,117)</u>	<u>\$ (1,076,901)</u>
	12/31/2012		
	(1)	(2)	(3)
	Ordinary	Capital	(Col 1+2) Total
(h) Gross Deferred Tax Assets	\$ 7,594,957	\$ 890,116	\$ 8,485,073
(i) Statutory Valuation Allowance Adjustments	-	-	-
(j) Adjusted Gross Deferred Tax Assets (1a – 1b)	7,594,957	890,116	8,485,073
(k) Deferred Tax Assets Nonadmitted	-	-	-
(l) Subtotal Net Deferred Tax Asset (1c – 1d)	7,594,957	890,116	8,485,073
(m) Deferred Tax Liabilities	(433,025)	(6,453,210)	(6,886,235)
(n) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e – 1f)	<u>\$ 7,161,932</u>	<u>\$ (5,563,094)</u>	<u>\$ 1,598,838</u>
	Change		
	(7)	(8)	(9)
	(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total
(a) Gross Deferred Tax Assets	\$ (1,575,099)	\$ (29,573)	\$ (1,604,672)
(b) Statutory Valuation Allowance Adjustments	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a – 1b)	(1,575,099)	(29,573)	(1,604,672)
(d) Deferred Tax Assets Nonadmitted	-	-	-
(e) Subtotal Net Deferred Tax Asset (1c – 1d)	(1,575,099)	(29,573)	(1,604,672)
(f) Deferred Tax Liabilities	(47,618)	(1,023,450)	(1,071,068)
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e – 1f)	<u>\$ (1,622,716)</u>	<u>\$ (1,053,023)</u>	<u>\$ (2,675,739)</u>

STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

NOTES TO FINANCIAL STATEMENTS

2. Admission Calculation Components SSAP No. 101

	03/31/2013		
	(1)	(2)	(3)
	Ordinary	Capital	(Col 1+2) Total
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ -	\$ -	\$ -
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation (The Lesser of 2(b)1 and 2(b)2 Below)	2,218,106	-	2,218,106
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	2,218,106	-	2,218,106
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	13,800,566
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	4,662,295	-	4,662,295
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. (2(a) + 2(b) + 2(c))	<u>\$ 6,880,401</u>	<u>\$ -</u>	<u>\$ 6,880,401</u>
	12/31/2012		
	(1)	(2)	(3)
	Ordinary	Capital	(Col 1+2) Total
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ -	\$ -	\$ -
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation (The Lesser of 2(b)1 and 2(b)2 Below)	2,218,106	-	2,218,106
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	2,218,106	-	2,218,106
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	11,862,759
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	6,266,967	-	6,266,967
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. (2(a) + 2(b) + 2(c))	<u>\$ 8,485,073</u>	<u>\$ -</u>	<u>\$ 8,485,073</u>
	Change		
	(7)	(8)	(9)
	(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ -	\$ -	\$ -
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation (The Lesser of 2(b)1 and 2(b)2 Below)	-	-	-
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	-	-	-
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	1,937,807
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	(1,604,672)	-	(1,604,672)
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. (2(a) + 2(b) + 2(c))	<u>\$ (1,604,672)</u>	<u>\$ -</u>	<u>\$ (1,604,672)</u>

STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

NOTES TO FINANCIAL STATEMENTS

3.

	<u>03/31/2013</u>	<u>12/31/2012</u>
(a) Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	15%	15%
(b) Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b) 2 Above.	\$ 92,003,770	\$ 90,882,981

4. Impact of Tax-Planning Strategies

	<u>03/31/2013</u>		
	(1)	(2)	(3)
	Ordinary Percent	Capital Percent	Total Percent
(a) Adjusted Gross DTAs (% of Total Adjusted Gross DTAs)	-	-	-
(b) Net Admitted Adjusted Gross DTAs (% of Total Net Admitted Adjusted Gross DTAs)	-	-	-

	<u>12/31/2012</u>		
	(4)	(5)	(6)
	Ordinary Percent	Capital Percent	Total Percent
(a) Adjusted Gross DTAs (% of Total Adjusted Gross DTAs)	-	-	-
(b) Net Admitted Adjusted Gross DTAs (% of Total Net Admitted Adjusted Gross DTAs)	-	-	-

	<u>Change</u>		
	(7)	(8)	(9)
	Ordinary Percent	Capital Percent	Total Percent
(a) Adjusted Gross DTAs (% of Total Adjusted Gross DTAs)	-	-	-
(b) Net Admitted Adjusted Gross DTAs (% of Total Net Admitted Adjusted Gross DTAs)	-	-	-
(c) Does the Company's tax-planning strategies include the use of reinsurance?	Yes	No	<input checked="" type="checkbox"/>

B. The Company has no temporary differences for which deferred tax liabilities are not recognized.

C. Current income taxes incurred consist of the following major components:

	<u>(1)</u>	<u>(2)</u>	<u>(3)</u>
	<u>03/31/2013</u>	<u>12/31/2012</u>	<u>(Col 1-2) Change</u>
1. Current Income Tax			
(a) Federal	\$ 1,300,475	\$ (595,692)	\$ 1,896,167
(b) Foreign	\$ -	\$ -	\$ -
(c) Subtotal	<u>\$ 1,300,475</u>	<u>\$ (595,692)</u>	<u>\$ 1,896,167</u>
(d) Federal income tax on net capital gains	\$ 116,746	\$ 561,378	\$ (444,632)
(e) Utilization of capital loss carry-forwards	\$ (1,417,221)	\$ -	\$ (1,417,221)
(f) Other (incl. prior year over/under accrual)	\$ -	\$ -	\$ -
(g) Federal and foreign income taxes incurred	<u>\$ -</u>	<u>\$ (34,314)</u>	<u>\$ 34,314</u>

STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

NOTES TO FINANCIAL STATEMENTS

	(1)	(2)	(3)
	03/31/2013	12/31/2012	(Col 1-2) Change
2. Deferred Tax Assets			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 488,483	\$ 488,483	\$ -
(2) Unearned premium reserve	\$ 2,241,748	\$ 2,250,422	\$ (8,674)
(3) Policyholder reserves	\$ -	\$ -	\$ -
(4) Investments	\$ -	\$ -	\$ -
(5) Deferred acquisition costs	\$ -	\$ -	\$ -
(6) Policyholder dividends accrual	\$ -	\$ -	\$ -
(7) Fixed assets	\$ -	\$ -	\$ -
(8) Compensation and benefits accrual	\$ 980,229	\$ 1,044,060	\$ (63,831)
(9) Pension accrual	\$ 209,673	\$ 243,390	\$ (33,717)
(10) Receivables – nonadmitted	\$ -	\$ -	\$ -
(11) Net operating loss carry-forward	\$ 722,453	\$ 2,139,674	\$ (1,417,221)
(12) Tax credit carry-forward	\$ -	\$ -	\$ -
(13) Other (including items > 5% of total ordinary tax assets):			
Salvage and subrogation anticipated	\$ 731,983	\$ 731,983	\$ -
Other	\$ 645,289	\$ 696,945	\$ (51,656)
(99) Subtotal	\$ 6,019,858	\$ 7,594,957	\$ (1,575,099)
(b) Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
(c) Nonadmitted	\$ -	\$ -	\$ -
(d) Admitted ordinary deferred tax assets (2a99 – 2b – 2c)	<u>\$ 6,019,858</u>	<u>\$ 7,594,957</u>	<u>\$ (1,575,099)</u>
(e) Capital:			
(1) Investments	\$ -	\$ -	\$ -
(2) Net capital loss carry-forward	\$ -	\$ -	\$ -
(3) Real estate	\$ -	\$ -	\$ -
(4) Other (including items <5% of total capital tax assets):			
Unrealized capital losses for			
Impaired securities	\$ 860,543	\$ 890,116	\$ (29,573)
(99) Subtotal	\$ 860,543	\$ 890,116	\$ (29,573)
(f) Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
(g) Nonadmitted	\$ -	\$ -	\$ -
(h) Admitted capital deferred tax assets (2e99 – 2f – 2g)	<u>\$ 860,543</u>	<u>\$ 890,116</u>	<u>\$ (29,573)</u>
(i) Admitted deferred tax assets (2d + 2h)	<u>\$ 6,880,401</u>	<u>\$ 8,485,073</u>	<u>\$ (1,604,672)</u>
3. Deferred tax liabilities:			
(a) Ordinary			
(1) Investments	\$ (355,911)	\$ (334,670)	\$ (21,241)
(2) Fixed assets	\$ -	\$ -	\$ -
(3) Deferred and uncollected premium	\$ -	\$ -	\$ -
(4) Policyholder reserves	\$ -	\$ -	\$ -
(5) Other (including items <5% of total ordinary tax liabilities):			
Accumulated amortization of capitalized software	\$ (124,732)	\$ (98,355)	\$ (26,377)
(99) Subtotal	\$ (480,643)	\$ (433,025)	\$ (47,618)
(b) Capital:			
(1) Investments	\$ -	\$ -	\$ -
(2) Real estate	\$ -	\$ -	\$ -
(3) Other (including items <5% of total capital tax liabilities):			
Unrealized capital gains	\$ (7,476,660)	\$ (6,453,210)	\$ (1,023,450)
(99) Subtotal	\$ (7,476,660)	\$ (6,453,210)	\$ (1,023,450)
(c) Deferred tax liabilities (3a99 + 3b99)	<u>\$ (7,957,303)</u>	<u>\$ (6,886,235)</u>	<u>\$ (1,071,068)</u>
4. Net deferred tax assets/liabilities (2i – 3c)	<u>\$ (1,076,901)</u>	<u>\$ 1,598,838</u>	<u>\$ (2,675,739)</u>

NOTES TO FINANCIAL STATEMENTS

D. The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes. Among the more significant book to tax adjustments were the following:

	<u>03/31/2013</u>	Effective Tax Rate
Provision computed at statutory rate	\$ 1,552,603	34.0%
Tax exempt income deduction	(54,209)	(1.2%)
Dividends received deduction	(53,389)	(1.2%)
Tax differentials on foreign earnings	-	0.0%
Nondeductible goodwill	-	0.0%
Other	<u>207,284</u>	4.5%
Total	<u>\$ 1,652,289</u>	<u>36.2%</u>
 Federal and foreign income taxes incurred	 \$ (116,746)	 (2.6%)
Tax on capital gains (losses)	116,746	2.6%
Change in net deferred income taxes	<u>1,652,289</u>	<u>36.2%</u>
Total statutory income taxes	<u>\$ 1,652,289</u>	<u>36.2%</u>

E. Carry-forwards, recoverable taxes, and IRC §6603 deposits:

(1) As of March 31, 2013, the Company had net operating loss carry-forwards available for tax purposes:

Origination Year	Expiration Year	Amount
2010	2030	\$ -
2011	2031	\$ -
2012	2032	<u>\$ 2,124,862</u>
Total		<u>\$ 2,124,862</u>

The Company has no net capital loss carry-forwards available for tax purposes.

As of March 31, 2013, the Company had alternative minimum tax (AMT) credit carry-forwards in the amount of \$268,108 which do not have an expiration date.

(2) As of March 31, 2013, the Company had no federal income taxes incurred available for recoupment in the event of future net losses.

(3) The Company has no deposits reported as admitted assets under IRC §6603 as of March 31, 2013.

F. The Company files an individual federal income tax return.

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

A. Not applicable.

B. Not applicable.

C. Not applicable.

D. At March 31, 2013 there was an intercompany payable of \$165,741 due to its Subsidiaries and Affiliates. The intercompany balances due from and/or due to its Subsidiaries and Affiliates are reimbursed quarterly on an as made basis.

E. Not applicable.

F. No significant changes.

G. No significant changes.

H. Not applicable.

I. Not applicable.

J. Not applicable.

K. Not applicable.

L. No significant changes.

11. Debt

Not applicable.

NOTES TO FINANCIAL STATEMENTS

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

A. Defined Benefit Plan / Other than Postretirement Benefit Plans

The Company has a non-qualified, unfunded, directors' retirement plan and a retiree healthcare plan which is closed to new participants. The related liabilities and expenses are not material to the Company's financial position.

The Company also has a non-qualified voluntary deferred compensation plan for senior executive officers. The plan allows for deferral of payouts under the Annual Incentive Plan and Performance Share Plan for Key Executives. As of March 31, 2013 and December 31, 2012, amounts held for these deferrals were \$7.7 million and \$10.0 million, respectively.

B. Defined Contribution Plan

No significant changes.

C. Multiemployer Plans

Not applicable.

D. Consolidated/Holding Company Plans

Not applicable.

E. Postemployment Benefits and Compensated Absences

Not applicable.

F. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)

Not applicable.

13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

(1) Not applicable.

(2) Not applicable.

(3) Not applicable.

(4) Not applicable.

(5) Not applicable.

(6) Not applicable.

(7) Not applicable.

(8) Not applicable.

(9) Not applicable.

(10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses before tax is \$22.0 million.

(11) Not applicable.

(12) Not applicable.

(13) Not applicable.

NOTES TO FINANCIAL STATEMENTS

14. Contingencies

- A. Contingent Commitments
Not applicable.
- B. Assessments
No significant changes.
- C. Gain Contingencies
Not applicable.
- D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits
No significant changes.
- E. Product Warranties
Not applicable.
- F. All Other Contingencies
Not applicable.

15. Leases

No significant changes.

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

Not applicable.

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

- A. Transfers of Receivables Reported as Sales
Not applicable.
- B. Transfer and Servicing of Financial Assets
Not applicable.
- C. Wash Sales
Not applicable.

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

- A. Administrative Services Only (ASO) Plans
Not applicable.
- B. Administrative Services Contract (ASC) Plans
Not applicable.
- C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract
Not applicable.

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

Not applicable.

NOTES TO FINANCIAL STATEMENTS

20. Fair Value Measurements

A. The company's financial assets and liabilities carried at fair value have been classified, for disclosure purposes, based on a hierarchy defined by FASB ASC 820 (SFAS No. 157), *Fair Value Measurements*. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). An asset's or a liability's classification is based on the lowest level input that is significant to its measurement. For example, a Level 3 fair value measurement may include inputs that are both observable (Levels 1 and 2) and unobservable (Level 3). The levels of the fair value hierarchy are as follows:

Level 1:

Values are unadjusted quoted prices for identical assets and liabilities in active markets accessible at the measurement date.

Level 2:

Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads and yield curves.

