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ANNUAL STATEMENT

For the Year Ended DECEMBER 31, 2014

OF THE CONDITION AND AFFAIRS OF THE

CENTRAL MUTUAL INSURANCE COMPANY

NAIC Group Code 0036 (Current Period), 0036 (Prior Period) NAIC Company Code 20230 Employer's ID Number 34-4202560

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

Country of Domicile United States of America

Incorporated/Organized 04/17/1876 Commenced Business 10/02/1876

Statutory Home Office 800 SOUTH WASHINGTON STREET (Street and Number), VAN WERT, OH, US 45891-2357 (City or Town, State, Country and Zip Code)

Main Administrative Office 800 SOUTH WASHINGTON STREET (Street and Number)

VAN WERT, OH, US 45891-2357 (City or Town, State, Country and Zip Code) (419)238-1010 (Area Code) (Telephone Number)

Mail Address P.O. BOX 351 (Street and Number or P.O. Box), VAN WERT, OH, US 45891-0351 (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 800 SOUTH WASHINGTON STREET (Street and Number)

VAN WERT, OH, US 45891-2357 (City or Town, State, Country and Zip Code) (419)238-1010 (Area Code) (Telephone Number)

Internet Website Address WWW.CENTRAL-INSURANCE.COM

Statutory Statement Contact THAD RYAN EIKENBARY (Name) (419)238-5551-2437 (Area Code)(Telephone Number)(Extension)

TEIKENBARY@CENTRAL-INSURANCE.COM (E-Mail Address) (419)238-7626 (Fax Number)

OFFICERS

Name	Title
FRANCIS WALWORTH PURMORT III	PRESIDENT
STEPHEN KEITH MOORE	SECRETARY #
THAD RYAN EIKENBARY	TREASURER

OTHERS

JAMES FREDERICK GLASSER, VICE PRESIDENT
CYNTHIA MARIE HURLESS, VICE PRESIDENT
TIMOTHY LEE RAUCH, VICE PRESIDENT
JANET LYNN WHITE, SR. VICE PRESIDENT
TRINTIN CHAD GLEN, CHIEF ACTUARY #
PATRICK JOHN JACKSON, VICE PRESIDENT
JANA LOU RINGWALD, VICE PRESIDENT
JOHN EWING WHITE, VICE PRESIDENT
MICHAEL PATRICK GUTH, SR. VICE PRESIDENT
STEVEN MANSFIELD, VICE PRESIDENT #
TODD EDWARD SIMPSON, VICE PRESIDENT #

DIRECTORS OR TRUSTEES

EDWARD RAY BUHL
RONALD JOSEPH KUTELLA
EDWARD JOSEPH NOONAN
JOSIE LEE COVINGTON II #
DREW PENNINGTON MACONACHY
FRANCIS WALWORTH PURMORT III
THOMAS B KEARNEY
STEPHEN KEITH MOORE #
JANET LYNN WHITE

State of Ohio
County of Van Wert ss

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

(Signature)	(Signature)	(Signature)
FRANCIS WALWORTH PURMORT III	STEPHEN KEITH MOORE	THAD RYAN EIKENBARY
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
PRESIDENT	SECRETARY	TREASURER
(Title)	(Title)	(Title)

Subscribed and sworn to before me this 19th day of February, 2015

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

(Notary Public Signature)

ASSETS

		Current Year			Prior Year
		1	2	3	4
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols.1-2)	Net Admitted Assets
1.	Bonds (Schedule D)	695,609,918		695,609,918	671,458,112
2.	Stocks (Schedule D)				
	2.1 Preferred stocks	38,092,466		38,092,466	30,564,231
	2.2 Common Stocks	355,928,847	2,323,787	353,605,060	305,005,287
3.	Mortgage loans on real estate (Schedule B):				
	3.1 First liens				
	3.2 Other than first liens				
4.	Real estate (Schedule A):				
	4.1 Properties occupied by the company (less $..............0 encumbrances)	45,527,211		45,527,211	47,017,688
	4.2 Properties held for the production of income (less $..............0 encumbrances)	321,115		321,115	301,250
	4.3 Properties held for sale (less $..............0 encumbrances)				
5.	Cash ($....(11,847,930), Schedule E Part 1), cash equivalents ($..............0, Schedule E Part 2) and short-term investments ($......46,887,334, Schedule DA)	35,039,404		35,039,404	21,096,264
6.	Contract loans (including $..............0 premium notes)				
7.	Derivatives (Schedule DB)				
8.	Other invested assets (Schedule BA)	58		58	97
9.	Receivables for securities				992,846
10.	Securities Lending Reinvested Collateral Assets (Schedule DL)				
11.	Aggregate write-ins for invested assets				
12.	Subtotals, cash and invested assets (Lines 1 to 11)	1,170,519,020	2,323,787	1,168,195,233	1,076,435,776
13.	Title plants less $..............0 charged off (for Title insurers only)				
14.	Investment income due and accrued	15,733,318		15,733,318	15,174,061
15.	Premiums and considerations:				
	15.1 Uncollected premiums and agents' balances in the course of collection	26,279,942	261,378	26,018,564	23,345,893
	15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including $.........156,868 earned but unbilled premiums)	114,758,763	18,900	114,739,863	105,891,340
	15.3 Accrued retrospective premiums				
16.	Reinsurance:				
	16.1 Amounts recoverable from reinsurers	510,084		510,084	3,403,529
	16.2 Funds held by or deposited with reinsured companies				
	16.3 Other amounts receivable under reinsurance contracts	5,040,000		5,040,000	5,040,000
17.	Amounts receivable relating to uninsured plans				
18.1	Current federal and foreign income tax recoverable and interest thereon				
18.2	Net deferred tax asset	51,400,434	24,156,883	27,243,551	33,876,814
19.	Guaranty funds receivable or on deposit	120,545		120,545	76,270
20.	Electronic data processing equipment and software	7,073,577	6,701,687	371,890	275,394
21.	Furniture and equipment, including health care delivery assets ($..............0)	492,328	492,328		
22.	Net adjustment in assets and liabilities due to foreign exchange rates				
23.	Receivables from parent, subsidiaries and affiliates				1,000,476
24.	Health care ($..............0) and other amounts receivable				
25.	Aggregate write-ins for other than invested assets	1,584,643	250	1,584,393	1,521,568
26.	TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	1,393,512,655	33,955,213	1,359,557,442	1,266,041,120
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28.	TOTAL (Lines 26 and 27)	1,393,512,655	33,955,213	1,359,557,442	1,266,041,120
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.	PERMANENT TRAVEL ADVANCES	250	250		
2502.	PREPAID PENSION BENEFIT COSTS	12,714,743		12,714,743	13,177,278
2503.	OVERFUNDED PENSION ASSETS	(12,714,743)		(12,714,743)	(13,177,278)
2598.	Summary of remaining write-ins for Line 25 from overflow page	1,584,393		1,584,393	1,521,568
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	1,584,643	250	1,584,393	1,521,568

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Year	2 Prior Year
1.	Losses (Part 2A, Line 35, Column 8)	262,107,653	262,243,502
2.	Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)		
3.	Loss adjustment expenses (Part 2A, Line 35, Column 9)	98,952,782	105,586,622
4.	Commissions payable, contingent commissions and other similar charges	14,208,023	11,839,225
5.	Other expenses (excluding taxes, licenses and fees)	34,092,159	14,747,807
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)	4,846,905	4,343,708
7.1	Current federal and foreign income taxes (including $...............0 on realized capital gains (losses))	7,999,561	366,448
7.2	Net deferred tax liability		
8.	Borrowed money $...............0 and interest thereon $...............0		
9.	Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of $......52,737,185 and including warranty reserves of $...............0 and accrued accident and health experience rating refunds including $...............0 for medical loss ratio rebate per the Public Health Service Act)	243,008,615	223,204,912
10.	Advance premiums	3,342,296	3,171,098
11.	Dividends declared and unpaid:		
	11.1 Stockholders		
	11.2 Policyholders	257,688	273,649
12.	Ceded reinsurance premiums payable (net of ceding commissions)	4,799,188	6,321,912
13.	Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)		
14.	Amounts withheld or retained by company for account of others	10,712,912	8,625,891
15.	Remittances and items not allocated		
16.	Provision for reinsurance (including ($...............0 certified)) (Schedule F, Part 8)		
17.	Net adjustments in assets and liabilities due to foreign exchange rates		
18.	Drafts outstanding		
19.	Payable to parent, subsidiaries and affiliates	2,068,091	
20.	Derivatives	877,255	739,066
21.	Payable for securities	1,060,410	1,222,816
22.	Payable for securities lending		
23.	Liability for amounts held under uninsured plans		
24.	Capital notes $...............0 and interest thereon $...............0		
25.	Aggregate write-ins for liabilities	31,127,890	3,944,597
26.	TOTAL Liabilities excluding protected cell liabilities (Lines 1 through 25)	719,461,428	646,631,253
27.	Protected cell liabilities		
28.	TOTAL Liabilities (Lines 26 and 27)	719,461,428	646,631,253
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)	640,096,008	619,409,852
36.	Less treasury stock, at cost:		
	36.1 ....0 shares common (value included in Line 30 $...............0)		
	36.2 ....0 shares preferred (value included in Line 31 $...............0)		
37.	Surplus as regards policyholders (Lines 29 to 35, minus 36) (Page 4, Line 39)	640,096,008	619,409,852
38.	TOTALS (Page 2, Line 28, Column 3)	1,359,557,436	1,266,041,105
DETAILS OF WRITE-INS			
2501.	Reserve for Bad Faith Claims	100,097	100,097
2502.	Reserve for Escheats	1,532,734	1,866,011
2503.	Reserve - Pension Plan Benefits	29,495,060	1,978,489
2598.	Summary of remaining write-ins for Line 25 from overflow page		
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	31,127,890	3,944,597
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 OF INCOME

		1 Current Year	2 Prior Year
	UNDERWRITING INCOME		
1.	Premiums earned (Part 1, Line 35, Column 4)	427,961,255	387,422,589
DEDUCTIONS			
2.	Losses incurred (Part 2, Line 35, Column 7)	230,133,163	204,271,938
3.	Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	25,968,344	22,084,797
4.	Other underwriting expenses incurred (Part 3, Line 25, Column 2)	144,747,133	133,774,506
5.	Aggregate write-ins for underwriting deductions		
6.	TOTAL Underwriting Deductions (Lines 2 through 5)	400,848,640	360,131,240
7.	Net income of protected cells		
8.	Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7)	27,112,615	27,291,348
	INVESTMENT INCOME		
9.	Net investment income earned (Exhibit of Net Investment Income, Line 17)	31,352,912	30,184,143
10.	Net realized capital gains (losses) less capital gains tax of $.........886,323 (Exhibit of Capital Gains (Losses))	1,646,030	2,859,336
11.	Net investment gain or (loss) (Lines 9 + 10)	32,998,942	33,043,479
	OTHER INCOME		
12.	Net gain or (loss) from agents' or premium balances charged off (amount recovered $..............0 amount charged off $.........476,728)	(476,728)	(550,435)
13.	Finance and service charges not included in premiums	2,146,920	2,244,903
14.	Aggregate write-ins for miscellaneous income	602,073	674,391
15.	TOTAL Other Income (Lines 12 through 14)	2,272,265	2,368,859
16.	Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	62,383,823	62,703,686
17.	Dividends to policyholders	395,725	403,600
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)	61,988,098	62,300,086
19.	Federal and foreign income taxes incurred	11,548,798	(579,797)
20.	Net income (Line 18 minus Line 19) (to Line 22)	50,439,300	62,879,883
	CAPITAL AND SURPLUS ACCOUNT		
21.	Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	619,409,659	510,456,594
22.	Net income (from Line 20)	50,439,300	62,879,883
23.	Net transfers (to) from Protected Cell accounts		
24.	Change in net unrealized capital gains or (losses) less capital gains tax of $.......8,126,868	15,092,755	27,202,150
25.	Change in net unrealized foreign exchange capital gain (loss)		
26.	Change in net deferred income tax	18,785,460	(10,465,342)
27.	Change in nonadmitted assets (Exhibit of Nonadmitted Assets Line 28, Column 3)	(17,275,899)	49,934,572
28.	Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)		
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 (Page 3, Line 36.1 and 36.2, Column 2 minus Column 1)		
37.	Aggregate write-ins for gains and losses in surplus	(46,355,455)	(20,598,198)
38.	Change in surplus as regards policyholders for the year (Lines 22 through 37)	20,686,160	108,953,066
39.	Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	640,095,820	619,409,659
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598.	Summary of remaining write-ins for Line 5 from overflow page		
0599.	TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)		
1401.	Miscellaneous Income	602,073	674,391
1402.			
1403.			
1498.	Summary of remaining write-ins for Line 14 from overflow page		
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	602,073	674,391
3701.	Gains and Losses in Surplus (SSAP's 92 & 102)	(46,355,455)	(20,598,198)
3702.			
3703.			
3798.	Summary of remaining write-ins for Line 37 from overflow page		
3799.	TOTALS (Lines 3701 through 3703 plus 3798) (Lines 37 above)	(46,355,455)	(20,598,198)

