



ANNUAL STATEMENT
For the Year Ended December 31, 2013
OF THE CONDITION AND AFFAIRS OF THE
CENTRAL MUTUAL INSURANCE COMPANY

NAIC Group Code	0036 (Current Period)	0036 (Prior Period)	NAIC Company Code	20230	Employer's ID Number	34-4202560
Organized under the Laws of	Ohio		State of Domicile or Port of Entry	Ohio		
Country of Domicile	United States of America					
Incorporated/Organized	04/17/1876		Commenced Business	10/02/1876		
Statutory Home Office	800 SOUTH WASHINGTON STREET (Street and Number)		VAN WERT, OH, US 45891-2357 (City or Town, State, Country and Zip Code)			
Main Administrative Office	800 SOUTH WASHINGTON STREET (Street and Number)					
	VAN WERT, OH, US 45891-2357 (City or Town, State, Country and Zip Code)		(419)238-1010 (Area Code) (Telephone Number)			
Mail Address	P.O. BOX 351 (Street and Number or P.O. Box)		VAN WERT, OH, US 45891-0351 (City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	800 SOUTH WASHINGTON STREET (Street and Number)					
	VAN WERT, OH, US 45891-2357 (City or Town, State, Country and Zip Code)		(419)238-1010 (Area Code) (Telephone Number)			
Internet Website Address	WWW.CENTRAL-INSURANCE.COM					
Statutory Statement Contact	THAD RYAN EIKENBARY (Name)		(419)238-5551-2437 (Area Code)(Telephone Number)(Extension)			
	TEIKENBARY@CENTRAL-INSURANCE.COM (E-Mail Address)		(419)238-7626 (Fax Number)			

OFFICERS

Name	Title
FRANCIS WALWORTH PURMORT III	PRESIDENT
EDWARD RAY BUHL	SECRETARY
THAD RYAN EIKENBARY	TREASURER

OTHERS

JAMES FREDERICK GLASSER, VICE PRESIDENT
PATRICK JOHN JACKSON, VICE PRESIDENT
JANA LOU RINGWALD, VICE PRESIDENT
PAUL CHARLES WOIROL, SR. VICE PRESIDENT

MICHAEL PATRICK GUTH, SR. VICE PRESIDENT
STEPHEN KEITH MOORE, VICE PRESIDENT
JANET LYNN WHITE, SR. VICE PRESIDENT

CYNTHIA MARIE HURLESS, VICE PRESIDENT
TIMOTHY LEE RAUCH, VICE PRESIDENT
JOHN EWING WHITE, VICE PRESIDENT

DIRECTORS OR TRUSTEES

EDWARD RAY BUHL
RODGER SANFORD LAWSON
FRANCIS WALWORTH PURMORT III

THOMAS B KEARNEY
EDWARD JOSEPH NOONAN
CHARLES ALLAN RUNSER

RONALD JOSEPH KUTELLA
DREW PENNINGTON MACONACHY
JANET LYNN WHITE #

State of Ohio
County of Van Wert ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of the 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.

(Signature)	(Signature)	(Signature)
FRANCIS WALWORTH PURMORT III	EDWARD RAY BUHL	THAD RYAN EIKENBARY
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
PRESIDENT	SECRETARY	TREASURER
(Title)	(Title)	(Title)

Subscribed and sworn to before me this
20th day of February, 2014

a. Is this an original filing?
b. If no, 1. State the amendment number
2. Date filed
3. Number of pages attached

Yes[X] No[]

(Notary Public Signature)

ASSETS

		Current Year			Prior Year
		1	2	3	4
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols.1-2)	Net Admitted Assets
1.	Bonds (Schedule D)	671,458,112		671,458,112	641,227,518
2.	Stocks (Schedule D)				
2.1	Preferred stocks	30,564,231		30,564,231	30,841,099
2.2	Common Stocks	307,233,675	2,228,388	305,005,287	250,885,264
3.	Mortgage loans on real estate (Schedule B):				
3.1	First liens				
3.2	Other than first liens				
4.	Real estate (Schedule A):				
4.1	Properties occupied by the company (less \$.....0 encumbrances)	47,017,688		47,017,688	48,648,072
4.2	Properties held for the production of income (less \$.....0 encumbrances)	301,250		301,250	294,808
4.3	Properties held for sale (less \$.....0 encumbrances)				
5.	Cash (\$.....(15,432,476), Schedule E Part 1), cash equivalents (\$.....0, Schedule E Part 2) and short-term investments (\$.....36,528,740, Schedule DA)	21,096,264		21,096,264	23,743,924
6.	Contract loans (including \$.....0 premium notes)				
7.	Derivatives (Schedule DB)				384
8.	Other invested assets (Schedule BA)	97		97	1,739,224
9.	Receivables for securities	992,846		992,846	
10.	Securities Lending Reinvested Collateral Assets (Schedule DL)				
11.	Aggregate write-ins for invested assets				
12.	Subtotals, cash and invested assets (Lines 1 to 11)	1,078,664,163	2,228,388	1,076,435,776	997,380,293
13.	Title plants less \$.....0 charged off (for Title insurers only)				
14.	Investment income due and accrued	15,174,061		15,174,061	14,654,340
15.	Premiums and considerations:				
15.1	Uncollected premiums and agents' balances in the course of collection	23,638,821	292,928	23,345,893	23,709,400
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including \$.....36,950 earned but unbilled premiums)	105,895,792	4,452	105,891,340	97,012,813
15.3	Accrued retrospective premiums				
16.	Reinsurance:				
16.1	Amounts recoverable from reinsurers	3,403,529		3,403,529	4,102,681
16.2	Funds held by or deposited with reinsured companies				
16.3	Other amounts receivable under reinsurance contracts	5,040,000		5,040,000	5,040,000
17.	Amounts receivable relating to uninsured plans				
18.1	Current federal and foreign income tax recoverable and interest thereon				909,226
18.2	Net deferred tax asset	40,741,842	6,865,028	33,876,814	39,513,670
19.	Guaranty funds receivable or on deposit	76,270		76,270	157,865
20.	Electronic data processing equipment and software	6,872,503	6,597,109	275,394	257,146
21.	Furniture and equipment, including health care delivery assets (\$.....0)	691,160	691,160		
22.	Net adjustment in assets and liabilities due to foreign exchange rates				
23.	Receivables from parent, subsidiaries and affiliates	1,000,476		1,000,476	
24.	Health care (\$.....0) and other amounts receivable				
25.	Aggregate write-ins for other than invested assets	1,521,818	250	1,521,568	1,459,442
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	1,282,720,434	16,679,314	1,266,041,120	1,184,196,877
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28.	Total (Lines 26 and 27)	1,282,720,434	16,679,314	1,266,041,120	1,184,196,877
DETAILS OF WRITE-INS					
1101.	.....			
1102.	.....			
1103.	.....			
1198.	Summary of remaining write-ins for Line 11 from overflow page				
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501.	PREPAID PENSION BENEFIT COSTS	13,177,278	0	13,177,278	
2502.	OVERFUNDED PENSION ASSETS	(13,177,278)		(13,177,278)	
2503.	PERMANENT TRAVEL ADVANCES	250	250		
2598.	Summary of remaining write-ins for Line 25 from overflow page	1,521,568		1,521,568	1,459,442
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	1,521,818	250	1,521,568	1,459,442

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	262,243,502	294,071,113
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)		
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	105,586,622	118,880,734
4. Commissions payable, contingent commissions and other similar charges	11,839,225	8,538,268
5. Other expenses (excluding taxes, licenses and fees)	14,747,807	14,262,559
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	4,343,708	3,848,464
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses))	366,448	
7.2 Net deferred tax liability		
8. Borrowed money \$.....0 and interest thereon \$.....0		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$.....48,299,899 and including warranty reserves of \$.....0 and accrued accident and health experience rating refunds including \$.....0 for medical loss ratio rebate per the Public Health Service Act)	223,204,912	208,328,995
10. Advance premiums	3,171,098	2,561,603
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders	273,649	334,903
12. Ceded reinsurance premiums payable (net of ceding commissions)	6,321,912	8,119,310
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)		
14. Amounts withheld or retained by company for account of others	8,625,891	11,876,085
15. Remittances and items not allocated		
16. Provision for reinsurance (including (\$.....0 certified)) (Schedule F, Part 8)		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates		722,375
20. Derivatives	739,066	148,262
21. Payable for securities	1,222,816	
22. Payable for securities lending		
23. Liability for amounts held under uninsured plans		
24. Capital notes \$.....0 and interest thereon \$.....0		
25. Aggregate write-ins for liabilities	3,944,597	2,047,388
26. TOTAL Liabilities excluding protected cell liabilities (Lines 1 through 25)	646,631,253	673,740,060
27. Protected cell liabilities		
28. TOTAL Liabilities (Lines 26 and 27)	646,631,253	673,740,060
29. Aggregate write-ins for special surplus funds		
30. Common capital stock		
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds		
33. Surplus notes		
34. Gross paid in and contributed surplus		
35. Unassigned funds (surplus)	619,409,852	510,456,804
36. Less treasury stock, at cost:		
36.1 .....0 shares common (value included in Line 30 \$.....0)		
36.2 .....0 shares preferred (value included in Line 31 \$.....0)		
37. Surplus as regards policyholders (Lines 29 to 35, minus 36) (Page 4, Line 39)	619,409,852	510,456,804
38. TOTALS (Page 2, Line 28, Column 3)	1,266,041,105	1,184,196,864
DETAILS OF WRITE-INS		
2501. Reserve for Bad Faith Claims	100,097	100,097
2502. Reserve for Escheats	1,866,011	1,947,291
2503. Reserve - Pension Plan Benefits	1,978,489	
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	3,944,597	2,047,388
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)		
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. TOTALS (Lines 3201 through 3203 plus 3298) (Line 32 above)		

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE CENTRAL MUTUAL INSURANCE COMPANY

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	387,422,589	368,949,242
DEDUCTIONS		
2. Losses incurred (Part 2, Line 35, Column 7)	204,271,938	228,479,096
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	22,084,797	32,251,043
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	133,774,506	121,349,314
5. Aggregate write-ins for underwriting deductions		
6. TOTAL Underwriting Deductions (Lines 2 through 5)	360,131,240	382,079,453
7. Net income of protected cells		
8. Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7)	27,291,348	(13,130,211)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	30,184,143	30,998,575
10. Net realized capital gains (losses) less capital gains tax of \$.....1,539,642 (Exhibit of Capital Gains (Losses))	2,859,336	1,906,517
11. Net investment gain or (loss) (Lines 9 + 10)	33,043,479	32,905,092
OTHER INCOME		
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....550,435)	(550,435)	(848,783)
13. Finance and service charges not included in premiums	2,244,903	2,499,291
14. Aggregate write-ins for miscellaneous income	674,391	850,602
15. TOTAL Other Income (Lines 12 through 14)	2,368,859	2,501,110
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	62,703,686	22,275,991
17. Dividends to policyholders	403,600	224,863
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)	62,300,086	22,051,128
19. Federal and foreign income taxes incurred	(579,797)	(931,542)
20. Net income (Line 18 minus Line 19) (to Line 22)	62,879,883	22,982,670
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	510,456,594	457,823,214
22. Net income (from Line 20)	62,879,883	22,982,670
23. Net transfers (to) from Protected Cell accounts		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....14,647,312	27,202,150	10,729,717
25. Change in net unrealized foreign exchange capital gain (loss)		
26. Change in net deferred income tax	(10,465,342)	2,692,252
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets Line 28, Column 3)	49,934,572	(8,586,053)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)		94,539
29. Change in surplus notes		
30. Surplus (contributed to) withdrawn from protected cells		
31. Cumulative effect of changes in accounting principles		24,720,255
32. Capital changes:		
32.1 Paid in		
32.2 Transferred from surplus (Stock Dividend)		
32.3 Transferred to surplus		
33. Surplus adjustments:		
33.1 Paid in		
33.2 Transferred to capital (Stock Dividend)		
33.3 Transferred from capital		
34. Net remittances from or (to) Home Office		
35. Dividends to stockholders		
36. Change in treasury stock (Page 3, Line 36.1 and 36.2, Column 2 minus Column 1)		
37. Aggregate write-ins for gains and losses in surplus	(20,598,198)	
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	108,953,066	52,633,380
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	619,409,659	510,456,594
DETAILS OF WRITE-INS		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page		
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)		
1401. Miscellaneous Income	674,391	850,602
1402.		
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page		
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	674,391	850,602
3701. Gains and Losses in Surplus	(20,598,198)	
3702.		
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page		
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Lines 37 above)	(20,598,198)	

CASH FLOW

		1	2
		Current Year	Prior Year
Cash from Operations			
1.	Premiums collected net of reinsurance	392,682,894	376,336,146
2.	Net investment income	34,618,773	36,158,639
3.	Miscellaneous income	2,368,861	2,501,111
4.	Total (Lines 1 through 3)	429,670,528	414,995,896
5.	Benefit and loss related payments	235,400,397	261,298,113
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	161,995,187	153,139,186
8.	Dividends paid to policyholders	464,853	634,105
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)	(315,829)	409,084
10.	Total (Lines 5 through 9)	397,544,608	415,480,488
11.	Net cash from operations (Line 4 minus Line 10)	32,125,920	(484,592)
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds	89,272,485	103,584,217
12.2	Stocks	37,817,024	24,442,994
12.3	Mortgage loans		
12.4	Real estate		
12.5	Other invested assets		
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7	Miscellaneous proceeds	2,510,377	1,325,363
12.8	Total investment proceeds (Lines 12.1 to 12.7)	129,599,886	129,352,574
13.	Cost of investments acquired (long-term only):		
13.1	Bonds	122,352,801	76,972,141
13.2	Stocks	40,913,033	32,314,673
13.3	Mortgage loans		
13.4	Real estate	16,200	6,313
13.5	Other invested assets	2,090,000	2,505,017
13.6	Miscellaneous applications	2,492,619	1,208,555
13.7	Total investments acquired (Lines 13.1 to 13.6)	167,864,653	113,006,699
14.	Net increase (decrease) in contract loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(38,264,767)	16,345,875
Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes		
16.2	Capital and paid in surplus, less treasury stock		
16.3	Borrowed funds		
16.4	Net deposits on deposit-type contracts and other insurance liabilities		
16.5	Dividends to stockholders		
16.6	Other cash provided (applied)	3,491,188	2,554,422
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	3,491,188	2,554,422
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)	(2,647,659)	18,415,705
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year	23,743,924	5,328,219
19.2	End of year (Line 18 plus Line 19.1)	21,096,265	23,743,924

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001		
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UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS EARNED

Line of Business		1 Net Premiums Written Per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year - per Column 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year - per Column 5, Part 1A	4 Premiums Earned During Year (Columns 1 + 2 - 3)
1.	Fire	6,666,362	3,805,542	3,831,166	6,640,738
2.	Allied lines	7,626,871	4,206,774	4,343,301	7,490,344
3.	Farmowners multiple peril				
4.	Homeowners multiple peril	99,747,348	55,623,310	58,899,406	96,471,253
5.	Commercial multiple peril	77,950,260	38,323,578	44,854,291	71,419,548
6.	Mortgage guaranty				
8.	Ocean marine				
9.	Inland marine	8,750,237	4,221,134	4,837,233	8,134,138
10.	Financial guaranty				
11.1	Medical professional liability - occurrence				
11.2	Medical professional liability - claims-made				
12.	Earthquake	1,089,600	617,345	649,429	1,057,516
13.	Group accident and health				
14.	Credit accident and health (group and individual)				
15.	Other accident and health				
16.	Workers' compensation	9,333,430	4,593,715	4,613,565	9,313,580
17.1	Other liability - occurrence	16,642,978	9,959,844	10,822,105	15,780,717
17.2	Other liability - claims-made				
17.3	Excess Workers' Compensation				
18.1	Products liability - occurrence	11,432,005	5,611,218	6,046,037	10,997,185
18.2	Products liability - claims-made				
19.1	19.2 Private passenger auto liability	79,453,122	39,886,987	40,950,385	78,389,724
19.3	19.4 Commercial auto liability	18,494,881	9,390,621	10,134,984	17,750,518
21.	Auto physical damage	65,021,452	32,066,435	33,152,077	63,935,810
22.	Aircraft (all perils)				
23.	Fidelity	29,833	15,294	17,317	27,810
24.	Surety	1,039	569	485	1,123
26.	Burglary and theft	13,978	6,739	8,851	11,866
27.	Boiler and machinery	593	(110)	(237)	720
28.	Credit				
29.	International				
30.	Warranty				
31.	Reinsurance-Nonproportional Assumed Property				
32.	Reinsurance-Nonproportional Assumed Liability				
33.	Reinsurance-Nonproportional Assumed Financial Lines				
34.	Aggregate write-ins for other lines of business				
35.	TOTALS	402,253,987	208,328,995	223,160,394	387,422,589
DETAILS OF WRITE-INS					
3401.	.....			
3402.	.....			
3403.	.....			
3498.	Summary of remaining write-ins for Line 34 from overflow page				
3499.	TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)				