Level 3:

Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the Company's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

(1) Fair Value Measurements at March 31, 2013:

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value:				
Perpetual Preferred stock:				
Industrial and Misc	\$ 1,660,949	\$ -	\$ -	\$ 1,660,949
Total Perpetual Preferred Stock	1,660,949	-	-	1,660,949
Redeemable Preferred stock:				
Industrial and Misc	-	-	-	-
Total Redeemable Preferred Stock	-	-	-	-
Bonds:				
Industrial and Misc	-	829,600	-	829,600
Total Bonds	-	829,600	-	829,600
Common stock:				
Mutual Funds	20,049,259	1,736		20,050,995
Industrial and Misc	28,348,684	90,124		28,438,808
Parent, Subsidiaries, and Affiliates	-	-		-
Total Common Stocks	48,397,943	91,860		48,489,803
Other Invested Assets	-	-	3,591,496	3,591,496
Total assets at fair value	\$ 50,058,892	\$ 921,460	\$ 3,591,496	\$ 54,571,848
b. Liabilities at fair value:				
Derivative liabilities	38,227	-	-	38,227
Total liabilities at fair value	\$ 38,227	\$ -	\$ -	\$ 38,227

STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

NOTES TO FINANCIAL STATEMENTS

Fair Value Measurements at December 31, 2012:

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value:				
Perpetual Preferred stock:				
Industrial and Misc	\$ 1,257,752	\$ -	\$ -	\$ 1,257,752
Total Perpetual Preferred Stock	1,257,752	-	-	1,257,752
Redeemable Preferred stock:				
Industrial and Misc	385,016	-	-	385,016
Total Redeemable Preferred Stock	385,016	-	-	385,016
Bonds:				
Industrial and Misc	841,942	-	-	841,942
Total Bonds	841,942	-	-	841,942
Common stock:				
Mutual Funds	5,457,240			5,457,240
Industrial and Misc	40,445,801	90,124	-	40,535,925
Parent, Subsidiaries, and Affiliates	-	-	-	-
Total Common Stocks	45,903,041	90,124	-	45,993,165
Other Invested Assets	-	-	3,478,181	3,478,181
Total assets at fair value	\$ 48,487,751	\$ 90,124	\$ 3,478,181	\$ 52,056,056
b. Liabilities at fair value:				
Derivative liabilities	14,748	-	-	14,748
Total liabilities at fair value	\$ 14,748	\$ -	\$ -	\$ 14,748

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

	Balance 01/01/2013	Transfers In/(out) Level 3	Total Gain/(Loss) Included in Net Income	Total Gain/(Loss) Included in Surplus	Purchases/ Issuances/ (Sales/ Settlements)	Balance 03/31/2013
(1) Assets:						
Other Invested Assets	3,748,181	-	33,168	(2,448)	(187,405)	3,591,496
Total Assets	\$ 3,748,181	\$ -	\$ 33,168	\$ (2,448)	\$ (187,405)	\$ 3,591,496

(2) Liabilities:

Not applicable.

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

(4) As of March 31, 2013, the reported fair value of the entity's investments categorized within Level 3 of the fair value hierarchy is as follows:

Other Invested Assets – The Company holds an investment in one partnership that is valued according to the underlying assets. The underlying assets are primarily investments in private limited partnerships in which the fair value is determined by each partnership's audited GAAP financial statements and adjusted for the Company's proportional share of the entity's earnings.

21. Other Items

A. Extraordinary Items

Not applicable.

B. Troubled Debt Restructuring: Debtors

Not applicable.

C. Other Disclosures

Not applicable.

D. No significant changes.

E. Business Interruption Insurance Recoveries

Not applicable.

F. State Transferable and Non-transferable Tax Credits

Not applicable.

NOTES TO FINANCIAL STATEMENTS

G. Subprime Mortgage Related Risk Exposure

Not applicable.

22. Events Subsequent

Type I – Recognized Subsequent Events:

Subsequent events have been considered through May 13, 2013 for the statutory statement issued on May 15, 2013 for the quarter ending March 31, 2013. There were no Type I events identified that would have a material effect on the financial condition of the Company.

Type II – Nonrecognized Subsequent Events:

Subsequent events have been considered through May 13, 2013 for the statutory statement issued on May 15, 2013 for the quarter ending March 31, 2013. There were no Type II events identified that would have a material effect on the financial condition of the Company.

23. Reinsurance

A. Unsecured Reinsurance Recoverables

Not applicable.

B. Reinsurance Recoverable in Dispute

Not applicable.

C. Reinsurance Assumed and Ceded

No significant changes.

D. Uncollectible Reinsurance

No significant changes.

E. Commutation of Ceded Reinsurance

Not applicable.

F. Retroactive Reinsurance

Not applicable.

G. Reinsurance Accounted for as a Deposit

Not applicable.

H. Disclosures for the Transfer of Property and Casualty Run-off Agreements

Not applicable.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

Not applicable.

25. Changes in Incurred Losses and Loss Adjustment Expense

Reserves as of December 31, 2012 were \$26.1 million. During 2013, \$5.5 million has been paid for incurred losses and loss adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$19.8 million as a result of re-estimation of unpaid claims and claim adjustment expenses for commercial auto liability, auto physical damage, homeowners/farmowners, commercial multi-peril, other liability and special property lines of insurance. These decreases were offset, in part, by increases in workers' compensation and private passenger auto liability lines of insurance. Therefore, there has been a \$0.8 million favorable prior-year development from December 31, 2012 to March 31, 2013. The decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims. The estimates are not affected by prior year loss development on retrospectively rated policies, as the company does not write this type of policy.

26. Intercompany Pooling Agreements

A. No significant changes.

B. No significant changes.

C. No significant changes.

D. No significant changes.

E. No significant changes.

NOTES TO FINANCIAL STATEMENTS

- F. No significant changes.
- G. There was \$183,579 due from the Company to the affiliated entities participating in the intercompany pool as of March 31, 2013.

27. Structured Settlements

Not applicable.

28. Health Care Receivables

Not applicable.

29. Participating Policies

Not applicable.

30. Premium Deficiency Reserves

No significant changes.

31. High Deductibles

Not applicable.

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

No significant changes.

33. Asbestos/Environmental Reserves

- A. No significant changes.
- B. Not applicable.
- C. Not applicable.
- D. No significant changes.
- E. No significant changes.
- F. No significant changes.

34. Subscriber Savings Accounts

Not applicable.

35. Multiple Peril Crop Insurance

Not applicable.

36. Financial Guaranty Insurance

Not applicable.

STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY 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?
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. 12/31/2011

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). 11/26/2012

6.4 By what department or departments?
Ohio.....

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

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

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

7.2 If yes, give full information:
.....

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

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

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

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

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

STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY**GENERAL INTERROGATORIES**

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

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

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

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

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

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

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

FINANCIAL

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No [X]

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

INVESTMENT

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

11.2 If yes, give full and complete information relating thereto:
.....

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$0

13. Amount of real estate and mortgages held in short-term investments: \$0

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

14.2 If yes, please complete the following:

	1 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	\$263,615	\$277,646
14.24 Short-Term Investments	\$	\$
14.25 Mortgage Loans on Real Estate	\$	\$
14.26 All Other	\$	\$
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$263,615	\$277,646
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$0	\$0

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 WESTERN RESERVE MUTUAL CASUALTY 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
FirstMerit.....	Akron, Ohio.....
Merrill Lynch.....	Columbus, Ohio.....

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
None.....		

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 WESTERN RESERVE MUTUAL CASUALTY COMPANY

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? Yes [] No [X] NA []
If yes, attach an explanation.

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

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes [] No [X]
3.2 If yes, give full and complete information thereto.