CASH FLOW

			1 Current Year	2 Prior Year
		Cash from Operations		
1.	Premiums collected net of reinsurance		433,435,355	392,682,894
2.	Net investment income		35,585,057	34,618,773
3.	Miscellaneous income		2,272,265	2,368,861
4.	TOTAL (Lines 1 through 3)		471,292,677	429,670,528
5.	Benefit and loss related payments		227,375,570	235,400,397
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7.	Commissions, expenses paid and aggregate write-ins for deductions		173,028,533	161,995,187
8.	Dividends paid to policyholders		411,687	464,853
9.	Federal and foreign income taxes paid (recovered) net of $..............0 tax on capital gains (losses)		4,802,008	(315,829)
10.	TOTAL (Lines 5 through 9)		405,617,797	397,544,608
11.	Net cash from operations (Line 4 minus Line 10)		65,674,880	32,125,920
		Cash from Investments		
12.	Proceeds from investments sold, matured or repaid:			
	12.1	Bonds	89,106,092	89,272,485
	12.2	Stocks	21,963,258	37,817,024
	12.3	Mortgage loans		
	12.4	Real estate		
	12.5	Other invested assets		
	12.6	Net gains or (losses) on cash, cash equivalents and short-term investments		
	12.7	Miscellaneous proceeds	871,059	2,510,377
	12.8	TOTAL Investment proceeds (Lines 12.1 to 12.7)	111,940,408	129,599,886
13.	Cost of investments acquired (long-term only):			
	13.1	Bonds	116,057,292	122,352,801
	13.2	Stocks	51,667,255	40,913,033
	13.3	Mortgage loans		
	13.4	Real estate	174,801	16,200
	13.5	Other invested assets	917,178	2,090,000
	13.6	Miscellaneous applications	73,664	2,492,619
	13.7	TOTAL Investments acquired (Lines 13.1 to 13.6)	168,890,189	167,864,653
14.	Net increase (decrease) in contract loans and premium notes			
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)		(56,949,781)	(38,264,767)
		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)	5,218,041	3,491,188
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)		5,218,041	3,491,188
		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)		13,943,141	(2,647,659)
19.	Cash, cash equivalents and short-term investments:			
	19.1	Beginning of year	21,096,265	23,743,924
	19.2	End of year (Line 18 plus Line 19.1)	35,039,405	21,096,265

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

20.0001			

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

	Line of Business	1 Net Premiums Written Per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year - per Column 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year - per Column 5, Part 1A	4 Premiums Earned During Year (Columns 1 + 2 - 3)
1.	Fire	7,155,483	3,831,166	3,785,927	7,200,723
2.	Allied lines	8,186,975	4,343,301	4,508,780	8,021,496
3.	Farmowners multiple peril				
4.	Homeowners multiple peril	111,121,973	58,899,406	62,884,055	107,137,324
5.	Commercial multiple peril	93,378,079	44,854,291	51,124,447	87,107,923
6.	Mortgage guaranty				
8.	Ocean marine				
9.	Inland marine	10,755,686	4,837,233	5,710,730	9,882,189
10.	Financial guaranty				
11.1	Medical professional liability - occurrence				
11.2	Medical professional liability - claims-made				
12.	Earthquake	1,226,674	649,429	701,401	1,174,702
13.	Group accident and health				
14.	Credit accident and health (group and individual)				
15.	Other accident and health				
16.	Workers' compensation	10,822,159	4,613,565	5,376,438	10,059,286
17.1	Other liability - occurrence	18,863,298	10,822,105	12,309,514	17,375,888
17.2	Other liability - claims-made				
17.3	Excess Workers' Compensation				
18.1	Products liability - occurrence	13,672,835	6,046,037	6,984,940	12,733,933
18.2	Products liability - claims-made				
19.1	19.2 Private passenger auto liability	82,510,063	40,950,385	42,645,405	80,815,043
19.3	19.4 Commercial auto liability	21,308,917	10,134,984	11,516,108	19,927,793
21.	Auto physical damage	68,572,409	33,152,077	35,246,798	66,477,688
22.	Aircraft (all perils)				
23.	Fidelity	31,075	17,317	17,254	31,139
24.	Surety	962	485	497	950
26.	Burglary and theft	13,774	8,851	8,587	14,038
27.	Boiler and machinery	117	(237)	(1,261)	1,141
28.	Credit				
29.	International				
30.	Warranty				
31.	Reinsurance-Nonproportional Assumed Property				
32.	Reinsurance-Nonproportional Assumed Liability				
33.	Reinsurance-Nonproportional Assumed Financial Lines				
34.	Aggregate write-ins for other lines of business				
35.	TOTALS	447,620,481	223,160,394	242,819,620	427,961,255
DETAILS OF WRITE-INS					
3401.					
3402.					
3403.					
3498.	Summary of remaining write-ins for Line 34 from overflow page				
3499.	TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)				

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

	Line of Business	1 Amount Unearned (Running One Year or Less From Date of Policy) (a)	2 Amount Unearned (Running More Than One Year From Date of Policy) (a)	3 Earned But Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve For Unearned Premiums Columns 1 + 2 + 3 + 4
1.	Fire	3,974,922		(188,995)		3,785,927
2.	Allied lines	4,508,780				4,508,780
3.	Farmowners multiple peril					
4.	Homeowners multiple peril	62,884,055				62,884,055
5.	Commercial multiple peril	51,124,447				51,124,447
6.	Mortgage guaranty					
8.	Ocean marine					
9.	Inland marine	5,710,730				5,710,730
10.	Financial guaranty					
11.1	Medical professional liability - occurrence					
11.2	Medical professional liability - claims-made					
12.	Earthquake	701,401				701,401
13.	Group accident and health					
14.	Credit accident and health (group and individual)					
15.	Other accident and health					
16.	Workers' compensation	5,376,438				5,376,438
17.1	Other liability - occurrence	12,309,514				12,309,514
17.2	Other liability - claims-made					
17.3	Excess Workers' Compensation					
18.1	Products liability - occurrence	6,984,940				6,984,940
18.2	Products liability - claims-made					
19.1	19.2 Private passenger auto liability	42,645,405				42,645,405
19.3	19.4 Commercial auto liability	11,516,108				11,516,108
21.	Auto physical damage	35,246,798				35,246,798
22.	Aircraft (all perils)					
23.	Fidelity	17,254				17,254
24.	Surety	497				497
26.	Burglary and theft	8,587				8,587
27.	Boiler and machinery	(1,261)				(1,261)
28.	Credit					
29.	International					
30.	Warranty					
31.	Reinsurance-Nonproportional Assumed Property					
32.	Reinsurance-Nonproportional Assumed Liability					
33.	Reinsurance-Nonproportional Assumed Financial Lines					
34.	Aggregate write-ins for other lines of business					
35.	TOTALS	243,008,615		(188,995)		242,819,620
36.	Accrued retrospective premiums based on experience					
37.	Earned but unbilled premiums					188,995
38.	Balance (Sum of Lines 35 through 37)					243,008,615
DETAILS OF WRITE-INS						
3401.						
3402.						
3403.						
3498.	Summary of remaining write-ins for Line 34 from overflow page					
3499.	TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)					

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

	Line of Business	1 Direct Business (a)	Reinsurance Assumed 2 From Affiliates	Reinsurance Assumed 3 From Non-Affiliates	Reinsurance Ceded 4 To Affiliates	Reinsurance Ceded 5 To Non-Affiliates	6 Net Premiums Written Columns 1+2+3-4-5
1.	Fire	9,212,098	78,974	34,658	1,362,949	807,298	7,155,483
2.	Allied lines	10,545,097	133,211	243,675	1,559,424	1,175,585	8,186,975
3.	Farmowners multiple peril						
4.	Homeowners multiple peril	144,285,371		534,770	21,166,090	12,532,077	111,121,973
5.	Commercial multiple peril	109,749,769	19,268,019		17,786,301	17,853,408	93,378,079
6.	Mortgage guaranty						
8.	Ocean marine						
9.	Inland marine	13,874,131	42,180		2,048,703	1,111,922	10,755,686
10.	Financial guaranty						
11.1	Medical professional liability - occurrence						
11.2	Medical professional liability - claims-made						
12.	Earthquake	1,593,342	3,302		233,652	136,318	1,226,674
13.	Group accident and health						
14.	Credit accident and health (group and individual)						
15.	Other accident and health						
16.	Workers' compensation	8,791,993	3,998,471	832,773	2,061,364	739,714	10,822,159
17.1	Other liability - occurrence	29,111,668	43,544		3,593,009	6,698,905	18,863,298
17.2	Other liability - claims-made						
17.3	Excess Workers' Compensation						
18.1	Products liability - occurrence	14,893,164	2,295,202		2,604,350	911,181	13,672,835
18.2	Products liability - claims-made						
19.1	19.2 Private passenger auto liability	100,843,537			15,716,203	2,617,271	82,510,063
19.3	19.4 Commercial auto liability	19,606,564	7,581,625	191,584	4,058,841	2,012,015	21,308,917
21.	Auto physical damage	79,624,282	2,588,049	64,104	13,061,411	642,615	68,572,409
22.	Aircraft (all perils)						
23.	Fidelity	30,834	8,210		5,919	2,050	31,075
24.	Surety	1,209			183	63	962
26.	Burglary and theft	17,875			2,624	1,477	13,774
27.	Boiler and machinery	439,564			22	439,425	117
28.	Credit						
29.	International						
30.	Warranty						
31.	Reinsurance-Nonproportional Assumed Property	X X X					
32.	Reinsurance-Nonproportional Assumed Liability	X X X					
33.	Reinsurance-Nonproportional Assumed Financial Lines	X X X					
34.	Aggregate write-ins for other lines of business						
35.	TOTALS	542,620,498	36,040,787	1,901,564	85,261,044	47,681,324	447,620,481
	DETAILS OF WRITE-INS						
3401.							
3402.							
3403.							
3498.	Summary of remaining write-ins for Line 34 from overflow page						
3499.	TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)						

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

	Line of Business	Losses Paid Less Salvage 1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Columns 1 + 2 - 3)	5 Net Losses Unpaid Current Year (Part 2A, Column 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Columns 4 + 5 - 6)	8 Percentage of Losses Incurred (Column 7, Part 2) to Premiums Earned (Column 4, Part 1)
1.	Fire	4,498,329	16,368	1,426,407	3,088,290	715,979	(18,767)	3,823,035	53.09
2.	Allied lines	6,350,270	113,832	1,669,033	4,795,068	2,121,012	921,605	5,994,475	74.73
3.	Farmowners multiple peril								
4.	Homeowners multiple peril	73,111,040	253,159	12,163,202	61,200,997	16,764,083	16,360,850	61,604,230	57.50
5.	Commercial multiple peril	51,020,717	8,951,241	20,540,993	39,430,965	50,153,402	49,093,096	40,491,270	46.48
6.	Mortgage guaranty								
8.	Ocean marine								
9.	Inland marine	4,156,359	13,340	667,449	3,502,250	1,349,508	(250,339)	5,102,097	51.63
10.	Financial guaranty								
11.1	Medical professional liability - occurrence								
11.2	Medical professional liability - claims-made								
12.	Earthquake								
13.	Group accident and health								
14.	Credit accident and health (group and individual)								
15.	Other accident and health								
16.	Workers' compensation	7,304,478	3,328,462	2,566,458	8,066,482	59,852,836	58,823,492	9,095,826	90.42
17.1	Other liability - occurrence	6,273,377		2,430,933	3,842,444	19,559,036	20,878,445	2,523,035	14.52
17.2	Other liability - claims-made								
17.3	Excess Workers' Compensation								
18.1	Products liability - occurrence	8,768,262	1,167,071	3,001,148	6,934,184	29,965,172	34,147,512	2,751,844	21.61
18.2	Products liability - claims made								
19.1	19.2 Private passenger auto liability	59,380,043	(9,489)	9,938,634	49,431,920	58,170,062	60,550,541	47,051,441	58.22
19.3	19.4 Commercial auto liability	8,442,908	3,243,503	2,273,544	9,412,867	19,902,493	23,737,084	5,578,277	27.99
21.	Auto physical damage	46,803,636	1,750,191	7,998,124	40,555,704	3,554,070	(2,000,023)	46,109,796	69.36
22.	Aircraft (all perils)								
23.	Fidelity	6,353		1,017	5,336			5,336	17.14
24.	Surety								
26.	Burglary and theft			0	0			0	0.00
27.	Boiler and machinery	12,589		10,084	2,505		6	2,499	219.04
28.	Credit								
29.	International								
30.	Warranty								
31.	Reinsurance-Nonproportional Assumed Property	XXX							
32.	Reinsurance-Nonproportional Assumed Liability	XXX							
33.	Reinsurance-Nonproportional Assumed Financial Lines	XXX							
34.	Aggregate write-ins for other lines of business								
35.	TOTALS	276,128,361	18,827,678	64,687,027	230,269,012	262,107,653	262,243,502	230,133,163	53.77
	DETAILS OF WRITE-INS								
3401.									
3402.									
3403.									
3498.	Summary of remaining write-ins for Line 34 from overflow page								
3499.	TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)								