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1A - RECAPITULATION OF ALL PREMIUMS

		1	2	3	4	5
		Amount Unearned (Running One Year or Less From Date of Policy) (a)	Amount Unearned (Running More Than One Year From Date of Policy) (a)	Earned But Unbilled Premium	Reserve for Rate Credits and Retrospective Adjustments Based on Experience	Total Reserve For Unearned Premiums Columns 1 + 2 + 3 + 4
Line of Business						
1.	Fire	3,875,685		(44,518)		3,831,166
2.	Allied lines	4,343,301				4,343,301
3.	Farmowners multiple peril					
4.	Homeowners multiple peril	58,899,406				58,899,406
5.	Commercial multiple peril	44,854,291				44,854,291
6.	Mortgage guaranty					
8.	Ocean marine					
9.	Inland marine	4,837,233				4,837,233
10.	Financial guaranty					
11.1	Medical professional liability - occurrence					
11.2	Medical professional liability - claims-made					
12.	Earthquake	649,429				649,429
13.	Group accident and health					
14.	Credit accident and health (group and individual)					
15.	Other accident and health					
16.	Workers' compensation	4,613,565				4,613,565
17.1	Other liability - occurrence	10,822,105				10,822,105
17.2	Other liability - claims-made					
17.3	Excess Workers' Compensation					
18.1	Products liability - occurrence	6,046,037				6,046,037
18.2	Products liability - claims-made					
19.1	19.2 Private passenger auto liability	40,950,385				40,950,385
19.3	19.4 Commercial auto liability	10,134,984				10,134,984
21.	Auto physical damage	33,152,077				33,152,077
22.	Aircraft (all perils)					
23.	Fidelity	17,317				17,317
24.	Surety	485				485
26.	Burglary and theft	8,851				8,851
27.	Boiler and machinery	(237)				(237)
28.	Credit					
29.	International					
30.	Warranty					
31.	Reinsurance-Nonproportional Assumed Property					
32.	Reinsurance-Nonproportional Assumed Liability					
33.	Reinsurance-Nonproportional Assumed Financial Lines					
34.	Aggregate write-ins for other lines of business					
35.	TOTALS	223,204,912		(44,518)		223,160,394
36.	Accrued retrospective premiums based on experience					
37.	Earned but unbilled premiums					44,518
38.	Balance (Sum of Lines 35 through 37)					223,204,912
DETAILS OF WRITE-INS						
3401.	.....				
3402.	.....				
3403.	.....				
3498.	Summary of remaining write-ins for Line 34 from overflow page					
3499.	TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)					

(a) State here basis of computation used in each case: Monthly Pro-Rata Method

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1B - PREMIUMS WRITTEN

Line of Business		1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Columns 1+2+3-4-5
			2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1.	Fire	9,002,322	73,715	26,650	1,269,783	1,166,542	6,666,362
2.	Allied lines	10,339,186	119,078	191,089	1,452,738	1,569,745	7,626,871
3.	Farmowners multiple peril						
4.	Homeowners multiple peril	136,447,877		384,904	18,999,495	18,085,938	99,747,348
5.	Commercial multiple peril	95,151,518	17,237,711		14,847,669	19,591,300	77,950,260
6.	Mortgage guaranty						
8.	Ocean marine						
9.	Inland marine	11,812,798	31,028		1,666,711	1,426,878	8,750,237
10.	Financial guaranty						
11.1	Medical professional liability - occurrence						
11.2	Medical professional liability - claims-made						
12.	Earthquake	1,482,324	3,050		207,543	188,231	1,089,600
13.	Group accident and health						
14.	Credit accident and health (group and individual)						
15.	Other accident and health						
16.	Workers' compensation	8,588,202	2,431,615	671,813	1,777,796	580,402	9,333,430
17.1	Other liability - occurrence	25,779,049	16,333		3,170,092	5,982,312	16,642,978
17.2	Other liability - claims-made						
17.3	Excess Workers' Compensation						
18.1	Products liability - occurrence	12,218,723	2,323,699		2,177,525	932,892	11,432,005
18.2	Products liability - claims-made						
19.1	19.2 Private passenger auto liability	96,337,448			15,133,928	1,750,397	79,453,122
19.3	19.4 Commercial auto liability	16,748,064	7,056,297	174,844	3,522,834	1,961,490	18,494,881
21.	Auto physical damage	75,536,031	2,705,412	54,056	12,385,038	889,009	65,021,452
22.	Aircraft (all perils)						
23.	Fidelity	29,759	8,301		5,682	2,545	29,833
24.	Surety	1,325			198	89	1,039
26.	Burglary and theft	18,988			2,662	2,348	13,978
27.	Boiler and machinery	551,831			113	551,125	593
28.	Credit						
29.	International						
30.	Warranty						
31.	Reinsurance-Nonproportional Assumed Property	X X X					
32.	Reinsurance-Nonproportional Assumed Liability	X X X					
33.	Reinsurance-Nonproportional Assumed Financial Lines	X X X					
34.	Aggregate write-ins for other lines of business						
35.	TOTALS	500,045,445	32,006,239	1,503,356	76,619,808	54,681,244	402,253,987
DETAILS OF WRITE-INS							
3401.	.....					
3402.	.....					
3403.	.....					
3498.	Summary of remaining write-ins for Line 34 from overflow page						
3499.	TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)						

(a) Does the company's direct premiums written include premiums recorded on an installment basis? Yes[] No[X]
If yes, (1) The amount of such installment premiums \$.....0.
(2) Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$.....0

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2 - LOSSES PAID AND INCURRED

		Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Column 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Columns 4 + 5 - 6)	8 Percentage of Losses Incurred (Column 7, Part 2) to Premiums Earned (Column 4, Part 1)
		1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Columns 1 + 2 - 3)				
Line of Business									
1.	Fire	2,397,737	21,705	390,430	2,029,012	(18,767)	66,555	1,943,690	29.27
2.	Allied lines	5,729,830	134,894	956,669	4,908,055	921,605	1,016,926	4,812,735	64.25
3.	Farmowners multiple peril								
4.	Homeowners multiple peril	83,747,488	180,889	14,194,729	69,733,649	16,360,850	18,572,766	67,521,733	69.99
5.	Commercial multiple peril	43,245,129	5,474,705	10,572,397	38,147,437	49,093,096	67,869,578	19,370,955	27.12
6.	Mortgage guaranty								
8.	Ocean marine								
9.	Inland marine	3,396,146	3,847	544,329	2,855,664	(250,339)	(1,019,899)	3,625,224	44.57
10.	Financial guaranty								
11.1	Medical professional liability - occurrence								
11.2	Medical professional liability - claims-made								
12.	Earthquake						1	(1)	0.00
13.	Group accident and health								
14.	Credit accident and health (group and individual)								
15.	Other accident and health								
16.	Workers' compensation	9,875,248	4,877,666	3,356,533	11,396,381	58,823,492	64,309,852	5,910,021	63.46
17.1	Other liability - occurrence	8,461,658	(10,000)	5,753,126	2,698,532	20,878,445	19,245,606	4,331,371	27.45
17.2	Other liability - claims-made								
17.3	Excess Workers' Compensation								
18.1	Products liability - occurrence	4,111,244	745,687	777,109	4,079,822	34,147,512	40,701,539	(2,474,205)	(22.50)
18.2	Products liability - claims made								
19.1	19.2 Private passenger auto liability	62,102,210	(25,642)	10,333,186	51,743,382	60,550,541	57,950,882	54,343,041	69.32
19.3	19.4 Commercial auto liability	8,785,787	2,884,530	1,993,221	9,677,097	23,737,084	27,024,997	6,389,184	35.99
21.	Auto physical damage	44,870,021	1,385,997	7,425,500	38,830,518	(2,000,023)	(1,667,693)	38,498,189	60.21
22.	Aircraft (all perils)								
23.	Fidelity								
24.	Surety								
26.	Burglary and theft								
27.	Boiler and machinery	69,907		69,907	0	6	4	2	0.29
28.	Credit								
29.	International								
30.	Warranty								
31.	Reinsurance-Nonproportional Assumed Property	X X X							
32.	Reinsurance-Nonproportional Assumed Liability	X X X							
33.	Reinsurance-Nonproportional Assumed Financial Lines	X X X							
34.	Aggregate write-ins for other lines of business								
35.	TOTALS	276,792,405	15,674,278	56,367,135	236,099,549	262,243,502	294,071,113	204,271,938	52.73
DETAILS OF WRITE-INS									
3401.	.....							
3402.	.....							
3403.	.....							
3498.	Summary of remaining write-ins for Line 34 from overflow page								
3499.	TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)								

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

		Reported Losses				Incurred But Not Reported			8	9
		1	2	3	4	5	6	7		
Line of Business		Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable	Net Losses Excluding Incurred But Not Reported (Columns 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded	Net Losses Unpaid (Columns 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1.	Fire	143,558	3,487	48,103	98,942	(182,148)	(810)	(65,249)	(18,767)	95,744
2.	Allied Lines	430,390	24,920	114,194	341,115	899,175	3,270	321,955	921,605	353,491
3.	Farmowners multiple peril									
4.	Homeowners multiple peril	10,950,007	50,277	1,959,989	9,040,294	9,317,103		1,996,548	16,360,850	5,421,067
5.	Commercial multiple peril	29,746,752	6,350,230	14,756,963	21,340,019	29,876,308	7,469,584	9,592,814	49,093,096	30,031,678
6.	Mortgage guaranty									
8.	Ocean marine									
9.	Inland marine	149,062		23,850	125,212	(445,741)	(750)	(70,940)	(250,339)	724,936
10.	Financial guaranty									
11.1	Medical professional liability - occurrence									
11.2	Medical professional liability - claims-made									
12.	Earthquake									6
13.	Group accident & health								(a)	
14.	Credit accident & health (group & individual)									
15.	Other accident & health								(a)	
16.	Workers' compensation	42,670,894	21,118,885	19,240,478	44,549,301	17,491,836	4,624,919	7,842,564	58,823,492	11,189,376
17.1	Other liability - occurrence	18,073,067	17,850	13,445,235	4,645,682	21,839,749	483,333	6,090,319	20,878,445	5,512,786
17.2	Other liability - claims-made									
17.3	Excess Workers' Compensation									
18.1	Products liability - occurrence	8,596,984	2,598,029	4,046,517	7,148,497	30,241,827	6,060,773	9,303,585	34,147,512	35,001,795
18.2	Products liability - claims-made									
19.1	19.2 Private passenger auto liability	44,474,993		7,286,984	37,188,008	30,627,563		7,265,030	60,550,541	9,781,627
19.3	19.4 Commercial auto liability	12,905,573	4,113,982	3,980,025	13,039,530	10,203,263	5,193,991	4,699,700	23,737,084	6,646,542
21.	Auto physical damage	2,046,154	188,808	626,219	1,608,743	(4,105,303)	(160,920)	(657,457)	(2,000,023)	826,564
22.	Aircraft (all perils)									
23.	Fidelity									
24.	Surety									
26.	Burglary and theft									
27.	Boiler and machinery	18,000		18,000		14		8	6	1,008
28.	Credit									
29.	International									
30.	Warranty									
31.	Reinsurance-Nonproportional Assumed Property	X X X				X X X				
32.	Reinsurance-Nonproportional Assumed Liability	X X X				X X X				
33.	Reinsurance-Nonproportional Assumed Financial Lines	X X X				X X X				
34.	Aggregate write-ins for other lines of business									
35.	TOTALS	170,205,434	34,466,467	65,546,558	139,125,343	145,763,646	23,673,390	46,318,877	262,243,502	105,586,622
DETAILS OF WRITE-INS										
3401.	.....								
3402.	.....								
3403.	.....								
3498.	Summary of remaining write-ins for Line 34 from overflow page									
3499.	TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)									

(a) Including \$.....0 for present value of life indemnity claims.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 - EXPENSES

		1	2	3	4
		Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1.	Claim adjustment services:				
1.1	Direct	7,124,401			7,124,401
1.2	Reinsurance assumed	(1,873,192)			(1,873,192)
1.3	Reinsurance ceded	567,900			567,900
1.4	Net claim adjustment services (1.1 + 1.2 - 1.3)	4,683,308			4,683,308
2.	Commission and brokerage:				
2.1	Direct, excluding contingent		80,452,003		80,452,003
2.2	Reinsurance assumed, excluding contingent		4,748,017		4,748,017
2.3	Reinsurance ceded, excluding contingent		16,681,957		16,681,957
2.4	Contingent - direct		7,327,551		7,327,551
2.5	Contingent - reinsurance assumed		404,642		404,642
2.6	Contingent - reinsurance ceded		1,912,453		1,912,453
2.7	Policy and membership fees				
2.8	Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)		74,337,802		74,337,802
3.	Allowances to manager and agents		455,620		455,620
4.	Advertising		152,965		152,965
5.	Boards, bureaus and associations	1,350,877	2,110,908		3,461,784
6.	Surveys and underwriting reports		4,144,264		4,144,264
7.	Audit of assureds' records		200,777		200,777
8.	Salary and related items:				
8.1	Salaries	7,842,480	18,487,888	788,155	27,118,523
8.2	Payroll taxes	609,225	1,361,631	59,040	2,029,896
9.	Employee relations and welfare	4,113,048	10,160,561	417,632	14,691,241
10.	Insurance	62,375	148,075	6,129	216,580
11.	Directors' fees	42,011	99,731	4,128	145,870
12.	Travel and travel items	422,799	1,709,735	11,465	2,143,998
13.	Rent and rent items	884,752	1,992,019	129,230	3,006,001
14.	Equipment	816,471	2,558,659	113,465	3,488,595
15.	Cost or depreciation of EDP equipment and software	339,065	804,926	33,318	1,177,309
16.	Printing and stationery	92,930	292,853	16,568	402,350
17.	Postage, telephone and telegraph, exchange and express	459,194	1,822,392	84,312	2,365,898
18.	Legal and auditing	91,102	261,123	8,606	360,831
19.	TOTALS (Lines 3 to 18)	17,126,327	46,764,126	1,672,049	65,562,502
20.	Taxes, licenses and fees:				
20.1	State and local insurance taxes deducting guaranty association credits of \$.....46,416		11,287,455		11,287,455
20.2	Insurance department licenses and fees		665,501		665,501
20.3	Gross guaranty association assessments		14,883		14,883
20.4	All other (excluding federal and foreign income and real estate)		6,486		6,486
20.5	TOTAL taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)		11,974,324		11,974,324
21.	Real estate expenses			1,134,442	1,134,442
22.	Real estate taxes			286,090	286,090
23.	Reimbursements by uninsured plans				
24.	Aggregate write-ins for miscellaneous expenses	275,162	698,253	19,258	992,673
25.	TOTAL expenses incurred	22,084,797	133,774,506	3,111,838	(a) 158,971,141
26.	Less unpaid expenses - current year	105,586,623	30,655,979	274,760	136,517,362
27.	Add unpaid expenses - prior year	118,880,734	26,335,550	313,740	145,530,024
28.	Amounts receivable relating to uninsured plans, prior year				
29.	Amounts receivable relating to uninsured plans, current year				
30.	TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	35,378,908	129,454,077	3,150,818	167,983,803
DETAILS OF WRITE-INS					
2401.	Miscellaneous Expenses	275,162	489,548	19,258	783,968
2402.	Donations		208,705		208,705
2403.	.....			
2498.	Summary of remaining write-ins for Line 24 from overflow page				
2499.	TOTALS (Lines 2401 through 2403 plus 2498) (Line 24 above)	275,162	698,253	19,258	992,673

