



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2014

OF THE CONDITION AND AFFAIRS OF THE

The National Mutual Insurance Company

NAIC Group Code 0035 0035 NAIC Company Code 20184 Employer's ID Number 34-4312510
(Current) (Prior)

Organized under the Laws of Ohio, State of Domicile or Port of Entry Ohio

Country of Domicile United States of America

Incorporated/Organized 09/14/1914 Commenced Business 01/07/1915

Statutory Home Office 1 Insurance Square, Celina, OH, US 45822-1690
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 1 Insurance Square
(Street and Number)
Celina, OH, US 45822-1690, 419-586-5181
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 1 Insurance Square, Celina, OH, US 45822-1690
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 1 Insurance Square
(Street and Number)
Celina, OH, US 45822-1690, 419-586-5181-8227
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.celinainsurance.com

Statutory Statement Contact Philip Marion Fullenkamp, 419-586-5181-8227
(Name) (Area Code) (Telephone Number)
pfullenkamp@celinainsurance.com, 419-586-6068
(E-mail Address) (FAX Number)

OFFICERS

President William West Montgomery Treasurer Philip Marion Fullenkamp
Secretary Michael Stanley Kleinhenz

OTHER

William Rodney Stapleton Sr. VP and COO Robert Mark Shoenfelt Sr. VP - CIO and Marketing Vincent Miles Franz VP - Chief Actuary and Commercial Lines
Theodore Joseph Wissman VP- Claims and Personal Lines Martha Jane Meinerding VP- Human Resources

DIRECTORS OR TRUSTEES

William West Montgomery - Chairman Philip Marion Fullenkamp Nancy Montgomery Goldberg
David Thomas Mellin Wesley Moore Jetter John Michael Lazarich
Collin Jay Bryan

State of Ohio SS:
County of Mercer

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

William West Montgomery
Chairman, President and CEO

Michael Stanley Kleinhenz
Secretary and Assistant Treasurer

Philip Marion Fullenkamp
Sr. VP - CFO and Treasurer

Subscribed and sworn to before me this _____ day of _____

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

Lori Homan
Accountant
February 28, 2017

STATEMENT AS OF SEPTEMBER 30, 2014 OF THE NATIONAL MUTUAL INSURANCE COMPANY

ASSETS

| | Current Statement Date | | | 4 December 31 Prior Year Net Admitted Assets |
|---|------------------------|-------------------------|---|---|
| | 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | |
| 1. Bonds | 40,270,705 | | 40,270,705 | 38,437,828 |
| 2. Stocks: | | | | |
| 2.1 Preferred stocks | 687,763 | | 687,763 | 616,344 |
| 2.2 Common stocks | 7,203,605 | 95,382 | 7,108,223 | 6,501,499 |
| 3. Mortgage loans on real estate: | | | | |
| 3.1 First liens | | | | |
| 3.2 Other than first liens..... | | | | |
| 4. Real estate: | | | | |
| 4.1 Properties occupied by the company (less \$ encumbrances) | 1,819,476 | | 1,819,476 | 1,688,358 |
| 4.2 Properties held for the production of income (less \$ encumbrances) | | | | |
| 4.3 Properties held for sale (less \$ encumbrances) | | | | |
| 5. Cash (\$(2,178,037)), cash equivalents (\$) and short-term investments (\$3,130,824) | 952,787 | | 952,787 | 1,087,151 |
| 6. Contract loans (including \$ premium notes) | | | | |
| 7. Derivatives | | | | |
| 8. Other invested assets | | | | |
| 9. Receivables for securities | | | | 173,049 |
| 10. Securities lending reinvested collateral assets | | | | |
| 11. Aggregate write-ins for invested assets | | | | |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) | 50,934,336 | 95,382 | 50,838,954 | 48,504,228 |
| 13. Title plants less \$ charged off (for Title insurers only) | | | | |
| 14. Investment income due and accrued | 236,625 | | 236,625 | 236,886 |
| 15. Premiums and considerations: | | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection | 4,606,108 | | 4,606,108 | 4,523,137 |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums) | 7,582,406 | | 7,582,406 | 7,443,045 |
| 15.3 Accrued retrospective premiums | | | | |
| 16. Reinsurance: | | | | |
| 16.1 Amounts recoverable from reinsurers | 4,000,104 | | 4,000,104 | 4,882,283 |
| 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 | 79,530 | | 79,530 | 181,374 |
| 18.2 Net deferred tax asset | 1,843,390 | 155,978 | 1,687,412 | 1,628,471 |
| 19. Guaranty funds receivable or on deposit | | | | |
| 20. Electronic data processing equipment and software | 100,168 | 50,734 | 49,434 | 95,509 |
| 21. Furniture and equipment, including health care delivery assets (\$) | 89,694 | 89,694 | | |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates | | | | |
| 23. Receivables from parent, subsidiaries and affiliates | 998,894 | | 998,894 | 709,575 |
| 24. Health care (\$) and other amounts receivable | | | | |
| 25. Aggregate write-ins for other than invested assets | 198,969 | 198,969 | | |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) | 70,670,223 | 590,756 | 70,079,466 | 68,204,509 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | | |
| 28. Total (Lines 26 and 27) | 70,670,223 | 590,756 | 70,079,466 | 68,204,509 |
| 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 Expenses | 179,047 | 179,047 | | |
| 2502. Notes Receivable | 19,922 | 19,922 | | |
| 2503. | | | | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | | | | |
| 2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above) | 198,969 | 198,969 | | |

STATEMENT AS OF SEPTEMBER 30, 2014 OF THE NATIONAL MUTUAL INSURANCE COMPANY
LIABILITIES, SURPLUS AND OTHER FUNDS

| | 1 Current Statement Date | 2 December 31, Prior Year |
|--|--------------------------------|---------------------------------|
| 1. Losses (current accident year \$ 4,359,186) | 10,091,600 | 10,062,318 |
| 2. Reinsurance payable on paid losses and loss adjustment expenses | 1,959,197 | 2,611,071 |
| 3. Loss adjustment expenses | 2,346,340 | 2,347,700 |
| 4. Commissions payable, contingent commissions and other similar charges | 283,497 | 364,853 |
| 5. Other expenses (excluding taxes, licenses and fees) | 213,504 | 180,830 |
| 6. Taxes, licenses and fees (excluding federal and foreign income taxes) | 280,584 | 337,425 |
| 7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses)) | | |
| 7.2 Net deferred tax liability | | |
| 8. Borrowed money \$ and interest thereon \$ | | |
| 9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 37,368,565 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act) | 18,514,166 | 17,723,836 |
| 10. Advance premium | 1,112,863 | 635,340 |
| 11. Dividends declared and unpaid: | | |
| 11.1 Stockholders | | |
| 11.2 Policyholders | | |
| 12. Ceded reinsurance premiums payable (net of ceding commissions) | 5,482,994 | 5,642,776 |
| 13. Funds held by company under reinsurance treaties | (21) | |
| 14. Amounts withheld or retained by company for account of others | 3,384,884 | 3,861,399 |
| 15. Remittances and items not allocated | 65,404 | 29,116 |
| 16. Provision for reinsurance (including \$ certified) | | |
| 17. Net adjustments in assets and liabilities due to foreign exchange rates | | |
| 18. Drafts outstanding | 16,040 | 15,842 |
| 19. Payable to parent, subsidiaries and affiliates | 740,814 | 362,312 |
| 20. Derivatives | | |
| 21. Payable for securities | 414,963 | 60,549 |
| 22. Payable for securities lending | | |
| 23. Liability for amounts held under uninsured plans | | |
| 24. Capital notes \$ and interest thereon \$ | | |
| 25. Aggregate write-ins for liabilities | | |
| 26. Total liabilities excluding protected cell liabilities (Lines 1 through 25) | 44,906,829 | 44,235,368 |
| 27. Protected cell liabilities | | |
| 28. Total liabilities (Lines 26 and 27) | 44,906,829 | 44,235,368 |
| 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) | 25,172,637 | 23,969,142 |
| 36. Less treasury stock, at cost: | | |
| 36.1 shares common (value included in Line 30 \$) | | |
| 36.2 shares preferred (value included in Line 31 \$) | | |
| 37. Surplus as regards policyholders (Lines 29 to 35, less 36) | 25,172,637 | 23,969,142 |
| 38. Totals (Page 2, Line 28, Col. 3) | 70,079,466 | 68,204,509 |
| DETAILS OF WRITE-INS | | |
| 2501. | | |
| 2502. | | |
| 2503. | | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | | |
| 2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above) | | |
| 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) | | |

STATEMENT AS OF SEPTEMBER 30, 2014 OF THE NATIONAL MUTUAL INSURANCE COMPANY

STATEMENT OF INCOME

| | 1 Current Year to Date | 2 Prior Year to Date | 3 Prior Year Ended December 31 |
|---|------------------------------|----------------------------|--------------------------------------|
| UNDERWRITING INCOME | | | |
| 1. Premiums earned: | | | |
| 1.1 Direct (written \$ 48,444,900) | 48,847,124 | 49,017,225 | 65,785,819 |
| 1.2 Assumed (written \$ 39,727,052) | 38,258,361 | 35,235,431 | 47,655,143 |
| 1.3 Ceded (written \$ 60,491,029) | 60,214,893 | 59,074,767 | 79,553,627 |
| 1.4 Net (written \$ 27,680,923) | 26,890,593 | 25,177,889 | 33,887,335 |
| DEDUCTIONS: | | | |
| 2. Losses incurred (current accident year \$ 16,771,020): | | | |
| 2.1 Direct | 32,943,068 | 30,518,611 | 40,424,073 |
| 2.2 Assumed | 17,360,126 | 16,011,016 | 22,766,561 |
| 2.3 Ceded | 33,929,303 | 31,732,940 | 43,056,452 |
| 2.4 Net | 16,373,891 | 14,796,687 | 20,134,183 |
| 3. Loss adjustment expenses incurred | 2,250,739 | 2,052,210 | 2,609,105 |
| 4. Other underwriting expenses incurred | 8,782,460 | 7,985,665 | 10,830,531 |
| 5. Aggregate write-ins for underwriting deductions | | | |
| 6. Total underwriting deductions (Lines 2 through 5) | 27,407,089 | 24,834,563 | 33,573,819 |
| 7. Net income of protected cells | | | |
| 8. Net underwriting gain or (loss) (Line 1 minus Line 6 + Line 7) | (516,497) | 343,326 | 313,516 |
| INVESTMENT INCOME | | | |
| 9. Net investment income earned | 789,208 | 829,699 | 1,174,583 |
| 10. Net realized capital gains (losses) less capital gains tax of \$ 141,616 | 267,849 | 174,616 | 238,022 |
| 11. Net investment gain (loss) (Lines 9 + 10) | 1,057,057 | 1,004,315 | 1,412,606 |
| OTHER INCOME | | | |
| 12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 22,467 amount charged off \$ 51,633) | (29,166) | (39,077) | (50,285) |
| 13. Finance and service charges not included in premiums | 344,051 | 370,836 | 492,110 |
| 14. Aggregate write-ins for miscellaneous income | 10,784 | 3,549 | 10,034 |
| 15. Total other income (Lines 12 through 14) | 325,669 | 335,308 | 451,860 |
| 16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15) | 866,229 | 1,682,949 | 2,177,982 |
| 17. Dividends to policyholders | | | |
| 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) | 866,229 | 1,682,949 | 2,177,982 |
| 19. Federal and foreign income taxes incurred | 101,228 | 510,603 | 586,927 |
| 20. Net income (Line 18 minus Line 19)(to Line 22) | 765,001 | 1,172,346 | 1,591,055 |
| CAPITAL AND SURPLUS ACCOUNT | | | |
| 21. Surplus as regards policyholders, December 31 prior year | 23,969,142 | 21,341,193 | 21,341,193 |
| 22. Net income (from Line 20) | 765,001 | 1,172,346 | 1,591,055 |
| 23. Net transfers (to) from Protected Cell accounts | | | |
| 24. Change in net unrealized capital gains (losses) less capital gains tax of \$ 102,168 | 199,238 | 548,974 | 832,948 |
| 25. Change in net unrealized foreign exchange capital gain (loss) | | | |
| 26. Change in net deferred income tax | 34,280 | 72,665 | 83,722 |
| 27. Change in nonadmitted assets | 204,976 | 192,967 | 120,223 |
| 28. Change in provision for reinsurance | | | |
| 29. Change in surplus notes | | | |
| 30. Surplus (contributed to) withdrawn from protected cells | | | |
| 31. Cumulative effect of changes in accounting principles | | | |
| 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 | | | |
| 37. Aggregate write-ins for gains and losses in surplus | | | |
| 38. Change in surplus as regards policyholders (Lines 22 through 37) | 1,203,495 | 1,986,953 | 2,627,948 |
| 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) | 25,172,637 | 23,328,146 | 23,969,142 |
| 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. Cash Short & Over | (9,043) | (8,196) | (10,646) |
| 1402. Miscellaneous | 19,827 | 11,745 | 20,680 |
| 1403. | | | |
| 1498. Summary of remaining write-ins for Line 14 from overflow page | | | |
| 1499. Totals (Lines 1401 through 1403 plus 1498)(Line 14 above) | 10,784 | 3,549 | 10,034 |
| 3701. | | | |
| 3702. | | | |
| 3703. | | | |
| 3798. Summary of remaining write-ins for Line 37 from overflow page | | | |
| 3799. Totals (Lines 3701 through 3703 plus 3798)(Line 37 above) | | | |