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

		Reported Losses				Incurred But Not Reported			8	9
	Line of Business	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excluding Incurred But Not Reported (Columns 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded	Net Losses Unpaid (Columns 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1.	Fire	1,062,299	3,096	590,290	475,104	371,983	3,091	134,200	715,979	194,836
2.	Allied Lines	1,530,183	93,513	596,463	1,027,232	2,767,899	19,906	1,694,025	2,121,012	360,230
3.	Farmowners multiple peril									
4.	Homeowners multiple peril	11,369,534	46,693	2,057,506	9,358,721	9,807,785		2,402,423	16,764,083	5,021,479
5.	Commercial multiple peril	30,735,270	10,198,479	9,603,987	31,329,762	21,765,602	4,630,363	7,572,325	50,153,402	24,967,416
6.	Mortgage guaranty									
8.	Ocean marine									
9.	Inland marine	301,317		48,211	253,106	1,901,223	4,003	808,824	1,349,508	663,989
10.	Financial guaranty									
11.1	Medical professional liability - occurrence									
11.2	Medical professional liability - claims-made									
12.	Earthquake									6
13.	Group accident & health								(a)	
14.	Credit accident & health (group & individual)									
15.	Other accident & health								(a)	
16.	Workers' compensation	29,439,851	15,594,731	15,758,513	29,276,069	33,426,735	8,969,451	11,819,418	59,852,836	12,429,633
17.1	Other liability - occurrence	18,618,246	75,000	9,229,418	9,463,829	23,553,258	101,659	13,559,710	19,559,036	5,615,151
17.2	Other liability - claims-made									
17.3	Excess Workers' Compensation									
18.1	Products liability - occurrence	8,068,399	2,599,900	1,719,024	8,949,275	24,574,870	3,954,632	7,513,605	29,965,172	32,699,976
18.2	Products liability - claims-made									
19.1	19.2 Private passenger auto liability	53,618,463		9,142,627	44,475,836	16,684,061	171	2,990,006	58,170,062	10,975,456
19.3	19.4 Commercial auto liability	11,387,699	5,284,243	3,577,543	13,094,399	6,509,580	2,483,734	2,185,220	19,902,493	4,952,735
21.	Auto physical damage	2,581,078	979,141	815,204	2,745,015	1,115,135	89,331	395,411	3,554,070	1,071,346
22.	Aircraft (all perils)									
23.	Fidelity									6
24.	Surety									
26.	Burglary and theft									
27.	Boiler and machinery									523
28.	Credit									
29.	International									
30.	Warranty									
31.	Reinsurance-Nonproportional Assumed Property	XXX				XXX				
32.	Reinsurance-Nonproportional Assumed Liability	XXX				XXX				
33.	Reinsurance-Nonproportional Assumed Financial Lines	XXX				XXX				
34.	Aggregate write-ins for other lines of business									
35.	TOTALS	168,712,338	34,874,795	53,138,785	150,448,348	142,478,131	20,256,341	51,075,167	262,107,653	98,952,782
DETAILS OF WRITE-INS										
3401.										
3402.										
3403.										
3498.	Summary of remaining write-ins for Line 34 from overflow page									
3499.	TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)									

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct	18,736,395			18,736,395
1.2 Reinsurance assumed	(1,707,975)			(1,707,975)
1.3 Reinsurance ceded	6,604,239			6,604,239
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	10,424,181			10,424,181
2. Commission and brokerage:				
2.1 Direct, excluding contingent		87,605,854		87,605,854
2.2 Reinsurance assumed, excluding contingent		5,201,819		5,201,819
2.3 Reinsurance ceded, excluding contingent		17,806,829		17,806,829
2.4 Contingent - direct		8,088,684		8,088,684
2.5 Contingent - reinsurance assumed		575,707		575,707
2.6 Contingent - reinsurance ceded		1,472,214		1,472,214
2.7 Policy and membership fees				
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)		82,193,021		82,193,021
3. Allowances to manager and agents		585,602		585,602
4. Advertising		34,207		34,207
5. Boards, bureaus and associations	1,021,982	2,492,378		3,514,360
6. Surveys and underwriting reports		4,795,186		4,795,186
7. Audit of assureds' records		197,900		197,900
8. Salary and related items:				
8.1 Salaries	8,080,771	20,691,798	906,218	29,678,787
8.2 Payroll taxes	590,239	1,397,566	61,878	2,049,683
9. Employee relations and welfare	2,450,097	7,240,658	324,490	10,015,244
10. Insurance	59,253	154,836	6,758	220,847
11. Directors' fees	36,128	94,404	4,120	134,652
12. Travel and travel items	492,122	2,999,808	18,441	3,510,371
13. Rent and rent items	804,150	1,941,521	159,649	2,905,320
14. Equipment	805,797	3,148,335	126,326	4,080,458
15. Cost or depreciation of EDP equipment and software	345,085	908,515	39,994	1,293,594
16. Printing and stationery	79,331	300,824	28,168	408,323
17. Postage, telephone and telegraph, exchange and express	454,976	2,004,440	109,000	2,568,416
18. Legal and auditing	85,936	284,891	10,997	381,824
19. TOTALS (Lines 3 to 18)	15,305,866	49,272,870	1,796,038	66,374,774
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of $..........28,864		12,056,486		12,056,486
20.2 Insurance department licenses and fees		603,184		603,184
20.3 Gross guaranty association assessments		71,853		71,853
20.4 All other (excluding federal and foreign income and real estate)		7,372		7,372
20.5 TOTAL taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)		12,738,896		12,738,896
21. Real estate expenses			1,012,389	1,012,389
22. Real estate taxes			301,229	301,229
23. Reimbursements by uninsured plans				
24. Aggregate write-ins for miscellaneous expenses	238,297	542,346	15,301	795,944
25. TOTAL expenses incurred	25,968,344	144,747,133	3,124,958	(a)173,840,435
26. Less unpaid expenses - current year	98,952,781	49,990,596	300,350	149,243,727
27. Add unpaid expenses - prior year	105,586,623	30,655,979	274,760	136,517,362
28. Amounts receivable relating to uninsured plans, prior year				
29. Amounts receivable relating to uninsured plans, current year				
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	32,602,186	125,412,516	3,099,368	161,114,070
DETAILS OF WRITE-INS				
2401. Miscellaneous Expenses	238,297	432,220	15,301	685,818
2402. Donations		110,126		110,126
2403.				
2498. Summary of remaining write-ins for Line 24 from overflow page				
2499. TOTALS (Lines 2401 through 2403 plus 2498) (Line 24 above)	238,297	542,346	15,301	795,944

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

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. Government bonds	(a) 600,813	615,151
1.1	Bonds exempt from U.S. tax	(a) 18,877,292	15,951,831
1.2	Other bonds (unaffiliated)	(a) 8,994,774	8,836,700
1.3	Bonds of affiliates	(a)	
2.1	Preferred stocks (unaffiliated)	(b) 1,891,392	1,937,078
2.11	Preferred stocks of affiliates	(b)	
2.2	Common stocks (unaffiliated)	5,654,193	5,705,914
2.21	Common stocks of affiliates		
3.	Mortgage loans	(c)	
4.	Real estate	(d) 2,459,371	2,459,371
5.	Contract loans		
6.	Cash, cash equivalents and short-term investments	(e) 11,545	12,456
7.	Derivative instruments	(f)	
8.	Other invested assets	17,178	17,178
9.	Aggregate write-ins for investment income	177,868	582,891
10.	TOTAL Gross investment income	38,684,426	36,118,570
11.	Investment expenses		(g) 2,823,729
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g) 301,229
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i) 1,640,700
15.	Aggregate write-ins for deductions from investment income		
16.	TOTAL Deductions (Lines 11 through 15)		4,765,658
17.	Net Investment income (Line 10 minus Line 16)		31,352,912
DETAILS OF WRITE-INS			
0901.	INTEREST EARNED FROM STOP LOSS		405,022
0902.	MISC INTEREST RECD	177,868	177,868
0903.			
0998.	Summary of remaining write-ins for Line 9 from overflow page		
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)	177,868	582,891
1501.			
1502.			
1503.			
1598.	Summary of remaining write-ins for Line 15 from overflow page		
1599.	TOTALS (Lines 1501 through 1503 plus 1598) (Line 15 above)		

(a) Includes $.........129,717 accrual of discount less $.......3,231,179 amortization of premium and less $.........254,734 paid for accrued interest on purchases.
(b) Includes $..........13,690 accrual of discount less $..........37,341 amortization of premium and less $..............0 paid for accrued dividends on purchases.
(c) Includes $...............0 accrual of discount less $...............0 amortization of premium and less $...............0 paid for accrued interest on purchases.
(d) Includes $.......2,459,371 for company's occupancy of its own buildings; and excludes $..............0 interest on encumbrances.
(e) Includes $...............0 accrual of discount less $...............0 amortization of premium and less $..............0 paid for accrued interest on purchases.
(f) Includes $..............0 accrual of discount less $..............0 amortization of premium.
(g) Includes $...............0 investment expenses and $...............0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes $...............0 interest on surplus notes and $..............0 interest on capital notes.
(i) Includes $.......1,640,700 depreciation on real estate and $..............0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds	10,186		10,186		
1.1	Bonds exempt from U.S. tax	258,251		258,251		
1.2	Other bonds (unaffiliated)	33,640		33,640		
1.3	Bonds of affiliates					
2.1	Preferred stocks (unaffiliated)	56,988		56,988	62,500	
2.11	Preferred stocks of affiliates					
2.2	Common stocks (unaffiliated)	3,184,810		3,184,810	13,141,596	
2.21	Common stocks of affiliates				10,097,171	
3.	Mortgage loans					
4.	Real estate	(4,713)		(4,713)		
5.	Contract loans					
6.	Cash, cash equivalents and short-term investments					
7.	Derivative instruments	(89,632)		(89,632)	(81,601)	
8.	Other invested assets		(917,178)	(917,178)	(38)	
9.	Aggregate write-ins for capital gains (losses)					
10.	TOTAL Capital gains (losses)	3,449,531	(917,178)	2,532,353	23,219,628	
DETAILS OF WRITE-INS						
0901.						
0902.						
0903.						
0998.	Summary of remaining write-ins for Line 9 from overflow page					
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)					

EXHIBIT OF NONADMITTED ASSETS

		1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1.	Bonds (Schedule D)			
2.	Stocks (Schedule D):			
	2.1 Preferred stocks			
	2.2 Common stocks	2,323,787	2,228,388	(95,399)
3.	Mortgage loans on real estate (Schedule B):			
	3.1 First liens			
	3.2 Other than first liens			
4.	Real estate (Schedule A):			
	4.1 Properties occupied by the company			
	4.2 Properties held for the production of income			
	4.3 Properties held for sale			
5.	Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			
6.	Contract loans			
7.	Derivatives (Schedule DB)			
8.	Other invested assets (Schedule BA)			
9.	Receivables for securities			
10.	Securities lending reinvested collateral assets (Schedule DL)			
11.	Aggregate write-ins for invested assets			
12.	Subtotals, cash and invested assets (Lines 1 to 11)	2,323,787	2,228,388	(95,399)
13.	Title plants (for Title insurers only)			
14.	Invested income due and accrued			
15.	Premium and considerations:			
	15.1 Uncollected premiums and agents' balances in the course of collection	261,378	292,928	31,550
	15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due	18,900	4,452	(14,448)
	15.3 Accrued retrospective premiums			
16.	Reinsurance:			
	16.1 Amounts recoverable from reinsurers			
	16.2 Funds held by or deposited with reinsured companies			
	16.3 Other amounts receivable under reinsurance contracts			
17.	Amounts receivable relating to uninsured plans			
18.1	Current federal and foreign income tax recoverable and interest thereon			
18.2	Net deferred tax asset	24,156,883	6,865,028	(17,291,855)
19.	Guaranty funds receivable or on deposit			
20.	Electronic data processing equipment and software	6,701,687	6,597,109	(104,579)
21.	Furniture and equipment, including health care delivery assets	492,328	691,160	198,831
22.	Net adjustment in assets and liabilities due to foreign exchange rates			
23.	Receivables from parent, subsidiaries and affiliates			
24.	Health care and other amounts receivable			
25.	Aggregate write-ins for other than invested assets	250	250	
26.	TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	33,955,213	16,679,314	(17,275,899)
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28.	TOTAL (Lines 26 and 27)	33,955,213	16,679,314	(17,275,899)
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.	PERMANENT TRAVEL ADVANCES	250	250	
2502.	PREPAID PENSION BENEFIT COSTS			
2503.	OVERFUNDED PENSION ASSETS			
2598.	Summary of remaining write-ins for Line 25 from overflow page			
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	250	250	

Notes to Financial Statements

1. **Summary of Significant Accounting Policies**

A. Accounting Practices

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

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

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

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

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

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

2. **Accounting Changes and Correction of Errors**
Changes in accounting principle and/or correction of errors – NONE

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

4. **Discontinued Operations**
No operations were discontinued that required reporting.