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

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a)..... 497,033	..... 490,474
1.1	Bonds exempt from U.S. tax	(a)..... 20,466,976	..... 17,054,239
1.2	Other bonds (unaffiliated)	(a)..... 7,980,885	..... 7,907,124
1.3	Bonds of affiliates	(a).....	.....
2.1	Preferred stocks (unaffiliated)	(b)..... 1,880,002	..... 1,813,645
2.11	Preferred stocks of affiliates	(b).....	.....
2.2	Common stocks (unaffiliated) .....	..... 4,451,892	..... 4,535,334
2.21	Common stocks of affiliates .....	.....	.....
3.	Mortgage loans	(c).....	.....
4.	Real estate	(d)..... 2,438,115	..... 2,438,115
5.	Contract loans .....	.....	.....
6.	Cash, cash equivalents and short-term investments	(e)..... 22,040	..... 19,850
7.	Derivative instruments	(f).....	.....
8.	Other invested assets .....	..... 301	..... 301
9.	Aggregate write-ins for investment income .....	..... 32,347	..... 677,042
10.	Total gross investment income .....	..... 37,769,591	..... 34,936,124
11.	Investment expenses		(g)..... 2,825,748
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g)..... 286,090
13.	Interest expense		(h).....
14.	Depreciation on real estate and other invested assets		(i)..... 1,640,143
15.	Aggregate write-ins for deductions from investment income .....		.....
16.	Total deductions (Lines 11 through 15) .....		..... 4,751,981
17.	Net Investment income (Line 10 minus Line 16) .....		..... 30,184,143
DETAILS OF WRITE-INS			
0901.	INTEREST EARNED FROM STOP LOSS .....		..... 644,695
0902.	MISC INTEREST RECD .....	..... 32,347	..... 32,347
0903.	.....		.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....		.....
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above) .....	..... 32,347	..... 677,042
1501.	.....		.....
1502.	.....		.....
1503.	.....		.....
1598.	Summary of remaining write-ins for Line 15 from overflow page .....		.....
1599.	TOTALS (Lines 1501 through 1503 plus 1598) (Line 15 above) .....		.....
(a) Includes \$.....84,431 accrual of discount less \$.....3,400,308 amortization of premium and less \$.....305,365 paid for accrued interest on purchases.			
(b) Includes \$.....16,276 accrual of discount less \$.....53,587 amortization of premium and less \$.....0 paid for accrued dividends on purchases.			
(c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.			
(d) Includes \$.....2,438,115 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.			
(e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.			
(f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.			
(g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.			
(h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.			
(i) Includes \$.....1,640,143 depreciation on real estate and \$.....0 depreciation on other invested assets.			

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds .....	..... 2,170		..... 2,170		.....
1.1	Bonds exempt from U.S. tax .....	..... 198,122		..... 198,122		.....
1.2	Other bonds (unaffiliated) .....	..... 265,862		..... 265,862		.....
1.3	Bonds of affiliates .....					.....
2.1	Preferred stocks (unaffiliated) .....	..... 742,135		..... 742,135	..... (62,500)	.....
2.11	Preferred stocks of affiliates .....					.....
2.2	Common stocks (unaffiliated) .....	..... 7,793,733		..... 7,793,733	..... 30,638,842	.....
2.21	Common stocks of affiliates .....				..... 11,302,614	.....
3.	Mortgage loans .....					.....
4.	Real estate .....					.....
5.	Contract loans .....					.....
6.	Cash, cash equivalents and short-term investments .....					.....
7.	Derivative instruments .....	..... (389,137)		..... (389,137)	..... (414,264)	.....
8.	Other invested assets .....		..... (4,213,906)	..... (4,213,906)	..... 384,779	.....
9.	Aggregate write-ins for capital gains (losses) .....					.....
10.	Total capital gains (losses) .....	..... 8,612,885	..... (4,213,906)	..... 4,398,979	..... 41,849,471	.....
DETAILS OF WRITE-INS						
0901.	.....					.....
0902.	.....					.....
0903.	.....					.....
0998.	Summary of remaining write-ins for Line 9 from overflow page ..					.....
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above) ..					.....

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE CENTRAL MUTUAL INSURANCE COMPANY

EXHIBIT OF NONADMITTED ASSETS

		1	2	3
		Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1.	Bonds (Schedule D)			
2.	Stocks (Schedule D):			
2.1	Preferred stocks			
2.2	Common stocks	2,228,388	2,598,030	369,642
3.	Mortgage loans on real estate (Schedule B):			
3.1	First liens			
3.2	Other than first liens			
4.	Real estate (Schedule A):			
4.1	Properties occupied by the company			
4.2	Properties held for the production of income			
4.3	Properties held for sale			
5.	Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			
6.	Contract loans			
7.	Derivatives (Schedule DB)			
8.	Other invested assets (Schedule BA)			
9.	Receivables for securities			
10.	Securities lending reinvested collateral assets (Schedule DL)			
11.	Aggregate write-ins for invested assets			
12.	Subtotals, cash and invested assets (Lines 1 to 11)	2,228,388	2,598,030	369,642
13.	Title plants (for Title insurers only)			
14.	Invested income due and accrued			
15.	Premium and considerations:			
15.1	Uncollected premiums and agents' balances in the course of collection	292,928	392,260	99,332
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due	4,452	0	(4,452)
15.3	Accrued retrospective premiums			
16.	Reinsurance:			
16.1	Amounts recoverable from reinsurers			
16.2	Funds held by or deposited with reinsured companies			
16.3	Other amounts receivable under reinsurance contracts			
17.	Amounts receivable relating to uninsured plans			
18.1	Current federal and foreign income tax recoverable and interest thereon			
18.2	Net deferred tax asset	6,865,028	26,340,826	19,475,798
19.	Guaranty funds receivable or on deposit			
20.	Electronic data processing equipment and software	6,597,109	6,168,385	(428,724)
21.	Furniture and equipment, including health care delivery assets	691,160	1,084,519	393,360
22.	Net adjustment in assets and liabilities due to foreign exchange rates			
23.	Receivables from parent, subsidiaries and affiliates			
24.	Health care and other amounts receivable			
25.	Aggregate write-ins for other than invested assets	250	30,029,865	30,029,615
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	16,679,314	66,613,886	49,934,572
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28.	Total (Lines 26 and 27)	16,679,314	66,613,886	49,934,572
DETAILS OF WRITE-INS				
1101.	.....		
1102.	.....		
1103.	.....		
1198.	Summary of remaining write-ins for Line 11 from overflow page			
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)			
2501.	EMPLOYEE BENEFITS TRUST FUND	0	11,656,251	11,656,251
2502.	PREPAID PENSION BENEFIT COSTS		18,239,699	18,239,699
2503.	PERMANENT TRAVEL ADVANCES	250	250	
2598.	Summary of remaining write-ins for Line 25 from overflow page		133,665	133,665
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	250	30,029,865	30,029,615

Notes to Financial Statements

1. Summary of Significant Accounting Policies

A. Accounting Practices

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

The Ohio Insurance Department recognizes only statutory accounting practices prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for determining solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual - Version effective January 1, 2001, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Ohio. The Commissioner of Insurance has the right to permit specific practices that deviate from prescribed practices.

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

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

C. Accounting Policy

Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct business and are based on reports received from ceding companies for reinsurance.

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

In addition, Central Mutual Insurance Company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds not backed by other loans are stated at amortized cost using the interest method.
- (3) Common stocks are stated at market value except investments in stocks of uncombined subsidiaries and affiliates in which Central Mutual Insurance Company has an interest of 20% or more are carried on the equity basis.
- (4) Preferred stocks are stated at market value except qualified sinking fund preferreds which are stated at amortized cost.
- (5) Central Mutual Insurance Company has no mortgage loans on real estate.
- (6) Loan-backed securities are stated at amortized cost. Prepayment assumptions for loan-backed bonds and structured securities are obtained from dealer surveys. These assumptions are consistent with the current interest rate and economic environment. The prospective Adjustment method is used to value these securities.
- (7) Central Mutual Insurance Company owns 100% of the common stock of All America Insurance Company, a property and casualty insurance company. Central Mutual Insurance Company owns 100% of Security Central, a holding company. Stocks held in all subsidiaries are carried at their Admitted Asset Equivalent.
- (8) Central Mutual Insurance Company has minor ownership interest in a limited liability company. The company carries this interest based upon the underlying audited GAAP equity of the investee.
- (9) Central Mutual Insurance Company's derivatives are carried at fair market value (marked-to-market monthly) on Schedule DB. An unrealized gain or loss is incurred monthly as a result. Derivatives in which the positions are closed (expire, purchased, or exercised) incur a realized gain or loss.
- (10) Central Mutual Insurance Company anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53, Property-Casualty Contracts - Premiums.
- (11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.
- (12) There was no change in the capitalization policy or the resultant predefined thresholds from the prior period.
- (13) Central Mutual Insurance Company has no pharmaceutical rebate receivables.

2. Accounting Changes and Correction of Errors

Changes in accounting principle and/or correction of errors – NONE

3. Business Combinations and Goodwill

Central Mutual Insurance Company has not purchased or merged with another entity during the prior two years. No goodwill is recorded in the company's assets.

4. Discontinued Operations

No operations were discontinued that required reporting.

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans - NONE

B. Debt Restructuring - NONE

C. Reverse Mortgages - NONE

D. Loan-Backed Securities:

1. Prepayment assumptions for loan-backed securities and structured securities were obtained from the amortization schedule contained in the official statement. These are based on scheduled loan payments.
2. NONE
3. NONE

Notes to Financial Statements

4. All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss:
- a. The aggregate amount of unrealized losses:
 - 1. Less than 12 months \$85,592
 - 2. 12 Months or Longer \$0
 - b. The aggregate related fair values of securities with unrealized losses:
 - 1. Less than 12 months \$914,408
 - 2. 12 Months or Longer \$0
5. The security does not meet the criteria per the Company’s OTTI procedure to be classified as “other than temporarily impaired”.

- E. Repurchase Agreements and/or Securities Lending Transactions - NONE
- F. Real Estate – NO TRANSACTIONS TO REPORT
- G. Investments in low-income housing tax credits (LIHTC) – NONE
- H. Restricted Assets:

	Total General Account	G/A Supporting Protected Cell Acct (a)	Total Protected Cell Account	Protected Cell Account (b)	Total (Col. 1 + Col. 3)	Total From Prior Year	Increase/(Decrease) (Col. 5 - Col. 6)	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
I. On deposit with states	5,729,039				5,729,039	5,751,769	(22,730)	5,729,039	0.45	0.45

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. Central Mutual Insurance Company has no investments in Joint Ventures, Partnerships or Limited Liability companies that exceed 10% of admitted assets.
- B. Consumer Agent Portal (CAP) is an LLC formed through an alliance of the IIABA, Trusted Choice, state associations, and insurance carriers, of which Central Mutual Insurance Company is one. The investment is carried on Schedule BA, Other Invested Assets, and valued at book value per CAP financial statements. Due to initial start-up costs, as well as investments in infrastructure and other project costs, the value of the investment has met the criteria of the Company’s OTTI procedure, and has subsequently been written down entirely. The current statement value of the investment is zero (\$0). Central Mutual Insurance Company has invested \$5.69 million in Project CAP since its inception, which has been written down in full. Of that amount, \$4.2 million was written down in 2013.

7. Investment Income

- A. Due and accrued income was excluded from surplus on the following bases:
- All income due and accrued with amounts that are over 90 days past due with the exception of mortgage loans in default.
- B. No amount was excluded.

8. Derivative Instruments

Central Mutual Insurance Company’s derivatives transacted in 2013 included both covered calls and stock warrants. Both would be subject to market risk, specifically, equity risk, as stock prices or implied volatility of the underlying securities change. These derivatives should have no credit risk. Cash requirements would be minimal, since the vast majority of options written are the sale of covered calls, which is a cash inflow. The warrants would entail cash outflows, but are minimal.

The derivatives are written for income generation purposes. The sale of these covered calls, on only a portion of our equity holdings, is to allow some appreciation on the underlying stock, and to recognize a realized gain if the calls are exercised. The covered calls may be purchased back if fundamental changes occur in the stock, and it is advantageous to do so and roll to a higher strike price.

All derivatives are carried at fair market value (marked-to-market monthly) on Schedule DB. An unrealized gain or loss is incurred monthly as a result. Derivatives in which the positions are closed (expire, purchased, or exercised) incur a realized gain or loss.

9. Income Taxes

Notes to Financial Statements

Eventually the bottom will show!

A. The components of the net deferred tax asset/(liability) at December 31 are as follows:									
1.									
	December 31, 2013			December 31, 2012			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Gross deferred tax assets	66,458,383	4,364,638	70,823,021	81,272,844	3,335,478	84,608,322	(14,814,461)	1,029,159	(13,785,301)
(b) Statutory valuation allowance adjustments	0	0	0	0	0	0	0	0	0
(c) Adjusted gross deferred tax assets (a1 - 1b)	66,458,383	4,364,638	70,823,021	81,272,844	3,335,478	84,608,322	(14,814,461)	1,029,159	(13,785,301)
(d) Deferred Tax Assets Nonadmitted	6,865,028	0	6,865,028	26,340,826	0	26,340,826	(19,475,798)	0	(19,475,798)
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	59,593,355	4,364,638	63,957,993	54,932,018	3,335,478	58,267,496	4,661,337	1,029,159	5,690,497
(f) Deferred Tax Liabilities	5,853,880	24,227,298	30,081,179	5,246,426	13,507,400	18,753,826	607,454	10,719,898	11,327,352
(g) Net admitted deferred tax asset/(Net Deferred Tax Liability) (1e - 1f)	53,739,475	(19,862,661)	33,876,814	49,685,591	(10,171,922)	39,513,670	4,053,883	(9,690,739)	(5,636,856)
2.									
	December 31, 2013			December 31, 2012			Change		
SSAP 101, paragraphs 11.a., 11.b., and 11.c.:	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks	0	0	0	0	0	0	0	0	0
(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)	29,512,176	4,364,638	33,876,814	36,178,192	3,335,478	39,513,670	(6,666,015)	1,029,159	(5,636,856)
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	29,512,176	4,364,638	33,876,814	36,178,192	3,335,478	39,513,670	(6,666,015)	1,029,159	(5,636,856)
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	XXX	XXX	78,376,310	XXX	XXX	70,602,898	XXX	XXX	7,773,412
(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	30,081,179	0	30,081,179	18,753,826	0	18,753,826	11,327,353	0	11,327,353
(d) Deferred Tax Assets Admitted as the Result of Application of SSAP No. 101 Total (2(a) + 2(b) + 2(c))	59,593,355	4,364,638	63,957,993	54,932,018	3,335,478	58,267,496	4,661,338	1,029,159	5,690,497
3.									
	2013 Percentage	2012 Percentage							
(a) Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount	1019%	807%							
(b) Amount of Adjusted Capital and Surplus Used to Determine Recovery Period and Threshold Limitation in 2(b)2 Above	585,533,038	470,943,134							
4.									
	December 31, 2013			December 31, 2012			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Impact of Tax Planning Strategies									
(a) Adjusted Gross DTAs (% of Total Adjusted Gross DTAs)	0.0%	6.2%	6.2%	0.0%	3.9%	3.9%	0.0%	2.2%	2.2%
(b) Net Admitted Adjusted Gross DTAs (% of Total Net Admitted Adjusted Gross DTAs)	0.0%	12.9%	12.9%	0.0%	8.4%	8.4%	0.0%	4.4%	4.4%
(c) Does the Company's tax-planning strategies include the use of reinsurance?	Yes	No	X						
B. Unrecognized DTLs									
Not applicable									