STATEMENT AS OF SEPTEMBER 30, 2014 OF THE NATIONAL MUTUAL INSURANCE COMPANY

CASH FLOW

| | 1 Current Year To Date | 2 Prior Year To Date | 3 Prior Year Ended December 31 |
|---|------------------------------|----------------------------|--------------------------------------|
| Cash from Operations | | | |
| 1. Premiums collected net of reinsurance | 27,776,821 | 25,752,552 | 33,753,119 |
| 2. Net investment income | 1,086,430 | 1,128,594 | 1,571,293 |
| 3. Miscellaneous income | 325,669 | 335,308 | 451,860 |
| 4. Total (Lines 1 to 3) | 29,188,920 | 27,216,455 | 35,776,272 |
| 5. Benefit and loss related payments | 16,114,304 | 14,345,905 | 19,452,274 |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | |
| 7. Commissions, expenses paid and aggregate write-ins for deductions | 11,052,257 | 10,018,906 | 13,340,674 |
| 8. Dividends paid to policyholders | | | |
| 9. Federal and foreign income taxes paid (recovered) net of \$ 99,216 tax on capital gains (losses) | 141,000 | 797,000 | 1,022,000 |
| 10. Total (Lines 5 through 9) | 27,307,560 | 25,161,811 | 33,814,948 |
| 11. Net cash from operations (Line 4 minus Line 10) | 1,881,360 | 2,054,644 | 1,961,324 |
| Cash from Investments | | | |
| 12. Proceeds from investments sold, matured or repaid: | | | |
| 12.1 Bonds | 7,658,186 | 6,850,225 | 9,543,425 |
| 12.2 Stocks | 569,591 | 414,258 | 443,958 |
| 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 | (101) | 30,774 | 38,346 |
| 12.7 Miscellaneous proceeds | 527,463 | 58,456 | 60,549 |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7) | 8,755,139 | 7,353,713 | 10,086,278 |
| 13. Cost of investments acquired (long-term only): | | | |
| 13.1 Bonds | 9,304,401 | 8,886,009 | 12,643,448 |
| 13.2 Stocks | 937,875 | 750,872 | 896,613 |
| 13.3 Mortgage loans | | | |
| 13.4 Real estate | 214,541 | 7,750 | 197,269 |
| 13.5 Other invested assets | | | |
| 13.6 Miscellaneous applications | | | 173,049 |
| 13.7 Total investments acquired (Lines 13.1 to 13.6) | 10,456,816 | 9,644,630 | 13,910,379 |
| 14. Net increase (or decrease) in contract loans and premium notes | | | |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) | (1,701,678) | (2,290,917) | (3,824,102) |
| 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) | (314,046) | 80,600 | 363,744 |
| 17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) | (314,046) | 80,600 | 363,744 |
| 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) | (134,364) | (155,673) | (1,499,033) |
| 19. Cash, cash equivalents and short-term investments: | | | |
| 19.1 Beginning of year | 1,087,151 | 2,586,184 | 2,586,184 |
| 19.2 End of period (Line 18 plus Line 19.1) | 952,787 | 2,430,511 | 1,087,151 |

Note: Supplemental disclosures of cash flow information for non-cash transactions:

| | | | |
|--|--|--|--|
| | | | |
|--|--|--|--|

STATEMENT AS OF SEPTEMBER 30, 2014 OF THE NATIONAL MUTUAL INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying statutory-basis financial statements of The National Mutual Insurance Company (the “Company”) have been prepared on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance.

The Ohio Department of Insurance requires insurance companies domiciled in Ohio to prepare their statements in conformity with the NAIC Annual Statement Instructions and Accounting Practices and Procedures Manual subject to any deviations prescribed or permitted by the Ohio Department of Insurance. The Company has not implemented any accounting practices which are prescribed or permitted by the State of Ohio that differ from those found in the NAIC Accounting Practices and Procedures Manual.

B. Use of Estimates in Preparation of Financial Statements - No significant changes.

C. Accounting Policy - No significant changes.

2. Accounting Changes and Corrections of Errors – None to Report.

3. Business Combinations and Goodwill - None to report.

4. Discontinued Operations - None to report.

5. Investments

A. Mortgage Loans – None to report.

B. Debt Restructuring – None to report.

C. Reverse Mortgages – None to report.

D. Loan-backed Securities

(1) Prepayment assumptions for loan-backed bonds or structured securities were obtained from broker dealer survey values or internal estimates. Significant changes in estimated cash flows from the original purchase assumptions are accounted for using the prospective method.

The aggregate Fair Value of loan-backed securities at September 30, 2014 is \$8,889,090 with approximately 56% represented by agency-backed securities. Fair Values represent quoted prices in active markets, quoted prices in active markets for similar securities, or modeled valuations using the present value of estimated future cash flows.

(2) Securities with a recognized other-than-temporary impairment, disclosed in the aggregate, classified on the basis for the impairment are: None to report.

(3) Securities with a recognized other-than-temporary impairment, currently held, where the present value of expected cash flows are less than the amortized costs are: None to report.

(4) Aggregate values for securities with unrealized losses are:

| | | |
|---|----|-----------|
| a. The aggregate amount of unrealized losses: | | |
| 1. Less than 12 months | \$ | 3,959 |
| 2. 12 months or Longer | \$ | 349,966 |
| b. The aggregate related fair value of securities with unrealized losses: | | |
| 1. Less than 12 months | \$ | 1,521,582 |
| 2. 12 months or Longer | \$ | 7,602,110 |

(5) The Company uses information from several sources to evaluate impairments for other-than-temporary recognition. These categories include security ratings from nationally recognized statistical rating organizations, analysis of issuers’ financial condition, estimates of principal recovery, and the ability to hold the security until recovery.

E. Repurchase Agreements – None to report.

F. Real Estate - No significant changes.

G. Investment in Low-income Housing Credits – None to report.

STATEMENT AS OF SEPTEMBER 30, 2014 OF THE NATIONAL MUTUAL INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

- 6. Joint Ventures, Partnerships and Limited Liability Corporations - None to report.
- 7. Investment Income - No significant changes.
- 8. Derivative Investments - None to report.
- 9. Income Taxes

A. 1. The components of the net DTA recognized in Assets, Liabilities, Surplus and Other Funds are as follows:

| | 09/30/2014 | | | 12/31/2013 | | | Change | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|------------|--------------|-----------|
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
| | | | (Col 1+2) | | | (Col 4+5) | | | (Col 7+8) |
| | Ordinary | Capital | Total | Ordinary | Capital | Total | Ordinary | Capital | Total |
| a. Gross Deferred Tax Assets | \$ 2,391,718 | \$ 181,605 | \$ 2,573,323 | \$ 2,354,391 | \$ 181,605 | \$ 2,535,996 | \$ 37,327 | \$ - | \$ 37,327 |
| b. Statutory Valuation Allowance Adjustments | - | - | - | - | - | - | - | - | - |
| c. Adjusted Gross Deferred Tax Assets (1a-1b) | 2,391,718 | 181,605 | 2,573,323 | 2,354,391 | 181,605 | 2,535,996 | 37,327 | - | 37,327 |
| d. Deferred Tax Assets Nonadmitted | 155,978 | - | 155,978 | 282,807 | - | 282,807 | (126,829) | - | (126,829) |
| e. Subtotal Net Admitted Deferred Tax Asset | 2,235,740 | 181,605 | 2,417,345 | 2,071,584 | 181,605 | 2,253,189 | 164,156 | - | 164,156 |
| f. Deferred Tax Liabilities | 18,126 | 711,807 | 729,933 | 15,079 | 609,639 | 624,718 | 3,047 | 102,168 | 105,215 |
| g. Net admitted deferred tax asset (net deferred tax liability) (1e-1f) | \$ 2,217,614 | \$ (530,202) | \$ 1,687,412 | \$ 2,056,505 | \$ (428,034) | \$ 1,628,471 | \$ 161,109 | \$ (102,168) | \$ 58,941 |
| (Increase) decrease in nonadmitted asset | | | \$ 126,829 | | | \$ 322,106 | | | |

A. 2. Admission Calculation Components - No significant changes.

A. 3. Ratio and Adjusted Capital - No significant changes.

A. 4. Impact of Tax Planning Strategies - No significant changes.

B. The Company has no deferred tax liabilities that are not recognized.

C. Current Tax and Change in Deferred Tax

Current income taxes incurred consist of the following major components:

| | (1) | (2) | (3) |
|---|----------------|------------|--------------|
| | As of End of | 12/31/2013 | (Col. 1-2) |
| | Current Period | | Change |
| 1. Current Income Tax | | | |
| a. Federal | \$ 101,228 | \$ 586,927 | \$ (485,699) |
| b. Foreign | - | - | - |
| c. Subtotal | 101,228 | 586,927 | (485,699) |
| d. Federal income tax on net capital gains | 141,616 | 139,130 | 2,486 |
| e. Utilization of capital loss carry-forwards | - | - | - |
| f. Other | - | - | - |
| g. Federal and foreign income taxes incurred | \$ 242,844 | \$ 726,057 | \$ (483,213) |

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate - No significant changes.

E. Operating Loss and Tax Credit Carry-forwards

- 1. At September 30, 2014, the Company had no unused operating loss carry-forwards available to offset against future taxable income.
- 2. The following income tax expense for 2014 and 2013 is available for recoupment in the event of future net losses:

STATEMENT AS OF SEPTEMBER 30, 2014 OF THE NATIONAL MUTUAL INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

| Year | Amount |
|------|-----------|
| 2014 | \$365,392 |
| 2013 | \$729,962 |

3. The Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

F. The Company consolidates its federal income tax return with its wholly owned subsidiary, First Ohio Financial Corporation. All federal income taxes due or recoverable are the responsibility of National Mutual Insurance Company.

10. Information Concerning Parent, Subsidiaries and Affiliates

A., B. & C. No significant changes.

D. Inter-company receivables and payables are the result of various transactions between the Company and its affiliates where settlement has not yet occurred. The Company reported the following balances at September 30, 2014 and December 31, 2013.

| | <u>September 30, 2014</u> | <u>December 31, 2013</u> |
|--|---------------------------|--------------------------|
| Receivable (Payable) with: | | |
| Celina Mutual Insurance Company | \$933,903 | \$645,723 |
| West Virginia Farmers Mut. Ins. Assoc. | <u>64,991</u> | <u>63,852</u> |
| Total Receivable | 998,894 | 709,575 |
| | | |
| Miami Mutual Insurance Company | (646,074) | (268,492) |
| First Ohio Financial Corp. | (94,740) | (93,820) |
| Total (Payable) | <u>(740,814)</u> | <u>(362,312)</u> |
| | | |
| Net Receivable (Payable) | \$258,080 | \$347,263 |

The terms of settlement require these amounts to be settled within 45 days of the end of each quarter.

E., F., G., H., I., J., K., & L. No significant changes.