5. **Investments**
A. Mortgage Loans, including Mezzanine Real Estate Loans - NONE
B. Debt Restructuring - NONE
C. Reverse Mortgages - NONE
D. Loan-Backed Securities:
1. Prepayment assumptions for loan-backed securities and structured securities were obtained from the amortization schedule contained in the official statement. These are based on scheduled loan payments.
2. NONE
3. NONE

Notes to Financial Statements

4. All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss:
   a. The aggregate amount of unrealized losses:
      1. Less than 12 months $19,538
      2. 12 Months or Longer $0
   b. The aggregate related fair values of securities with unrealized losses:
      1. Less than 12 months $1,980,462
      2. 12 Months or Longer $0
5. The security does not meet the criteria per the Company's OTTI procedure to be classified as "other than temporarily impaired".

E. Repurchase Agreements and/or Securities Lending Transactions - NONE

F. Real Estate – NO TRANSACTIONS TO REPORT

G. Investments in low-income housing tax credits (LIHTC) – NONE

H. Restricted Assets:

1. Restricted Assets (including Pledg	1	2	3	4	5	6	7	8	9	10
	Total General Account	G/A Supporting Protected Cell Acct (a)	Total Protected Cell Account	Protected Cell Account (b)	Total (Col. 1+ Col. 3)	Total From Prior Year	Increase/(Decrease) (Col. 5 - Col. 6)	Total Current Year Admitt Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
J. On deposit with states	5,705,884				5,705,884	5,729,039	(23,155)	5,705,884	0.45	0.45

I. Working Capital Finance Investments - NONE

J. Offsetting and Netting of Assets and Liabilities - NONE

K. Structured Notes - NONE

6. <u>Joint Ventures, Partnerships and Limited Liability Companies</u>

A. Central Mutual Insurance Company has no investments in Joint Ventures, Partnerships or Limited Liability companies that exceed 10% of admitted assets.

B. Consumer Agent Portal (CAP) is an LLC formed through an alliance of the IIABA, Trusted Choice, state associations, and insurance carriers, of which Central Mutual Insurance Company is one. The investment is carried on Schedule BA, Other Invested Assets, and valued at book value per CAP financial statements. Due to initial start-up costs, as well as investments in infrastructure and other project costs, the value of the investment has met the criteria of the Company's OTTI procedure, and has subsequently been written down entirely. The current statement value of the investment is zero ($0). Central Mutual Insurance Company has invested $6.607 million in Project CAP since its inception, which has been written down in full. Of that amount, $917 thousand was written down in 2014.

7. <u>Investment Income</u>

A. Due and accrued income was excluded from surplus on the following bases:
All income due and accrued with amounts that are over 90 days past due with the exception of mortgage loans in default.

B. No amount was excluded.

8. <u>Derivative Instruments</u>

Central Mutual Insurance Company's derivatives transacted in 2014 included both covered calls and stock warrants. Both would be subject to market risk, specifically, equity risk, as stock prices or implied volatility of the underlying securities change. These derivatives should have no credit risk. Cash requirements would be minimal, since the vast majority of options written are the sale of covered calls, which is a cash inflow. The warrants would entail cash outflows, but are minimal.

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

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

Notes to Financial Statements

9. Income Taxes

CENTRAL MUTUAL INSURANCE COMPANY
Income Tax Disclosures Required under SSAP 101
AS OF DECEMBER 31, 2014

Note 9 - Income Taxes

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

1.

	December 31, 2014			December 31, 2013			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Gross deferred tax assets	76,782,088	4,628,571	81,410,659	66,458,383	4,364,638	70,823,021	10,323,705	263,934	10,587,638
(b) Statutory valuation allowance adjustments	0	0	0	0	0	0	0	0	0
(c) Adjusted gross deferred tax assets (a1 - 1b)	76,782,088	4,628,571	81,410,659	66,458,383	4,364,638	70,823,021	10,323,705	263,934	10,587,638
(d) Deferred Tax Assets Nonadmitted	24,156,883	0	24,156,883	6,865,028	0	6,865,028	17,291,855	0	17,291,855
(e) Subtotal Net Admitted Defered Tax Asset (1c - 1d)	52,625,205	4,628,571	57,253,776	59,593,355	4,364,638	63,957,993	(6,968,150)	263,934	(6,704,217)
(f) Deferred Tax Liabilities	1,141,500	28,868,725	30,010,225	5,853,880	24,227,298	30,081,179	(4,712,380)	4,641,427	(70,953)
(g) Net admitted deferred tax asset/(Net Deferred Tax Liability) (1e - 1f)	51,483,705	(24,240,154)	27,243,551	53,739,475	(19,862,661)	33,876,814	(2,255,770)	(4,377,493)	(6,633,263)

2.

	December 31, 2014			December 31, 2013			Change		
SSAP 101, paragraphs 11.a., 11.b., and 11.c.:	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks	0	0	0	0	0	0	0	0	0
(b) Adjusted Gross Deferred Tax Assets Expected to be Realized (Excluding The Amount of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	22,614,980	4,628,571	27,243,551	29,512,176	4,364,638	33,876,814	(6,897,197)	263,934	(6,633,263)
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	22,614,980	4,628,571	27,243,551	29,512,176	4,364,638	33,876,814	(6,897,197)	263,934	(6,633,263)
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	XXX	XXX	91,872,085	XXX	XXX	78,376,310	XXX	XXX	13,495,775
(c) Adjusted Gross Deferred Tax Assets (Excluding the Amount of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities	30,010,225	0	30,010,225	30,081,179	0	30,081,179	(70,954)	0	(70,954)
(d) Deferred Tax Assets Admitted as the Result of Application of SSAP No. 101 Total (2(a) + 2(b) + 2(c)	52,625,205	4,628,571	57,253,776	59,593,355	4,364,638	63,957,993	(6,968,151)	263,934	(6,704,217)

3.

	2014 Percentage	2013 Percentage
(a) Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount	1016%	1019%
(b) Amount of Adjusted Capital and Surplus Used to Determine Recovery Period and Threshold Limitation in 2(b)2 Above	612,852,457	585,533,038

4.

	December 31, 2014			December 31, 2013			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Impact of Tax Planning Strategies									
(a) Adjusted Gross DTAs (% of Total Adjusted Gross DTAs)	0.0%	5.7%	5.7%	0.0%	6.2%	6.2%	0.0%	-0.5%	-0.5%
(b) Net Admitted Adjusted Gross DTAs (% of Total Net Admitted Adjusted Gross DTAs)	0.0%	17.0%	17.0%	0.0%	12.9%	12.9%	0.0%	4.1%	4.1%
(c) Does the Company's tax-planning strategies include the use of reinsurance? Yes		No	X						

B. Unrecognized DTLs
Not applicable

Notes to Financial Statements

CENTRAL MUTUAL INSURANCE COMPANY
Income Tax Disclosures Required under SSAP 101
AS OF DECEMBER 31, 2014

Note 9 - Income Taxes (continued)

C. Current Tax and Change in Deferred Tax

1. Current income tax

	2014	2013	Change
(a) Federal	12,435,121	959,845	11,475,276
(b) Foreign	0	0	0
(c) Subtotal	12,435,121	959,845	11,475,276
(d) Federal income tax on net capital gains	0	0	0
(e) Utilization of capital loss carryforward	(18,238,295)	(17,200,259)	(1,038,036)
(f) Other	0	0	0
Federal and foreign income taxes incurred	0	0	10,437,240

2. Deferred income tax

	2014	2013	Change
(a) Ordinary:			
(1) Discounting of unpaid losses	8,984,134	9,191,959	(207,825)
(2) Unearned premium reserve	17,242,872	15,849,437	1,393,435
(3) Non-Qualifying Pension	2,352,618	1,865,032	487,586
(4) SPP Equalization Plan	876,801	672,798	204,003
(5) Post Retirement Expenses	13,544,999	11,399,284	2,145,715
(6) Charitable Contribution Deduction Carryforward	0	327,887	(327,887)
(7) AMT Tax Carryforward Consolidated	20,841,303	5,658,215	15,183,088
(8) Pension Accrual	10,323,271	0	10,323,271
(9) Net operating loss carry-forward	0	18,838,707	(18,838,707)
(10) Tax credit carry-forward			0
(11) Other (including items <5% of total ordinary tax assets)			0
(12) Other assets – nonadmitted	2,616,090	2,655,064	(38,974)
(99) Subtotal	76,782,088	66,458,383	10,323,705
(b) Statutory valuation allowance adjustment			0
(c) Nonadmitted	24,156,883	6,865,028	17,291,855
(d) Admitted ordinary deferred tax assets (2a99-2b-2c)	52,625,205	59,593,355	(6,968,150)
(e) Capital			
(1) Investments - Other than temporary impairments (OTTI)	4,628,571	4,364,638	263,933
(2) Net capital loss carry-forward			0
(3) Real estate			0
(4) Other (including items <5% of total capital tax assets)			0
(99) Subtotal	4,628,571	4,364,638	263,933
(f) Statutory valuation allowance adjustment			0
(g) Nonadmitted			0
(h) Admitted capital deferred tax assets (2e99-2f-2g)	4,628,571	4,364,638	263,933
(i) Admitted deferred tax assets (2d+2h)	57,253,776	63,957,993	(6,704,217)

3. Deferred tax liabilities:

	2014	2013	Change
(a) Ordinary:			
(1) Employee Benefit Trust Fund	0	4,751,364	(4,751,364)
(2) Discount on Salvage and Subrogation	233,397	173,419	59,978
(3) Acquisition Expense - Advanced Premiums	220,655	210,878	9,777
(4) Tax/Book Depreciaiton	687,448	718,219	(30,771)
(5)			0
(6)			0
(7)			0
(99) Subtotal	1,141,500	5,853,880	(4,712,380)
(b) Capital			
(1) Investments - Unrealized capital gains - net	28,868,725	24,227,298	4,641,427
(2)			0
(3)			0
(99) Subtotal	28,868,725	24,227,298	4,641,427
(c) Deferred tax liabilities (3a99+3b99)	30,010,225	30,081,178	(70,953)

4. Net deferred tax assets/liabilities (2i-3c)	27,243,551	40,741,843	(6,633,264)

Notes to Financial Statements

CENTRAL MUTUAL INSURANCE COMPANY
Income Tax Disclosures Required under SSAP 101
AS OF DECEMBER 31, 2014

Note 9 - Income Taxes (continued)

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

The significant items causing a difference between the statutory federal income tax rate and Central Mutual's effective income tax rate are as follows:

	2014	Effective Tax Rate
Provision computed at statutory rate	22,006,046	35.0%
Change in nonadmitted assets	38,974	0.1%
Tax exempt income deduction	(5,576,146)	-8.9%
Proration of tax exempt investment income	1,004,587	1.6%
Disallowed other permanent non-deductible items	103,610	0.2%
Dividends received deduction	(1,121,101)	-1.8%
Other than temporary impairments - OTTI	263,934	0.4%
Accrual adjustment - prior year Foreign Tax	(348,565)	-0.6%
Other	**(18,972,303)**	-30.2%
Totals	(2,600,964)	-4.1%
Federal and foreign income taxes incurred	12,435,121	19.8%
Realized capital gains (losses) tax	0	0.0%
Change in net deferred income taxes	(15,036,085)	-23.9%
	(2,600,964)	-4.1%

Notes to Financial Statements

CENTRAL MUTUAL INSURANCE COMPANY
Income Tax Disclosures Required under SSAP 101
AS OF DECEMBER 31, 2014

Note 9 - Income Taxes (continued)

E. Operating Loss and Tax Credit Carryforwards

(1) At December 31, 2014, the Company had $ in unused operating loss carryforwards available to offset against future taxable income.