Notes to Financial Statements

C. Current Tax and Change in Deferred Tax			
1. Current income tax			
	2013	2012	Change
(a) Federal	959,845	95,044	864,801
(b) Foreign	0	0	0
(c) Subtotal	959,845	95,044	864,801
(d) Federal income tax on net capital gains	0	0	0
(e) Utilization of capital loss carryforward	(17,200,259)	0	(17,200,259)
(f) Other	0	0	0
Federal and foreign income taxes incurred	0	95,044	(17,200,259)
2. Deferred income tax			
	2013	2012	Change
(a) Ordinary:			
(1) Discounting of unpaid losses	9,191,959	12,842,648	(3,650,689)
(2) Unearned premium reserve	15,849,437	14,762,342	1,087,095
(3) Non-Qualifying Pension	1,865,032	1,855,216	9,816
(4) SPP Equalization Plan	672,798	521,669	151,129
(5) Post Retirement Expenses	11,399,284	8,218,141	3,181,143
(6) Charitable Contribution Deduction Carryforward	327,887	110,395	217,492
(7) AMT Tax Carryforward Consolidated	5,658,215	3,315,634	2,342,581
(8)			0
(9) Net operating loss carry-forward	18,838,707	36,970,905	(18,132,198)
(10) Tax credit carry-forward			0
(11) Other (including items <5% of total ordinary tax assets)			0
(12) Other assets – nonadmitted	2,655,064	2,675,895	(20,831)
(99) Subtotal	66,458,383	81,272,845	(14,814,462)
(b) Statutory valuation allowance adjustment			0
(c) Nonadmitted			0
(d) Admitted ordinary deferred tax assets (2a99-2b-2c)	66,458,383	81,272,845	(14,814,462)
(e) Capital			
(1) Investments - Other than temporary impairments (OTTI)	4,364,638	3,335,478	1,029,160
(2) Net capital loss carry-forward			0
(3) Real estate			0
(4) Other (including items <5% of total capital tax assets)			0
(99) Subtotal	4,364,638	3,335,478	1,029,160
(f) Statutory valuation allowance adjustment			0
(g) Nonadmitted			0
(h) Admitted capital deferred tax assets (2e99-2f-2g)	4,364,638	3,335,478	1,029,160
(i) Admitted deferred tax assets (2d+2h)	70,823,021	84,608,323	(13,785,302)
3. Deferred tax liabilities:			
	2013	2012	Change
(a) Ordinary:			
(1) Employee Benefit Trust Fund	4,751,364	4,079,688	671,676
(2) Discount on Salvage and Subrogation	173,419	315,201	(141,782)
(3) Acquisition Expense - Advanced Premiums	210,878	170,347	40,531
(4) Tax/Book Depreciaiton	718,219	681,191	37,028
(5)			0
(6)			0
(7)			0
(99) Subtotal	5,853,880	5,246,427	607,453
(b) Capital			
(1) Investments - Unrealized capital gains - net	24,227,298	13,507,400	10,719,898
(2)			0
(3)			0
(99) Subtotal	24,227,298	13,507,400	10,719,898
(c) Deferred tax liabilities (3a99+3b99)	30,081,178	18,753,827	11,327,351
4. Net deferred tax assets/liabilities (2i-3c)	40,741,843	65,854,496	(25,112,653)

D. The more significant reconciling items that created a difference between the sum of the Company’s income taxes incurred and the change in its DTAs and DTLs and the result obtained by applying the federal statutory rate to its pretax net income are the tax exempt income deduction net of the proration of tax exempt investment income (-9.3%) and the dividends received deduction (-1.8%).

10. Information Concerning Parent, Subsidiaries and Affiliates

- ## 14.4

Notes to Financial Statements

11. Debt

Central Mutual Insurance Company has no debt obligations.

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

A. Defined Benefit Plan

Qualified Pension Plan - Central Mutual Insurance Company sponsors a non-contributory defined benefit pension plan covering substantially all of its employees. A net periodic pension benefit cost of \$4,019,403 was recognized in 2013. In addition, a measurement date adjustment (from September 30 to December 31) in the amount of \$1,043,018 was made in 2013 as an adjustment to surplus pursuant to paragraph 89. a. of SSAP 102. The activity associated with the measurement date change has been reflected with the activity in fiscal 2013. The \$2.2 million contribution made in the fourth quarter of 2012 has been reflected in the fiscal 2012 activity.

A summary of assets, obligations and assumptions of the Pension and Other Postretirement Benefit Plans are as follows at December 31, 2013 and 2012 and were estimated by measuring employee data as of December 31 and October 1, respectively.

(1) Change in benefit obligation

a. Pension Benefits

	<u>Overfunded</u>		<u>Underfunded</u>	
	2013	2012	2013	2012
1. Benefit obligation at beginning of year	\$ -	\$ -	\$ 125,497,955	\$ 105,755,912
2. Service cost	-	-	5,189,638	3,356,106
3. Interest cost	-	-	6,614,780	5,199,892
4. Contribution by plan participants	-	-	-	-
5. Actuarial gain (loss)	-	-	20,467,098	(14,654,572)
6. Foreign currency exchange rate changes	-	-	-	-
7. Benefits paid	-	-	(4,625,363)	(3,468,527)
8. Plan amendments	-	-	-	-
9. Business combinations, divestitures, curtailments, settlements and special termination benefits	-	-	1,434,348	-
10. Benefit obligation at end of year	\$ -	\$ -	\$ 113,644,260	\$ 125,497,955

b. Postretirement Benefits

	<u>Overfunded</u>		<u>Underfunded</u>	
	2013	2012	2013	2012
1. Benefit obligation at beginning of year	\$ -	\$ -	\$ 30,198,905	\$ 26,171,227
2. Service cost	-	-	2,681,967	2,249,162
3. Interest cost	-	-	1,922,691	1,152,482
4. Contribution by plan participants	-	-	-	-
5. Actuarial gain (loss)	-	-	12,371,656	(2,264,017)
6. Foreign currency exchange rate changes	-	-	-	-
7. Benefits paid	-	-	(1,503,054)	(1,104,300)
8. Plan amendments	-	-	(16,026,648)	(533,683)
9. Business combinations, divestitures, curtailments, settlements and special termination benefits	-	-	31,722,936	-
10. Benefit obligation at end of year	\$ -	\$ -	\$ 36,625,141	\$ 30,198,905

c. Postemployment & Compensated Absences Benefits – NOT APPLICABLE

(2) Change in plan assets

	Pension Benefits		Postretirment Benefits		Postemployment	
	2013	2012	2013	2012	2013	2012
a. Fair value of plan assets at beginning of year	\$ 100,213,200	\$ 76,193,543	\$ 13,207,510	\$ -	\$ -	\$ -
b. Actual return on plan assets	16,077,934	15,188,184	(927,069)	-	-	-
c. Foreign currency exchange rate changes	-	-	-	-	-	-
d. Reporting entity contribution	-	12,300,000	6,162,346	-	-	-
e. Plan participants' contributions	-	-	2,175,103	13,207,510	-	-
f. Benefits paid	(4,625,363)	(3,468,527)	(6,220,811)	-	-	-
g. Business combinations, divestitures and settlements	-	-	-	-	-	-
h. Fair value of plan assets at end of year	\$ 111,665,771	\$ 100,213,200	\$ 14,397,079	\$ 13,207,510	\$ -	\$ -

Notes to Financial Statements

(3) Funded status

Overfunded:	Pension Benefits		Postretirement Benefits	
	2013	2012	2013	2012
a. Assets (non-admitted in 2012)				
1. Prepaid benefit cost	\$ 13,177,278	\$ 18,239,699	\$ -	\$ -
2. Overfunded plan assets	\$ (13,177,278)	\$ -	\$ -	\$ -
3. Total assets (nonadmitted in 2012)	\$ -	\$ 18,239,699	\$ -	\$ -
Underfunded:				
b. Liabilities recognized				
1. Accrued benefit cost	\$ -	\$ -	\$ -	\$ -
2. Liability for pension benefits	\$ (1,978,489)	\$ -	\$ (22,228,062)	\$ (27,943,348)
3. Total liabilities recognized	\$ (1,978,489)	\$ -	\$ (22,228,062)	\$ (27,943,348)
c. Unrecognized liabilities	\$ -	\$ (25,284,755)	\$ -	\$ (2,255,557)

(4) Components of net periodic benefit cost

	Pension Benefits		Postretirment Benefits		Postemployment & Compensated Absence Benefits	
	2013	2012	2013	2012	2013	2012
a. Service cost	\$ 4,247,401	\$ 3,356,106	\$ 2,681,967	\$ 2,249,162	\$ -	\$ -
b. Interest cost	5,301,760	5,199,892	1,922,691	1,152,482	-	-
c. Expected return on plan assets	(8,318,064)	(6,171,779)	(1,056,601)	-	-	-
d. Transition asset or obligation	389,660	-	4,531,848	-	-	-
e. Gains and losses	2,369,134	2,477,425	(751,111)	-	-	-
f. Prior service cost or credit	29,512	29,512	(2,399,407)	(71,766)	-	-
g. Gain or loss recognized due to a settlement or curtailment or measurement date adjustment	1,043,018	-	-	-	-	-
h. Total net periodic benefit cost	\$ 5,062,421	\$ 4,891,156	\$ 4,929,387	\$ 3,329,878	\$ -	\$ -

(5) Amounts in unassigned funds (surplus) recognized as components of net periodic benefit cost

	Pension Benefits		Postretirement Benfits	
	2013	2012	2013	2012
a. Items not yet recognized as a component of net periodic cost - prior year	\$ 43,524,454	\$ 40,393,224	\$ (10,951,953)	\$ 453,457
b. Net transition asset or obligation recognized	779,321	-	27,191,088	-
c. Net prior service cost or credit arising during the period	-	-	(16,026,648)	(533,683)
d. Net prior service cost or credit recognized	(36,890)	(29,512)	2,399,407	71,766
e. Net gain and loss arising during the period	(26,147,452)	5,638,167	(12,504,624)	(10,943,493)
f. Net gain and loss recognized	(2,963,666)	(2,477,425)	751,111	-
g. Items not yet recognized as a component of net periodic cost - current year	\$ 15,155,767	\$ 43,524,454	\$ (9,141,619)	\$ (10,951,953)

(6) Amounts in unassigned funds (surplus) expected to be recognized in the next fiscal year as components of net periodic benefit cost

	Pension Benefits		Postretirement Benfits	
	2013	2012	2013	2012
a. Net transition asset or oblitation	389,660	-	4,531,848	-
b. Net prior service cost or credit	22,134	-	(2,399,407)	-
c. Net recognized gains and losses	229,991	-	(1,281,307)	-

(7) Amounts in unassigned funds (surplus) that have not yet been recongnized as components of net periodic benefit cost

	Pension Benefits		Postretirement Benfits	
	2013	2012	2013	2012
a. Net transition asset or oblitation	779,321	-	27,191,088	-
b. Net prior service cost or credit	22,134	59,024	(14,731,896)	(1,104,655)
c. Net recognized gains and losses	14,354,312	43,465,430	(21,600,811)	(9,847,298)

(8) Weighted-average assumptions used to determine net periodic benefit cost as of December 31:

Notes to Financial Statements

	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
(a) Weighted-average discount rate	4.25%	5.00%	4.25%	4.50%
(b) Expected long-term rate of return on plan assets	8.50%	8.50%	8.00%	N/A
(c) Rate of compensation increase	3.00%	3.00%	N/A	N/A

Weighted-average assumptions used to determine projected benefit obligations as of December 31:

(d) Weighed-average discount rate	5.25%	4.25%	5.25%	4.25%
(e) Rate of compensation increase	5.50% of base plus 20.0% for bonuses	5.50% of base plus 20.4% for bonuses	N/A	N/A

For measurement purposes, an 8.50% annual rate of increase in the per capita cost of covered health care benefits was assumed for 2013. The rate was assumed to decrease gradually to 6.00% for 2019 and remain at that level thereafter.

(9) The amount of the accumulated benefit obligation for defined benefit pension plans was \$92,896,805 as of December 31, 2013 and \$100,191,173 as of December 31, 2012.

(10) The Company has a non-pension postretirement benefit plan. The health care plan is contributory, with participants' contributions adjusted annually; the life insurance plan is noncontributory. The accounting for the health care plan does not anticipate future cost-sharing changes to the written plan due to the company's expressed intent not to increase retiree contributions each year in excess of the expected general inflation rate. On March 1, 2013, the company amended the postretirement health care plan to limit eligibility for the benefits to employees that retire within 10 years of their Social Security "normal" retirement date, have completed at least 10 years of service since their most recent hire date, and had the coverage on the day just prior to their retirement date.

(11) Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one-percentage-point change in assumed health care cost trend rates would have the following effects:

	1 Percentage Point Increase	1 Percentage Point Decrease
(a) Effect on total of service and interest rate components	\$ 744,513	\$ (592,538)
(b) Effect on postretirement benefit obligation	\$ 5,333,937	\$ (4,385,658)

(12) The benefits expected to be paid in each of the next five fiscal years related to the defined benefit pension plan are as follows:

2014	\$4,059,624
2015	\$4,330,579
2016	\$4,653,483
2017	\$4,966,599
2018	\$5,340,551

The aggregate for five fiscal years thereafter are estimated to be: \$33,177,476.

The benefits expected to be paid in each of the next five fiscal years related to the postretirement plan are as follows:

2014	\$1,288,995
2015	\$1,388,589
2016	\$1,517,674
2017	\$1,649,987
2018	\$1,780,542

The aggregate for five fiscal years thereafter are estimated to be: \$11,334,005.

(13) The Company does not have any regulatory contribution requirements for 2014, and the Company does not intend to make any voluntary contributions to the defined benefit pension plan. The Company expects to contribute \$1,288,995 to the postretirement plan in 2014.

(14) There are no securities of the employer or related parties included in plan assets. There are no future annual benefits of plan participants covered by insurance contracts issued by the employer or related parties. There were no significant transactions between the employer or related parties and the plan during the period.

(15) There were no alternative methods used to amortize prior service amounts or unrecognized net gains and losses.

(16) There were no substantive commitments used as the basis for accounting for the benefit obligation.

(17) There were no costs of providing special or contractual termination benefits during the period.

(18) There were no significant changes in the benefit obligation or plan assets that are not otherwise apparent in the previous disclosures.

(19) There are no plan assets expected to be returned to the Company during the 12-month period, or operating cycle if longer, that follows the most recent annual statement of financial position presented.

(20) & (21) SSAP No. 102 became effective Jan. 1, 2013. This SSAP requires that any underfunded defined pension amounts, as determined when the projected benefit obligation exceeds the fair value of plan assets, to be recognized as a liability under SSAP No. 5R. Such a liability is required to be reported beginning with the first

Notes to Financial Statements

quarter statutory financial statement after the transition option reflected in paragraph 85 of SSAP No. 102. The SSAP requires initial liability to be the greater of paragraphs 85bi, 85bii, and 85biii:

Minimum Transition Liability		
85b.i	10% of Calculated Surplus Impact	\$ 2,645,374
85b.ii	Annual Amortization of "Unrecognized Items"	\$ 2,788,306
85b.iii	Difference Between ABO & Fair Value of Plan Assets	\$ 508,012
Minimum Transition Liability		\$ 2,788,306

SSAP No. 92 became effective Jan. 1, 2013. This SSAP requires that any underfunded postretirement benefits other than pension amounts, as determined when the accumulated benefit obligation exceeds the fair value of plan assets, to be recognized as a liability under SSAP No. 5R.

In the December 31, 2013 financial statements, the Company had \$22,228,062 in recognized postretirement liability. This was reflected in the financial statements as:

Accrued Benefit Cost:	\$22,228,062
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Non-Qualified Pension Plan - Central Mutual Insurance Company also has a non-qualified pension plan to pay benefits to certain employees whose pension benefits under the qualified plan are limited by Sections 415 and 401(a)(17) of the Internal Revenue Code. The non-qualified plan is unfunded and will pay the difference of (1) the benefit determined by the qualified plan formula with no IRC limits applied less (2) the benefit determined by the qualified plan formula after the IRC limits are applied. Central Mutual's share of this liability as of December 31, 2013 is \$4,476,078.

B. The Investment Policy of the Plan indicates that the asset structure needs to reflect a proper balance of the Plan’s needs for liquidity, stability of value, and diversification along with the risk tolerance of Central Mutual Insurance Company. The asset mix that identifies the company’s long-term investment objectives for the Plan lies in five major investment categories each with a permissible range. Those categories are Large Cap Equities (25-50%), Small/Mid Cap Equities (5-15%), International Equities (0-15%), Intermediate-Term Fixed Income (15-40%), and Long-Term Fixed Income (10-30%). The 12/31/2013 actual asset value mix was 41.03% in Large Cap Equities, 10.96% in Small/Mid Cap Equities, 8.42% in International Equities, 23.75% in Intermediate-Term Fixed Income, and 15.84% in Long-Term Fixed Income.