11. Debt - None to report.

12. Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Postretirement Benefit Plans

A., B., C. & D. Defined Benefit Plans

The Company has non-qualified postretirement health care plans for a limited number of retirees. The health care plans are contributory, with participants' contributions adjusted annually. The accounting for the health care plans anticipates continuation of increases in retiree contributions each year. Costs for the health care plans are paid with cash flows from current operations and no plan assets are maintained.

| 4. Components of net periodic benefit cost | Pension Benefits | | Postretirement Benefits | | Postemployment & Compensated Absence Benefits | |
|---|------------------|-------------|-------------------------|-------------|---|-------------|
| | <u>2014</u> | <u>2013</u> | <u>2014</u> | <u>2013</u> | <u>2014</u> | <u>2013</u> |
| | a. Service cost | \$ - | \$ - | \$ - | \$ - | \$ - |
| b. Interest cost | - | - | 786 | 1,725 | - | - |
| c. Expected return on plan assets | - | - | - | - | - | - |
| d. Transition asset or obligation | - | - | - | - | - | - |
| e. Gains and losses | - | - | (4,273) | (8,776) | - | - |
| f. Prior service cost or credit | - | - | - | - | - | - |
| g. Gain or loss recognized due to a settlement or curtailment | - | - | - | - | - | - |
| h. Total net periodic benefit cost | N/A | N/A | \$ (3,487) | \$ (7,051) | N/A | N/A |

E. Defined Contribution Plan - No significant changes.

F. Multiemployer Plans – None to report.

STATEMENT AS OF SEPTEMBER 30, 2014 OF THE NATIONAL MUTUAL INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

- G. Consolidated/Holding Company Plans – None to report.
- H. Postemployment Benefits and Compensated Absences – None to report.
- I. Impact of Medicare Modernization Act on Postretirement Benefits – None to report.
- 13. Capital and Surplus, Dividend Restrictions, and Quasi-Reorganizations - No significant changes.
- 14. Contingencies - No significant changes.
- 15. Leases - No significant changes.
- 16. Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit - None to report.
- 17. Sale, Transfer and Servicing of Financial Assets and Extinguishment of Liabilities - None to report.
- 18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans - None to report.
- 19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators - None to report.
- 20. Fair Value Measurements
 - A. Financial assets carried at fair value have been classified, for disclosure purposes, based on a hierarchy defined by Statement of Statutory Accounting Principle No. 100, Fair Value Measurements. Level 1 inputs in the hierarchy consist of unadjusted quoted prices for identical assets and liabilities in active markets. Level 2 inputs consist of quoted prices in active markets for similar assets or liabilities or quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Level 3 inputs consist of unobservable inputs (supported by little or no market activity) and reflect management's best estimate of what hypothetical market participants would use to determine a transaction price at the reporting date.

STATEMENT AS OF SEPTEMBER 30, 2014 OF THE NATIONAL MUTUAL INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

1. Assets Measured at Fair Value

| Description for each class of asset or liability | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u> |
|---|---------------------|---------------------|----------------|---------------------|
| a. Assets at Fair Value | | | | |
| Perpetual Preferred Stock | | | | |
| Industrial and Misc | \$ - | \$ 46,406 | \$ - | \$ 46,406 |
| Parent, Subsidiaries and Affiliates | - | - | - | - |
| Total Perpetual Preferred Stocks | \$ - | \$ 46,406 | \$ - | \$ 46,406 |
| Bonds | | | | |
| U.S. Governments | \$ - | \$ - | \$ - | \$ - |
| Industrial and Misc | - | 1,704,024 | - | 1,704,024 |
| Hybrid Securities | - | - | - | - |
| Parent, Subsidiaries and Affiliates | - | - | - | - |
| Total bonds | \$ - | \$ 1,704,024 | \$ - | \$ 1,704,024 |
| Common stock | | | | |
| Industrial and Misc | \$ 7,005,823 | \$ 102,400 | \$ - | \$ 7,108,223 |
| Parent, Subsidiaries and Affiliates | - | - | - | - |
| Total common stock | \$ 7,005,823 | \$ 102,400 | \$ - | \$ 7,108,223 |
| Derivative assets | | | | |
| Interest rate contracts | \$ - | \$ - | \$ - | \$ - |
| Foreign exchange contracts | - | - | - | - |
| Credit Contracts | - | - | - | - |
| Commodity futures contracts | - | - | - | - |
| Commodity forward contracts | - | - | - | - |
| Total Derivatives | \$ - | \$ - | \$ - | \$ - |
| Separate account assets | \$ - | \$ - | \$ - | \$ - |
| Total assets at fair value | <u>\$ 7,005,823</u> | <u>\$ 1,852,830</u> | <u>\$ -</u> | <u>\$ 8,858,653</u> |
| b. Liabilities at fair value | | | | |
| Derivative liabilities | \$ - | \$ - | \$ - | \$ - |
| Total liabilities at fair value | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

2. Fair Value Measurements in Level 3 of the Fair Value Hierarchy – None to report.

3. Level 2 inputs are obtained from external pricing services, either Interactive Data or Pricing Direct. Level 3 inputs represent values for bonds which are not actively traded in the market. The carrying values reflect management’s best estimate of value at the reporting date.

B. Other Fair Value Disclosures – None to report.

C. Aggregate Fair Value of Assets

| Type of Financial Instrument | Aggregate Fair Value | Admitted Assets | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | Not Practicable (Carrying Value) |
|---------------------------------|-------------------------|----------------------|----------------------|----------------------|----------------|-------------------------------------|
| Bonds | \$ 25,510,739 | \$ 24,402,235 | \$ - | \$ 25,510,739 | \$ - | \$ - |
| CMO | 13,037,765 | 13,157,803 | - | 13,037,765 | - | - |
| MBS | 2,775,161 | 2,710,667 | - | 2,775,161 | - | - |
| Preferred Stock | 796,871 | 687,763 | 277,720 | 519,151 | - | - |
| Common Stock | 7,108,223 | 7,203,605 | 7,005,823 | 102,400 | - | - |
| Short Term | 3,131,791 | 3,130,824 | 3,023,041 | 108,750 | - | - |
| Total | <u>\$ 52,360,550</u> | <u>\$ 51,292,897</u> | <u>\$ 10,306,584</u> | <u>\$ 42,053,966</u> | <u>\$ -</u> | <u>\$ -</u> |

D. Not Practicable to Estimate Fair Value – None to report.

STATEMENT AS OF SEPTEMBER 30, 2014 OF THE NATIONAL MUTUAL INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

21. Other Items - No significant changes.

22. Events Subsequent – None to report.

23. Reinsurance

(A) Unsecured Reinsurance Recoverables

The Company has an unsecured aggregate recoverable for losses, loss adjustment expenses and unearned premiums that exceeds 3% of surplus from the following reinsurers:

| | NAIC # | FEIN # | Amount |
|--------------------------------|--------|------------|---------------|
| Lloyd's Syndicate Number 2003 | 0 | AA-1128003 | \$ 1,693,861 |
| Miami Mutual Insurance Company | 16764 | 31-0671569 | \$ 18,575,169 |

(B) Reinsurance Recoverable in Dispute - None to report.

(C) Reinsurance Assumed and Ceded

(1) The following table presents the maximum amount of return commission which would be due to or from reinsurers in the event all reinsurance contracts were canceled as of September 30, 2014, with a return of the unearned premium reserve.

| | Assumed Reinsurance | | Ceded Reinsurance | | Net | |
|---------------|---------------------|-------------------|-------------------|-------------------|-----------------|-------------------|
| | Premium Reserve | Commission Equity | Premium Reserve | Commission Equity | Premium Reserve | Commission Equity |
| a. Affiliates | \$ 24,137,530 | \$ 3,303,454 | \$ 35,939,264 | \$ 5,319,011 | \$ (11,801,734) | \$ (2,015,557) |
| b. All Other | - | - | 1,429,301 | 414,560 | (1,429,301) | (414,560) |
| c. Total | \$ 24,137,530 | \$ 3,303,454 | \$ 37,368,565 | \$ 5,733,571 | \$ (13,231,035) | \$ (2,430,117) |

d. Direct Unearned Premium Reserve \$ 31,745,201

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

| Reinsurance | Direct | Assumed | Ceded | Net |
|--|---------------------------|------------|------------|------------|
| | a. Contingent Commissions | \$ 478,457 | \$ 382,907 | \$ 568,500 |
| b. Sliding Scale Adjustments | - | - | - | - |
| c. Other Profit Commissions Arrangements | - | (27,550) | (18,183) | (9,367) |
| d. Total | \$ 478,457 | \$ 355,357 | \$ 550,317 | \$ 283,497 |

(D) Uncollectible Reinsurance - None to report.

(E) Commutation of Ceded Reinsurance - None to report.

(F) Retroactive Reinsurance - None to report.

(G) Reinsurance Accounted for as a Deposit - None to report.

(H) Disclosures for the Transfer of Property and Casualty Run-off Agreements – None to report.

(I) Certified Reinsurer Rating Downgraded or Status to Revocation – None to report.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination - None to report.

25. Change in Incurred Losses and Loss Adjustment Expenses

Net reserves for losses and loss adjustment expenses as of December 31, 2013 were \$12.4 million. As of September 30, 2014, \$4.6 million has been paid for claims and adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$7.3 million as a result of re-estimation of unpaid claims and adjustment expenses. The company has recorded approximately \$480,000 favorable development on prior-year losses since year-end.

STATEMENT AS OF SEPTEMBER 30, 2014 OF THE NATIONAL MUTUAL INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

26. Inter-company Pooling Arrangements

The pool participation percentages remain unchanged from the prior year, and currently are:

| <u>NAIC #</u> | <u>Company</u> | <u>Percent</u> |
|---------------|-----------------------------------|----------------|
| 20176 | Celina Mutual Insurance Company | 36% |
| 20182 | National Mutual Insurance Company | 34% |
| 16764 | Miami Mutual Insurance Company | 30% |

27. Structured Settlements - No significant changes.

28. Health Care Receivables - None to report.

29. Participating Policies - None to report.

30. Premium Deficiency Reserves - None to report.

31. High Deductibles - None to report.

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

The Company does not discount liabilities for unpaid losses or unpaid loss adjustment expenses.

33. Asbestos/Environmental Reserves - No significant changes.

34. Subscriber Savings Accounts - None to report.

35. Multiple Peril Crop Insurance - None to report.

36. Financial Guaranty Insurance – None to report.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change:
- 3.1 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? Yes [X] No []
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 4.2 If yes, provide the name of 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 |
|---------------------|------------------------|------------------------|
| | | |

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [X] N/A []
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2009
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2009
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 06/06/2011
- 6.4 By what department or departments?
Ohio
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [] No [] N/A [X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [] N/A [X]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 7.2 If yes, give full information:
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

GENERAL INTERROGATORIES

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes No
 (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 (c) Compliance with applicable governmental laws, rules and regulations;
 (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? Yes No
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes No
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes No
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes No
- 11.2 If yes, give full and complete information relating thereto:

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$
13. Amount of real estate and mortgages held in short-term investments: \$
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes No
- 14.2 If yes, please complete the following:

| | 1 Prior Year-End Book/Adjusted Carrying Value | 2 Current Quarter Book/Adjusted Carrying Value |
|---|--|---|
| 14.21 Bonds | \$ | \$ |
| 14.22 Preferred Stock | \$ | \$ |
| 14.23 Common Stock | \$ 94,469 | \$ 95,382 |
| 14.24 Short-Term Investments | \$ | \$ |
| 14.25 Mortgage Loans on Real Estate | \$ | \$ |
| 14.26 All Other | \$ | \$ |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) | \$ 94,469 | \$ 95,382 |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above | \$ | \$ |

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes No
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes No
 If no, attach a description with this statement.

STATEMENT AS OF SEPTEMBER 30, 2014 OF THE NATIONAL MUTUAL INSURANCE COMPANY
GENERAL INTERROGATORIES

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2\$
- 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2\$
- 16.3 Total payable for securities lending reported on the liability page\$

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No []
- 17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

| 1 Name of Custodian(s) | 2 Custodian Address |
|--|--|
| FIRST FINANCIAL BANK | 1942 HAVEMANN ROAD, CELINA, OHIO 45822 |
| FEDERAL HOME LOAN BANK OF CINCINNATI | P.O. BOX 598, CINCINNATI, OHIO 45201 |

- 17.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

| 1 Name(s) | 2 Location(s) | 3 Complete Explanation(s) |
|--------------|------------------|------------------------------|
| | | |

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes [] No [X]

- 17.4 If yes, give full information relating thereto:

| 1 Old Custodian | 2 New Custodian | 3 Date of Change | 4 Reason |
|--------------------|--------------------|---------------------|-------------|
| | | | |

- 17.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

| 1 Central Registration Depository | 2 Name(s) | 3 Address |
|--------------------------------------|---|--|
| 109875 | ASSET ALLOCATION & MANAGEMENT COMPANY LLC | 30 N. LASALLE STREET, 35TH FLOOR CHICAGO, ILLINOIS 60602 |
| 104751 | ZAZOVE & ASSOCIATES, LLC | 940 SOUTHLAND BOULEVARD, SUITE 200 INCLINE VILLAGE, NV 89451 |

- 18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes [X] No []

- 18.2 If no, list exceptions:

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? Yes [] No [X]
If yes, attach an explanation.