4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see *Annual Statement Instructions* pertaining to disclosure of discounting for definition of "tabular reserves,") discounted at a rate of interest greater than zero? Yes No [X]

4.2 If yes, complete the following schedule:

5. Operating Percentages:

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

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

STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
1. Alabama	AL.	N.	0	0	0	0	0
2. Alaska	AK.	N.	0	0	0	0	0
3. Arizona	AZ.	N.	0	0	0	0	0
4. Arkansas	AR.	N.	0	0	0	0	0
5. California	CA.	N.	0	0	0	0	0
6. Colorado	CO.	N.	0	0	0	0	0
7. Connecticut	CT.	N.	0	0	0	0	0
8. Delaware	DE.	N.	0	0	0	0	0
9. 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.	L	0	0	0	0	0
15. Indiana	IN.	L	7,473,121	7,075,388	4,076,336	4,195,254	8,908,885
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	17,406,875	16,882,886	9,210,021	12,239,892	28,130,503
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.	L	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)	4	24,879,996	23,958,274	13,286,357	16,435,146	37,039,388
DETAILS OF WRITE-INS		XXX					
58001.		XXX					
58002.		XXX					
58003.		XXX					
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

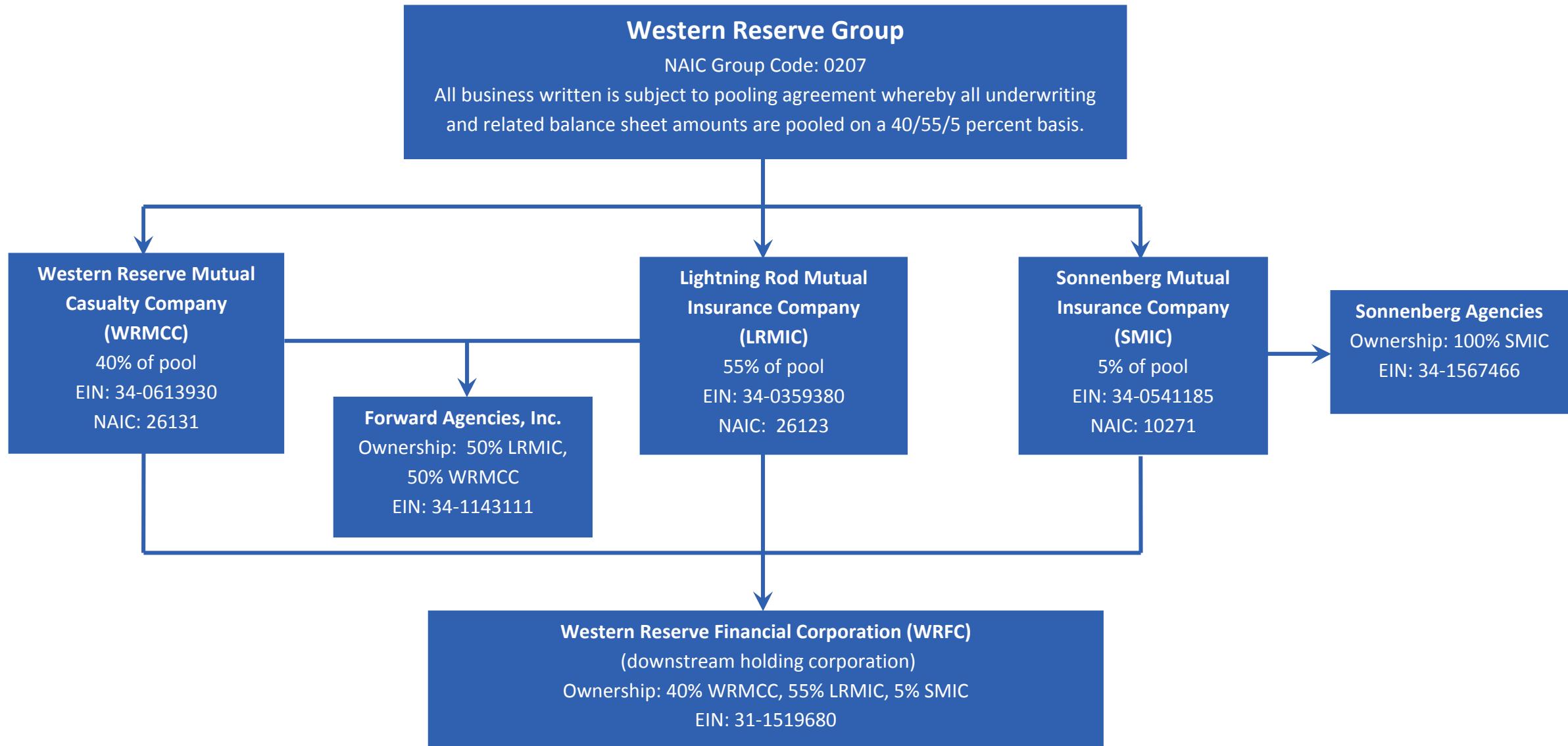
(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business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

(a) Insert the number of L responses except for Canada and Other Alien.

STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 – ORGANIZATIONAL CHART



STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

SCHEDULE Y
PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

2

Asterisk	Explanation
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STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY 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	772,841	166,082	21.5	.5.2
2. Allied lines	417,780	186,401	44.6	158.3
3. Farmowners multiple peril	0	0	0.0	0.0
4. Homeowners multiple peril	5,142,165	778,689	15.1	86.3
5. Commercial multiple peril	2,643,056	756,520	28.6	27.5
6. Mortgage guaranty	0	0	0.0	0.0
8. Ocean marine	0	0	0.0	0.0
9. Inland marine	190,443	84,273	44.3	6.3
10. Financial guaranty	0	0	0.0	0.0
11.1 Medical professional liability -occurrence	0	0	0.0	0.0
11.2 Medical professional liability -claims made	0	0	0.0	0.0
12. Earthquake	4,787	0	0.0	0.0
13. Group accident and health	0	0	0.0	0.0
14. Credit accident and health	0	0	0.0	0.0
15. Other accident and health	0	0	0.0	0.0
16. Workers' compensation	266,760	131,653	49.4	96.4
17.1 Other liability occurrence	696,643	(121,400)	(17.4)	47.2
17.2 Other liability-claims made	1,854	0	0.0	0.0
17.3 Excess Workers' Compensation	0	0	0.0	0.0
18.1 Products liability-occurrence	24,492	8,000	32.7	26.0
18.2 Products liability-claims made	0	0	0.0	0.0
19.1,19.2 Private passenger auto liability	7,611,950	5,095,004	66.9	84.3
19.3,19.4 Commercial auto liability	739,709	116,244	15.7	27.0
21. Auto physical damage	6,879,961	4,170,136	60.6	66.2
22. Aircraft (all perils)	0	0	0.0	0.0
23. Fidelity	0	0	0.0	0.0
24. Surety	0	0	0.0	0.0
26. Burglary and theft	10,061	30,376	301.9	(255.4)
27. Boiler and machinery	28,791	1,454	5.1	0.0
28. Credit	0	0	0.0	0.0
29. International	0	0	0.0	0.0
30. Warranty	0	0	0.0	0.0
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0.0	0.0
35. TOTALS	25,431,293	11,403,432	44.8	69.4
DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire	723,918	723,918	682,485
2. Allied lines	393,598	393,598	374,285
3. Farmowners multiple peril	0	0	0
4. Homeowners multiple peril	4,294,278	4,294,278	4,123,050
5. Commercial multiple peril	2,602,364	2,602,364	2,459,097
6. Mortgage guaranty	0	0	0
8. Ocean marine	0	0	0
9. Inland marine	173,517	173,517	189,661
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	4,791	4,791	4,872
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	292,115	292,115	257,747
17.1 Other liability occurrence	742,498	742,498	670,740
17.2 Other liability-claims made	1,410	1,410	.554
17.3 Excess Workers' Compensation	0	0	0
18.1 Products liability-occurrence	14,950	14,950	13,806
18.2 Products liability-claims made	0	0	0
19.1,19.2 Private passenger auto liability	7,731,090	7,731,090	7,646,252
19.3,19.4 Commercial auto liability	779,645	779,645	719,968
21. Auto physical damage	7,087,707	7,087,707	6,777,598
22. Aircraft (all perils)	0	0	0
23. Fidelity	0	0	0
24. Surety	0	0	0
26. Burglary and theft	8,003	8,003	8,606
27. Boiler and machinery	30,112	30,112	29,553
28. Credit	0	0	0
29. International	0	0	0
30. Warranty	0	0	0
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0
35. TOTALS	24,879,996	24,879,996	23,958,274
DETAILS OF WRITE-INS			
3401.			
3402.			
3403.			
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0

STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY 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 Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	9 Q.S. Date IBNR Loss and LAE Reserves	10 Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	11 Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	12 Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	13 Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2010 + Prior	3,761	.117	3,878	602	.6	608	2,910	.7	.89	3,006	(249)	(15)	(264)
2. 2011	5,859	.504	6,363	527	.13	.540	4,987	.26	.401	5,414	(345)	(64)	(409)
3. Subtotals 2011 + prior	9,620	.621	10,241	1,129	.19	1,148	7,897	.33	.490	8,420	(594)	(79)	(673)
4. 2012	12,742	.3,091	15,833	3,783	.567	4,350	9,219	.342	.1,791	11,352	.260	(391)	(131)
5. Subtotals 2012 + prior	22,362	.3,712	26,074	4,912	.586	5,498	17,116	.375	.2,281	19,772	(334)	(470)	(804)
6. 2013	XXX	XXX	XXX	XXX	4,356	4,356	XXX	4,110	.1,355	5,465	XXX	XXX	XXX
7. Totals	22,362	3,712	26,074	4,912	4,942	9,854	17,116	4,485	3,636	25,237	(334)	(470)	(804)
Prior Year-End Surplus As Regards Policy-holders											Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
8. Surplus As Regards Policy-holders	92,482										1. (1.5)	2. (12.7)	3. (3.1)
											Col. 13, Line 7 Line 8		
											4. (0.9)		

STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

Response

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

Explanation:

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

Bar Code:

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

OVERFLOW PAGE FOR WRITE-INS

STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY 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	.7,790,882	.8,000,268
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		12,730
2.2 Additional investment made after acquisition		0
3. Current year change in encumbrances		0
4. Total gain (loss) on disposals		0
5. Deduct amounts received on disposals		0
6. Total foreign exchange change in book/adjusted carrying value		0
7. Deduct current year's other than temporary impairment recognized		0
8. Deduct current year's depreciation	55,579	222,116
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)	.7,735,303	.7,790,882
10. Deduct total nonadmitted amounts	0	0
11. Statement value at end of current period (Line 9 minus Line 10)	.7,735,303	.7,790,882

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

NONE

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	.5,655,498	.5,843,088
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	131,000	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)	(2,448)	.70,542
6. Total gain (loss) on disposals	33,168	0
7. Deduct amounts received on disposals	431,480	.258,132
8. Deduct amortization of premium and depreciation		0
9. Total foreign exchange change in book/adjusted carrying value		0
10. Deduct current year's other than temporary impairment recognized		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	.5,385,739	.5,655,498
12. Deduct total nonadmitted amounts	1,794,243	1,907,318
13. Statement value at end of current period (Line 11 minus Line 12)	3,591,496	3,748,180

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	.128,102,387	.123,545,282
2. Cost of bonds and stocks acquired	.8,951,282	.28,065,392
3. Accrual of discount	18,115	.75,085
4. Unrealized valuation increase (decrease)	.3,002,966	.2,412,628
5. Total gain (loss) on disposals	.329,515	.581,091
6. Deduct consideration for bonds and stocks disposed of	.8,037,566	.26,397,572
7. Deduct amortization of premium	.58,047	.179,519
8. Total foreign exchange change in book/adjusted carrying value		0
9. Deduct current year's other than temporary impairment recognized	.27,367	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7+8-9)	.132,281,285	.128,102,387
11. Deduct total nonadmitted amounts	.277,646	.263,615
12. Statement value at end of current period (Line 10 minus Line 11)	.132,003,639	.127,838,772

STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

SCHEDULE D - PART 1B

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

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a).....	78,587,966	9,202,111	5,535,301	(56,594)	82,198,181	0	0	78,587,966
2. Class 2 (a).....	1,641,772			(1,095)	1,640,676	0	0	1,641,772
3. Class 3 (a).....	1,211,942			(12,342)	1,199,600	0	0	1,211,942
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.....	81,441,679	9,202,111	5,535,301	(70,031)	85,038,457	0	0	81,441,679
PREFERRED STOCK								
8. Class 1.....	0				0	0	0	0
9. Class 2.....	1,642,768	398,930	381,760	1,011	1,660,949	0	0	1,642,768
10. Class 3.....	0				0	0	0	0
11. Class 4.....	0				0	0	0	0
12. Class 5.....	0				0	0	0	0
13. Class 6.....	0				0	0	0	0
14. Total Preferred Stock.....	1,642,768	398,930	381,760	1,011	1,660,949	0	0	1,642,768
15. Total Bonds & Preferred Stock.....	83,084,447	9,601,041	5,917,061	(69,020)	86,699,407	0	0	83,084,447

(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 \$0 ; NAIC 2 \$;

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

STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY 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	3,185,570	XXX	3,185,570	267	

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.....	1,238,841	2,187,863
2. Cost of short-term investments acquired	5,066,021	16,844,255
3. Accrual of discount		0
4. Unrealized valuation increase (decrease).....		0
5. Total gain (loss) on disposals		0
6. Deduct consideration received on disposals	3,119,292	17,793,277
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).....	3,185,570	1,238,841
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	3,185,570	1,238,841

STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

SCHEDULE DB - PART A - VERIFICATION

Options, Caps, Floors, Collars, Swaps and Forwards

1. Book/Adjusted Carrying Value, December 31, prior year (Line 9, prior year)	(14,748)
2. Cost Paid/(Consideration Received) on additions.....	(22,433)
3. Unrealized Valuation increase/(decrease)	(24,177)
4. Total gain (loss) on termination recognized.....	8,055
5. Considerations received/(paid) on terminations.....	(5,448)
6. Amortization	0
7. Adjustment to the Book/Adjusted Carrying Value of hedged item	9,628
8. Total foreign exchange change in Book/Adjusted Carrying Value.....	0
9. Book/Adjusted Carrying Value at End of Current Period (Lines 1+2+3+4-5+6+7+8).....	(38,227)
10. Deduct nonadmitted assets.....	
11. Statement value at end of current period (Line 9 minus Line 10).....	(38,227)

SCHEDULE DB - PART B - VERIFICATION

Futures Contracts

1. Book/Adjusted carrying value, December 31 of prior year (Line 6, prior year).....	0
2. Cumulative cash change (Section 1, Broker Name/Net Cash Deposits Footnote – Cumulative Cash Change column).....	0
3.1 Add:	
Change in variation margin on open contracts – Highly Effective Hedges	
3.11 Section 1, Column 15, current year to date minus.....	0
3.12 Section 1, Column 15, prior year.....	0
Change in variation margin on open contracts – All Other	
3.13 Section 1, Column 18, current year to date minus.....	0
3.14 Section 1, Column 18, prior year.....	0
3.2 Add:	
Change in adjustment to basis of hedged item	
3.21 Section 1, Column 17, current year to date minus.....	0
3.22 Section 1, Column 17, prior year.....	0
Change in amount recognized	
3.23 Section 1, Column 19, current year to date minus.....	0
3.24 Section 1, Column 19, prior year.....	0
3.3 Subtotal (Line 3.1 minus Line 3.2).....	0
4.1 Cumulative variation margin on terminated contracts during the year.....	
4.2 Less:	
4.21 Amount used to adjust basis of hedged item.....	
4.22 Amount recognized.....	0
4.3 Subtotal (Line 4.1 minus Line 4.2).....	0
5. Dispositions gains (losses) on contracts terminated in prior year:	
5.1 Total gain (loss) recognized for terminations in prior year.....	
5.2 Total gain (loss) adjusted into the hedged item(s) for terminations in prior year.....	
6. Book/Adjusted carrying value at end of current period (Lines 1+2+3.3-4.3-5.1-5.2).....	0
7. Deduct total nonadmitted amounts.....	
8. Statement value at end of current period (Line 6 minus Line 7).....	0