The company analyzes 20 years of return data for 20 asset categories on an annual basis in order to set its basis for expected long-term rate-of-return on its assets.

The company also runs a monthly asset allocation model taking into consideration the desired asset mix, risk of asset categories, and the maturity needs of the plan’s liabilities. This model is used to determine what asset allocation changes need to be made in order to meet the asset mix requirements in the investment policy.

C. (1) Fair Value Measurements of Plan Assets at Reporting Date

Description of each class of plan assets	(Level 1)	(Level 2)	(Level 3)	Total
Equity Securities (Mutual Funds)	\$ 111,665,771			\$ 111,665,771
Total Plan Assets	\$ 111,665,771			\$ 111,665,771

In general, fair values determined by Level 1 inputs use quoted prices in active markets for identical assets or liabilities that the Company has the ability to access.

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

Description for each class of plan assets	Beginning Balance at 01/01/2013	Transfers into Level 3	Transfers out of Level 3	Return on Assets Still Held	Return on Assets Sold	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2013
N/A										

Total Plan Assets	
-------------------	--

D. An annual study is performed that is designed to evaluate the real rates of return, allocations of investments by asset category, and expected future condition of the Group Pension Plan. This study serves as the basis for the rate of return assumption. Exhibit 1 of this study computes annual real rates of return for large cap equities, small/mid cap equities, international equities, fixed income intermediate maturity investments, and fixed income long-term

Notes to Financial Statements

maturity investments. Thirty years of returns are analyzed and are used to evaluate the reasonableness of the assumptions by asset class that are contained in the Plan’s Investment Policy. Exhibit 2 of the study uses the assumptions of the Company’s Asset Allocation Model and the payout, interest rate, liability, and asset information from the Plan’s actuarial report to develop a modeled allocation for the pension assets. Exhibit 3 of the study develops an expected real rate of return for the portfolio of Plan assets under alternative scenarios. The portfolio real rates of return are then compared to those in the Investment Policy for reasonableness. Exhibit 4 of the study provides long-term annual standard deviations and average returns for various portfolio asset allocations. These average returns are then compared to the assumption the pension actuary uses in the Plan’s annual actuarial report. Exhibit 5 of the study attempts to compute and display the expected future condition of the Group Pension Plan over the next 50 years under various market conditions, asset allocations, assumptions and scenarios. This exhibit provides some idea as to the expected level of funding that the Group Pension Plan will require in the future and the probability that the Company will have to do future funding of the Plan that is considerably different than that expected level. The final two exhibits of the study evaluate the ranges of investments by asset class indicated in the Investment Policy. Two alternate scenarios are evaluated: (1) assets are doubled and (2) assets are reduced by 25%.

E. Defined Contribution Plans

- (1) Qualified Defined-Contribution Plan - Central Mutual Insurance Company has a qualified Savings and Profit Sharing Plan (SPP) for which substantially all employees are eligible. Up to 5% of each employee's savings is matched at 20% by contributions by the company each year. Additionally, 5% of the combined insurance companies' net income before federal income taxes is contributed to the plan each year. Central Mutual Insurance Company's contribution for the plan was \$3.482 million for 2013 and \$1.417 million for 2012, respectively. At December 31, 2013, the fair value of plan assets was \$ 109.9 million.
- (2) Non-Qualified Defined-Contribution Plan - Central Mutual Insurance Company also has a non-qualified Savings and Profit Participation Equalization Plan (Plan), which coordinates with the benefits available under the Central Employees' Savings and Profit Participation Plan (SPP), to provide a supplemental savings program for key executive employees who are limited by Sections 401(a)(17), 415, and 402(g) of the Internal Revenue Code. The non-qualified Plan is unfunded and a participant is eligible to defer compensation under the non-qualified Plan only if he has made the maximum elective contributions which are permitted under the qualified SPP Plan. Central Mutual's share of this liability as of December 31, 2013 is \$2,444,220.

F. Multiemployer Plans - NONE

G. Consolidated / Holding Company Plans - NONE

H. Post-employment Benefits and Compensated Absences – The Company established a reserve of \$22.2 M for its post-employment health care benefit obligations at 12/31/2013.

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

Central Mutual Insurance Company recognized the impact of Medicare Part D in 2006. It is expected that all retirees will elect to continue coverage with Central Mutual. In 2013, the expected subsidy to Central Mutual for Medicare Part D reduced the statutory reserve by \$7,997,227. Additionally, the company would like to disclose the following:

	Including Subsidy	Excluding Subsidy	Total Change	Change due to Retirees
Service Cost	1,936,687	2,352,482	415,795	-
Interest Cost	1,888,984	2,308,838	419,854	183,061
Expected Return on Assets	(1,100,206)	(1,100,206)	-	
Amortization of:				
Transition	4,531,848	4,531,848	-	-
Prior Service Cost	(2,399,407)	(2,399,407)	-	-
Gain/Loss	(1,281,307)	(652,953)	628,354	273,969
Net Cost	3,576,599	5,040,602	1,464,003	457,030
Expected Cash Cost	1,288,995	1,474,849	185,854	
Benefit Obligation	36,625,141	44,622,368	7,997,227	

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

- (1) Central Mutual Insurance Company is a mutual company with no capital stock outstanding.
- (2) Central Mutual Insurance Company has no preferred stock outstanding.
- (3) Central Mutual Insurance Company has no restrictions on dividends paid to policyholders.
- (4) No ordinary or extraordinary dividends were paid.

Notes to Financial Statements

- (5) None of the Company’s profits will be paid as ordinary dividends. There are no stockholders.
- (6) There are no restrictions placed on Central Mutual Insurance Company's surplus.
- (7) There are no advances on surplus.
- (8) There is no stock of affiliated companies held for special purposes.
- (9) There are no balances held in special surplus funds.
- (10) The portion of unassigned funds (surplus) represented or reduced by each item below is as follows:
 - (a) Unrealized gains and losses: \$ 181,930,400
 - (b) Nonadmitted asset values \$ 16,679,314
 - (c) Provision for reinsurance \$ 0
- (11) No surplus debentures or similar obligations exist.
- (12) & (13) No quasi-reorganization has taken place.

14. Contingencies

- A. Contingent Commitments/Guarantees - Central Mutual Insurance Company has guaranteed four (4) loans made by Citizens National Bank of Bluffton to independent insurance agents representing the company until 12/2017, in the aggregate amount not to exceed (undiscounted) total of \$1,189,824 in the event of a loan default by the independent agents. These loans arose out of merger/acquisition and/or perpetuation activities by the agents. Central Mutual is supporting the agents by guaranteeing the loans. Central Mutual will execute a commercial guaranty in favor of Citizens National Bank of Bluffton for repayment of any unpaid portion of the agent’s note if the agent should fail to make repayment. In consideration of Central Mutual’s guarantee, the agent grants a lien to Central Mutual against all assets, all present and future accounts receivable, and all policy expiration records of the agent evidenced by a security agreement with the Company. Should Central Mutual make payment to the bank pursuant to the commercial guaranty, the agent will immediately indemnify and hold harmless Central Mutual for any payments and expenses incurred. The ultimate financial statement impact if action under the guarantee is required would be \$1,189,824 and would be recorded as underwriting expense. The agents are current in all payments of principal and interest to the bank. Central Mutual has not recorded liability related to this commercial guarantee since inception and for the year ended December 31, 2013. The loans outstanding total \$1,189,824 as of December 31, 2013.
- B. Assessments - It is expected that various insolvencies will result in guaranty fund assessments against the company of \$14,883 and have been charged to operations in 2013. A net reduction in premium tax credit of \$81,595 was incurred in 2013 to offset premium taxes in multiple states over the next ten years. Various other smaller insolvency assessments are accrued for by the company.
- C. Gain Contingencies - NONE
- D. Claims related extra contractual obligation and bad faith losses stemming from lawsuits

The company paid the following amounts in the reporting period to settle claims related extra contractual obligations or bad faith claims stemming from lawsuits:

	Direct
Claims related ECO and bad faith losses paid during the reporting period	\$0.00

Number of claims where amounts were paid to settle claims related extra contractual obligations or bad faith claims resulting from lawsuits during the reporting period:

(a)	(b)	(c)	(d)	(e)
0-25 Claims	26-50 Claims	51-100 Claims	101-500 Claims	More than 500 Claims
X				

Indicate whether claim count information is disclosed per claim or per claimant:

(f) Per Claim [X] (g) Per Claimant []

- E. Product Warranties – THE COMPANY DOES NOT OFFER ANY PRODUCT WARRANTIES
- F. All Other Contingencies - NONE

15. Leases

- A. Lessee Operating Lease
 - (1) a. Central Mutual Insurance Company leases office space under various noncancelable operating lease agreements that expire through December, 2014. Rental expense for 2013, and 2012 was approximately \$ 871,408, and \$ 820,277, respectively.
 - b. Central Mutual Insurance Company leases computer hardware and software under various noncancelable operating lease agreements that expire through December, 2018. Rental expense for 2013 and 2012 was approximately \$671,000 and \$714,840, respectively.
 - c. Central Mutual Insurance Company leases automobiles under various noncancelable operating lease agreements that expire through December, 2013. Rental expense for 2013 and 2012 was approximately \$296,239 and \$265,914, respectively.
- (2) a. At January 1, 2013, the minimum aggregate rental commitments are as follows:
(Dollars in thousands)

<u>Year Ending December 31</u>	<u>Operating Leases</u>
1. 2014	\$510,700
2. 2015	\$512,400

Notes to Financial Statements

3. 2016	\$514,000
4. 2017	\$516,600
5. 2018	\$517,400
Total	\$2,570,500

b. None of the property included above is subleased.

(3) Central Mutual Insurance Company is not involved in any material sales - leaseback transactions.

- B. (1) Lessor Leases - NONE
(2) Leveraged Leases - NONE

16. Information About Financial Instruments with Concentration of Credit Risk
NONE

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities
A. Transfers of Receivables Reported as Sales - NONE
B. Transfer of Servicing of Financial Assets - NONE
C. Wash Sales - NONE

18. Gain or Loss from Uninsured A&H Plans and Uninsured Portion of Partially Insured Plans
The Company does not offer A&H coverages or provide services as an ASO or ASC plan administrator.

19. Direct Premium Written / Produced by Managing General Agents / Third Party Administrators
Central Mutual Insurance Company does not write business through managing general agents or third party administrators.

20. Fair Value Measurements
A. Assets and Liabilities Measured at Fair Value
1. Fair Value Measurements at Reporting Date

Notes to Financial Statements

DESCRIPTION	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
a. Assets at Fair Market Value				
<i>Preferred Stock</i>				
Industrial & Miscellaneous	21,334,640	7,209,647		28,544,287
Parent, Subsidiaries				-
Total Preferred Stock	21,334,640	7,209,647	-	28,544,287
<i>Bonds</i>				
US Government	27,974,992			27,974,992
US States	15,721,180			15,721,180
US Political Subdivisions	190,754,687			190,754,687
US Special Revenue	362,990,743			362,990,743
Industrial & Miscellaneous	95,312,821			95,312,821
Parent, Subsidiaries				
Total Bonds	692,754,423			692,754,423
<i>Common Stocks</i>				
Industrial & Miscellaneous	180,280,695		28,547	180,309,242
Parent, Subsidiaries			126,924,428	126,924,428
Total Common Stocks	180,280,695		126,952,975	307,233,670
<i>Derivative Assets</i>				
Warrants				
Total Derivative Assets				
Total at Fair Market Value	894,369,758	7,209,647	126,952,975	1,028,532,380
b. Liabilities at Fair Market Value				
<i>Derivative Liabilities</i>	739,066			739,066
Total at Fair Market Value	739,066			739,066

- LEVEL 1Active markets/exchanges
- LEVEL 2Quoted prices for similar assets in active markets
- LEVEL 3Valued at book value of the entity as filed with the NAIC

- B. NONE
- C. NONE
- D. NONE

21. Other Items

- A. Extraordinary Items - NONE
- B. Troubled Debt Restructuring: NONE
- C. Other Disclosures

1. Assets in the amount of \$5,729,039 and \$5,751,771 at December 31, 2013 and 2012, respectively, were on deposit with government authorities or trustees as required by law. No assets were maintained as compensating balances or pledged as collateral for bank loans or other financing agreements.
- D. At December 31, 2013 and 2012, the company had admitted assets of \$129,237,233 and \$120,722,213, respectively, in accounts receivable amounts due from agents and insureds. Central Mutual Insurance Company routinely assesses the collectibility of these receivables. Based on Central Mutual's experience, less than 1% of the balance may become uncollectible and the potential loss is not material to Central Mutual's financial condition.
- E. Business Interruption Insurance Recoveries – NONE
- F. State Transferable Tax Credits – NONE
- G. Subprime Mortgage Related Risk Exposure

1. Exposures to subprime mortgage related risk in practice

a. Direct investments in subprime mortgage loans: NONE

b. Direct investments in securities with underlying subprime exposure, such as residential mortgage backed securities, commercial mortgage backed securities, collateralized debt obligations, structured securities (including principal protected notes), hedge funds, credit default swaps, and special investment vehicles: NONE

c. Equity investments in subsidiary, controlled or affiliated entities with significant subprime related risk exposure: NONE

d. Underwriting risk on policies issued for Mortgage Guaranty or Financial Guaranty insurance coverage: NONE

22. Events Subsequent

No subsequent events took place that are of a nature to require disclosure.

23. Reinsurance

Notes to Financial Statements

A. Unsecured Reinsurance Recoverables
Central Mutual Insurance Company has the following unsecured reinsurance recoverables in excess of 3% of Policyholders' Surplus.

	NAIC #	FED ID#	Amount
All America Insurance Co.	20222	34-0935740	\$ 92,495,000

B. Reinsurance Recoverable in Dispute
Reinsurance recoverable on losses from any company in dispute do not exceed 5% of Central Mutual's Policyholders' Surplus.

C. Reinsurance Assumed and Ceded
(1) Maximum amount of return commission which would have been due reinsurers if they or Central Mutual had cancelled all of the company's reinsurance or if Central Mutual or a receiver had cancelled all of the company's insurance assumed as of the end of the period covered by this Annual Statement with the return of the unearned premium reserve.

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium	Commission	Premium	Commission	Premium	Commission
	Reserve	Equity	Reserve	Equity	Reserve	Equity
a. Affiliates	\$ 15,451,375	2,519,442	\$ 42,506,734	\$ 7,855,378	\$ (27,055,358)	\$ (5,335,936)
b. All Other	905,167	110,742	5,784,676	1,823,218	(4,879,509)	(1,712,476)
c. Total	\$ 16,356,542	\$ 2,630,183	\$ 48,291,409	\$ 9,678,596	\$ (31,934,867)	\$ (7,048,413)
d. Direct Unearned Premium Reserve:	\$255,147,243					

(2) Additional or return commission, predicated on loss experience or on any other form of profit sharing arrangements in this Annual Statement as a result of existing contractual arrangements are accrued as follows:

	REINSURANCE					
	Direct	Assumed	Ceded	Net		
a. Contingent Commissions	\$ 6,810,675	\$ 404,642	\$ (4,623,908)	\$ 11,839,225		
b. Sliding Scale Adjustments	0	0	0	0		
c. Other Profit Commission Arrangements	0	0	0	0		
d. TOTAL	\$ 6,810,675	\$ 404,642	\$ (4,623,908)	\$ 11,839,225		

D. Uncollectible Reinsurance - NONE

E. Commutation of Ceded Reinsurance - Central Mutual Insurance Company has not commuted any ceded reinsurance during the year.

F. Retroactive Reinsurance - No retroactive reinsurance contracts exist.

G. Reinsurance Accounted for as a Deposit – NONE

H. Transfer of Property and Casualty Run-off Agreements - NONE

24. **Retrospectively Rated Contracts & Contracts Subject to Redetermination**
Central Mutual Insurance Company does not issue policies that are retrospectively rated or subject to redetermination.