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes [] No [X]

3.2 If yes, give full and complete information thereto.

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

4.2 If yes, complete the following schedule:

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

5. Operating Percentages:

5.1 A&H loss percent %

5.2 A&H cost containment percent %

5.3 A&H expense percent excluding cost containment expenses %

6.1 Do you act as a custodian for health savings accounts? Yes [] No [X]

6.2 If yes, please provide the amount of custodial funds held as of the reporting date \$

6.3 Do you act as an administrator for health savings accounts? Yes [] No [X]

6.4 If yes, please provide the balance of the funds administered as of the reporting date \$

STATEMENT AS OF SEPTEMBER 30, 2014 OF THE NATIONAL MUTUAL INSURANCE COMPANY

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

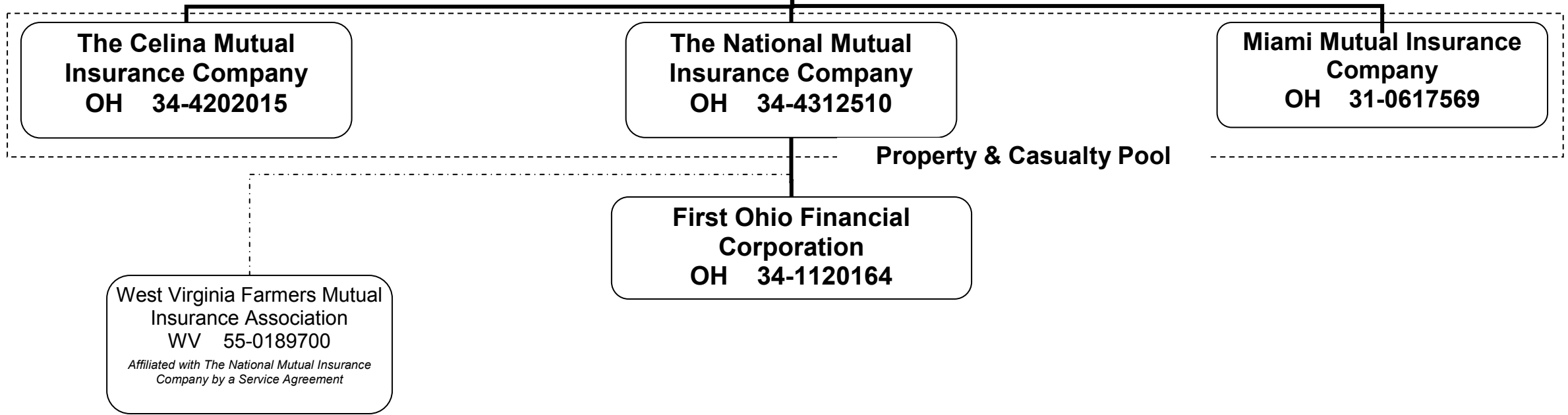
Current Year to Date - Allocated by States and Territories

| States, etc. | 1 Active Status | Direct Premiums Written | | Direct Losses Paid (Deducting Salvage) | | Direct Losses Unpaid | |
|--|--------------------|---------------------------|-------------------------|--|-------------------------|---------------------------|-------------------------|
| | | 2 Current Year To Date | 3 Prior Year To Date | 4 Current Year To Date | 5 Prior Year To Date | 6 Current Year To Date | 7 Prior Year To Date |
| 1. Alabama AL | N | | | | | | |
| 2. Alaska AK | N | | | | | | |
| 3. Arizona AZ | N | | | | | | |
| 4. Arkansas AR | N | | | | | | |
| 5. California CA | N | | | | | | |
| 6. Colorado CO | N | | | | | | |
| 7. Connecticut CT | N | | | | | | |
| 8. Delaware DE | N | | | | | | |
| 9. District of Columbia DC | N | | | | | | |
| 10. Florida FL | N | | | | | | |
| 11. Georgia GA | N | | | | | | |
| 12. Hawaii HI | N | | | | | | |
| 13. Idaho ID | N | | | | | | |
| 14. Illinois IL | N | | | | | | |
| 15. Indiana IN | L | 14,974,280 | 14,727,309 | 9,768,771 | 8,269,337 | 4,212,906 | 4,848,390 |
| 16. Iowa IA | L | 6,807,532 | 6,345,028 | 7,256,072 | 3,696,936 | 3,064,644 | 1,330,414 |
| 17. Kansas KS | N | | | | | | |
| 18. Kentucky KY | L | | | | | | |
| 19. Louisiana LA | N | | | | | | |
| 20. Maine ME | N | | | | | | |
| 21. Maryland MD | N | | | | | | |
| 22. Massachusetts MA | N | | | | | | |
| 23. Michigan MI | N | | | | | | |
| 24. Minnesota MN | N | | | | | | |
| 25. Mississippi MS | N | | | | | | |
| 26. Missouri MO | N | | | | | | |
| 27. Montana MT | N | | | | | | |
| 28. Nebraska NE | N | | | | | | |
| 29. Nevada NV | N | | | | | | |
| 30. New Hampshire NH | N | | | | | | |
| 31. New Jersey NJ | N | | | | | | |
| 32. New Mexico NM | N | | | | | | |
| 33. New York NY | N | | | | | | |
| 34. North Carolina NC | N | | | | | | |
| 35. North Dakota ND | N | | | | | | |
| 36. Ohio OH | L | 19,145,385 | 18,770,833 | 10,191,845 | 10,023,808 | 6,532,939 | 5,917,334 |
| 37. Oklahoma OK | N | | | | | | |
| 38. Oregon OR | N | | | | | | |
| 39. Pennsylvania PA | L | | | 6,396 | 4,371 | 18,513 | 25,272 |
| 40. Rhode Island RI | N | | | | | | |
| 41. South Carolina SC | N | | | | | | |
| 42. South Dakota SD | N | | | | | | |
| 43. Tennessee TN | L | 7,517,703 | 11,126,966 | 5,060,426 | 7,313,835 | 3,835,770 | 4,939,939 |
| 44. Texas TX | N | | | | | | |
| 45. Utah UT | N | | | | | | |
| 46. Vermont VT | N | | | | | | |
| 47. Virginia VA | N | | | | | | |
| 48. Washington WA | N | | | | | | |
| 49. West Virginia WV | N | | | | | | |
| 50. Wisconsin WI | N | | | | | | |
| 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 | XXX | | | | | | |
| 59. Totals | (a) 6 | 48,444,900 | 50,970,136 | 32,283,509 | 29,308,287 | 17,664,772 | 17,061,349 |
| DETAILS OF WRITE-INS | | | | | | | |
| 58001. | XXX | | | | | | |
| 58002. | XXX | | | | | | |
| 58003. | XXX | | | | | | |
| 58998. Summary of remaining write-ins for Line 58 from overflow page | XXX | | | | | | |
| 58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above) | XXX | | | | | | |

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

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

Schedule Y – Information Concerning Activities of Insurer Members Of a Holding Company Group
Part 1 – Organization Chart



11

STATEMENT AS OF SEPTEMBER 30, 2014 OF THE NATIONAL MUTUAL INSURANCE COMPANY

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

| 1 Group Code | 2 Group Name | 3 NAIC Company Code | 4 Federal ID Number | 5 Federal RSSD | 6 CIK | 7 Name of Securities Exchange if Publicly Traded (U.S. or International) | 8 Names of Parent, Subsidiaries Or Affiliates | 9 Domiciliary Location | 10 Relationship to Reporting Entity | 11 Directly Controlled by (Name of Entity/Person) | 12 Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other) | 13 If Control is Ownership Provide Percentage | 14 Ultimate Controlling Entity(ies)/Person(s) | 15 * |
|-----------------|------------------------|------------------------|------------------------|-------------------|----------|---|--|---------------------------|--|--|--|--|--|---------|
| ...0035 | Celina Insurance Group | ...20176 | 34-4202015 | | | | The Celina Mutual Insurance Company | ...OH | ...IA | The National Mutual Insurance Company | Management | ...0.000 | The National Mutual Insurance Company | |
| ...0035 | Celina Insurance Group | ...20184 | 34-4312510 | | | | The National Mutual Insurance Company | ...OH | | The National Mutual Insurance Company | Management | ...0.000 | The National Mutual Insurance Company | |
| ...0035 | Celina Insurance Group | ...15431 | 55-0189700 | | | | West Virginia Farmers Mutual Insurance Association | ...WV | ...IA | The National Mutual Insurance Company | Management | ...0.000 | The National Mutual Insurance Company | |
| ...0035 | Celina Insurance Group | ...16764 | 31-0617569 | | | | Miami Mutual Insurance Company | ...OH | ...IA | The National Mutual Insurance Company | Management | ...0.000 | The National Mutual Insurance Company | |
| | | ...00000 | 34-1120164 | | | | First Ohio Financial Corporation | ...OH | ...NIA | The National Mutual Insurance Company | Ownership | ...100.000 | The National Mutual Insurance Company | |

NONE

| | |
|----------|-------------|
| Asterisk | Explanation |
| | |

STATEMENT AS OF SEPTEMBER 30, 2014 OF THE NATIONAL MUTUAL INSURANCE COMPANY

PART 1 - LOSS EXPERIENCE

| Line of Business | Current Year to Date | | | 4 Prior Year to Date Direct Loss Percentage |
|---|--------------------------------|--------------------------------|--------------------------------|--|
| | 1 Direct Premiums Earned | 2 Direct Losses Incurred | 3 Direct Loss Percentage | |
| 1. Fire | 1,170,287 | 462,484 | 39.5 | 15.9 |
| 2. Allied Lines | 497,269 | 696,554 | 140.1 | 92.0 |
| 3. Farmowners multiple peril | | | | |
| 4. Homeowners multiple peril | 21,262,581 | 17,352,527 | 81.6 | 71.5 |
| 5. Commercial multiple peril | | | | |
| 6. Mortgage guaranty | | | | |
| 8. Ocean marine | | | | |
| 9. Inland marine | 638,823 | 183,042 | 28.7 | 23.3 |
| 10. Financial guaranty | | | | |
| 11.1 Medical professional liability - occurrence | | | | |
| 11.2 Medical professional liability - claims-made | | | | |
| 12. Earthquake | 277,625 | | | |
| 13. Group accident and health | | | | |
| 14. Credit accident and health | | | | |
| 15. Other accident and health | | | | |
| 16. Workers' compensation | | | | |
| 17.1 Other liability - occurrence | 814,475 | 190,142 | 23.3 | (0.6) |
| 17.2 Other liability - claims-made | | | | |
| 17.3 Excess workers' compensation | | | | |
| 18.1 Products liability - occurrence | | | | |
| 18.2 Products liability - claims-made | | | | |
| 19.1,19.2 Private passenger auto liability | 12,893,235 | 7,964,149 | 61.8 | 63.0 |
| 19.3,19.4 Commercial auto liability | | 4,556 | | |
| 21. Auto physical damage | 11,292,828 | 6,089,613 | 53.9 | 56.1 |
| 22. Aircraft (all perils) | | | | |
| 23. Fidelity | | | | |
| 24. Surety | | | | |
| 26. Burglary and theft | | | | |
| 27. Boiler and machinery | | | | |
| 28. Credit | | | | |
| 29. International | | | | |
| 30. Warranty | | | | |
| 31. Reinsurance - Nonproportional Assumed Property | XXX | XXX | XXX | XXX |
| 32. Reinsurance - Nonproportional Assumed Liability | XXX | XXX | XXX | XXX |
| 33. Reinsurance - Nonproportional Assumed Financial Lines | XXX | XXX | XXX | XXX |
| 34. Aggregate write-ins for other lines of business | | | | |
| 35. Totals | 48,847,124 | 32,943,068 | 67.4 | 62.3 |
| 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) | | | | |

PART 2 - DIRECT PREMIUMS WRITTEN

| Line of Business | 1 | 2 | 3 |
|---|-----------------|----------------------|-------------------------|
| | Current Quarter | Current Year to Date | Prior Year Year to Date |
| 1. Fire | 413,936 | 1,191,910 | 1,132,913 |
| 2. Allied Lines | 172,127 | 502,400 | 479,934 |
| 3. Farmowners multiple peril | | | |
| 4. Homeowners multiple peril | 7,671,949 | 21,760,718 | 21,523,826 |
| 5. Commercial multiple peril | | | |
| 6. Mortgage guaranty | | | |
| 8. Ocean marine | | | |
| 9. Inland marine | 215,238 | 639,719 | 655,686 |
| 10. Financial guaranty | | | |
| 11.1 Medical professional liability - occurrence | | | |
| 11.2 Medical professional liability - claims-made | | | |
| 12. Earthquake | 95,745 | 281,223 | 291,354 |
| 13. Group accident and health | | | |
| 14. Credit accident and health | | | |
| 15. Other accident and health | | | |
| 16. Workers' compensation | | | |
| 17.1 Other liability - occurrence | 274,863 | 827,003 | 827,883 |
| 17.2 Other liability - claims-made | | | |
| 17.3 Excess workers' compensation | | | |
| 18.1 Products liability - occurrence | | | |
| 18.2 Products liability - claims-made | | | |
| 19.1,19.2 Private passenger auto liability | 4,002,280 | 12,256,861 | 14,116,261 |
| 19.3,19.4 Commercial auto liability | | | |
| 21. Auto physical damage | 3,709,140 | 10,985,066 | 11,942,279 |
| 22. Aircraft (all perils) | | | |
| 23. Fidelity | | | |
| 24. Surety | | | |
| 26. Burglary and theft | | | |
| 27. Boiler and machinery | | | |
| 28. Credit | | | |
| 29. International | | | |
| 30. Warranty | | | |
| 31. Reinsurance - Nonproportional Assumed Property | XXX | XXX | XXX |
| 32. Reinsurance - Nonproportional Assumed Liability | XXX | XXX | XXX |
| 33. Reinsurance - Nonproportional Assumed Financial Lines | XXX | XXX | XXX |
| 34. Aggregate write-ins for other lines of business | | | |
| 35. Totals | 16,555,278 | 48,444,900 | 50,970,136 |
| 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) | | | |