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

SCHEDULE DB - VERIFICATION

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

	Book/Adjusted Carrying Value Check
1. Part A, Section 1, Column 14.....	38,227
2. Part B, Section 1, Column 15 plus Part B, Section 1 Footnote – Total Ending Cash Balance	0
3. Total (Line 1 plus Line 2).....	38,227
4. Part D, Section 1, Column 5.....	0
5. Part D, Section 1, Column 6.....	0
6. Total (Line 3 minus Line 4 minus Line 5).....	38,227

Fair Value Check

7. Part A, Section 1, Column 16.....	38,227
8. Part B, Section 1, Column 13.....	0
9. Total (Line 7 plus Line 8).....	38,227
10. Part D, Section 1 Column 8.....	0
11. Part D, Section 1, Column 9.....	0
12. Total (Line 9 minus Line 10 minus Line 11).....	38,227

Potential Exposure Check

13. Part A, Section 1, Column 21.....	0
14. Part B, Section 1, Column 20.....	0
15. Part D, Section 1, Column 11.....	0
16. Total (Line 13 plus Line 14 minus Line 15).....	0

Schedule E - Verification

NONE

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

SCHEDULE BA - PART 2

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

SCHEDULE BA - PART 3

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

1 CUSIP Identification	2 Name or Description	Location		5 Name of Purchaser or Nature of Disposal	6 Date Originally Acquired	7 Disposal Date	8 Book/ Adjusted Carrying Value Less Encumbrances Prior Year	Change in Book/Adjusted Carrying Value					15 Book/Adjusted Carrying Value Less Encumbrances on Disposal	16 Consideration	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Investment Income	
		3 City	4 State					9 Unrealized Valuation Increase (Decrease)	10 Current Year's (Depreciation) or (Amortization)/ Accretion	11 Current Year's Other Than Temporary Impairment Recognized	12 Capitalized Deferred Interest and Other	13 Total Change in B./A.C.V. (9+10-11+12)	14 Total Foreign Exchange Change in B./A.C.V.						
Fixed or Variable Rate - Other - Affiliated																			
000000-00-0.....	#1251 Associates LLC.....	Wooster.....	OH.....	principal payment.....	05/26/2010	03/22/2013	450,000					0		272,599	177,401		0	0	1,123
000000-00-0.....	Vodico / Encore.....	Wooster.....	OH.....	principal payment.....	10/31/2010	03/31/2013	1,457,318					0		1,390,644	66,674		0	0	292
1299999 - Fixed or Variable Interest Rate Investments that have the Underlying Characteristics - Other Fixed Income - Affiliated							1,907,318	0	0	0	0	0	0	1,663,243	244,075	0	0	0	1,414
Joint Venture Interests - Common Stock - Unaffiliated																			
8EBK69-99-3.....	The Endowment Fund LP.....	Columbus.....	OH.....	Sale.....	06/01/2008	02/13/2013	187,362	(33,125)				(33,125)		154,237	187,405		33,168	33,168	
1599999 - Joint Venture, Partnership or Limited Liability Company Interests that have the Underlying Characteristics - Common Stocks - Unaffiliated							187,362	(33,125)	0	0	0	(33,125)	0	154,237	187,405	0	33,168	33,168	0
3999999 - Subtotals Unaffiliated							187,362	(33,125)	0	0	0	(33,125)	0	154,237	187,405	0	33,168	33,168	0
4099999 - Subtotals Affiliated							1,907,318	0	0	0	0	0	0	1,663,243	244,075	0	0	0	1,414
4199999 Totals							2,094,680	(33,125)	0	0	0	(33,125)	0	1,817,480	431,480	0	33,168	33,168	1,414

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STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator ^(a)
Bonds - U.S. Political Subdivisions of States, Territories and Possessions									
.478718-D3-0.....	Johnson Cnty KSUnif Sch Dist #233.....		.02/13/2013.....	Berghoff & Company, Inc.....		.430,452	.400,000	.6,347	.1FE
.680616-XQ-7.....	Oientangy LSD OH.....		.02/06/2013.....	Fifth Third Securities, I.....		.243,284	.200,000		.1FE
.720560-RQ-6.....	Pierce Cnty WA Sch Dist #400.....		.01/10/2013.....	D A Davidson & Co.....		.508,488	.400,000		.1FE
	2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions					1,182,224	1,000,000	6,347	XXX
Bonds - U.S. Special Revenue									
.312852-00-7.....	FHLMC Pool #T01363.....		.01/10/2013.....	First Empire Securities I.....		.524,382	.501,201	.633	.1FE
.773038-DN-1.....	Rockdale Cnty GA Wtr & Sewerage.....		.03/12/2013.....	Robert W. Baird & Co. Inc.....		.450,000	.450,000		.1FE
.796242-RK-3.....	San Antonio TX Airport Sys Revenue.....		.01/15/2013.....	D A Davidson & Co.....		.219,216	.200,000	.331	.1FE
	3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Government and Their Political Subdivisions					1,193,598	1,151,201	964	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)									
.632544-AE-8.....	National Australia Bk LT.....	R.....	.02/28/2013.....	First Empire Securities I.....		.398,800	.400,000	.1,433	.1FE
.055482-AJ-2.....	Baker Hughes.....		.03/20/2013.....	Raymond James & Associate.....		.486,936	.400,000	.7,600	.1FE
.579780-AH-0.....	McCormick & Co.....		.02/04/2013.....	D A Davidson & Co.....		.433,284	.400,000	.953	.1FE
.833034-AJ-0.....	Snap-On Inc.....		.02/19/2013.....	D A Davidson & Co.....		.441,248	.400,000	.1,747	.1FE
	3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)					1,760,268	1,600,000	11,734	XXX
	8399997 - Subtotals- Bonds - Part 3					4,136,090	3,751,201	19,045	XXX
	8399999 - Subtotals - Bonds					4,136,090	3,751,201	19,045	XXX
Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)									
.902973-81-7.....	US Bancorp Series G.....		.03/14/2013.....	Merrill Lynch.....	.14,400,000	.398,930			P2LFE
	8499999 - Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)					398,930	XXX	0	XXX
	8999997 - Subtotals - Preferred Stocks - Part 3					398,930	XXX	0	XXX
	8999999 - Subtotals - Preferred Stocks					398,930	XXX	0	XXX
Common Stocks - Industrial and Miscellaneous									
.00287Y-10-9.....	AbbVie Inc.....		.01/01/2013.....	Stock Distrubtion.....	.10,200,000	.196,000			L
.747525-10-3.....	Qualcomm Inc.....		.03/06/2013.....	Merrill Lynch.....	.1,800,000	.120,046			L
.855244-10-9.....	Starbucks Corp.....		.02/19/2013.....	Merrill Lynch.....	.2,400,000	.130,314			L
.918204-10-8.....	V F Corporation.....		.01/03/2013.....	Merrill Lynch.....	.800,000	.121,682			L
	9099999 - Common Stocks - Industrial and Miscellaneous (Unaffiliated)					568,041	XXX	0	XXX
Common Stocks - Mutual Funds									
.780905-60-0.....	Royce Premier Fund.....		.02/19/2013.....	Merrill Lynch.....	.3,889,159	.80,000			U
	9299999 - Common Stocks - Mutual Funds					80,000	XXX	0	XXX
Common Stocks - Money Market Mutual Funds									
.998911-JC-3.....	BBIF Money Fund Class 4.....		.03/29/2013.....	Merrill Lynch.....	.3,768,220,000	.3,768,220			U
	9399999 - Common Stocks - Money Market Mutual Funds					3,768,220	XXX	0	XXX
	9799997 - Subtotals - Common Stocks - Part 3					4,416,261	XXX	0	XXX
	9799999 - Subtotals - Common Stocks					4,416,261	XXX	0	XXX
	9899999 - Subtotals- Preferred and Common Stocks					4,815,192	XXX	0	XXX
	9999999 Totals					8,951,282	XXX	19,045	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues 2 .

STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22				
										11	12	13	14	15	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B.A.C.V. (11+12-13)	Total Foreign Exchange Change in B.A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year
CUSIP Identification	Description	Disposal Date	Foreign	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B.A.C.V. (11+12-13)	Total Foreign Exchange Change in B.A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)				
Bonds - U.S. Governments																									
36220M-2N-8..	GNMA Pool #282581	03/15/2013..	PRINCIPAL RECEIPT..		33		33	33					0		33			0		1	10/15/2019..	1FE..			
36295P-6H-0..	GNMA Pool #676872	03/15/2013..	PRINCIPAL RECEIPT..		19,712		19,712	19,885		(143)		(143)	0		19,712			0		148	03/15/2023..	1FE..			
912828-AU-4..	U.S. Treasury Note	02/15/2013..	MATURITY		500,000		485,859	499,730		270		270	500,000							9,688	02/15/2013..	1..			
0599999 - Bonds - U.S. Governments																						9,836	XXX		
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																									
3128M1-LA-5..	FHLMC (Gold) Pool #G12221..	03/15/2013..	PRINCIPAL RECEIPT..		9,729		9,729	9,729					0		9,729			0		87	06/01/2021..	1FE..			
3133H5-5P-4..	FHLMC (Gold) Pool #C90854..	03/15/2013..	PRINCIPAL RECEIPT..		11,425		11,425	11,462		(35)		(35)	0		11,425			0		103	09/01/2024..	1FE..			
31294K-NV-3..	FHLMC (Gold) Pool #E01304..	03/15/2013..	PRINCIPAL RECEIPT..		6,967		6,967	6,961		7		7	0		6,967			0		51	01/01/2018..	1FE..			
31294K-K3-3..	FHLMC (Gold) Pool #E01216..	03/15/2013..	PRINCIPAL RECEIPT..		7,119		7,119	7,146		(27)		(27)	0		7,119			0		65	10/01/2017..	1FE..			
3128M1-BB-4..	FHLMC (Gold) Pool #G11934..	03/15/2013..	PRINCIPAL RECEIPT..		6,876		6,876	6,872		10		10	0		6,876			0		62	04/01/2016..	1FE..			
3128M1-PA-1..	FHLMC (Gold) Pool #G12317..	03/15/2013..	PRINCIPAL RECEIPT..		9,292		9,292	9,292					0		9,292			0		82	08/01/2021..	1FE..			
3128M-B3-3..	FHLMC (Gold) Pool #G12393..	03/15/2013..	PRINCIPAL RECEIPT..		11,723		11,723	11,653		70		70	0		11,723			0		94	12/01/2018..	1FE..			
3137AP-BD-4..	FHLMC CMO #4033 EB..	03/15/2013..	PRINCIPAL RECEIPT..		7,252		7,252	7,234		18		18	0		7,252			0		27	10/15/2036..	1FE..			
312852-QQ-7..	FHLMC Pool #761363..	03/15/2013..	PRINCIPAL RECEIPT..		18,877		18,877	19,750		(873)		(873)	0		18,877			0		73	09/01/2024..	1FE..			
31371L-JU-4..	FNMA Gtd Mtg Pool #255075..	03/25/2013..	PRINCIPAL RECEIPT..		12,382		12,382	12,378		8		8	0		12,382			0		105	02/01/2024..	1FE..			
31402R-GM-5..	FNMA Pool #735604..	03/25/2013..	PRINCIPAL RECEIPT..		11,884		11,884	11,921		(22)		(22)	0		11,884			0		96	06/01/2020..	1FE..			
3136A2-VK-6..	FNMA CMO TR-2011-126..	03/25/2013..	PRINCIPAL RECEIPT..		11,974		11,974	11,974		1		1	0		11,974			0		49	06/25/2040..	1FE..			
31381P-C9-7..	FNMA DUS Pool #466396..	03/25/2013..	PRINCIPAL RECEIPT..		1,235		1,235	1,237		(2)		(2)	0		1,235			0		8	11/01/2020..	1FE..			
31371L-XW-4..	FNMA Gtd Mtg Pool #25549..	03/25/2013..	PRINCIPAL RECEIPT..		14,322		14,322	14,242		75		75	0		14,322			0		129	01/01/2024..	1FE..			
31371L-7J-2..	FNMA Gtd Mtg Pool #255697..	03/25/2013..	PRINCIPAL RECEIPT..		15,180		15,180	15,583		(162)		(162)	0		15,180			0		109	04/01/2015..	1FE..			
31402Y-NJ-9..	FNMA Gtd Mtg Pool #742093..	03/25/2013..	PRINCIPAL RECEIPT..		11,696		11,696	11,382		247		247	0		11,696			0		81	04/01/2019..	1FE..			
31416X-HY-9..	FNMA Gtd Mtg Pool #AB2046..	03/25/2013..	PRINCIPAL RECEIPT..		25,420		25,420	24,991		25,006		25,006	0		25,420			0		122	01/01/2026..	1FE..			
31418A-LY-2..	FNMA Gtd Mtg Pool #MA1242..	03/25/2013..	PRINCIPAL RECEIPT..		20,094		20,094	20,998		21,027		(934)	0		20,094			0		118	11/01/2042..	1FE..			
31371K-VB-4..	FNMA Pool #254510..	03/25/2013..	PRINCIPAL RECEIPT..		5,011		5,011	5,077		(34)		(34)	0		5,011			0		39	11/01/2017..	1FE..			
31371K-2X-8..	FNMA Pool #254690..	03/25/2013..	PRINCIPAL RECEIPT..		7,003		7,003	6,955		44		44	0		7,003			0		64	04/01/2023..	1FE..			
31371L-DT-3..	FNMA Pool #254914..	03/25/2013..	PRINCIPAL RECEIPT..		4,180		4,180	4,211		7		7	0		4,180			0		31	09/01/2013..	1FE..			
31371L-SL-4..	FNMA Pool #25523..	03/25/2013..	PRINCIPAL RECEIPT..		5,707		5,707	5,712		(5)		(5)	0		5,707			0		42	07/01/2014..	1FE..			
31385W-SB-6..	FNMA Pool #555014..	03/25/2013..	PRINCIPAL RECEIPT..		7,593		7,593	7,665		(30)		(30)	0		7,593			0		67	11/01/2017..	1FE..			
31385X-GK-7..	FNMA Pool #555602..	03/25/2013..	PRINCIPAL RECEIPT..		9,421		9,421	9,350		55		55	0		9,421			0		77	06/01/2018..	1FE..			
3136A1-6Y-6..	FNMA REMIC Se 2011-M8 CL AB..	03/25/2013..	PRINCIPAL RECEIPT..		1,904		1,904	1,960		1,956		(52)	0		1,904			0		10	08/25/2021..	1FE..			
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																						1,788	XXX		
Bonds - Industrial and Miscellaneous (Unaffiliated)																									
771196-A0-5..	Roche Holdings Inc 144A..	03/21/2013..	CALLED @ 104.0880000..		460,069		442,000	450,398		444,122		(2,122)	0		442,000			18,069		18,069		12,278	03/01/2014..	1FE..	
36604-AV-9..	General Electric Company GLB..	02/01/2013..	MATURITY		500,000		500,000	504,295		500,089		(89)	0		500,000			0		12,500	02/01/2013..	1FE..			
589331-AH-0..	Merck & Co Inc..	02/15/2013..	MATURITY		300,000		300,000	295,764		299,919		81	0		300,000			0		6,563	02/15/2013..	1FE..			
713448-BG-2..	PepsiCo Inc GLB..	02/15/2013..	MATURITY		400,000		400,000	402,048		400,060		(60)	0		400,000			0		9,300	02/15/2013..	1..			
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)																									
380000-00-0..	1,660,691		1,642,000		1,652,505		1,644,191	0		(2,191)		0	(2,191)	0	1,642,000		0	18,069		18,069		40,640	XXX	XXX	
8399997 - Subtotals - Bonds - Part 4			2,434,078		2,416,010		2,414,091	2,399,542		0		0	(3,283)	0	2,416,010		0	18,069		18,069		52,264	XXX	XXX	
8399999 - Subtotals - Bonds			2,434,078		2,416,010		2,414,091	2,399,542		0		0	(3,283)	0	2,416,010		0	18,069		18,069		52,264	XXX	XXX	
Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)																									
94985V-20-2..	Wells Fargo Capital XI..	03/15/2013..	CALLED @ 25.0000000..		15,200,000		380,000	25,00		381,760		385,016	(3,256)	0	381,760			1,760		1,760		7,481	XXX	P2LFE..	
8499999 - Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)																									
380000-00-0..	Merrill Lynch Exerc Optns..		380,000		XXX		381,760	385,016		(3,256)		0	0	(3,256)	0	381,760		0	(1,760)		(1,760)		7,481	XXX	XXX
8399997 - Total - Preferred Stocks - Part 4			380,000		XXX		381,760	385,016		(3,256)		0	0	(3,256)	0	381,760		0	(1,760)		(1,760)		7,481	XXX	XXX
8399999 - Subtotals - Preferred Stocks			380,000		XXX		381,760	385,016		(3,256)		0	0	(3,256)	0	381,760		0	(1,760)		(1,760)		7,481	XXX	XXX
Common Stocks - Industrial and Miscellaneous (Unaffiliated)																									
002824-10-0..	Abbott Labs..	01/01/2013..	ROIC		196,000		196,000	196,000		196,000		0	0	0	196,000			0		0		XXX	1..	1..	
136375-10-2..	Canadian Natl Railway Co..	02/15/2013..	Merrill Lynch Exerc Optns..		2,000,000		189,996	189,996		115,992		182,020	(67,328)	0	114,692			75,304							