25. **Change to Incurred Losses and Loss Adjustment Expenses**
Reserves for incurred losses and loss adjustment expenses attributable to insured events of prior years has decreased by \$53.4 million from \$413.0 million in 2012 to \$359.6 million (\$250.1 million in total net losses and expenses unpaid and \$109.5 in total net losses and expenses paid) in 2013. To provide further detail, losses & defense and medical cost containment expenses decreased by \$36.9 million from \$374.2 million in 2012 to \$337.3 million (\$237.2 million in total net losses and defense & medical cost containment expenses unpaid and \$100.1 million in total net losses & defense and medical cost containment expenses paid) in 2013. Adjusting and other expenses decreased by \$16.5 million from \$38.8 million in 2012 to \$22.3 million (\$13.0 million in total net adjusting and other expenses unpaid and \$9.3 million in total net adjusting and other expenses paid) in 2013. Included in this change, Central Mutual Insurance Company experienced \$0.0 million of unfavorable (favorable) prior year loss development on retrospectively rated policies. Thus, there was no impact to surplus as a result.

26. **Intercompany Pooling Arrangements**
An intercompany pooling agreement exists between the following companies to share in premiums, losses, expenses and accounts receivable balances according to the percentages shown:

Lead Company:	Central Mutual Insurance Company	20230	84%
Affiliate:	All America Insurance Company	20222	16%

All lines of business are pooled. Each company can make facultative cessions to non-affiliated reinsurers prior to pooling. All treaty cessions are processed through the lead company after cessions are made from the affiliate. Both companies though, have contract rights under all non-affiliated treaty reinsurance contracts.

27. **Structured Settlements**
Central Mutual Insurance Company has purchased several annuities on which claimants are payees in settlement of claims under the company's policies. The company has obtained releases from the respective claimants acknowledging that receipt of the structured settlement under each annuity is full payment of the claim. Central Mutual has no contingent liability for these annuities since ownership has been transferred to another insurance company.

Notes to Financial Statements

28. Health Care Receivables - NONE

29. Participating Policies - NONE

30. Premium Deficiency Reserves –

1. Liability carried for premium deficiency reserves	\$0.00
2. Date of the most recent evaluation of this liability	12/31/2013
3. Was anticipated investment income utilized in the calculation?	Yes

31. High Deductibles

Central Mutual Insurance Company does not issue policies subject to high deductibles on claims.

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

Central Mutual Insurance Company does not discount the liabilities for unpaid losses or unpaid loss adjustment expenses.

33. Asbestos / Environmental Reserves

A. & D. Does Central Mutual Insurance Company have on the books, or has it ever written an insured for which it has been identified as having a potential for the existence of, a liability due to asbestos losses?

Yes(X) No()

Does Central Mutual Insurance Company have on the books, or has it ever written an insured for which it has been identified as having a potential for the existence of, a liability due to environmental losses?

Yes(X) No()

Central Mutual's exposure arises primarily from the sale of general liability insurance, including the general liability portion of commercial package policies. However, exposure also exists for these lines of insurance: workers' compensation, homeowners, and commercial property.

Central Mutual tries to estimate the full impact of the environmental and asbestos exposure by establishing full case basis reserves on all known losses and computing incurred but not reported loss reserves and allocated loss adjustment reserves based on previous experience.

The previous experience is combined with the other Company experience and analyzed in a combined manner as part of the regular loss reserve analysis.

Central Mutual's systems do not separate environmental and asbestos-related claims. Therefore, only combined environmental and asbestos-related loss data is available for presentation. Environmental claims represent the majority of the exposure included in the following numbers.

Central Mutual's environmental and asbestos-related losses (including coverage dispute costs) for each of the five most recent calendar years were as follows:

(1) Gross of Reinsurance Basis:

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
a. Beginning reserves:	\$ 19,455,755	\$ 14,687,231	\$ 12,474,520	\$ 14,059,352	\$ 17,964,540
b. Incurred losses and loss adjustment expense:	-3,390,931	-658,237	1,932,901	4,618,883	-2,964,914
c. Calendar year payments for losses and loss adjustment expenses:	1,377,611	1,554,456	348,069	713,695	2,321,156
d. Ending reserves:	\$ 14,687,213	12,474,520	14,059,352	17,964,540	12,678,470

(2) Net of Reinsurance Basis:

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
a. Beginning reserves:	\$ 18,874,912	\$ 14,055,543	\$ 11,721,723	\$ 13,088,263	\$ 16,411,034
b. Incurred losses and loss adjustment expense:	-3,443,908	-905,717	1,741,277	4,042,899	-2,715,513
c. Calendar year payments for losses and loss adjustment expenses:	1,375,551	1,428,013	374,737	720,128	2,321,157
d. Ending reserves:	\$ 14,055,453	\$ 11,721,723	\$ 13,088,263	\$ 16,411,034	\$ 11,374,364

B. & E. The amount of ending reserves for Bulk + IBNR included in A & D (Loss & LAE) is:

1. Gross of Reinsurance Basis:	\$ 6,092,040
2. Net of Reinsurance Basis	\$ 5,181,395

C. & F. The amount of ending reserves for loss adjustment expenses included in A & D (Case, Bulk + IBNR):

1. Gross of Reinsurance Basis:	\$ 3,000,146
2. Net of Reinsurance Basis	\$ 2,606,684

34. Subscriber Savings Accounts - NONE

35. Multiple Peril Crop Insurance – NONE

36. Financial Guaranty Insurance – Central Mutual does not write Financial Guaranty insurance.

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?
If yes, complete Schedule Y, Parts 1, 1A and 2.

Yes[X] No[]
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes[X] No[] N/A[]
OHIO
- 1.3 State Regulating?
- 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 State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2011
- 3.2 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.

12/31/2008
- 3.3 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).

12/18/2009
- 3.4 By what department or departments?
OHIO DEPARTMENT OF INSURANCE
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments?

Yes[] No[] N/A[X]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with?

Yes[] No[] N/A[X]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business?

Yes[] No[X]
- 4.12 renewals?

Yes[] No[X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business?

Yes[] No[X]
- 4.22 renewals?

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

Yes[] No[X]
- 5.2 If yes, provide the name of the 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

- 6.1 Has the 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]
- 6.2 If yes, give full information:
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes[] No[X]
- 7.2 If yes,
- 7.21 State the percentage of foreign control

0.000%
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact)

1 Nationality	2 Type of Entity

- 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 the names and location (city and state of the main office) of any affiliates regulated by a federal financial 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
		Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
PLANTE & MORAN, PLLC 2601 CAMBRIDGE COURT, SUITE 500 AUBURN HILLS, MI 48326-2572
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?

Yes[] No[X]
- 10.2 If response to 10.1 is "yes," provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation?

Yes[] No[X]
- 10.4 If response to 10.3 is "yes," provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?

Yes[X] No[] N/A[]
- 10.6 If the response to 10.5 is "NO" or "N/A" please explain:
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
JEFFREY L. HANSON, FCAS, MAAA, CHIEF FINANCIAL OFFICER Central Mutual Insurance Company Van Wert, OH 45891

GENERAL INTERROGATORIES (Continued)

- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes[X] No[]
- 12.11 Name of real estate holding company

WASHINGTON REIT, VENTAS REALTY, NUVEEN REAL ESTATE A, AMERICAN TOWER
- 12.12 Number of parcels involved
- 12.13 Total book/adjusted carrying value

\$7,245,227⁴
- 12.2 If yes, provide explanation

REITS ARE HELD AS INCOME PRODUCING BOND INVESTMENTS OR IN MUTUAL FUNDS FOR APPRECIATION & DIVERSIFICATION
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

Yes[] No[] N/A[X]
- 13.3 Have there been any changes made to any of the trust indentures during the year?

Yes[] No[] N/A[X]
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?

Yes[] No[] N/A[X]
- 14.1 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.
- 14.11 If the response to 14.1 is no, please explain:
- 14.2 Has the code of ethics for senior managers been amended?

Yes[] No[X]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes[] No[X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?

Yes[] No[X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

	1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount
15.2001

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof?

Yes[X] No[]
17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof?

Yes[X] No[]
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person?

Yes[X] No[]

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?

Yes[] No[X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers

\$.....0
- 20.12 To stockholders not officers

\$.....0
- 20.13 Trustees, supreme or grand (Fraternal only)

\$.....0
- 20.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers

\$.....0
- 20.22 To stockholders not officers

\$.....0
- 20.23 Trustees, supreme or grand (Fraternal only)

\$.....0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?

Yes[] No[X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others

\$.....0
- 21.22 Borrowed from others

\$.....0
- 21.23 Leased from others

\$.....0
- 21.24 Other

\$.....0
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments?

Yes[] No[X]
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment

\$.....0
- 22.22 Amount paid as expenses

\$.....0
- 22.23 Other amounts paid

\$.....0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[X] No[]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$.....0

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03)

Yes[X] No[]
- 24.02 If no, give full and complete information, relating thereto
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?

Yes[] No[] N/A[X]
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs.

\$.....0
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs.

\$.....0
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?

Yes[] No[] N/A[X]

GENERAL INTERROGATORIES (Continued)

- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?

Yes[] No[] N/A[X]
- 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?

Yes[] No[] N/A[X]
- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.

\$ 0

24.102 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.

\$ 0

24.103 Total payable for securities lending reported on the liability page.

\$ 0
- 25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03).

Yes[] No[X]
- 25.2 If yes, state the amount thereof at December 31 of the current year:

25.21 Subject to repurchase agreements

\$ 0

25.22 Subject to reverse repurchase agreements

\$ 0

25.23 Subject to dollar repurchase agreements

\$ 0

25.24 Subject to reverse dollar repurchase agreements

\$ 0

25.25 Pledged as collateral

\$ 0

25.26 Placed under option agreements

\$ 0

25.27 Letter stock or securities restricted as to sale

\$ 0

25.28 On deposit with state or other regulatory body

\$ 0

25.29 Other

\$ 0
- 25.3 For category (25.27) provide the following:

1	2	3
Nature of Restriction	Description	Amount
.....

- 26.1 Does the reporting entity have any hedging transactions reported on Schedule DB?

Yes[X] No[]
- 26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

Yes[] No[X] N/A[]
- If no, attach a description with this statement.
- 27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?

Yes[] No[X]
- 27.2 If yes, state the amount thereof at December 31 of the current year.

\$ 0
28. 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 I, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes[X] No[]
- 28.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1	2
Name of Custodian(s)	Custodian's Address
JP MORGAN CHASE BANK	14201 Dallas Pkwy, Mail Code TX1-J182, Dallas, TX 75254
.....
.....

- 28.02 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	2	3
Name(s)	Location(s)	Complete Explanation(s)
.....

- 28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?

Yes[] No[X]
- 28.04 If yes, give full and complete information relating thereto:

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

- 28.05 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	2	3
Central Registration Depository Number(s)	Name	Address
.....

- 29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b)(1)])?

Yes[X] No[]
- 29.2 If yes, complete the following schedule:

1	2	3
CUSIP #	Name of Mutual Fund	Book/Adjusted Carrying Value
..... 00888W403	INVESCO CONVERTIBLE A .....	..... 2,694,871
..... 119804102	BUFFALO SMALL CAP .....	..... 4,861,676
..... 256206103	DODGE & COX INTL STOCK .....	..... 4,649,090
..... 256219106	DODGE & COX STOCK .....	..... 4,931,654

GENERAL INTERROGATORIES (Continued)

1	2	3
CUSIP #	Name of Mutual Fund	Book/Adjusted Carrying Value
360802102	FUNDAMENTAL INVESTORS - A	4,091,656
411511306	HARBOR INTERNATIONAL INSTL	5,252,919
56064V205	MAIRS & POWER GROWTH	2,890,760
670678705	NUVEEN REAL ESTATE SEC A	4,296,573
683974109	OPPENHEIMER DEVELOPING MKTS-A	2,225,961
693390445	PIMCO TOTAL RETURN A	3,745,858
74160Q103	PRIMECAP ODYSSEY GROWTH	3,311,998
779562107	T ROWE PRICE NEW HORIZONS	2,002,080
921936209	VANGUARD PRIMECAP ADM	13,304,505
921937843	VANGUARD INTER TERM BOND INDEX SIGNAL	3,773,847
922040100	VANGUARD INSTITUTIONAL INDEX	48,098,787
922908835	VANGUARD MID-CAP INDEX INSTL	13,506,603
29.2999 Total		123,638,838

29.3 For each mutual fund listed in the table above, complete the following schedule:

1	2	3	4
Name of Mutual Fund (from above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	Date of Valuation
INVESCO CONVERTIBLE A	GILEAD SCIENCES	51,203	12/31/2013
BUFFALO SMALL CAP	ALIGN TECHNOLOGY	204,190	09/30/2013
DODGE & COX INTL STOCK	NASPERS LTD	181,315	12/31/2013
DODGE & COX STOCK	CAPITAL ONE FINANCE	197,266	12/31/2013
FUNDAMENTAL INVESTORS - A	AMAZON.COM	143,208	12/31/2013
HARBOR INTERNATIONAL INSTL	BANCO BILBAO VIZCAYA ARGENTARIA	152,335	12/31/2013
MAIRS & POWER GROWTH	3M CO	121,412	12/31/2013
NUVEEN REAL ESTATE SEC-A	SIMON PROPERTY GROUP	481,216	12/31/2013
OPPENHEIMER DEVELOPING MKTS A	BAIDU.COM	115,750	12/31/2013
PIMCO TOTAL RETURN A	FIN FUT EURO 6/15/15	689,238	09/30/2013
PRIMECAP ODYSSEY GROWTH	SEATTLE GENETICS	158,976	12/31/2013
T ROWE PRICE NEW HORIZONS	TWITTER	36,037	12/31/2013
VANGUARD PRIMECAP ADM	BIOGEN IDEC	971,229	12/31/2013
VANGUARD INTER TERM BOND INDES SIGNAL	US TREASURY NOTE 2.50% 8/2023	177,371	12/31/2013
VANGUARD INSTL INDEX	APPLE INC	1,442,964	12/31/2013
VANGUARD MID-CAP INDEX INSTL	DISCOVERY COMMUNICATIONS	94,546	12/31/2013

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	707,986,840	726,192,787	18,205,947
30.2 Preferred stocks	30,564,232	28,544,287	(2,019,945)
30.3 Totals	738,551,072	754,737,074	16,186,002

30.4 Describe the sources or methods utilized in determining the fair values
ALL BONDS ARE PRICED INDEPENDENTLY THROUGH INTERACTIVE DATA CORP

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?

Yes[] No[X]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?

Yes[] No[] N/A[X]

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

EITHER NAIC OR INTERACTIVE DATA CORP PRICES WERE USED

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

Yes[X] No[]

32.2 If no, list exceptions:

OTHER

33.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any?

\$ 1,570,289

33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

1	2
Name	Amount Paid
INSURANCE SERVICES OFFICE	1,324,612

34.1 Amount of payments for legal expenses, if any?

\$ 59,474

34.2 List the name of the firm and the amount paid if any such payments represented 25% or more of the total payments for legal expenses during the period covered by this statement.

GENERAL INTERROGATORIES (Continued)

1 Name	2 Amount Paid
.....

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or department of government, if any?

\$..... 60,114

35.2 List the name of firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
PROPERTY CASUALTY INSURERS ASSOCIATION OF AMERICA .....	..... 50,092

GENERAL INTERROGATORIES (Continued)

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes[] No[X]
- 1.2 If yes, indicate premium earned on U.S. business only.

\$ 0
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$ 0
- 1.31 Reason for excluding:
- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.

\$ 0
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance.

\$ 0
- 1.6 Individual policies
- Most current three years:
- 1.61 Total premium earned

\$ 0
- 1.62 Total incurred claims

\$ 0
- 1.63 Number of covered lives

..... 0
- All years prior to most current three years:
- 1.64 Total premium earned

\$ 0
- 1.65 Total incurred claims

\$ 0
- 1.66 Number of covered lives

..... 0
- 1.7 Group policies
- Most current three years:
- 1.71 Total premium earned

\$ 0
- 1.72 Total incurred claims

\$ 0
- 1.73 Number of covered lives

..... 0
- All years prior to most current three years:
- 1.74 Total premium earned

\$ 0
- 1.75 Total incurred claims

\$ 0
- 1.76 Number of covered lives

..... 0

2. Health Test

	1	2
	Current Year	Prior Year
2.1 Premium Numerator .....	..... 387,422,589	..... 368,949,242
2.2 Premium Denominator		
2.3 Premium Ratio (2.1 / 2.2)		
2.4 Reserve Numerator		
2.5 Reserve Denominator .....	..... 591,035,037	..... 621,280,842
2.6 Reserve Ratio (2.4 / 2.5)		

- 3.1 Does the reporting entity issue both participating and non-participating policies?