STATEMENT AS OF SEPTEMBER 30, 2014 OF THE NATIONAL MUTUAL INSURANCE COMPANY

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
|--|---|---|--|--|--|--|---|--|--------------------------------------|---|---|--|---|
| Years in Which Losses Occurred | Prior Year-End Known Case Loss and LAE Reserves | Prior Year-End IBNR Loss and LAE Reserves | Total Prior Year-End Loss and LAE Reserves (Cols. 1+2) | 2014 Loss and LAE Payments on Claims Reported as of Prior Year-End | 2014 Loss and LAE Payments on Claims Unreported as of Prior Year-End | Total 2014 Loss and LAE Payments (Cols. 4+5) | Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End | Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End | Q.S. Date IBNR Loss and LAE Reserves | Total Q.S. Loss and LAE Reserves (Cols.7+8+9) | Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols.4+7 minus Col. 1) | Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5+8+9 minus Col. 2) | Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11+12) |
| 1. 2011 + Prior | 1,474 | 1,251 | 2,725 | 477 | 6 | 482 | 1,220 | 5 | 1,023 | 2,248 | 222 | (217) | 6 |
| 2. 2012 | 1,449 | 1,268 | 2,716 | 753 | 13 | 766 | 1,080 | 16 | 679 | 1,776 | 384 | (560) | (175) |
| 3. Subtotals 2012 + Prior | 2,923 | 2,519 | 5,441 | 1,230 | 18 | 1,248 | 2,300 | 22 | 1,702 | 4,024 | 607 | (776) | (169) |
| 4. 2013 | 3,670 | 3,298 | 6,969 | 2,945 | 412 | 3,357 | 1,646 | 57 | 1,598 | 3,301 | 921 | (1,231) | (310) |
| 5. Subtotals 2013 + Prior | 6,593 | 5,817 | 12,410 | 4,175 | 430 | 4,605 | 3,946 | 79 | 3,300 | 7,325 | 1,528 | (2,008) | (480) |
| 6. 2014 | XXX | XXX | XXX | XXX | 13,992 | 13,992 | XXX | 2,603 | 2,510 | 5,113 | XXX | XXX | XXX |
| 7. Totals | 6,593 | 5,817 | 12,410 | 4,175 | 14,422 | 18,597 | 3,946 | 2,681 | 5,810 | 12,438 | 1,528 | (2,008) | (480) |
| 8. Prior Year-End Surplus As Regards Policyholders | 23,969 | | | | | | | | | | Col. 11, Line 7 As % of Col. 1 Line 7 | Col. 12, Line 7 As % of Col. 2 Line 7 | Col. 13, Line 7 As % of Col. 3 Line 7 |
| | | | | | | | | | | | 1. 23.2 | 2. (34.5) | 3. (3.9) |
| | | | | | | | | | | | | | Col. 13, Line 7 As a % of Col. 1 Line 8 |
| | | | | | | | | | | | | | 4. (2.0) |

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

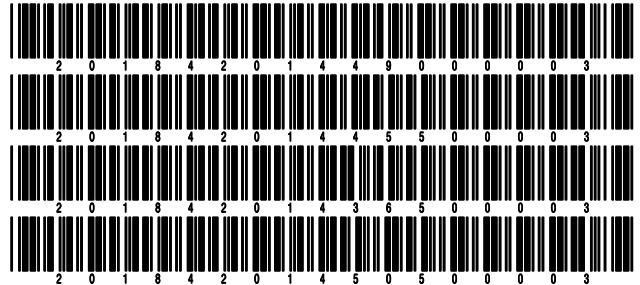
| | Response |
|--|----------|
| 1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement? | NO |
| 2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement? | NO |
| 3. Will the Medicare Part D Coverage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

Explanations:

1. Not Applicable
2. Not Applicable
3. Not Applicable
4. Not Applicable

Bar Codes:

1. Trusteed Surplus Statement [Document Identifier 490]
2. Supplement A to Schedule T [Document Identifier 455]
3. Medicare Part D Coverage Supplement [Document Identifier 365]
4. Director and Officer Supplement [Document Identifier 505]



NONE

STATEMENT AS OF SEPTEMBER 30, 2014 OF THE NATIONAL MUTUAL INSURANCE COMPANY

SCHEDULE A - VERIFICATION

Real Estate

| | 1 Year to Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year | 1,688,358 | 1,591,166 |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition | | |
| 2.2 Additional investment made after acquisition | 214,541 | 197,269 |
| 3. Current year change in encumbrances | | |
| 4. Total gain (loss) on disposals | | |
| 5. Deduct amounts received on disposals | | |
| 6. Total foreign exchange change in book/adjusted carrying value | | |
| 7. Deduct current year's other than temporary impairment recognized | | |
| 8. Deduct current year's depreciation | 83,422 | 100,077 |
| 9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8) | 1,819,476 | 1,688,358 |
| 10. Deduct total nonadmitted amounts | | |
| 11. Statement value at end of current period (Line 9 minus Line 10) | 1,819,476 | 1,688,358 |

SCHEDULE B - VERIFICATION

Mortgage Loans

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

NONE

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

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

NONE

SCHEDULE D - VERIFICATION

Bonds and Stocks

| | 1 Year to Date | 2 Prior Year Ended December 31 |
|---|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year | 45,650,140 | 40,777,850 |
| 2. Cost of bonds and stocks acquired | 10,242,275 | 13,540,061 |
| 3. Accrual of discount | 16,982 | 28,241 |
| 4. Unrealized valuation increase (decrease) | 301,406 | 1,264,378 |
| 5. Total gain (loss) on disposals | 409,566 | 338,807 |
| 6. Deduct consideration for bonds and stocks disposed of | 8,227,777 | 9,987,383 |
| 7. Deduct amortization of premium | 230,520 | 311,813 |
| 8. Total foreign exchange change in book/adjusted carrying value | | |
| 9. Deduct current year's other than temporary impairment recognized | | |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) | 48,162,073 | 45,650,140 |
| 11. Deduct total nonadmitted amounts | 95,382 | 94,469 |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 48,066,691 | 45,555,671 |

STATEMENT AS OF SEPTEMBER 30, 2014 OF THE NATIONAL MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 1B

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

| NAIC Designation | 1 Book/Adjusted Carrying Value Beginning of Current Quarter | 2 Acquisitions During Current Quarter | 3 Dispositions During Current Quarter | 4 Non-Trading Activity During Current Quarter | 5 Book/Adjusted Carrying Value End of First Quarter | 6 Book/Adjusted Carrying Value End of Second Quarter | 7 Book/Adjusted Carrying Value End of Third Quarter | 8 Book/Adjusted Carrying Value December 31 Prior Year |
|-------------------------------------|---|--|--|--|---|--|---|---|
| BONDS | | | | | | | | |
| 1. NAIC 1 (a) | 36,876,301 | 14,738,866 | 15,895,662 | (285,957) | 35,316,645 | 36,876,301 | 35,433,548 | 36,274,082 |
| 2. NAIC 2 (a) | 6,283,670 | 1,092,655 | 427,154 | 418,638 | 5,763,916 | 6,283,670 | 7,367,809 | 4,964,296 |
| 3. NAIC 3 (a) | 458,242 | 297,334 | 100,000 | (215,558) | 418,098 | 458,242 | 440,019 | 631,006 |
| 4. NAIC 4 (a) | 60,419 | | 2,154 | 1,333 | 156,017 | 60,419 | 59,597 | 83,231 |
| 5. NAIC 5 (a) | 100,575 | | 19 | | 80,534 | 100,575 | 100,556 | 80,818 |
| 6. NAIC 6 (a) | | | | | | | | |
| 7. Total Bonds | 43,779,207 | 16,128,855 | 16,424,990 | (81,544) | 41,735,210 | 43,779,207 | 43,401,528 | 42,033,433 |
| PREFERRED STOCK | | | | | | | | |
| 8. NAIC 1 | | | | | | | | |
| 9. NAIC 2 | 367,812 | | | | 367,812 | 367,812 | 367,812 | 355,847 |
| 10. NAIC 3 | 320,397 | | | (446) | 316,359 | 320,397 | 319,951 | 260,497 |
| 11. NAIC 4 | | | | | | | | |
| 12. NAIC 5 | | | | | | | | |
| 13. NAIC 6 | | | | | | | | |
| 14. Total Preferred Stock | 688,209 | | | (446) | 684,172 | 688,209 | 687,763 | 616,344 |
| 15. Total Bonds and Preferred Stock | 44,467,416 | 16,128,855 | 16,424,990 | (81,990) | 42,419,382 | 44,467,416 | 44,089,292 | 42,649,777 |

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$; NAIC 2 \$107,783 ; NAIC 3 \$; NAIC 4 \$; NAIC 5 \$; NAIC 6 \$

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SCHEDULE DA - PART 1

Short-Term Investments

| | 1 | 2 | 3 | 4 | 5 |
|----------------|---------------------------------|-----------|-------------|------------------------------------|--|
| | Book/Adjusted Carrying Value | Par Value | Actual Cost | Interest Collected Year-to-Date | Paid for Accrued Interest Year-to-Date |
| 9199999 Totals | 3,130,824 | xxx | 3,131,291 | 221 | 1,264 |

SCHEDULE DA - VERIFICATION

Short-Term Investments

| | 1 | 2 |
|---|--------------|---------------------------------|
| | Year To Date | Prior Year Ended December 31 |
| 1. Book/adjusted carrying value, December 31 of prior year | 3,595,605 | 1,067,279 |
| 2. Cost of short-term investments acquired | 48,395,532 | 64,005,852 |
| 3. Accrual of discount | | |
| 4. Unrealized valuation increase (decrease) | | |
| 5. Total gain (loss) on disposals | (101) | 38,346 |
| 6. Deduct consideration received on disposals | 48,817,157 | 61,479,929 |
| 7. Deduct amortization of premium | 43,056 | 35,943 |
| 8. Total foreign exchange change in book/adjusted carrying value | | |
| 9. Deduct current year's other than temporary impairment recognized | | |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) | 3,130,824 | 3,595,605 |
| 11. Deduct total nonadmitted amounts | | |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 3,130,824 | 3,595,605 |

Schedule DB - Part A - Verification - Options, Caps, Floors, Collars, Swaps and Forwards

N O N E

Schedule DB - Part B - Verification - Futures Contracts

N O N E

Schedule DB - Part C - Section 1 - Replication (Synthetic Asset) Transactions (RSATs) Open

N O N E

Schedule DB-Part C-Section 2-Reconciliation of Replication (Synthetic Asset) Transactions Open

N O N E

Schedule DB - Verification - Book/Adjusted Carrying Value, Fair Value and Potential Exposure of Derivatives

N O N E

Schedule E - Verification - Cash Equivalents

N O N E

Schedule A - Part 2 - Real Estate Acquired and Additions Made

N O N E

Schedule A - Part 3 - Real Estate Disposed

N O N E

Schedule B - Part 2 - Mortgage Loans Acquired

N O N E

Schedule B - Part 3 - Mortgage Loans Disposed, Transferred or Repaid

N O N E

Schedule BA - Part 2 - Other Long-Term Invested Assets Acquired

N O N E

Schedule BA - Part 3 - Other Long-Term Invested Assets Disposed, Transferred or Repaid