(2) The following is income tax expense for 2014 and 2013 that is available for recoupment in the event of future net losses:

Year	Amount
2014	$0
2013	$0

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

F. Consolidated Federal Income Tax Return

(1) The Company's federal income tax return is consolidated with the following entities:

All America Insurance Company
CAFCO, Inc.
Central Insurex Agency
Security Central

(2) The method of allocation among companies is subject to a written agreement, approved by the Board of Directors. It is agreed among the companies that the tax liability of the subsidiaries shall be determined as if each was filing an individual tax return and the amount of tax so determined, if any, shall be paid to Central Mutual Insurance Company, which, in turn, shall be responsible for payment of the total tax liaibility calculated in the consolidated return. In the event the subsidiary produces a tax loss, which is utilized by Central Mutual in the consolidated return to reduce its tax liability, Central Mutual shall pay to the subsidiary the tax cash benefit so utilized in the consolidated tax return.

G. Federal or Foreign Federal Income Tax Loss Contingencies

The Company has no tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

10. Information Concerning Parent, Subsidiaries and Affiliates

A., B, & C. There were no transactions with affiliated companies other than reinsurance transactions and cost allocation transactions that are based on generally accepted accounting principles.

D. At December 31, 2014, Central Mutual Insurance Company reported $2,068,091 as amounts payable to its subsidiary All America Insurance Company. The terms of the settlement require that these amounts be settled within 30 days.

E. No guarantees or undertakings have been taken for the benefit of an affiliate or related party that result in a material contingent exposure for Central Mutual Insurance Company.

F. Central Mutual Insurance Company has an intercompany pooling agreement with its subsidiary All America Insurance Company whereby premiums, losses, underwriting and claims expenses are shared 84%/16% respectively in accordance with the pooling arrangement between the two entities. Investment expenses are allocated based on number of securities held in each company.

G. Central Mutual Insurance Company owns 100% of the shares of All America Insurance Company which is domiciled in the State of Ohio.

H. Central Mutual Insurance Company owns no shares of an upstream company.

I. Central Mutual Insurance Company has no Subsidiary, Controlled or Affiliate companies whose carrying value is equal to or exceeds 10% of admitted assets.

J. Central Mutual Insurance Company did not recognize any impairment write down for its investments in Subsidiary, Controlled or Affiliated companies during the statement period.

K. Central Mutual Insurance Company has no investment in foreign insurance subsidiaries.

L. Central Mutual Insurance Company does not utilize the look-through approach for the valuation of downstream non-insurance entities. Such entities are non-admitted assets.

Notes to Financial Statements

11. Debt

Central Mutual Insurance Company has no debt obligations.

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

A. Defined Benefit Plan

Qualified Pension Plan - Central Mutual Insurance Company sponsors a non-contributory defined benefit pension plan covering substantially all of its employees. A net periodic pension benefit cost of $462,535 was recognized in 2014.

The mortality assumption was updated to the RP2014 Scale MP Non-annuitant mortality for males and females for pre-retirement and the RP2014 Scale MP Annuitant mortality for males and females for post-retirement. The discount rate was also decreased from 5.25% to 4.35%. The plan experienced a net actuarial loss of $27,695,821, comprised of $12,825,222 from the change in the mortality tables, $17,337,956 from the lower discount rate, and $936,337 from demographic changes.

The Company also sponsors a post-retirement medical plan. A net periodic benefit cost of $3,576,599 was recognized in 2014 for this plan.

A summary of assets, obligations and assumptions of the Pension and Other Postretirement Benefit Plans are as follows at December 31, 2014 and 2013 and were estimated by measuring employee data as of December 31 and October 1, respectively.

(1) Change in benefit obligation	Overfunded 2014	Overfunded 2013	Underfunded 2014	Underfunded 2013
a. Pension Benefits				
1. Benefit obligation at beginning of year	$ -	$ -	$ 113,644,260	$ 125,497,955
2. Service cost	-	-	3,280,048	5,189,638
3. Interest cost	-	-	5,859,759	6,614,780
4. Contribution by plan participants	-	-	-	-
5. Actuarial gain (loss)	-	-	(31,099,515)	20,467,098
6. Foreign currency exchange rate changes	-	-	-	-
7. Benefits paid	-	-	(4,083,959)	(4,625,363)
8. Plan amendments	-	-	-	-
9. Business combinations, divestitures, curtailments, settlements and special termination benefits	-	-	-	1,434,348
10 Benefit obligation at end of year	$ -	$ -	$ 149,799,623	$ 113,644,260

b. Postretirement Benefits	Overfunded 2014	Overfunded 2013	Underfunded 2014	Underfunded 2013
1. Benefit obligation at beginning of year	$ -	$ -	$ 36,625,141	$ 30,198,905
2. Service cost	-	-	1,936,687	2,681,967
3. Interest cost	-	-	1,888,984	1,922,691
4. Contribution by plan participants	-	-	-	-
5. Actuarial gain (loss)	-	-	(17,031,415)	12,371,656
6. Foreign currency exchange rate changes	-	-	-	-
7. Benefits paid	-	-	(1,569,204)	(1,503,054)
8. Plan amendments	-	-	-	(16,026,648)
9. Business combinations, divestitures, curtailments, settlements and special termination benefits	-	-	-	31,722,936
10 Benefit obligation at end of year	$ -	$ -	$ 55,913,023	$ 36,625,141

c. Postemployment & Compensated Absences Benefits – NOT APPLICABLE

Notes to Financial Statements

(2) Change in plan assets	Pension Benefits		Postretirment Benefits		Postemployment	
	2014	2013	2014	2013	2014	2013
a. Fair value of plan assets at beginning of year	$ 111,665,771	$100,213,200	$ 14,397,079	$ 13,207,510	$ -	$ -
b. Actual return on plan assets	12,722,751	16,077,934	341,047	(927,069)	-	-
c. Foreign currency exchange rate changes	-	-	-	-	-	-
d. Reporting entity contribution	-	-	1,569,204	6,162,346	-	-
e. Plan participants' contributions	-	-	-	2,175,103	-	-
f. Benefits paid	(4,083,959)	(4,625,363)	(1,569,204)	(6,220,811)	-	-
g. Business combinations, divestitures and settlements	-	-	-	-	-	-
h. Fair value of plan assets at end of year	$ 120,304,563	$111,665,771	$ 14,738,126	$ 14,397,079	$ -	$ -

(3) Funded Status			Pension Benefits		Postretirement Benefits	
Overfunded:			2014	2013	2014	2013
a.	Assets (non-admitted in 2012)					
	1. Prepaid benefit cost	$	12,714,743	13,177,278	-	-
	2. Overfunded plan assets	$	(12,714,743)	(13,177,278)	-	-
	3. Total assets (non-admitted in 2012)	$	-	-	-	-
Underfunded:						
b.	Liabilities recognized					
	1. Accrued benefit cost	$	-	-	-	-
	2. Liability for pension benefits	$	(29,495,060)	(1,978,489)	(41,174,897)	(22,228,062)
	3. Total liabilities recognized	$	(29,495,060)	(1,978,489)	(41,174,897)	(22,228,062)
c.	Unrecognized liabilities	$	-	-	-	-

(4) Components of net periodic benefit cost			Pension Benefits		Postretirement Benefits		Postemployment & Compensated Absence Benefits	
			2014	2013	2014	2013	2014	2013
a.	Service cost	$	3,280,048	4,247,401	1,936,687	2,681,967	-	-
b.	Interest cost		5,859,759	5,301,760	1,888,984	1,922,691	-	-
c.	Expected return on		(9,319,057)	(8,318,064)	(1,100,206)	(1,056,601)	-	-
d.	Transition asset or obligation		389,660	389,660	4,531,848	4,531,848	-	-
e.	Gains and losses		229,991	2,369,134	(1,281,307)	(751,111)	-	-
f	Prior service cost or credit		22,134	29,512	(2,399,407)	(2,399,407)	-	-
g.	Gain or loss recognized due to a settlement or curtailment or measurement date adjustment		-	1,043,018	-	-	-	-
h.	Total net periodic benefit cost	$	462,535	5,062,421	3,576,599	4,929,387	-	-

Notes to Financial Statements

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

			Pension Benefits		Postretirement Benefits	
			2014	2013	2014	2013
a.	Items not yet recognized as a component of net periodic cost - prior year	$	15,155,767	43,524,454	(9,141,619)	(10,951,953)
b.	Net transition asset or obligation recognized		(389,660)	779,321	(4,531,848)	27,191,088
c.	Net prior service cost or credit arising during the period		-	-	-	(16,026,648)
d.	Net prior service cost or credit recognized		(22,134)	(36,890)	2,399,407	2,399,407
e.	Net gain and loss arising during the period		27,695,821	(26,147,452)	17,790,574	(12,504,624)
f.	Net gain and loss recognized		(229,991)	(2,963,666)	1,281,307	751,111
	Adjustment to net (gain) loss		-	-	10,748,852	
g.	Items not yet recognized as a component of net periodic cost - current year	$	42,209,803	15,155,767	18,546,673	(9,141,619)

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

		Pension Benefits		Postretirement Benfits	
		2014	2013	2014	2013
a.	Net transition asset or oblitation	389,661	389,660	4,531,848	4,531,848
b.	Net prior service cost or credit	-	22,134	(2,399,407)	(2,399,407)
c.	Net recognized gains and losses	2,064,629	229,991	202,202	(1,281,307)

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

		Pension Benefits		Postretirement Benfits	
		2014	2013	2014	2013
a.	Net transition asset or oblitation	389,661	779,321	22,659,240	27,191,088
b.	Net prior service cost or credit	-	22,134	(12,332,489)	(14,731,896)
c.	Net recognized gains and losses	41,820,142	14,354,312	8,219,922	(21,600,811)

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

	2013	2014	2013	2014
(a) Weighted-average discount rate	4.25%	5.25%	4.25%	5.25%
(b) Expected long-term rate of return on plan Assets	8.50%	8.50%	8.00%	8.00%
(c) Rate of compensation increase	3.00%	3.00%	N/A	N/A

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

(d) Weighed-average discount rate	5.25%	4.35%	5.25%	4.35%
(e) Rate of compensation increase	5.50% of base plus 20.0% for bonuses	5.50% of base plus 22.0% for bonuses	N/A	N/A

For measurement purposes, an 8.50% annual rate of increase in the per capita cost of covered health care benefits was assumed for 2014. The rate was assumed to decrease gradually to 6.00% for 2020 and remain at that level thereafter.

(9) The amount of the accumulated benefit obligation for defined benefit pension plans was $119,663,685 as of December 31, 2014 and $92,896,805 as of December 31, 2013.

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

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

	1 Percentage Point Increase	1 Percentage Point Decrease
(a) Effect on total of service and interest rate components	$ 1,263,332	$ (972,626)
(b) Effect on postretirement benefit obligation	$ 9,567,903	$ (7,639,264)

Notes to Financial Statements

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

2015	$4,480,169
2016	$4,771,050
2017	$5,099,766
2018	$5,496,124
2019	$5,922,437

The aggregate for five fiscal years thereafter are estimated to be: $36,331,235.

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

2015	$1,666,871
2016	$1,799,072
2017	$1,988,608
2018	$2,152,130
2098	$2,408,823

The aggregate for five fiscal years thereafter are estimated to be: $14,909,475.

(13) The Company does not have any regulatory contribution requirements for 2015, and the Company does not intend to make any voluntary contributions to the defined benefit pension plan. The Company expects to contribute $1,666,871 to the postretirement plan in 2015.

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

(15) There were no alternative methods used to amortize prior service amounts or unrecognized net gains and losses.
(16) There were no substantive commitments used as the basis for accounting for the benefit obligation.
(17) There were no costs of providing special or contractual termination benefits during the period.
(18) There were no significant changes in the benefit obligation or plan assets that are not otherwise apparent in the previous disclosures.
(19) There are no plan assets expected to be returned to the Company during the 12-month period, or operating cycle if longer, that follows the most recent annual statement of financial position presented.

(20)		Pension Benefits 2014	Postretirement Benfits 2014
Accumulated Benefit Obligation	$	119,663,685	-
Projected Benefit Obligation		149,799,623	55,913,023
Fair Value of Plan Assets		120,304,563	14,738,126
Funded Status - (under)/over		(29,495,060)	(41,174,897)

(21) Not applicable

Non-Qualified Pension Plan - Central Mutual Insurance Company also has a non-qualified pension plan to pay benefits to certain employees whose pension benefits under the qualified plan are limited by Sections 415 and 401(a)(17) of the Internal Revenue Code. The non-qualified plan is unfunded and will pay the difference of (1) the benefit determined by the qualified plan formula with no IRC limits applied less (2) the benefit determined by the qualified plan formula after the IRC limits are applied. Central Mutual's share of this liability as of December 31, 2014 is $5,646,284.