Yes[] No[X]
- 3.2 If yes, state the amount of calendar year premiums written on:
- 3.21 Participating policies

\$ 0
- 3.22 Non-participating policies

\$ 0
4. For Mutual reporting entities and Reciprocal Exchanges only:
- 4.1 Does the reporting entity issue assessable policies?

Yes[] No[X] N/A[]
- 4.2 Does the reporting entity issue non-assessable policies?

Yes[X] No[] N/A[]
- 4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders?

..... 0%
- 4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.

\$ 0
5. For Reciprocal Exchanges Only:
- 5.1 Does the exchange appoint local agents?

Yes[] No[] N/A[X]
- 5.2 If yes, is the commission paid:
- 5.21 Out of Attorney's-in-fact compensation

Yes[] No[] N/A[X]
- 5.22 As a direct expense of the exchange

Yes[] No[] N/A[X]
- 5.3 What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?
- 5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions been deferred?

Yes[] No[] N/A[X]
- 5.5 If yes, give full information:
- 6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss:

THE COMPANY HAS A CASUATLY EXCESS REINSURANCE PROGRAM
- 6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:

THE CATALYST CATASTROPHE RISK ANALYSIS AND IRAS HURRICANE MODELS ARE RUN ANNUALLY
- 6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss:

THE COMPANY HAS PURCHASED CATASTROPHE REINSURANCE COVERAGE
- 6.4 Does the reporting entity carry catastrophic reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence?

Yes[X] No[]
- 6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss
- 7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)?

Yes[] No[X]
- 7.2 If yes, indicate the number of reinsurance contracts containing such provisions.

..... 0
- 7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)?

Yes[] No[] N/A[X]
- 8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured?

Yes[] No[X]
- 8.2 If yes, give full information.
- 9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:

(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;

GENERAL INTERROGATORIES (Continued)

- (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;

(c) Aggregate stop loss reinsurance coverage;

(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;

(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or

(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity.
- Yes[] No[X]
- 9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:

(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or

(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract.
- Yes[] No[X]
- 9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:

(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income.

(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and

(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.
- 9.4 Except for transactions meeting the requirements of paragraph 31 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:

(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or

(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?
- Yes[] No[X]
- 9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (section D) why the contract(s) is treated differently for GAAP and SAP.
- 9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:

(a) The entity does not utilize reinsurance; or

(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or

(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement.
- Yes[] No[X]

Yes[] No[X]

Yes[] No[X]
10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done?
- Yes[] No[] N/A[X]
- 11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force?
- Yes[] No[X]
- 11.2 If yes, give full information:
- 12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:

12.11 Unpaid losses

12.12 Unpaid underwriting expenses (including loss adjustment expenses)
- \$ 0

\$ 0

\$ 0
- 12.2 Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds.
- 12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses?
- Yes[] No[X] N/A[]
- 12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:

12.41 From

12.42 To
- 0.000%

..... 0.000%
- 12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies?
- Yes[] No[X]
- 12.6 If yes, state the amount thereof at December 31 of current year:

12.61 Letters of Credit

12.62 Collateral and other funds
- \$ 0

\$ 0
- 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation):
- \$ 1,500,000
- 13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision?
- Yes[] No[X]
- 13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount.
- 10
- 14.1 Is the company a cedant in a multiple cedant reinsurance contract?
- Yes[] No[X]
- 14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants
- 14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts?
- Yes[] No[] N/A[X]
- 14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements?
- Yes[] No[] N/A[X]
- 14.5 If the answer to 14.4 is no, please explain
- 15.1 Has the reporting entity guaranteed any financed premium accounts?
- Yes[] No[X]
- 15.2 If yes, give full information:
- 16.1 Does the reporting entity write any warranty business?
- Yes[] No[X]
- If yes, disclose the following information for each of the following types of warranty coverage:

	1 Direct Losses Incurred	2 Direct Losses Unpaid	3 Direct Written Premium	4 Direct Premium Unearned	5 Direct Premium Earned
16.11 Home
16.12 Products
16.13 Automobile
16.14 Other *

* Disclose type of coverage:

- 17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F - Part 3 that it excludes from Schedule F - Part 5?

Incurred but not reported losses on contracts in force prior to July 1, 1984 and not subsequently renewed are exempt from inclusion in Schedule F - Part 5. Provide the following information for this exemption.

17.11 Gross amount of unauthorized reinsurance in Schedule F - Part 3 excluded from Schedule F - Part 5

17.12 Unfunded portion of Interrogatory 17.11
- Yes[] No[X]

\$ 0

\$ 0

GENERAL INTERROGATORIES (Continued)

17.13	Paid losses and loss adjustment expenses portion of Interrogatory 17.11	\$	0
17.14	Case reserves portion of Interrogatory 17.11	\$	0
17.15	Incurred but not reported portion of Interrogatory 17.11	\$	0
17.16	Unearned premium portion of Interrogatory 17.11	\$	0
17.17	Contingent commission portion of Interrogatory 17.11	\$	0
Provide the following information for all other amounts included in Schedule F - Part 3 and excluded from Schedule F - Part 5, not included above.			
17.18	Gross amount of unauthorized reinsurance in Schedule F - Part 3 excluded from Schedule F - Part 5	\$	0
17.19	Unfunded portion of Interrogatory 17.18	\$	0
17.20	Paid losses and loss adjustment expenses portion of Interrogatory 17.18	\$	0
17.21	Case reserves portion of Interrogatory 17.18	\$	0
17.22	Incurred but not reported portion of Interrogatory 17.18	\$	0
17.23	Unearned premium portion of Interrogatory 17.18	\$	0
17.24	Contingent commission portion of Interrogatory 17.18	\$	0
18.1	Do you act as a custodian for health savings accounts?		Yes[] No[X]
18.2	If yes, please provide the amount of custodial funds held as of the reporting date:	\$	0
18.3	Do you act as an administrator for health savings accounts?		Yes[] No[X]
18.4	If yes, please provide the balance of the funds administered as of the reporting date:	\$	0

FIVE - YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e., 17.6

	1 2013	2 2012	3 2011	4 2010	5 2009
Gross Premiums Written (Page 8, Part 1B, Columns 1, 2 & 3)					
1. Liability Lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2, & 19.3, 19.4)	172,346,086	165,742,143	169,558,702	196,944,548	227,049,900
2. Property Lines (Lines 1, 2, 9, 12, 21, & 26)	111,395,728	106,159,138	105,440,867	111,980,352	118,198,452
3. Property and Liability Combined Lines (Lines 3, 4, 5, 8, 22 & 27)	249,773,841	228,347,146	223,924,467	246,536,746	250,463,696
4. All Other Lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	39,385	36,412	35,328	22,775	24,307
5. Nonproportional Reinsurance Lines (Lines 31, 32, & 33)					
6. TOTAL (Line 35)	533,555,040	500,284,839	498,959,364	555,484,420	595,736,355
Net Premiums Written (Page 8, Part 1B, Column 6)					
7. Liability Lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1,19.2 & 19.3,19.4)	135,356,416	129,301,608	132,839,355	153,453,393	178,359,950
8. Property Lines (Lines 1, 2, 9, 12, 21 & 26)	89,168,499	83,858,632	84,484,214	89,032,905	95,634,971
9. Property and Liability Combined Lines (Lines 3, 4, 5, 8, 22 & 27)	177,698,201	156,671,869	158,573,473	170,540,120	182,607,067
10. All Other Lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	30,871	27,911	27,042	17,774	19,347
11. Non-proportional Reinsurance Lines (Lines 31, 32 & 33)					
12. TOTAL (Line 35)	402,253,987	369,860,019	375,924,084	413,044,193	456,621,335
Statement of Income (Page 4)					
13. Net underwriting gain or (loss) (Line 8)	27,291,348	(13,130,211)	(38,528,476)	(73,387,987)	(35,153,704)
14. Net investment gain or (loss) (Line 11)	33,043,479	32,905,092	35,875,586	38,979,379	27,979,764
15. TOTAL other income (Line 15)	2,368,859	2,501,110	2,409,727	2,851,435	(8,800,534)
16. Dividends to policyholders (Line 17)	403,600	224,863	1,748,281	2,031,743	3,608,067
17. Federal and foreign income taxes incurred (Line 19)	(579,797)	(931,542)	925,276	388,096	(14,318,645)
18. Net income (Line 20)	62,879,883	22,982,670	(2,916,720)	(33,977,012)	(5,263,896)
Balance Sheet Lines (Pages 2 and 3)					
19. TOTAL admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	1,266,041,120	1,184,196,877	1,163,050,335	1,240,416,746	1,275,163,039
20. Premiums and considerations (Page 2, Column 3)					
20.1 In course of collection (Line 15.1)	23,345,893	23,709,400	28,566,347	29,604,890	31,212,691
20.2 Deferred and not yet due (Line 15.2)	105,891,340	97,012,813	94,574,465	103,241,556	119,632,656
20.3 Accrued retrospective premiums (Line 15.3)					
21. TOTAL liabilities excluding protected cell business (Page 3, Line 26)	646,631,253	673,740,060	705,226,894	772,737,824	774,555,993
22. Losses (Page 3, Line 1)	262,243,502	294,071,113	329,428,543	366,152,586	342,728,735
23. Loss adjustment expenses (Page 3, Line 3)	105,586,622	118,880,734	122,426,684	136,231,289	133,464,412
24. Unearned premiums (Page 3, Line 9)	223,204,912	208,328,995	207,418,217	225,620,506	246,460,074
25. Capital paid up (Page 3, Lines 30 & 31)					
26. Surplus as regards policyholders (Page 3, Line 37)	619,409,852	510,456,804	457,823,424	467,678,931	500,607,047
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	32,125,920	(484,592)	(53,810,497)	(9,599,522)	21,858,042
Risk-Based Capital Analysis					
28. TOTAL adjusted capital	619,409,852	510,456,804	457,823,424	467,678,931	500,607,047
29. Authorized control level risk-based capital	57,482,707	58,325,260	59,541,864	55,684,607	61,397,045
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Column 3)					
(Item divided by Page 2, Line 12, Column 3) x 100.0					
30. Bonds (Line 1)	62.4	64.3	68.4	68.5	70.6
31. Stocks (Lines 2.1 & 2.2)	31.2	28.2	25.9	24.9	22.9
32. Mortgage loans on real estate (Lines 3.1 and 3.2)					
33. Real estate (Lines 4.1, 4.2 & 4.3)	4.4	4.9	5.2	5.0	5.1
34. Cash, cash equivalents and short-term investments (Line 5)	2.0	2.4	0.5	1.6	1.5
35. Contract loans (Line 6)					
36. Derivatives (Line 7)		0.0			X X X
37. Other invested assets (Line 8)	0.0	0.2	0.1		
38. Receivables for securities (Line 9)	0.1				
39. Securities lending reinvested collateral assets (Line 10)					X X X
40. Aggregate write-ins for invested assets (Line 11)					
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds, (Schedule D, Summary, Line 12, Column 1)					
43. Affiliated preferred stocks (Schedule D, Summary, Line 18, Column 1)					
44. Affiliated common stocks (Schedule D, Summary, Line 24, Column 1)	126,924,429	116,121,815	109,982,405	100,467,312	105,980,769
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Column 5, Line 10)					
46. Affiliated mortgage loans on real estate					
47. All other affiliated					
48. TOTAL of above Lines 42 to 47	126,924,429	116,121,815	109,982,405	100,467,312	105,980,769
49. TOTAL investment in parent included in Lines 42 to 47 above					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Column 1, Line 37 x 100.0)	20.5	22.7	24.0	21.5	21.2

FIVE - YEAR HISTORICAL DATA (Continued)

	1 2013	2 2012	3 2011	4 2010	5 2009
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains or (Losses) (Line 24)	27,202,150	10,729,717	(3,156,319)	(210,250)	19,445,410
52. Dividends to stockholders (Line 35)					
53. Change in surplus as regards policyholders for the year (Line 38)	108,953,066	52,633,380	(9,855,689)	(32,928,132)	17,520,037
Gross Losses Paid (Page 9, Part 2, Columns 1 and 2)					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1,19.2 & 19.3,19.4)	101,808,388	104,245,314	113,530,694	138,803,605	128,911,573
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	57,940,177	61,471,562	69,693,134	67,673,638	74,864,224
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22, & 27)	132,718,119	167,168,628	231,680,309	206,362,334	177,932,369
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)				(127)	
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
59. TOTAL (Line 35)	292,466,683	332,885,504	414,904,137	412,839,450	381,708,166
Net Losses Paid (Page 9, Part 2, Column 4)					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1,19.2 & 19.3,19.4)	79,595,213	86,013,196	93,596,360	106,244,907	104,929,972
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)	48,623,249	50,522,323	56,179,346	54,887,659	53,979,393
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22, & 27)	107,881,086	127,301,005	175,248,255	150,615,067	128,595,537
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30, & 34)				(107)	
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
65. TOTAL (Line 35)	236,099,549	263,836,524	325,023,961	311,747,526	287,504,902
Operating Percentages (Page 4)					
(Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)	52.7	61.9	73.3	77.4	64.0
68. Loss expenses incurred (Line 3)	5.7	8.7	6.0	9.2	10.7
69. Other underwriting expenses incurred (Line 4)	34.5	32.9	30.6	30.6	32.8
70. Net underwriting gain (loss) (Line 8)	7.0	(3.6)	(9.8)	(16.9)	(7.8)
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Column 6, Line 35 x 100.0)	32.7	32.1	31.3	31.2	34.6
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	58.4	70.7	79.3	86.5	74.8
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Column 6, Line 35 divided by Page 3, Line 37, Column 1 x 100.0)	64.9	72.5	82.1	88.3	91.2
One Year Loss Development (000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2 - Summary, Line 12, Column 11)	(36,896)	(22,380)	(46,981)	5,743	(12,138)
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Column 1 x 100.0)	(7.2)	(4.9)	(10.0)	1.1	(2.5)
Two Year Loss Development (000 omitted)					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Column 12)	(70,434)	(64,166)	(33,549)	(16,255)	2,074
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Column 2 x 100.0)	(15.4)	(13.7)	(6.7)	(3.4)	0.4

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes[] No[] N/A[X]

If no, please explain::

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE CENTRAL MUTUAL INSURANCE COMPANY

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

(\$000 omitted)													
Years in Which Premiums Were Earned and Losses Were Incurred		Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported - Direct and Assumed	
		1 Direct and Assumed	2 Ceded	3 Net (Columns 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Columns 4 - 5 + 6 - 7 + 8 - 9)
					4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1.	Prior	X X X	X X X	X X X	1,740	424	728	23	661		112	2,681	X X X
2.	2004	427,593	21,357	406,236	179,184	1,710	12,962		20,090		9,004	210,526	X X X
3.	2005	457,381	22,571	434,810	233,871	33,619	14,311	30	22,718		11,633	237,251	X X X
4.	2006	480,739	25,976	454,763	219,811	6,399	15,676	190	24,907		9,543	253,806	X X X
5.	2007	492,164	28,563	463,601	242,516	24,477	14,215	148	25,146		10,909	257,252	X X X
6.	2008	492,794	35,906	456,888	357,122	90,260	13,375	213	26,089		11,487	306,114	X X X
7.	2009	493,692	40,999	452,693	283,432	7,675	10,614	3	23,903		13,204	310,271	X X X
8.	2010	483,486	50,238	433,248	307,428	23,496	7,776	2	22,368		11,889	314,074	X X X
9.	2011	439,211	45,839	393,372	314,047	28,940	4,420	16	20,032		10,655	309,543	X X X
10.	2012	420,929	51,980	368,949	221,619	3,994	2,692	0	15,708		9,041	236,026	X X X
11.	2013	434,648	47,225	387,423	151,303	2,379	410		12,686		5,698	162,019	X X X
12.	Totals	X X X	X X X	X X X	2,512,075	223,374	97,179	625	214,309		103,175	2,599,563	X X X