N O N E

STATEMENT AS OF SEPTEMBER 30, 2014 OF THE NATIONAL MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 3

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---|------------------------------------|---------|---------------|---------------------------|---------------------------|-------------|-----------|---|--|
| CUSIP Identification | Description | Foreign | Date Acquired | Name of Vendor | Number of Shares of Stock | Actual Cost | Par Value | Paid for Accrued Interest and Dividends | NAIC Designation or Market Indicator (a) |
| 159808-CE-2 | CHARLES CNTY MD | | .09/29/2014 | FIDELITY | | 305,380 | 250,000 | .69 | 1FE |
| 2499999. Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions | | | | | | 305,380 | 250,000 | .69 | XXX |
| 110394-AC-7 | BRISTOW GROUP INC | | .08/18/2014 | JEFFERIES & CO | | 101,299 | 90,000 | .472 | 3FE |
| 11373M-AA-5 | BROOKLINE BANCORP INC DEL | | .09/11/2014 | STERN | | 25,000 | 25,000 | | 2FE |
| 161150-AC-4 | CHART INDS INC | | .09/10/2014 | VARIOUS | | 86,740 | 70,000 | .40 | 3FE |
| 268948-AA-4 | EAGLE BANCORP INC MD | | .07/31/2014 | SANDLER O'NEILL & PARTNER | | 60,000 | 60,000 | | 2FE |
| 285512-AA-7 | ELECTRONIC ARTS INC | | .08/07/2014 | VARIOUS | | 145,845 | 120,000 | .55 | 2FE |
| 494550-BV-7 | KINDER MORGAN ENERGY PARTNERS | | .09/11/2014 | CITIGROUP | | 99,688 | 100,000 | .30 | 2FE |
| 55608B-AA-3 | MACQUARIE INFRASTR CD LLC | | .09/10/2014 | VARIOUS | | 65,996 | 60,000 | .240 | 2FE |
| 584688-AC-9 | MEDICINES CO | | .08/05/2014 | VARIOUS | | 22,268 | 20,000 | .47 | 3Z* |
| 637138-AC-2 | NATIONAL PENN BANCSHARES INC | | .09/09/2014 | SANDLER | | 75,000 | 75,000 | | 2FE |
| 741503-AQ-9 | PRICELINE COM INC | | .09/05/2014 | MERRILL LYNCH | | 124,158 | 90,000 | .438 | 2FE |
| 780287-AA-6 | ROYAL GOLD INC | | .09/22/2014 | VARIOUS | | 204,836 | 195,000 | 1.494 | 2 |
| 88947E-AM-2 | TOLL BROS FIN CORP | | .08/04/2014 | VARIOUS | | 87,027 | 85,000 | .164 | 3FE |
| 910304-AA-2 | UNITED FINL BANCORP INC NEW | | .09/18/2014 | SANDLER | | 65,000 | 65,000 | | 2FE |
| 3899999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | | | 1,162,857 | 1,055,000 | 2,978 | XXX |
| 8399997. Total - Bonds - Part 3 | | | | | | 1,468,237 | 1,305,000 | 3,047 | XXX |
| 8399998. Total - Bonds - Part 5 | | | | | | XXX | XXX | XXX | XXX |
| 8399999. Total - Bonds | | | | | | 1,468,237 | 1,305,000 | 3,047 | XXX |
| 8999997. Total - Preferred Stocks - Part 3 | | | | | | | XXX | | XXX |
| 8999998. Total - Preferred Stocks - Part 5 | | | | | | XXX | XXX | XXX | XXX |
| 8999999. Total - Preferred Stocks | | | | | | | XXX | | XXX |
| 681919-10-6 | QMINICOM GROUP INC | | .07/30/2014 | CONVERT TO COMMON STOCK | | 710,780 | 50,977 | | L |
| 9099999. Subtotal - Common Stocks - Industrial and Miscellaneous (Unaffiliated) | | | | | | 50,977 | XXX | | XXX |
| 782493-64-7 | RUSSELL REAL ESTATE SEC E FUND | | .07/02/2014 | PRINCIPAL FINANCIAL GROUP | | 0.010 | | | L |
| 921937-60-3 | TOTAL BOND MKT INDEX ADM SHARES | | .09/30/2014 | VANGUARD GROUP | | 135,906 | 1,470 | | L |
| 922908-71-0 | VANGUARD 500 INDEX FUND ADMIRAL | | .09/19/2014 | VANGUARD GROUP | | 4,540 | 842 | | L |
| 922908-50-4 | VANGUARD GROWTH INDEX FUND | | .09/23/2014 | VANGUARD GROUP | | 0.288 | .15 | | L |
| 922908-66-0 | VANGUARD GROWTH INDEX FUND ADM | | .09/23/2014 | VANGUARD GROUP | | 9,683 | 497 | | L |
| 922908-10-8 | VANGUARD INDEX TRUST- THE 500 | | .09/19/2014 | VANGUARD GROUP | | 0.134 | .25 | | L |
| 922906-20-1 | VANGUARD PRIME MONEY MARKET | | .09/30/2014 | VANGUARD GROUP | | 22,589.040 | 22,589 | | L |
| 922908-72-8 | VANGUARD TOTAL STOCK MKT ADM SHARE | | .09/23/2014 | VANGUARD GROUP | | 29,091 | 1,443 | | L |
| 921935-10-2 | VANGUARD WELLINGTON FUNDS | | .09/19/2014 | VANGUARD GROUP | | 21,718 | 874 | | L |
| 921935-20-1 | WELLINGTON FUND ADMIRAL SHARES | | .09/19/2014 | VANGUARD GROUP | | 15.132 | 1,051 | | L |
| 9299999. Subtotal - Common Stocks - Mutual Funds | | | | | | 28,806 | XXX | | XXX |
| 9799997. Total - Common Stocks - Part 3 | | | | | | 79,783 | XXX | | XXX |
| 9799998. Total - Common Stocks - Part 5 | | | | | | XXX | XXX | XXX | XXX |
| 9799999. Total - Common Stocks | | | | | | 79,783 | XXX | | XXX |
| 9899999. Total - Preferred and Common Stocks | | | | | | 79,783 | XXX | | XXX |
| 9999999 - Totals | | | | | | 1,548,020 | XXX | 3,047 | XXX |