B. The Investment Policy of the Plan indicates that the asset structure needs to reflect a proper balance of the Plan's needs for liquidity, stability of value, and diversification along with the risk tolerance of Central Mutual Insurance Company. The asset mix that identifies the company's long-term investment objectives for the Plan lies in five major investment categories each with a permissible range. Those categories are Large Cap Equities (25-50%), Small/Mid Cap Equities (5-15%), International Equities (0-15%), Intermediate-Term Fixed Income (15-40%), and Long-Term Fixed Income (10-30%). The 12/31/2014 actual asset value mix was 42.02% in Large Cap Equities, 11.25% in Small/Mid Cap Equities, 8.78% in International Equities, 22.76% in Intermediate-Term Fixed Income, and 15.19% in Long-Term Fixed Income.

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

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

Notes to Financial Statements

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

Description of each class of plan assets	(Level 1)	(Level 2)	(Level 3)	Total
Equity Securities (Mutual Funds)	$ 120,304,563			$ 120,304,563
Total Plan Assets	$ 120,304,563			$ 120,304,563

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

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

Description for each class of plan assets	Beginning Balance at 01/01/2014	Transfers into Level 3	Transfers out of Level 3	Return on Assets Still Held	Return on Assets Sold	Purchases	Issuances	Sales	Settlements	Ending Balance a 12/31/201
N/A										
Total Plan Assets										

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

E. Defined Contribution Plans

(1) Qualified Defined-Contribution Plan - Central Mutual Insurance Company has a qualified Savings and Profit Sharing Plan (SPP) for which substantially all employees are eligible. Up to 5% of each employee's savings is matched at 20% by contributions by the company each year. Additionally, 5% of the combined insurance companies' net income before federal income taxes is contributed to the plan each year. Central Mutual Insurance Company's contribution for the plan was $3.447 million for 2014 and $3.482 million for 2013, respectively. At December 31, 2014, the fair value of plan assets was $ 121.6 million.

(2) Non-Qualified Defined-Contribution Plan - Central Mutual Insurance Company also has a non-qualified Savings and Profit Participation Equalization Plan (Plan), which coordinates with the benefits available under the Central Employees' Savings and Profit Participation Plan (SPP), to provide a supplemental savings program for key executive employees who are limited by Sections 401(a)(17), 415, and 402(g) of the Internal Revenue Code. The non-qualified Plan is unfunded and a participant is eligible to defer compensation under the non-qualified Plan only if he has made the maximum elective contributions which are permitted under the qualified SPP Plan. Central Mutual's share of this liability as of December 31, 2014 is $3,004,513.

F. Multiemployer Plans - NONE

G. Consolidated / Holding Company Plans - NONE

H. Post-employment Benefits and Compensated Absences – The Company established a reserve of $41.2 M for its post-employment health care benefit obligations at 12/31/2014.

Notes to Financial Statements

I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)
Central Mutual Insurance Company recognized the impact of Medicare Part D in 2006. It is expected that all retirees will elect to continue coverage with Central Mutual. In 2014, the expected subsidy to Central Mutual for Medicare Part D reduced the statutory reserve by $11,068,460. Additionally, the company would like to disclose the following:

	Including Subsidy	Excluding Subsidy	Total Change	Change due to Retirees
Service Cost	3,172,432	3,783,163	610,731	-
Interest Cost	2,395,962	2,877,440	481,478	206,307
Expected Return on Assets	(1,179,050)	(1,179,050)	-	
Amortization of:			-	
Transition	4,531,848	4,531,848	-	-
Prior Service Cost	(2,399,407)	(2,399,407)	-	-
Gain/Loss	202,202	968,480	766,278	328,340
Net Cost	6,723,987	8,582,474	1,858,487	534,647
Expected Cash Cost	1,666,871	1,857,170	190,299	
Benefit Obligation	55,913,023	66,981,483	11,068,460	

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

(1) Central Mutual Insurance Company is a mutual company with no capital stock outstanding.
(2) Central Mutual Insurance Company has no preferred stock outstanding.
(3) Central Mutual Insurance Company has no restrictions on dividends paid to policyholders.
(4) No ordinary or extraordinary dividends were paid.
(5) None of the Company's profits will be paid as ordinary dividends. There are no stockholders.
(6) There are no restrictions placed on Central Mutual Insurance Company's surplus.
(7) There are no advances on surplus.
(8) There is no stock of affiliated companies held for special purposes.
(9) There are no balances held in special surplus funds.
(10) The portion of unassigned funds (surplus) represented or reduced by each item below is as follows:

(a) Unrealized gains and losses:	$	203,954,316
(b) Nonadmitted asset values	$	33,955,213
(c) Provision for reinsurance	$	0

(11) No surplus debentures or similar obligations exist.
(12) & (13) No quasi-reorganization has taken place.

14. Contingencies

A. Contingent Commitments/Guarantees - Central Mutual Insurance Company has guaranteed three (3) loans made by Citizens National Bank of Bluffton to independent insurance agents representing the company until 12/2019, in the aggregate amount not to exceed (undiscounted) total of $536,985 in the event of a loan default by the independent agents. These loans arose out of merger/acquisition and/or perpetuation activities by the agents. Central Mutual is supporting the agents by guaranteeing the loans. Central Mutual will execute a commercial guaranty in favor of Citizens National Bank of Bluffton for repayment of any unpaid portion of the agent's note if the agent should fail to make repayment. In consideration of Central Mutual's guarantee, the agent grants a lien to Central Mutual against all assets, all present and future accounts receivable, and all policy expiration records of the agent evidenced by a security agreement with the Company. Should Central Mutual make payment to the bank pursuant to the commercial guaranty, the agent will immediately indemnify and hold harmless Central Mutual for any payments and expenses incurred. The ultimate financial statement impact if action under the guarantee is required would be $536,985 and would be recorded as underwriting expense. The agents are current in all payments of principal and interest to the bank. Central Mutual has not recorded liability related to this commercial guarantee since inception and for the year ended December 31, 2014. The loans outstanding total $536,985 as of December 31, 2014.

B. Assessments - It is expected that various insolvencies will result in guaranty fund assessments against the company of $71,853 and have been charged to operations in 2014. A net reduction in premium tax credit of $44,275 was incurred in 2014 to offset premium taxes in multiple states over the next ten years. Various other smaller insolvency assessments are accrued for by the company.

C. Gain Contingencies - NONE

D. Claims related extra contractual obligation and bad faith losses stemming from lawsuits

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

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

Notes to Financial Statements

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

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

Indicate whether claim count information is disclosed per claim or per claimant:
(f) Per Claim [X] (g) Per Claimant [ ]

E. Product Warranties – THE COMPANY DOES NOT OFFER ANY PRODUCT WARRANTIES
F. Joint and Several Liabilities – THE COMPANY DOES NOT HAVE ANY JOINT AND SEVERAL LIABILITY ARRANGEMENTS
G. All Other Contingencies - NONE

15. Leases

A. Lessee Operating Lease

(1) a. Central Mutual Insurance Company leases office space under various noncancelable operating lease agreements that expire through December, 2015. Rental expense for 2014, and 2013 was approximately $ 747,200, and $ 871,408, respectively.

b. Central Mutual Insurance Company leases computer hardware and software under various noncancelable operating lease agreements that expire through December, 2019. Rental expense for 2014 and 2013 was approximately $590,000 and $671,000, respectively.

c. Central Mutual Insurance Company leases automobiles under various noncancelable operating lease agreements that expire through December, 2015. Rental expense for 2014 and 2013 was approximately $274,557 and $296,239, respectively.

(2) a. At January 1, 2015, the minimum aggregate rental commitments are as follows:
(Dollars in thousands)

Year Ending December 31	Operating Leases
1. 2015	$594,000
2. 2016	$590,000
3. 2017	$606,000
4. 2018	$608,000
5. 2019	$554,000
Total	$2,404,000

b. None of the property included above is subleased.

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

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

16. Information About Financial Instruments with Concentration of Credit Risk

NONE

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

A. Transfers of Receivables Reported as Sales - NONE
B. Transfer of Servicing of Financial Assets - NONE
C. Wash Sales - NONE

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

The Company does not offer A&H coverages or provide services as an ASO or ASC plan administrator.

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

Central Mutual Insurance Company does not write business through managing general agents or third party administrators.

Notes to Financial Statements

20. Fair Value Measurements

A. Assets and Liabilities Measured at Fair Value

1. Fair Value Measurements at Reporting Date

DESCRIPTION	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
a. Assets at Fair Market Value				
Preferred Stock				
Industrial & Miscellaneous	32,304,830	6,992,807		39,297,637
Parent, Subsidiaries				-
Total Preferred Stock	32,304,830	6,992,807	-	39,297,637
Bonds				
US Government	31,923,999			31,923,999
US States	16,190,231			16,190,231
US Political Subdivisions	186,984,141			186,984,141
US Special Revenue	374,421,343			374,421,343
Industrial & Miscellaneous	113,395,719			113,395,719
Other	1,980,462			1,980,462
Parent, Subsidiaries	-			-
Total Bonds	724,895,895			724,895,895
Common Stocks				
Industrial & Miscellaneous	218,878,694		28,547	218,907,241
Parent, Subsidiaries			137,021,600	137,021,600
Total Common Stocks	218,878,694		137,050,147	355,928,841
Derivative Assets				
Warrants				
Total Derivative Assets				
Total at Fair Market Value	976,079,419	6,992,807	137,050,147	1,120,122,373
b. Liabilities at Fair Market Value				
Derivative Liabilities	877,255			877,255
Total at Fair Market Value	877,255			877,255
LEVEL 1	Active markets/exchanges			
LEVEL 2	Quoted prices for similar assets in active markets			
LEVEL 3	Valued at book value of the entity as filed with the NAIC			

2. Fair value measurements categorized within Level 3:

	Balance at 01/01/2014	Realized Gain (Loss)	Unrealized Gain (Loss)	Purchases, Issuances, Sales	Transfer In (Out) Level 3	Balance at 12/31/2014
Equity	126,952,976	-	10,097,171	-	-	137,050,147
Separate Account Assets	-	-	-	-	-	
Derivative Assets	-	-	-	-	-	
Derivative Liabilities	-	-	-	-	-	
Total	126,952,976	-	10,097,171	-	-	137,050,147

B. NONE

C. NONE

D. NONE

21. Other Items

A. Extraordinary Items - NONE

B. Troubled Debt Restructuring: NONE

C. Other Disclosures and Unusual Items

1. Assets in the amount of $5,705,884 and $5,729,039 at December 31, 2014 and 2013, respectively, were on deposit with government authorities or trustees as required by law. No assets were maintained as compensating balances or pledged as collateral for bank loans or other financing agreements.
2. At December 31, 2014 and 2013, the company had admitted assets of $140,758,427 and $129,237,233, respectively, in accounts receivable amounts due from agents and insureds. Central Mutual Insurance Company routinely assesses the collectibility of these receivables. Based on Central Mutual's experience, less than 1% of the balance may become uncollectible and the potential loss is not material to Central Mutual's financial condition.

D. Business Interruption Insurance Recoveries – NONE

E. State Transferable Tax Credits – NONE

F. Subprime Mortgage Related Risk Exposure

Notes to Financial Statements

1. Exposures to subprime mortgage related risk in practice
   a. Direct investments in subprime mortgage loans: NONE
   b. Direct investments in securities with underlying subprime exposure, such as residential mortgage backed securities, commercial mortgage backed securities, collateralized debt obligations, structured securities (including principal protected notes), hedge funds, credit default swaps, and special investment vehicles: NONE
   c. Equity investments in subsidiary, controlled or affiliated entities with significant subprime related risk exposure: NONE
   d. Underwriting risk on policies issued for Mortgage Guaranty or Financial Guaranty insurance coverage: NONE

22. Events Subsequent

No subsequent events requiring disclosure occurred.