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		Unpaid				
	13	14	15	16	17	18	19	20	21	22			
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Salvage and Subrogation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstanding Direct and Assumed
1. Prior	22,973	11,351	14,245	2,269			4,729	482	195			28,039	X X X
2. 2004	1,906		1,804	228			403	36	15			3,865	X X X
3. 2005	4,102	314	5,249	747			2,805	291	189			10,993	X X X
4. 2006	6,608	793	4,502	847			2,639	225	131			12,014	X X X
5. 2007	10,413	4,067	7,731	1,669			5,941	499	253			18,102	X X X
6. 2008	9,891		8,717	2,206			5,051	522	470			21,402	X X X
7. 2009	14,437	5,644	12,702	2,606			5,910	859	464			24,404	X X X
8. 2010	16,106	3,743	16,995	4,799			7,780	1,334	769			31,774	X X X
9. 2011	28,134	4,049	4,023	1,869			9,540	517	3,456		2,054	38,717	X X X
10. 2012	31,821	218	14,456	3,380			12,047	940	7,010		987	60,795	X X X
11. 2013	57,221	5,489	28,418	3,922			13,783	824	28,538		11,973	117,726	X X X
12. Totals	203,613	35,670	118,842	24,541			70,627	6,530	41,490		15,015	367,830	X X X

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34	Net Balance Sheet	
	26	27	28	29	30	31	32	33	Inter-Company	35	36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense	Pooling Participation Percentage	Losses Unpaid	Loss Expenses Unpaid
1. Prior ...	X X X ...	X X X ...	X X X ...	X X X ...	X X X ...	X X X ...			X X X ...	23,597	4,442
2. 2004 ...	216,365	1,974	214,391	50.6	9.2	52.8			84.0	3,482	382
3. 2005 ...	283,244	35,001	248,244	61.9	155.1	57.1			84.0	8,290	2,703
4. 2006 ...	274,274	8,454	265,820	57.1	32.5	58.5			84.0	9,470	2,544
5. 2007 ...	306,216	30,861	275,354	62.2	108.0	59.4			84.0	12,407	5,695
6. 2008 ...	420,717	93,200	327,517	85.4	259.6	71.7			84.0	16,403	4,999
7. 2009 ...	351,463	16,788	334,675	71.2	40.9	73.9			84.0	18,889	5,515
8. 2010 ...	379,222	33,374	345,847	78.4	66.4	79.8			84.0	24,559	7,214
9. 2011 ...	383,651	35,392	348,259	87.4	77.2	88.5			84.0	26,238	12,479
10. 2012 ...	305,353	8,532	296,820	72.5	16.4	80.5			84.0	42,679	18,116
11. 2013 ...	292,359	12,614	279,745	67.3	26.7	72.2			84.0	76,229	41,497
12. Totals ...	X X X ...	X X X ...	X X X ...	X X X ...	X X X ...	X X X ...			X X X ...	262,243	105,587

Note: Parts 2 and 4 are gross of all discounting, including tabular discounting. Part 1 is gross of only nontabular discounting, which is reported in Columns 32 and 33 of Part 1. The tabular discount, if any, is reported in the Notes to Financial Statements which will reconcile Part 1 with Parts 2 and 4.

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE CENTRAL MUTUAL INSURANCE COMPANY

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	One Year	Two Year
1. Prior ...	173,170	178,584	174,839	162,210	171,065	162,918	162,922	160,861	164,120	155,532	(8,589)	(5,329)
2. 2004 ...	219,543	217,533	208,552	212,672	202,981	199,372	198,157	197,121	197,524	194,285	(3,239)	(2,836)
3. 2005 ...	X X X	244,328	233,697	229,488	240,860	230,028	226,872	222,639	227,686	225,336	(2,350)	2,697
4. 2006 ...	X X X	X X X	248,976	243,558	243,870	261,666	252,897	245,339	244,041	240,782	(3,259)	(4,557)
5. 2007 ...	X X X	X X X	X X X	265,120	266,997	261,135	273,023	256,608	251,274	249,955	(1,320)	(6,653)
6. 2008 ...	X X X	X X X	X X X	X X X	319,065	317,580	314,716	321,335	306,821	300,957	(5,864)	(20,378)
7. 2009 ...	X X X	X X X	X X X	X X X	X X X	324,103	333,962	319,349	321,783	310,308	(11,475)	(9,042)
8. 2010 ...	X X X	X X X	X X X	X X X	X X X	X X X	344,392	336,703	329,524	322,710	(6,814)	(13,992)
9. 2011 ...	X X X	X X X	X X X	X X X	X X X	X X X	X X X	335,116	329,918	324,772	(5,146)	(10,344)
10. 2012 ...	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	262,945	274,103	11,158	X X X
11. 2013 ...	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	238,522	X X X	X X X
12. TOTALS											(36,896)	(70,434)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013		
1. Prior ...	000	43,269	73,991	90,663	105,190	114,140	120,494	122,867	125,667	127,688	X X X	X X X
2. 2004 ...	106,029	144,727	161,228	173,652	182,272	185,353	188,186	188,854	189,661	190,436	X X X	X X X
3. 2005 ...	X X X	118,963	159,896	179,149	192,878	203,251	207,381	210,065	211,792	214,533	X X X	X X X
4. 2006 ...	X X X	X X X	127,902	170,956	193,543	210,616	219,184	223,153	226,595	228,899	X X X	X X X
5. 2007 ...	X X X	X X X	X X X	131,002	177,536	200,958	216,916	225,435	230,340	232,106	X X X	X X X
6. 2008 ...	X X X	X X X	X X X	X X X	165,966	224,060	251,824	269,450	275,974	280,025	X X X	X X X
7. 2009 ...	X X X	X X X	X X X	X X X	X X X	182,099	244,334	267,050	279,246	286,368	X X X	X X X
8. 2010 ...	X X X	X X X	X X X	X X X	X X X	X X X	197,330	258,566	281,438	291,705	X X X	X X X
9. 2011 ...	X X X	X X X	X X X	X X X	X X X	X X X	X X X	218,397	269,790	289,511	X X X	X X X
10. 2012 ...	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	170,961	220,317	X X X	X X X
11. 2013 ...	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	149,334	X X X	X X X

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1	2	3	4	5	6	7	8	9	10
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
1. Prior	63,341	51,421	43,633	30,529	30,390	21,229	23,978	21,258	24,779	16,222
2. 2004	49,464	29,662	16,394	19,296	11,477	7,345	5,023	4,935	4,314	1,943
3. 2005	X X X	60,229	34,226	23,631	27,202	15,931	10,620	6,069	10,062	7,016
4. 2006	X X X	X X X	58,496	36,394	22,050	32,683	19,997	11,456	10,201	6,069
5. 2007	X X X	X X X	X X X	71,373	47,186	26,211	31,975	16,307	13,877	11,503
6. 2008	X X X	X X X	X X X	X X X	85,736	50,538	30,142	27,979	19,115	11,043
7. 2009	X X X	X X X	X X X	X X X	X X X	77,107	50,692	25,836	28,398	15,149
8. 2010	X X X	X X X	X X X	X X X	X X X	X X X	78,109	36,469	25,934	18,648
9. 2011	X X X	X X X	X X X	X X X	X X X	X X X	X X X	51,704	22,621	11,243
10. 2012	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	31,641	22,214
11. 2013	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	37,713

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN
ALLOCATED BY STATES AND TERRITORIES

		1	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4	5	6	7	8	9
		Active Status	2	3	Dividends Paid or Credited to Policyholders on Direct Business	Direct Losses Paid (Deducting Salvage)	Direct Losses Incurred	Direct Losses Unpaid	Finance and Service Charges Not Included in Premiums	Direct Premium Written for Federal Purchasing Groups (Included in Column 2)
States, Etc.			Direct Premiums Written	Direct Premiums Earned						
1.	Alabama (AL)	N								
2.	Alaska (AK)	N								
3.	Arizona (AZ)	L	17,053,886	17,234,183		9,442,799	12,296,506	17,901,954	115,614	
4.	Arkansas (AR)	N								
5.	California (CA)	L				22,832	(597,078)	3,140,888		
6.	Colorado (CO)	L	6,695,845	6,393,479		5,833,270	5,132,088	2,418,111	25,091	
7.	Connecticut (CT)	L	23,077,751	22,242,132	103,667	11,934,568	14,656,569	19,797,863	145,278	
8.	Delaware (DE)	L								
9.	District of Columbia (DC)	N								
10.	Florida (FL)	N				3,152	7,301	431,846		
11.	Georgia (GA)	L	54,765,509	52,772,375		30,433,625	31,021,765	20,038,093	241,876	
12.	Hawaii (HI)	N								
13.	Idaho (ID)	N								
14.	Illinois (IL)	L	14,837,752	13,518,564		9,741,856	4,036,155	38,274,175	74,093	
15.	Indiana (IN)	L	22,156,245	21,765,321		20,344,872	1,837,611	12,927,107	133,737	
16.	Iowa (IA)	L								
17.	Kansas (KS)	N								
18.	Kentucky (KY)	L	73,796	59,038		1,716	14,966	13,250	128	
19.	Louisiana (LA)	N								
20.	Maine (ME)	N								
21.	Maryland (MD)	N								
22.	Massachusetts (MA)	L	7,592,165	7,552,423	22,419	3,703,571	(224,809)	14,160,924	34,425	
23.	Michigan (MI)	L	15,193,722	12,087,598		5,538,145	7,379,836	5,260,942	74,093	
24.	Minnesota (MN)	N								
25.	Mississippi (MS)	N								
26.	Missouri (MO)	N								
27.	Montana (MT)	N								
28.	Nebraska (NE)	N								
29.	Nevada (NV)	L	65,283	73,368			12,602	12,602	16	
30.	New Hampshire (NH)	L	7,848,232	7,493,101	20,089	3,571,050	5,464,561	6,339,012	33,757	
31.	New Jersey (NJ)	L	121	121		2,146,560	1,099,426	20,128,946		
32.	New Mexico (NM)	L	11,244,724	10,639,207		3,978,374	2,940,704	11,562,510	47,892	
33.	New York (NY)	L	17,307,802	16,440,980		10,047,968	12,041,230	21,797,840	119,263	
34.	North Carolina (NC)	L	62,548,659	61,392,515		31,902,152	28,551,738	23,765,263	311,447	
35.	North Dakota (ND)	N								
36.	Ohio (OH)	L	72,069,957	69,987,376		34,555,249	31,890,765	33,375,657	430,279	
37.	Oklahoma (OK)	L	12,228,482	12,476,555		10,525,899	9,987,813	7,023,069	37,168	
38.	Oregon (OR)	N								
39.	Pennsylvania (PA)	L	79,005	38,202					104	
40.	Rhode Island (RI)	N								
41.	South Carolina (SC)	L	11,854,777	11,716,759		5,954,317	2,514,442	7,583,684	42,229	
42.	South Dakota (SD)	N								
43.	Tennessee (TN)	L	19,436,885	19,170,222		9,951,116	6,858,239	5,426,938	102,346	
44.	Texas (TX)	L	103,733,752	100,751,433		58,556,665	66,981,125	36,930,596	485,254	
45.	Utah (UT)	N								
46.	Vermont (VT)	N								
47.	Virginia (VA)	L	20,181,095	19,851,649		8,602,648	7,076,977	7,657,809	126,478	
48.	Washington (WA)	N								
49.	West Virginia (WV)	N								
50.	Wisconsin (WI)	L								
51.	Wyoming (WY)	N								
52.	American Samoa (AS)	N								
53.	Guam (GU)	N								
54.	Puerto Rico (PR)	N								
55.	U.S. Virgin Islands (VI)	N								
56.	Northern Mariana Islands (MP)	N								
57.	Canada (CAN)	N								
58.	Aggregate other alien (OT)	X X X								
59.	TOTALS	(a) 26	500,045,445	483,656,601	146,175	276,792,404	250,980,532	315,969,079	2,580,568	

DETAILS OF WRITE-INS

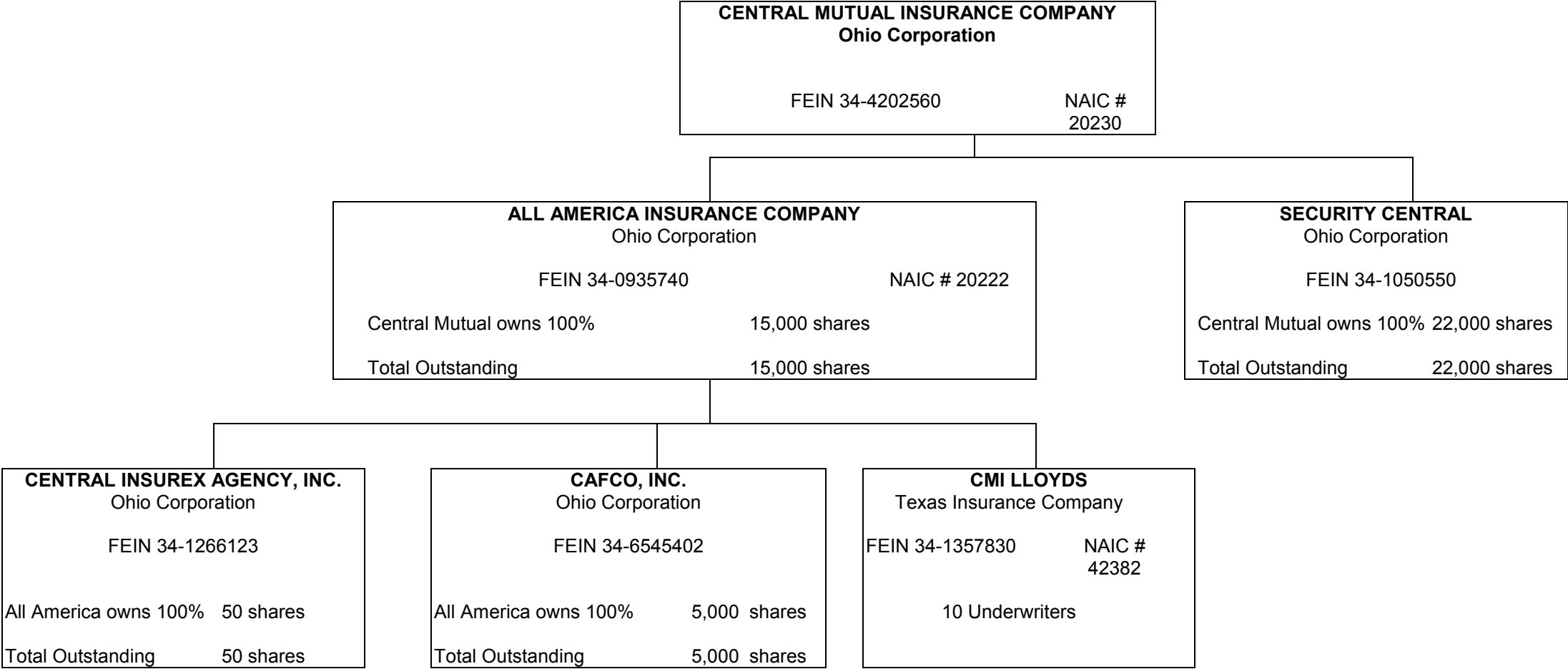
5801.		X X X								
5802.		X X X								
5803.		X X X								
5898.	Summary of remaining write-ins for Line 58 from overflow page	X X X								
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X								

(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.
Explanation of basis of allocation of premiums by states, etc.: PREMIUMS ARE ALLOCATED ACCORDING TO THE FOLLOWING: WORKERS' COMPENSATION-THE LOCATIONS OF THE INSURED'S OPERATIONS; AUTOMOBILE LIABILITY AND AUTOMOBILE PHYSICAL DAMAGE-THE LOCATION OF THE PRINCIPAL GARAGE; GROUP ACCIDENT AND HEALTH AND OTHER ACCIDENT AND HEALTH-THE ADDRESS OF THE INSURED'S RESIDENCE; FIDELITY-THE LOCATION OF THE EMPLOYER OR INSURED; SURETY-THE PRINCIPAL, THE COURT, THE OBLIGEE, OR WORK. ALL OTHER PREMIUMS-THE LOCATIONS OF THE RISK.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

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