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

STATEMENT AS OF SEPTEMBER 30, 2014 OF THE NATIONAL MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 4

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Change In Book/Adjusted Carrying Value | | | | | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
|---|------------------------------|---------|---------------|-------------------|---------------------------|---------------|-----------|-------------|---|--|---|---|---|--|---|--|----------------------------------|-------------------------------|--|----------------------------------|--|
| | | | | | | | | | | 11 | 12 | 13 | 14 | 15 | | | | | | | |
| CUSIP Identification | Description | Foreign | Disposal Date | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/Adjusted Carrying Value | Unrealized Valuation Increase/(Decrease) | Current Year's (Amortization)/Accretion | Current Year's Other Than Temporary Impairment Recognized | Total Change in Book/Adjusted Carrying Value (11 + 12 - 13) | Total Foreign Exchange Change in Book /Adjusted Carrying Value | Book/Adjusted Carrying Value at Disposal Date | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Bond Interest/Stock Dividends Received During Year | Stated Contractual Maturity Date | NAIC Designation or Market Indicator (a) |
| 38373M-L9-9 | GNMA 2007-69 C | | 09/16/2014 | PRINCIPAL RECEIPT | | 7,732 | 7,732 | 8,250 | 8,053 | | (320) | | (320) | | 7,732 | | | | 277 | 10/16/2037 | 1 |
| 37611C-AD-8 | GNMA 2007-75D | | 09/16/2014 | PRINCIPAL RECEIPT | | 45,312 | 45,312 | 48,031 | 46,916 | | (1,604) | | (1,604) | | 45,312 | | | | 1,825 | 12/16/2042 | 1 |
| 38375Q-N9-6 | GNMA 2008-55 PG | | 09/20/2014 | PRINCIPAL RECEIPT | | 5,222 | 5,222 | 5,218 | 5,222 | | 10 | | 10 | | 5,222 | | | | 172 | 07/20/2037 | 1 |
| 38376V-WX-1 | GNMA 2010-17PK | | 09/16/2014 | PRINCIPAL RECEIPT | | 6,326 | 6,326 | 6,612 | 6,486 | | (160) | | (160) | | 6,326 | | | | 187 | 01/16/2038 | 1 |
| 38378B-EF-2 | GNMA 2012-28 A | | 09/16/2014 | PRINCIPAL RECEIPT | | 1,639 | 1,639 | 1,656 | 1,651 | | (12) | | (12) | | 1,639 | | | | 20 | 12/16/2032 | 1 |
| 36290S-CX-5 | GNMA 615774 | | 09/15/2014 | PRINCIPAL RECEIPT | | 3,789 | 3,789 | 3,748 | 3,768 | | 21 | | 21 | | 3,789 | | | | 98 | 09/15/2018 | 1 |
| 38373M-W4-8 | GNMA GNR 2008-39 C | | 09/16/2014 | PRINCIPAL RECEIPT | | 13,420 | 13,420 | 14,492 | 14,038 | | (618) | | (618) | | 13,420 | | | | 476 | 03/16/2034 | 1 |
| 36296R-3Q-8 | GNMA POOL 699307 | | 09/15/2014 | PRINCIPAL RECEIPT | | 3,392 | 3,392 | 3,404 | 3,402 | | (10) | | (10) | | 3,392 | | | | 140 | 10/15/2038 | 1 |
| 0599999. Subtotal - Bonds - U.S. Governments | | | | | | 86,833 | 86,833 | 91,409 | 89,525 | | (2,693) | | (2,693) | | 86,833 | | | | 3,195 | XXX | XXX |
| 283734-MB-4 | EL PASO TX | | 08/15/2014 | MATURITY | | 250,000 | 250,000 | 265,455 | 252,499 | | (2,499) | | (2,499) | | 250,000 | | | | 9,025 | 08/15/2014 | 1FE |
| 2499999. Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions | | | | | | 250,000 | 250,000 | 265,455 | 252,499 | | (2,499) | | (2,499) | | 250,000 | | | | 9,025 | XXX | XXX |
| 31419A-2T-3 | FANNIE MAE | | 09/25/2014 | PRINCIPAL RECEIPT | | 8,204 | 8,204 | 8,235 | 8,230 | | (26) | | (26) | | 8,204 | | | | 164 | 01/25/2026 | 1 |
| 31416Y-BX-5 | FANNIE MAE B2753 | | 09/25/2014 | PRINCIPAL RECEIPT | | 7,147 | 7,147 | 7,166 | 7,147 | | (16) | | (16) | | 7,147 | | | | 165 | 04/25/2026 | 1 |
| 31364J-DN-3 | FANNIE MAE FNA 2014-M2 ASQ2 | | 09/25/2014 | PRINCIPAL RECEIPT | | 24,060 | 24,060 | 24,060 | 24,060 | | | | | | 24,060 | | | | 78 | 09/25/2015 | 1 |
| 31364B-V6-4 | FANNIE MAE FNR 2012-113 PB | | 09/25/2014 | PRINCIPAL RECEIPT | | 9,655 | 9,655 | 9,861 | 9,833 | | (177) | | (177) | | 9,655 | | | | 129 | 10/25/2040 | 1 |
| 31364A-NP-7 | FANNIE MAE FNR 2012-139MC | | 09/25/2014 | PRINCIPAL RECEIPT | | 9,847 | 9,847 | 10,066 | 10,043 | | (195) | | (195) | | 9,847 | | | | 132 | 11/25/2042 | 1 |
| 31364B-LF-8 | FANNIE MAE FNR 2012-148 KB | | 09/25/2014 | PRINCIPAL RECEIPT | | 9,416 | 9,416 | 9,616 | 9,592 | | (176) | | (176) | | 9,416 | | | | 127 | 03/25/2042 | 1 |
| 31364B-TP-9 | FANNIE MAE FNR 2012-63 HB | | 09/25/2014 | PRINCIPAL RECEIPT | | 8,391 | 8,391 | 8,549 | 8,535 | | (144) | | (144) | | 8,391 | | | | 112 | 08/25/2041 | 1 |
| 30254Q-AA-0 | FDIC 2013 R1 A | | 09/25/2014 | PRINCIPAL RECEIPT | | 9,094 | 9,094 | 9,083 | 9,084 | | 9 | | 9 | | 9,094 | | | | 67 | 03/25/2033 | 1 |
| 3128K2-C7-2 | FEDERAL HOME LOAN MTG | | 09/15/2014 | PRINCIPAL RECEIPT | | 1,703 | 1,703 | 1,647 | 1,657 | | 46 | | 46 | | 1,703 | | | | 57 | 01/15/2036 | 1 |
| 3128K5-WP-3 | FEDERAL HOME LOAN MTG | | 09/15/2014 | PRINCIPAL RECEIPT | | 99 | 99 | 101 | 101 | | (2) | | (2) | | 99 | | | | 4 | 05/01/2035 | 1 |
| 31297F-JD-6 | FEDERAL HOME LOAN MTG | | 09/15/2014 | PRINCIPAL RECEIPT | | 366 | 366 | 379 | 376 | | (10) | | (10) | | 366 | | | | 15 | 10/15/2034 | 1 |
| 31394Y-H8-0 | FEDERAL HOME LOAN MTG CO | | 09/15/2014 | PRINCIPAL RECEIPT | | 8,189 | 8,189 | 8,097 | 8,157 | | 31 | | 31 | | 8,189 | | | | 270 | 12/15/2032 | 1 |
| 3128H8-CC-2 | FEDERAL HOME LOAN MTG CORP | | 09/15/2014 | PRINCIPAL RECEIPT | | 3,880 | 3,880 | 3,971 | 3,906 | | (26) | | (26) | | 3,880 | | | | 125 | 10/01/2018 | 1 |
| 31401J-D9-6 | FEDERAL NATIONAL MORT ASSOC | | 09/25/2014 | PRINCIPAL RECEIPT | | 1,473 | 1,473 | 1,475 | 1,471 | | 2 | | 2 | | 1,473 | | | | 47 | 07/01/2018 | 1 |
| 31371K-4E-8 | FEDERAL NATIONAL MORTG ASSOC | | 09/25/2014 | PRINCIPAL RECEIPT | | 1,829 | 1,829 | 1,879 | 1,840 | | (3) | | (3) | | 1,837 | | | (8) | 61 | 04/01/2018 | 1 |
| 31385H-3Y-6 | FEDERAL NATIONAL MORTG ASSOC | | 09/25/2014 | PRINCIPAL RECEIPT | | 540 | 540 | 543 | 539 | | | | | | 539 | | | 1 | 22 | 01/01/2017 | 1 |
| 31371L-AP-4 | FEDERAL NATIONAL MORTGAGE | | 09/25/2014 | PRINCIPAL RECEIPT | | 2,168 | 2,168 | 2,205 | 2,175 | | (2) | | (2) | | 2,173 | | | (5) | 56 | 06/25/2018 | 1 |
| 31371L-BH-1 | FEDERAL NATIONAL MORTGAGE | | 09/25/2014 | PRINCIPAL RECEIPT | | 2,524 | 2,524 | 2,555 | 2,530 | | (6) | | (6) | | 2,524 | | | | 68 | 08/01/2018 | 1 |
| 31395L-GU-0 | FNMA | | 09/15/2014 | PRINCIPAL RECEIPT | | 17,464 | 17,464 | 17,374 | 17,419 | | 45 | | 45 | | 17,464 | | | | 589 | 06/15/2033 | 1 |
| 31416R-FA-6 | FNMA 7360 | | 09/25/2014 | PRINCIPAL RECEIPT | | 6,167 | 6,167 | 6,136 | 6,138 | | 29 | | 29 | | 6,167 | | | | 181 | 01/25/2034 | 1 |
| 31417V-PZ-0 | FNMA AC8539 | | 09/25/2014 | PRINCIPAL RECEIPT | | 2,496 | 2,496 | 2,559 | 2,541 | | (45) | | (45) | | 2,496 | | | | 66 | 12/25/2024 | 1 |
| 31417A-VT-3 | FNMA PASS-THRU LNG 30 YEAR | | 09/25/2014 | PRINCIPAL RECEIPT | | 8,631 | 8,631 | 9,090 | 9,095 | | (464) | | (464) | | 8,631 | | | | 197 | 01/01/2042 | 1 |
| 31371N-CJ-2 | FNMA POOL 256673 | | 09/25/2014 | PRINCIPAL RECEIPT | | 2,302 | 2,302 | 2,312 | 2,310 | | (8) | | (8) | | 2,302 | | | | 82 | 04/25/2037 | 1 |
| 31371N-QN-8 | FNMA POOL 257061 | | 09/25/2014 | PRINCIPAL RECEIPT | | 966 | 966 | 962 | 962 | | 4 | | 4 | | 966 | | | | 32 | 01/25/2023 | 1 |
| 31402C-VZ-2 | FNMA POOL 725232 | | 09/25/2014 | PRINCIPAL RECEIPT | | 2,159 | 2,159 | 2,106 | 2,117 | | 42 | | 42 | | 2,159 | | | | 72 | 03/01/2034 | 1 |
| 31402D-NP-2 | FNMA POOL 725866 | | 09/25/2014 | PRINCIPAL RECEIPT | | 2,782 | 2,782 | 2,702 | 2,720 | | 62 | | 62 | | 2,782 | | | | 83 | 09/25/2034 | 1 |
| 31403C-6L-0 | FNMA POOL 745275 | | 09/25/2014 | PRINCIPAL RECEIPT | | 2,598 | 2,598 | 2,593 | 2,593 | | 5 | | 5 | | 2,598 | | | | 87 | 02/25/2036 | 1 |
| 31403J-SA-5 | FNMA POOL 750313 | | 09/25/2014 | PRINCIPAL RECEIPT | | 190 | 190 | 193 | 192 | | (2) | | (2) | | 190 | | | | 7 | 11/25/2033 | 1 |
| 31403K-G9-8 | FNMA POOL 750924 | | 09/25/2014 | PRINCIPAL RECEIPT | | 2,823 | 2,823 | 2,724 | 2,784 | | 38 | | 38 | | 2,823 | | | | 74 | 10/01/2018 | 1 |
| 31403K-VS-9 | FNMA POOL 751325 | | 09/25/2014 | PRINCIPAL RECEIPT | | 297 | 297 | 307 | 304 | | (7) | | (7) | | 297 | | | | 11 | 03/01/2034 | 1 |
| 31405J-H4-9 | FNMA POOL 790551 | | 09/25/2014 | PRINCIPAL RECEIPT | | 191 | 191 | 194 | 193 | | (2) | | (2) | | 191 | | | | 7 | 09/25/2034 | 1 |
| 31405M-L8-8 | FNMA POOL 793351 | | 09/25/2014 | PRINCIPAL RECEIPT | | 2,908 | 2,908 | 3,017 | 3,011 | | (103) | | (103) | | 2,908 | | | | 110 | 08/01/2034 | 1 |
| 31405S-KJ-2 | FNMA POOL 797797 | | 09/25/2014 | PRINCIPAL RECEIPT | | 2,637 | 2,637 | 2,713 | 2,706 | | (69) | | (69) | | 2,637 | | | | 105 | 04/25/2035 | 1 |
| 31409X-NI-2 | FNMA POOL 881602 | | 09/25/2014 | PRINCIPAL RECEIPT | | 4,838 | 4,838 | 4,911 | 4,896 | | (58) | | (58) | | 4,838 | | | | 210 | 02/25/2036 | 1 |
| 31410E-SV-6 | FNMA POOL 887460 | | 09/25/2014 | PRINCIPAL RECEIPT | | 4,125 | 4,125 | 4,232 | 4,218 | | (92) | | (92) | | 4,125 | | | | 184 | 09/25/2036 | 1 |
| 31410G-PR-8 | FNMA POOL 888832 | | 09/25/2014 | PRINCIPAL RECEIPT | | 4,003 | 4,003 | 4,101 | 4,087 | | (84) | | (84) | | 4,003 | | | | 175 | 11/25/2037 | 1 |
| 31416R-HJ-5 | FNMA POOL AA7432 | | 09/25/2014 | PRINCIPAL RECEIPT | | 6,110 | 6,110 | 6,096 | 6,095 | | 15 | | 15 | | 6,110 | | | | 180 | 06/25/2039 | 1 |
| 3136AB-PT-4 | FNMA REMIC TRUST 2013-M1 | | 09/25/2014 | PRINCIPAL RECEIPT | | 27,113 | 27,113 | 26,977 | 27,001 | | 112 | | 112 | | 27,113 | | | | 237 | 11/25/2016 | 1 |
| 3136AE-GM-3 | FNMA REMIC TRUST 2013-M7 | | 09/25/2014 | PRINCIPAL RECEIPT | | 775 | 775 | 783 | 782 | | (7) | | (7) | | 775 | | | | 7 | 03/25/2018 | 1 |
| 31294N-S2-6 | FREDDIE MAC | | 09/15/2014 | PRINCIPAL RECEIPT | | 15,193 | 15,193 | 15,887 | 15,839 | | (645) | | (645) | | 15,193 | | | | 263 | 11/15/2027 | 1 |
| 3132GQ-CG-8 | FREDDIE MAC | | 09/15/2014 | PRINCIPAL RECEIPT | | 4,196 | 4,196 | 4,361 | 4,351 | | (154) | | (154) | | 4,196 | | | | 122 | 08/15/2041 | 1 |
| 3129MM-KR-3 | FREDDIE MAC 18303 | | 09/15/2014 | PRINCIPAL RECEIPT | | 2,632 | 2,632 | 2,682 | 2,666 | | (34) | | (34) | | 2,632 | | | | 80 | 03/15/2024 | 1 |
| 3137A9-YB-6 | FREDDIE MAC 3838 AE | | 09/15/2014 | PRINCIPAL RECEIPT | | 9,525 | 9,525 | 9,692 | 9,630 | | (105) | | (105) | | 9,525 | | | | 159 | 11/15/2018 | 1 |
| 3137AT-6B-3 | FREDDIE MAC 4098 HA | | 09/15/2014 | PRINCIPAL RECEIPT | | 11,533 | 11,533 | 11,677 | 11,657 | | (124) | | (124) | | 11,533 | | | | 156 | 07/15/2042 | 1 |
| 3137AU-L2-3 | FREDDIE MAC 4102 CH | | 09/15/2014 | PRINCIPAL RECEIPT | | 15,073 | 15,073 | 15,417 | 15,354 | | (281) | | (281) | | 15,073 | | | | 205 | 1 | |