23. Reinsurance

A. Unsecured Reinsurance Recoverables

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

	NAIC #	FED ID#	Amount
All America Insurance Co.	20222	34-0935740	$ 96,213,000

B. Reinsurance Recoverable in Dispute

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

C. Reinsurance Assumed and Ceded

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

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	$ 16,891,376	2,757,457	$ 46,251,347	$ 8,492,770	$ (29,359,971)	$ (5,735,313)
b. All Other	941,401	114,754	6,449,827	1,868,313	(5,508,427)	(1,753,559)
c. Total	$ 17,832,777	$ 2,872,211	$ 52,701,175	$ 10,361,083	$ (34,868,398)	$ (7,488,872)

d. Direct Unearned Premium Reserve: $277,911,201

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

	REINSURANCE			
	Direct	Assumed	Ceded	Net
a. Contingent Commissions	$ 8,088,684	$ 575,707	$ (5,543,633)	$ 14,208,023
b. Sliding Scale Adjustments	0	0	0	0
c. Other Profit Commission Arrangements	0	0	0	0
d. TOTAL	$ 8,088,684	$ 575,707	$ (5,543,633)	$ 14,208,023

D. Uncollectible Reinsurance - NONE

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

F. Retroactive Reinsurance - No retroactive reinsurance contracts exist.

G. Reinsurance Accounted for as a Deposit – NONE

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

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation - NONE

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

A.-E. Central Mutual Insurance Company does not issue policies that are retrospectively rated or subject to redetermination.

F. Risk Sharing Provisions of the Affordable Care Act (ACA) – N/A

Central Mutual Insurance Company does not write accident and health insurance premium.

Notes to Financial Statements

25. Change to Incurred Losses and Loss Adjustment Expenses

Reserves for incurred losses and loss adjustment expenses attributable to insured events of prior years has decreased by $28.4 million from $367.8 million in 2013 to $339.4 million ($242.8 million in total net losses and expenses unpaid and $96.6 in total net losses and expenses paid) in 2014. To provide further detail, losses & defense and medical cost containment expenses decreased by $30.0 million from $326.3 million in 2013 to $296.3 million ($213.5 million in total net losses and defense & medical cost containment expenses unpaid and $82.8 million in total net losses & defense and medical cost containment expenses paid) in 2014. Adjusting and other expenses increased by $1.6 million from $41.5 million in 2013 to $43.1 million ($29.3 million in total net adjusting and other expenses unpaid and $13.8 million in total net adjusting and other expenses paid) in 2014. Included in this change, Central Mutual Insurance Company experienced $0.0 million of unfavorable (favorable) prior year loss development on retrospectively rated policies. Thus, there was no impact to surplus as a result.

26. Intercompany Pooling Arrangements

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

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

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

27. Structured Settlements

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

28. Health Care Receivables - NONE

29. Participating Policies - NONE

30. Premium Deficiency Reserves –

1. Liability carried for premium deficiency reserves	$0.00
2. Date of the most recent evaluation of this liability	12/31/2014
3. Was anticipated investment income utilized in the calculation?	Yes

31. High Deductibles

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

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

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

33. Asbestos / Environmental Reserves

A. & D. Does Central Mutual Insurance Company have on the books, or has it ever written an insured for which it has been identified as having a potential for the existence of, a liability due to asbestos losses?
Yes(X) No( )

Does Central Mutual Insurance Company have on the books, or has it ever written an insured for which it has been identified as having a potential for the existence of, a liability due to environmental losses?
Yes(X) No( )

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

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

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

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

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

Notes to Financial Statements

(1) Gross of Reinsurance Basis:

	2010	2011	2012	2013	2014
a. Beginning reserves:	$ 14,687,231	$ 12,474,520	$ 14,059,352	$ 17,964,540	$ 12,678,785
b. Incurred losses and loss adjustment expense:	-658,237	1,932,901	4,618,883	-2,964,914	-3,171,990
c. Calendar year payments for losses and loss adjustment expenses:	1,554,456	348,069	713,695	2,321,156	1,127,226
d. Ending reserves:	$ 12,474,520	14,059,352	17,964,540	12,678,470	8,379,569

(2) Net of Reinsurance Basis:

	2010	2011	2012	2013	2014
a. Beginning reserves:	$ 14,055,543	$ 11,721,723	$ 13,088,263	$ 16,411,034	$ 11,374,364
b. Incurred losses and loss adjustment expense:	-905,717	1,741,277	4,042,899	-2,715,513	-2,413,132
c. Calendar year payments for losses and loss adjustment expenses:	1,428,013	374,737	720,128	2,321,157	1,126,974
d. Ending reserves:	$ 11,721,723	13,088,263	16,411,034	11,374,364	7,834,258

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

1. Gross of Reinsurance Basis: $ 6,249,224
2. Net of Reinsurance Basis $ 5,704,227

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

1. Gross of Reinsurance Basis: $ 3,456,597
2. Net of Reinsurance Basis $ 3,156,668

34. Subscriber Savings Accounts - NONE

35. Multiple Peril Crop Insurance – NONE

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

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES
GENERAL

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes[X] No[ ]
If yes, complete Schedule Y, Parts 1, 1A and 2.
1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes[X] No[ ] N/A[ ]
1.3 State Regulating? OHIO

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

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2011
3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2011
3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 02/28/2013
3.4 By what department or departments?
OHIO DEPARTMENT OF INSURANCE
3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes[ ] No[ ] N/A[X]
3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[ ] No[ ] N/A[X]

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

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[ ] No[X]
5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes[ ] No[X]
6.2 If yes, give full information:

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes[ ] No[X]
7.2 If yes,
7.21 State the percentage of foreign control 0.000%
7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact)

1 Nationality	2 Type of Entity

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes[ ] No[X]
8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes[ ] No[X]
8.4 If response to 8.3 is yes, please provide the names and location (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e., the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC) and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC
		Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
PLANTE & MORAN, PLLC 2601 CAMBRIDGE COURT, SUITE 500 AUBURN HILLS, MI 48326-2572

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes[ ] No[X]
10.2 If response to 10.1 is "yes," provide information related to this exemption:
10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes[ ] No[X]
10.4 If response to 10.3 is "yes," provide information related to this exemption:
10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes[X] No[ ] N/A[ ]
10.6 If the response to 10.5 is "NO" or "N/A" please explain:

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
T. CHAD GLENN, FCAS, MAAA, CHIEF ACTUARY Central Mutual Insurance Company Van Wert, OH 45891

GENERAL INTERROGATORIES (Continued)

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes[X] No[ ]
12.11 Name of real estate holding company
VENTAS REALTY, NUVEEN REAL ESTATE A, AMERICAN TOWER
12.12 Number of parcels involved 3
12.13 Total book/adjusted carrying value $ 7,977,906
12.2 If yes, provide explanation
REITS ARE HELD AS INCOME PRODUCING BOND INVESTMENTS OR IN MUTUAL FUNDS FOR APPRECIATION & DIVERSIFICATION

13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes[ ] No[ ] N/A[X]
13.3 Have there been any changes made to any of the trust indentures during the year? Yes[ ] No[ ] N/A[X]
13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes[ ] No[ ] N/A[X]

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes[X] No[ ]
a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
c. Compliance with applicable governmental laws, rules and regulations;
d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
e. Accountability for adherence to the code.
14.11 If the response to 14.1 is no, please explain:
14.2 Has the code of ethics for senior managers been amended? Yes[ ] No[X]
14.21 If the response to 14.2 is yes, provide information related to amendment(s).
14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes[ ] No[X]
14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes[ ] No[X]
15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

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

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof? Yes[X] No[ ]

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

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

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes[ ] No[X]

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
20.11 To directors or other officers $ 0
20.12 To stockholders not officers $ 0
20.13 Trustees, supreme or grand (Fraternal only) $ 0
20.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
20.21 To directors or other officers $ 0
20.22 To stockholders not officers $ 0
20.23 Trustees, supreme or grand (Fraternal only) $ 0

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes[ ] No[X]
21.2 If yes, state the amount thereof at December 31 of the current year:
21.21 Rented from others $ 0
21.22 Borrowed from others $ 0
21.23 Leased from others $ 0
21.24 Other $ 0

22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes[ ] No[X]
22.2 If answer is yes:
22.21 Amount paid as losses or risk adjustment $ 0
22.22 Amount paid as expenses $ 0
22.23 Other amounts paid $ 0

23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes[ ] No[X]
23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $ 0

INVESTMENT

24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03) Yes[X] No[ ]
24.02 If no, give full and complete information, relating thereto
24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes[ ] No[ ] N/A[X]
24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. $ 0
24.06 If answer to 24.04 is no, report amount of collateral for other programs. $ 0
24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes[ ] No[ ] N/A[X]

GENERAL INTERROGATORIES (Continued)

24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes[ ] No[ ] N/A[X]

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

24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:

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

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes[ ] No[X]

25.2 If yes, state the amount thereof at December 31 of the current year:

25.21 Subject to repurchase agreements $ 0
25.22 Subject to reverse repurchase agreements $ 0
25.23 Subject to dollar repurchase agreements $ 0
25.24 Subject to reverse dollar repurchase agreements $ 0
25.25 Placed under option agreements $ 0
25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock $ 0
25.27 FHLB Capital Stock $ 0
25.28 On deposit with states $ 0
25.29 On deposit with other regulatory bodies $ 0
25.30 Pledged as collateral - excluding collateral pledged to an FHLB $ 0
25.31 Pledged as collateral to FHLB - including assets backing funding agreements $ 0
25.32 Other $ 0

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes[X] No[ ]

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

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes[ ] No[X]

27.2 If yes, state the amount thereof at December 31 of the current year. $ 0

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

28.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

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

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

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

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes[ ] No[X]

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

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

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

1 Central Registration Depository Number(s)	2 Name	3 Address

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b)(1)])? Yes[X] No[ ]

29.2 If yes, complete the following schedule:

GENERAL INTERROGATORIES (Continued)

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
00888W403	INVESCO CONVERTIBLE A	2,662,537
119804102	BUFFALO SMALL CAP	4,117,834
256206103	DODGE & COX INTL STOCK	5,012,298
256210105	DODGE & COX INCOME	3,956,960
256219106	DODGE & COX STOCK	5,802,924
360802102	FUNDAMENTAL INVESTORS - A	3,627,781
411511306	HARBOR INTERNATIONAL INSTL	4,792,059
56064V205	MAIRS & POWER GROWTH	3,023,731
670678705	NUVEEN REAL ESTATE SEC A	5,782,674
683974109	OPPENHEIMER DEVELOPING MKTS A	2,079,593
74160Q103	PRIMECAP ODYSSEY GROWTH	3,655,683
779562107	T ROWE PRICE NEW HORIZONS	1,894,339
921936209	VANGUARD PRIMECAP ADM	14,808,263
921937843	VANGUARD INTER TERM BOND INDEX SIGNAL	3,899,755
922040100	VANGUARD INSTITUTIONAL INDEX	55,716,917
922908835	VANGUARD MID-CAP INDEX INSTL	15,723,521
92828T707	VIRTUS EMERGING MKTS OPP A	947,915
29.2999 Total		137,504,784

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
INVESCO CONVERTIBLE A	GILEAD SCIENCES	47,926	12/31/2014
BUFFALO SMALL CAP	ALIGN TECHNOLOGY	156,478	09/30/2014
DODGE & COX INTL STOCK	NASPERS LTD	195,480	12/31/2014
DODGE & COX INCOME	BANK OF AMERICA	79,139	12/31/2014
DODGE & COX STOCK	HEWLETT PACKARD	237,920	12/31/2014
FUNDAMENTAL INVESTORS - A	MICROSOFT	130,600	12/31/2014
HARBOR INTERNATIONAL INSTL	ANHEUSER-BUSCH INBEV NV	134,178	12/31/2014
MAIRS & POWER GROWTH	ECOLAB	130,020	12/31/2014
NUVEEN REAL ESTATE SEC A	SIMON PROPERTY GROUP	514,658	12/31/2014
OPPENHEIMER DEVELOPING MKTS A	BAIDU.COM	99,820	12/31/2014
PRIMECAP ODYSSEY GROWTH	AMGEN INC	153,539	12/31/2014
T ROWE PRICE NEW HORIZONS	O'REILLY AUTOMOTIVE	35,992	12/31/2014
VANGUARD PRIMECAP ADM	BIOGEN IDEC	1,081,003	12/31/2014
VANGUARD INTER TERM BOND INDES SIGNAL	US TREASURY NOTE 2.50% 8/2023	132,592	12/31/2014
VANGUARD INSTL INDEX	APPLE INC	1,950,092	12/31/2014
VANGUARD MID-CAP INDEX INSTL	HEALTH CARE REIT	125,788	12/31/2014
VIRTUS EMERGING MKTS OPP A	BRITISH AMERICAN TOBACCO	52,135	12/31/2014

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

		1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1	Bonds	695,609,916	724,895,895	29,285,979
30.2	Preferred stocks	38,092,467	39,297,637	1,205,170
30.3	Totals	733,702,383	764,193,532	30,491,149

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

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes[ ] No[X]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes[ ] No[ ] N/A[X]