Common Stock - Mutual Funds

258620-10-3... Doubleline Total Rtn Bond Fd CL 1. 01/29/2013, Merrill Lynch, 17,574.692, 200,000, XXX, 195,958, 199,121, (3,163), , , (3,163), , , 195,958, , 4,042, 4,042, , XXX, U

STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

SCHEDULE D - PART 4

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

1 CUSIP Identification	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.								
486606-10-6..	Kayne Anderson MLP Nuveen Energy MLP Total		01/11/2013.	ROC.....		9,669	XXX.....	9,669	9,669				0		9,669			0			XXX.....	L.....
67074U-10-3..	Rtn Fnd.....		02/15/2013.	ROC.....		11,104	XXX.....	11,104	11,104				0		11,104			0			XXX.....	L.....
464286-50-9..	iShares MSCI Canada Index		01/04/2013.	Merrill Lynch.....	4,215,000	120,802	XXX.....	130,707	119,706	11,001			11,001		130,707		(9,905)	(9,905)		XXX.....	L.....	
9299999 - Common Stocks - Mutual Funds						341,574	XXX	347,437	339,600	7,837	0	0	7,837	0	347,437	0	(5,863)	(5,863)	0	XXX	XXX	
Common Stocks - Money Market Mutual Funds																						
9986911-UC-3..	BBIF Money Fund Class 4.....		03/29/2013.	Merrill Lynch.....	3,766,484,000	3,766,484	XXX.....	3,766,484					0		3,766,484			0			XXX.....	U.....
9399999 - Common Stocks - Money Market Mutual Funds																						
9799997 - Subtotals - Common Stocks - Part 4						5,223,488	XXX	4,919,910	1,408,300	(264,502)	0	0	(264,502)	0	4,911,282	0	313,206	313,206	2,302	XXX	XXX	
9799999 - Subtotals - Common Stocks						5,223,488	XXX	4,919,910	1,408,300	(264,502)	0	0	(264,502)	0	4,911,282	0	313,206	313,206	2,302	XXX	XXX	
9899999 - Subtotals - Preferred and Common Stocks						5,603,488	XXX	5,301,670	1,793,316	(267,758)	0	0	(267,758)	0	5,293,042	0	311,446	311,446	9,783	XXX	XXX	
99999999 Totals						8,037,566	XXX	7,715,760	4,192,858	(267,758)	(3,283)	0	(271,041)	0	7,709,052	0	329,515	329,515	62,047	XXX	XXX	

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

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STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

SCHEDULE DB - PART A - SECTION 1

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

90

STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

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

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

Schedule DB - Part D - Section 2

NONE

Schedule DL - Part 1

NONE

Schedule DL - Part 2

NONE

STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
Open Depositories								
Bank of America.....Chicago, IL.....		0.150	.271	0	.600,554	.600,623	.600,692	XXX
Fifth Third Bank.....Cincinnati, OH.....		0.000	.0	0	1,096,101	1,145,244	3,874,853	XXX
First Merit Bank.....Akron, OH.....		0.000	.0	0	(1,747,469)	(1,678,815)	(1,833,473)	XXX
First Merit Bank.....Akron, OH.....		0.000	.0	0	(11,302)	(27,040)	(9,068)	XXX
First Merit Bank.....Akron, OH.....		0.000	.0	0	2,353,817	2,505,574	3,017,147	XXX
JP Morgan Chase.....Akron, OH.....		0.000	.0	0	0	0	1,308	XXX
JP Morgan Chase.....New York, NY.....		0.100	.475	0	1,007,399	107,460	1,007,605	XXX
Merrill Lynch.....Columbus, OH.....		0.000	.0	0	.6,383	(523,794)	(444,850)	XXX
0199998 Deposits in depositories that do not exceed the allowable limit in any one depository (See Instructions) - Open Depositories	XXX	XXX						XXX
0199999 Total Open Depositories	XXX	XXX	746	0	(13,409,603)	(10,991,565)	(8,497,636)	XXX
0399999 Total Cash on Deposit	XXX	XXX	746	0	(13,409,603)	(10,991,565)	(8,497,636)	XXX
0499999 Cash in Company's Office	XXX	XXX	XXX	XXX				XXX
0599999 Total	XXX	XXX	746	0	(13,409,603)	(10,991,565)	(8,497,636)	XXX

STATEMENT AS OF MARCH 31, 2013 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter							
1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year

NONE

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