STATEMENT AS OF SEPTEMBER 30, 2014 OF THE NATIONAL MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 4

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Change In Book/Adjusted Carrying Value | | | | | 16 | 17 | 18 | 19 | 20 | 21 | 22 | |
|--|------------------------------------|---------|---------------|---------------------------|---------------------------|------------------|------------------|------------------|---|--|---|---|---|---|---|--|----------------------------------|-------------------------------|--|----------------------------------|--|------------|
| | | | | | | | | | | 11 | 12 | 13 | 14 | 15 | | | | | | | | |
| CUSIP Identification | Description | Foreign | Disposal Date | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/Adjusted Carrying Value | Unrealized Valuation Increase/(Decrease) | Current Year's (Amortization)/Accretion | Current Year's Other Than Temporary Impairment Recognized | Total Change in Book/Adjusted Carrying Value (11 + 12 - 13) | Total Foreign Exchange Change in Book/Adjusted Carrying Value | Book/Adjusted Carrying Value at Disposal Date | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Bond Interest/Stock Dividends Received During Year | Stated Contractual Maturity Date | NAIC Designation or Market Indicator (a) | |
| 3137AT-GC-0 | FREDDIE MAC FHR 4091TH | | 09/15/2014 | PRINCIPAL RECEIPT | | 13,132 | 13,132 | 13,485 | 13,436 | | (304) | | (304) | | 13,132 | | | | 175 | 05/15/2041 | 1 | |
| 3137AS-VD-3 | FREDDIE MAC FHR 4094 KA | | 09/15/2014 | PRINCIPAL RECEIPT | | 8,722 | 8,722 | 8,805 | 8,804 | | (82) | | (82) | | 8,722 | | | | 102 | 08/15/2041 | 1 | |
| 3137AY-YA-3 | FREDDIE MAC FHR 4170 PE | | 09/15/2014 | PRINCIPAL RECEIPT | | 8,050 | 8,050 | 8,239 | 8,225 | | (175) | | (175) | | 8,050 | | | | 120 | 01/15/2033 | 1 | |
| 3622A2-BN-1 | GNMA PASS-THRU X PLATINUM 15YR | | 09/15/2014 | PRINCIPAL RECEIPT | | 10,318 | 10,318 | 10,883 | 10,883 | | (564) | | (564) | | 10,318 | | | | 243 | 07/15/2027 | 1 | |
| 6288BV-AB-4 | NGN 2010-R1 2A | | 09/01/2014 | PRINCIPAL RECEIPT | | 9,904 | 9,904 | 9,984 | 9,922 | | (18) | | (18) | | 9,904 | | | | 122 | 10/04/2020 | 1FE | |
| 3199999. Subtotal - Bonds - U.S. Special Revenues | | | | | | 331,016 | 331,016 | 335,534 | 311,010 | | (4,042) | | (4,042) | | 331,028 | | (12) | (12) | 6,346 | XXX | XXX | |
| 05949A-5A-4 | BANC OF AMERICA MTG SECS INC | | 09/25/2014 | PRINCIPAL RECEIPT | | 2,489 | 2,489 | 2,534 | 2,516 | | (27) | | (27) | | 2,489 | | | | 91 | 05/25/2035 | 2FM | |
| 06606W-AN-4 | BANK BOSTON HOME EQUITY | | 09/25/2014 | PRINCIPAL RECEIPT | | 21 | 21 | 22 | 22 | | | | | | 21 | | | | 1 | 12/25/2028 | 1FM | |
| 172973-4C-0 | CITICORP MORTGAGE SECURITIES INC | | 09/25/2014 | PRINCIPAL RECEIPT | | 6,891 | 6,891 | 6,581 | 6,676 | | 215 | | 215 | | 6,891 | | | | 256 | 11/25/2035 | 1FM | |
| 12626G-AA-1 | COMM MTG TR 2013-LC13 | | 09/10/2014 | PRINCIPAL RECEIPT | | 7,644 | 7,644 | 7,644 | 7,644 | | | | | | 7,644 | | | | 66 | 08/10/2046 | 1FM | |
| 2324M-AD-3 | COUNTRYWIDE ASSET BACKED CERT | | 09/26/2014 | PRINCIPAL RECEIPT | | 28 | 28 | 19 | 19 | | | | | | 19 | | (19) | (19) | 203 | 01/25/2029 | 6FE | |
| 23243N-AF-5 | COUNTRYWIDE ASSET BACKED CERT | | 09/25/2014 | PRINCIPAL RECEIPT | | 5,936 | 6,513 | 4,469 | 4,469 | | | | | | 4,469 | | 1,467 | 1,467 | 1 | 07/25/2034 | 6FE | |
| 12669G-YP-0 | COUNTRYWIDE HOME LOAN | | 09/25/2014 | PRINCIPAL RECEIPT | | 7,312 | 7,312 | 5,126 | 5,117 | | | | | | 5,117 | | 2,194 | 2,194 | 267 | 05/25/2035 | 6FE | |
| 12665B-BH-2 | CVS CAREMARK CORP | | 09/08/2014 | TENDER | | 21,259 | 18,877 | 20,550 | 19,750 | | (165) | | (165) | | 19,585 | | 1,674 | 1,674 | 543 | 06/01/2017 | 2FE | |
| 12667F-RY-3 | CWALT 2004-22CB | | 09/25/2014 | PRINCIPAL RECEIPT | | 2,285 | 2,285 | 2,276 | 2,285 | | 9 | | 9 | | 2,285 | | | | 89 | 10/25/2034 | 1FM | |
| 33766Q-AA-5 | FIRSTENERGY OHIO SPEC TR 2013 | | 07/15/2014 | PRINCIPAL RECEIPT | | 89,434 | 89,434 | 89,434 | 89,434 | | | | | | 89,434 | | | | 649 | 01/15/2019 | 1FE | |
| 45660N-SZ-4 | INDYMAC MBS INC | | 09/25/2014 | PRINCIPAL RECEIPT | | 9,884 | 9,884 | 10,086 | 9,910 | | (26) | | (26) | | 9,884 | | | | 374 | 12/25/2034 | 2FM | |
| 60687U-AE-7 | MERRILL LYNCH/COUNTRYWIDE COMMERC | | 09/12/2014 | PRINCIPAL RECEIPT | | 2,391 | 2,391 | 2,591 | | | (201) | | (201) | | 2,391 | | | | 31 | 06/12/2046 | 1FE | |
| | | | | CONVERT TO COMMON STOCK | | | | | | | | | | | | | | | | | | |
| 681919-AV-8 | OMNICOM GROUP | | 07/30/2014 | | | 205,977 | 155,000 | 190,026 | 30,592 | | (605) | | (605) | | 189,379 | | 16,599 | 16,599 | 941 | 07/31/2032 | 2FE | |
| 893320-AN-3 | PHM CORP | | 09/01/2014 | MATURITY | | 75,000 | 75,000 | 82,000 | 78,231 | | (3,231) | | (3,231) | | 75,000 | | | | 3,000 | 09/01/2014 | 3FE | |
| 759950-FX-1 | RENAISSANCE HOME EQUITY LOAN | | 09/25/2014 | PRINCIPAL RECEIPT | | 2,154 | 2,154 | 2,154 | 1,937 | 218 | | | 218 | | 2,154 | | | | 64 | 02/25/2036 | 4FM | |
| 86359B-J2-8 | STRUCTURED ASSET SECS CORP | | 09/25/2014 | PRINCIPAL RECEIPT | | 1,249 | 1,249 | 1,294 | 1,249 | | | | | | 1,249 | | | | 46 | 11/25/2034 | 2FM | |
| 929766-YX-5 | WACHOVIA BANK COMMERCIAL MTG TRUST | | 09/15/2014 | PRINCIPAL RECEIPT | | 293,315 | 293,315 | 293,017 | 292,791 | | 525 | | 525 | | 293,315 | | | | 9,380 | 10/15/2041 | 1FM | |
| 929766-7G-2 | WACHOVIA CMB 2005-C21 | | 09/15/2014 | PRINCIPAL RECEIPT | | 2,570 | 2,570 | 2,747 | 2,718 | | (148) | | (148) | | 2,570 | | | | 90 | 10/17/2044 | 1FM | |
| 92928Q-AB-4 | WEA FINANCE LLC | | 07/23/2014 | CALLED | | 170,742 | 150,000 | 149,143 | 149,333 | | 43 | | 43 | | 149,376 | | 21,366 | 21,366 | 4,876 | 05/10/2021 | 1FE | |
| 92937U-AA-6 | WFRBS 2013-C13 A1 | | 09/15/2014 | PRINCIPAL RECEIPT | | 6,398 | 6,398 | 6,398 | 6,398 | | | | | | 6,398 | | | | 33 | 05/15/2045 | 1FM | |
| 8999999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | | | 912,951 | 839,455 | 878,111 | 711,080 | 218 | (3,610) | | (3,393) | | 869,670 | | 43,281 | 43,281 | 21,001 | XXX | XXX | |
| 8399997. Total - Bonds - Part 4 | | | | | | 1,580,800 | 1,507,304 | 1,570,509 | 1,364,115 | 218 | (12,844) | | (12,626) | | 1,537,531 | | 43,269 | 43,269 | 39,566 | XXX | XXX | |
| 8399998. Total - Bonds - Part 5 | | | | | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX |
| 8399999. Total - Bonds | | | | | | 1,580,800 | 1,507,304 | 1,570,509 | 1,364,115 | 218 | (12,844) | | (12,626) | | 1,537,531 | | 43,269 | 43,269 | 39,566 | XXX | XXX | |
| 8999997. Total - Preferred Stocks - Part 4 | | | | | | | XXX | | | | | | | | | | | | | XXX | XXX | |
| 8999998. Total - Preferred Stocks - Part 5 | | | | | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX |
| 8999999. Total - Preferred Stocks | | | | | | | XXX | | | | | | | | | | | | | XXX | XXX | |
| 681919-10-6 | OMNICOM GROUP INC | | 08/01/2014 | CONVERT TO COMMON STOCK | | 0,780 | | 55 | 56 | | | | | 56 | | (1) | (1) | | | | | |
| 9099999. Subtotal - Common Stocks - Industrial and Miscellaneous (Unaffiliated) | | | | | | 55 | XXX | | 56 | | | | | | 56 | | (1) | (1) | | XXX | XXX | |
| 74251T-85-9 | BOND & MORTGAGE SEC R3 FUND | | 07/30/2014 | PRINCIPAL FINANCIAL GROUP | 741,578 | 8,083 | | 7,171 | 7,802 | (714) | | | (714) | | 7,171 | | 913 | 913 | 83 | | | |
| 74251T-31-3 | LARGE CAP S & P 500 INDEX R3 FUND | | 07/30/2014 | PRINCIPAL FINANCIAL GROUP | 692,255 | 9,650 | | 5,615 | 8,992 | (3,378) | | | (3,378) | | 5,615 | | 4,035 | 4,035 | | | | |
| 74253M-51-4 | PRINCIPAL LIFETIME 2020 R3 FUND | | 07/30/2014 | PRINCIPAL FINANCIAL GROUP | 574,585 | 8,481 | | 5,774 | 8,107 | (2,333) | | | (2,333) | | 5,774 | | 2,707 | 2,707 | | | | |
| 74253M-37-3 | PRINCIPAL LIFETIME 2040 R3 FUND | | 07/30/2014 | PRINCIPAL FINANCIAL GROUP | 562,553 | 9,736 | | 5,694 | 8,315 | (2,621) | | | (2,621) | | 5,694 | | 3,043 | 3,043 | | | | |
| 74253M-31-6 | PRINCIPAL LIFETIME 2050 R3 FUND | | 07/30/2014 | PRINCIPAL FINANCIAL GROUP | 583,173 | 8,806 | | 5,658 | 8,363 | (2,704) | | | (2,704) | | 5,658 | | 3,148 | 3,148 | | | | |
| 782493-64-7 | RUSSELL REAL ESTATE SEC E FUND | | 07/30/2014 | PRINCIPAL FINANCIAL GROUP | 1,435 | 62 | | 55 | 51 | 4 | | | 4 | | 55 | | 7 | 7 | 1 | | | |
| 74253J-27-1 | SMALLCAP BLEND R3 FUND | | 07/30/2014 | PRINCIPAL FINANCIAL GROUP | 3,979 | 88 | | 62 | 87 | (24) | | | (24) | | 62 | | 26 | 26 | | | | |
| 922906-20-1 | VANGUARD PRIME MONEY MARKET | | 07/07/2014 | VANGUARD GROUP | 22,600,000 | 22,600 | | 22,600 | | | | | | | 22,600 | | | | | | | |
| 9299999. Subtotal - Common Stocks - Mutual Funds | | | | | | 66,507 | XXX | 52,629 | 41,716 | (11,771) | | | (11,771) | | 52,629 | | 13,878 | 13,878 | 84 | XXX | XXX | |
| 9799997. Total - Common Stocks - Part 4 | | | | | | 66,562 | XXX | 52,685 | 41,716 | (11,771) | | | (11,771) | | 52,685 | | 13,877 | 13,877 | 84 | XXX | XXX | |

E05.1

STATEMENT AS OF SEPTEMBER 30, 2014 OF THE NATIONAL MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 4

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

| 1 CUSIP Ident- ification | 2 Description | 3 For- eign | 4 Disposal Date | 5 Name of Purchaser | 6 Number of Shares of Stock | 7 Consid- eration | 8 Par Value | 9 Actual Cost | 10 Prior Year Book/ Adjusted Carrying Value | Change In Book/Adjusted Carrying Value | | | | | 16 Book/ Adjusted Carrying Value at Disposal Date | 17 Foreign Exchange Gain (Loss) on Disposal | 18 Realized Gain (Loss) on Disposal | 19 Total Gain (Loss) on Disposal | 20 Bond Interest/ Stock Dividends Received During Year | 21 Stated Con- tractual Maturity Date | 22 NAIC Desig- nation or Market In- dicator (a) | | |
|--|------------------|-------------------|-----------------------|---------------------------|--------------------------------------|-------------------------|----------------|---------------------|--|--|--|--|---|---|---|--|---|---|--|--|---|-----|-----|
| | | | | | | | | | | 11 Unrealized Valuation Increase/ (Decrease) | 12 Current Year's (Amor- tization)/ Accretion | 13 Other Than Temporary Impairment Recog- nized | 14 Total Change in Book/ Adjusted Carrying Value (11 + 12 - 13) | 15 Total Foreign Exchange Change in Book /Adjusted Carrying Value | | | | | | | | | |
| 9799998. Total - Common Stocks - Part 5 | | | | | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | | |
| 9799999. Total - Common Stocks | | | | | | 66,562 | XXX | 52,685 | 41,716 | (11,771) | | | (11,771) | | 52,685 | | 13,877 | 13,877 | | 84 | XXX | XXX | |
| 9899999. Total - Preferred and Common Stocks | | | | | | 66,562 | XXX | 52,685 | 41,716 | (11,771) | | | (11,771) | | 52,685 | | 13,877 | 13,877 | | 84 | XXX | XXX | |
| 9999999 - Totals | | | | | | 1,647,362 | XXX | 1,623,194 | 1,405,831 | (11,553) | | (12,844) | | (24,397) | | 1,590,216 | | 57,146 | 57,146 | | 39,651 | XXX | XXX |

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

Schedule DB - Part A - Section 1 - Options, Caps, Floors, Collars, Swaps and Forwards Open

N O N E

Schedule DB - Part B - Section 1 - Futures Contracts Open

N O N E

Schedule DB - Part B - Section 1B - Brokers with whom cash deposits have been made

N O N E

Schedule DB - Part D - Section 1 - Counterparty Exposure for Derivative Instruments Open

N O N E

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged By

N O N E

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged To

N O N E

Schedule DL - Part 1 - Reinvested Collateral Assets Owned

N O N E

Schedule DL - Part 2 - Reinvested Collateral Assets Owned

N O N E

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

| 1 Description | 2 Code | 3 Date Acquired | 4 Rate of Interest | 5 Maturity Date | 6 Book/Adjusted Carrying Value | 7 Amount of Interest Due and Accrued | 8 Amount Received During Year |
|----------------------------------|-----------|--------------------|-----------------------|--------------------|--------------------------------------|--|-------------------------------------|
| NONE | | | | | | | |
| 8699999 - Total Cash Equivalents | | | | | | | |