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:
EITHER NAIC OR INTERACTIVE DATA CORP PRICES WERE USED

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

32.2 If no, list exceptions:

OTHER

33.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any? $ 1,435,497

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

GENERAL INTERROGATORIES (Continued)

1 Name	2 Amount Paid
INSURANCE SERVICES OFFICE	1,115,890

34.1 Amount of payments for legal expenses, if any? $ 56,833

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

1 Name	2 Amount Paid

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or department of government, if any? $ 68,654

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

1 Name	2 Amount Paid
PROPERTY CASUALTY INSURERS ASSOCIATION OF AMERICA	56,630

GENERAL INTERROGATORIES (Continued)

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes[ ] No[X]
1.2 If yes, indicate premium earned on U.S. business only. $ 0
1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? $ 0
1.31 Reason for excluding:
1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. $ 0
1.5 Indicate total incurred claims on all Medicare Supplement insurance. $ 0
1.6 Individual policies
Most current three years:
1.61 Total premium earned $ 0
1.62 Total incurred claims $ 0
1.63 Number of covered lives 0
All years prior to most current three years:
1.64 Total premium earned $ 0
1.65 Total incurred claims $ 0
1.66 Number of covered lives 0
1.7 Group policies
Most current three years:
1.71 Total premium earned $ 0
1.72 Total incurred claims $ 0
1.73 Number of covered lives 0
All years prior to most current three years:
1.74 Total premium earned $ 0
1.75 Total incurred claims $ 0
1.76 Number of covered lives 0

2. Health Test

		1 Current Year	2 Prior Year
2.1	Premium Numerator		
2.2	Premium Denominator	427,961,255	387,422,589
2.3	Premium Ratio (2.1 / 2.2)		
2.4	Reserve Numerator		
2.5	Reserve Denominator	604,069,050	591,035,037
2.6	Reserve Ratio (2.4 / 2.5)		

3.1 Does the reporting entity issue both participating and non-participating policies? Yes[ ] No[X]
3.2 If yes, state the amount of calendar year premiums written on:
3.21 Participating policies $ 0
3.22 Non-participating policies $ 0

4. For Mutual reporting entities and Reciprocal Exchanges only:
4.1 Does the reporting entity issue assessable policies? Yes[ ] No[X] N/A[ ]
4.2 Does the reporting entity issue non-assessable policies? Yes[X] No[ ] N/A[ ]
4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? 0%
4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. $ 0

5. For Reciprocal Exchanges Only:
5.1 Does the exchange appoint local agents? Yes[ ] No[ ] N/A[X]
5.2 If yes, is the commission paid:
5.21 Out of Attorney's-in-fact compensation Yes[ ] No[ ] N/A[X]
5.22 As a direct expense of the exchange Yes[ ] No[ ] N/A[X]
5.3 What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?
5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions been deferred? Yes[ ] No[ ] N/A[X]
5.5 If yes, give full information:

6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss:
THE COMPANY HAS A CASUATLY EXCESS REINSURANCE PROGRAM
6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:
THE CATALYST CATASTROPHE RISK ANALYSIS AND IRAS HURRICANE MODELS ARE RUN ANNUALLY
6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss:
THE COMPANY HAS PURCHASED CATASTROPHE REINSURANCE COVERAGE
6.4 Does the reporting entity carry catastrophic reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? Yes[X] No[ ]
6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to unreinsured catastrophic loss

7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)? Yes[ ] No[X]
7.2 If yes, indicate the number of reinsurance contracts containing such provisions. 0
7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)? Yes[ ] No[ ] N/A[X]

8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured? Yes[ ] No[X]
8.2 If yes, give full information.

9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;

GENERAL INTERROGATORIES (Continued)

(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
(c) Aggregate stop loss reinsurance coverage;
(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity. Yes[ ] No[X]

9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:
(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract. Yes[ ] No[X]

9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:
(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income.
(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.

9.4 Except for transactions meeting the requirements of paragraph 31 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? Yes[ ] No[X]

9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (section D) why the contract(s) is treated differently for GAAP and SAP.

9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
(a) The entity does not utilize reinsurance; or Yes[ ] No[X]
(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or Yes[ ] No[X]
(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. Yes[ ] No[X]

10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes[ ] No[ ] N/A[X]

11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force? Yes[ ] No[X]
11.2 If yes, give full information:

12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:
12.11 Unpaid losses $ 0
12.12 Unpaid underwriting expenses (including loss adjustment expenses) $ 0
12.2 Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds. $ 0
12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes[ ] No[X] N/A[ ]
12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
12.41 From 0.000%
12.42 To 0.000%
12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? Yes[ ] No[X]
12.6 If yes, state the amount thereof at December 31 of current year:
12.61 Letters of Credit $ 0
12.62 Collateral and other funds $ 0

13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): $ 1,500,000
13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes[ ] No[X]
13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount. 10

14.1 Is the company a cedant in a multiple cedant reinsurance contract? Yes[ ] No[X]
14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants
14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes[ ] No[ ] N/A[X]
14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? Yes[ ] No[ ] N/A[X]
14.5 If the answer to 14.4 is no, please explain

15.1 Has the reporting entity guaranteed any financed premium accounts? Yes[ ] No[X]
15.2 If yes, give full information:

16.1 Does the reporting entity write any warranty business? Yes[ ] No[X]
If yes, disclose the following information for each of the following types of warranty coverage:

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

* Disclose type of coverage:

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F - Part 3 that it excludes from Schedule F - Part 5? Yes[ ] No[X]
Incurred but not reported losses on contracts in force prior to July 1, 1984 and not subsequently renewed are exempt from inclusion in Schedule F - Part 5. Provide the following information for this exemption.
17.11 Gross amount of unauthorized reinsurance in Schedule F - Part 3 excluded from Schedule F - Part 5 $ 0
17.12 Unfunded portion of Interrogatory 17.11 $ 0

GENERAL INTERROGATORIES (Continued)

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

FIVE - YEAR HISTORICAL DATA

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

		1 2014	2 2013	3 2012	4 2011	5 2010
	Gross Premiums Written (Page 8, Part 1B, Columns 1, 2 & 3)					
1.	Liability Lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2, & 19.3, 19.4)	188,190,125	172,346,086	165,742,143	169,558,702	196,944,548
2.	Property Lines (Lines 1, 2, 9, 12, 21, & 26)	118,054,978	111,395,728	106,159,138	105,440,867	111,980,352
3.	Property and Liability Combined Lines (Lines 3, 4, 5, 8, 22 & 27)	274,277,493	249,773,841	228,347,146	223,924,467	246,536,746
4.	All Other Lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	40,253	39,385	36,412	35,328	22,775
5.	Nonproportional Reinsurance Lines (Lines 31, 32, & 33)					
6.	TOTAL (Line 35)	580,562,849	533,555,040	500,284,839	498,959,364	555,484,420
	Net Premiums Written (Page 8, Part 1B, Column 6)					
7.	Liability Lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1,19.2 & 19.3,19.4)	147,177,273	135,356,416	129,301,608	132,839,355	153,453,393
8.	Property Lines (Lines 1, 2, 9, 12, 21 & 26)	95,911,002	89,168,499	83,858,632	84,484,214	89,032,905
9.	Property and Liability Combined Lines (Lines 3, 4, 5, 8, 22 & 27)	204,500,169	177,698,201	156,671,869	158,573,473	170,540,120
10.	All Other Lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	32,037	30,871	27,911	27,042	17,774
11.	Non-proportional Reinsurance Lines (Lines 31, 32 & 33)					
12.	TOTAL (Line 35)	447,620,481	402,253,987	369,860,019	375,924,084	413,044,193
	Statement of Income (Page 4)					
13.	Net underwriting gain or (loss) (Line 8)	27,112,615	27,291,348	(13,130,211)	(38,528,476)	(73,387,987)
14.	Net investment gain or (loss) (Line 11)	32,998,942	33,043,479	32,905,092	35,875,586	38,979,379
15.	TOTAL other income (Line 15)	2,272,265	2,368,859	2,501,110	2,409,727	2,851,435
16.	Dividends to policyholders (Line 17)	395,725	403,600	224,863	1,748,281	2,031,743
17.	Federal and foreign income taxes incurred (Line 19)	11,548,798	(579,797)	(931,542)	925,276	388,096
18.	Net income (Line 20)	50,439,300	62,879,883	22,982,670	(2,916,720)	(33,977,012)
	Balance Sheet Lines (Pages 2 and 3)					
19.	TOTAL admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	1,359,557,442	1,266,041,120	1,184,196,877	1,163,050,335	1,240,416,746
20.	Premiums and considerations (Page 2, Column 3)					
	20.1 In course of collection (Line 15.1)	26,018,564	23,345,893	23,709,400	28,566,347	29,604,890
	20.2 Deferred and not yet due (Line 15.2)	114,739,863	105,891,340	97,012,813	94,574,465	103,241,556
	20.3 Accrued retrospective premiums (Line 15.3)					
21.	TOTAL liabilities excluding protected cell business (Page 3, Line 26)	719,461,428	646,631,253	673,740,060	705,226,894	772,737,824
22.	Losses (Page 3, Line 1)	262,107,653	262,243,502	294,071,113	329,428,543	366,152,586
23.	Loss adjustment expenses (Page 3, Line 3)	98,952,782	105,586,622	118,880,734	122,426,684	136,231,289
24.	Unearned premiums (Page 3, Line 9)	243,008,615	223,204,912	208,328,995	207,418,217	225,620,506
25.	Capital paid up (Page 3, Lines 30 & 31)					
26.	Surplus as regards policyholders (Page 3, Line 37)	640,096,008	619,409,852	510,456,804	457,823,424	467,678,931
	Cash Flow (Page 5)					
27.	Net cash from operations (Line 11)	65,674,880	32,125,920	(484,592)	(53,810,497)	(9,599,522)
	Risk-Based Capital Analysis					
28.	TOTAL adjusted capital	640,096,008	619,409,852	510,456,804	457,823,424	467,678,931
29.	Authorized control level risk-based capital	60,347,367	57,482,707	58,325,260	59,541,864	55,684,607
	Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Column 3) (Item divided by Page 2, Line 12, Column 3) x 100.0					
30.	Bonds (Line 1)	59.5	62.4	64.3	68.4	68.5
31.	Stocks (Lines 2.1 & 2.2)	33.5	31.2	28.2	25.9	24.9
32.	Mortgage loans on real estate (Lines 3.1 and 3.2)					
33.	Real estate (Lines 4.1, 4.2 & 4.3)	3.9	4.4	4.9	5.2	5.0
34.	Cash, cash equivalents and short-term investments (Line 5)	3.0	2.0	2.4	0.5	1.6
35.	Contract loans (Line 6)					
36.	Derivatives (Line 7)			0.0		
37.	Other invested assets (Line 8)	0.0	0.0	0.2	0.1	
38.	Receivables for securities (Line 9)		0.1			
39.	Securities lending reinvested collateral assets (Line 10)					
40.	Aggregate write-ins for invested assets (Line 11)					
41.	Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
	Investments in Parent, Subsidiaries and Affiliates					
42.	Affiliated bonds, (Schedule D, Summary, Line 12, Column 1)					
43.	Affiliated preferred stocks (Schedule D, Summary, Line 18, Column 1)					
44.	Affiliated common stocks (Schedule D, Summary, Line 24, Column 1)	137,021,600	126,924,429	116,121,815	109,982,405	100,467,312
45.	Affiliated short-term investments (subtotals included in Schedule DA Verification, Column 5, Line 10)					
46.	Affiliated mortgage loans on real estate					
47.	All other affiliated					
48.	TOTAL of above Lines 42 to 47	137,021,600	126,924,429	116,121,815	109,982,405	100,467,312
49.	TOTAL investment in parent included in Lines 42 to 47 above					
50.	Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Column 1, Line 37 x 100.0)	21.4	20.5	22.7	24.0	21.5

FIVE - YEAR HISTORICAL DATA (Continued)

		1 2014	2 2013	3 2012	4 2011	5 2010
Capital and Surplus Accounts (Page 4)						
51.	Net unrealized capital gains or (Losses) (Line 24)	15,092,755	27,202,150	10,729,717	(3,156,319)	(210,250)
52.	Dividends to stockholders (Line 35)					
53.	Change in surplus as regards policyholders for the year (Line 38)	20,686,160	108,953,066	52,633,380	(9,855,689)	(32,928,132)
Gross Losses Paid (Page 9, Part 2, Columns 1 and 2)						
54.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1,19.2 & 19.3,19.4)	97,898,614	101,808,388	104,245,314	113,530,694	138,803,605
55.	Property lines (Lines 1, 2, 9, 12, 21 & 26)	63,702,325	57,940,177	61,471,562	69,693,134	67,673,638
56.	Property and liability combined lines (Lines 3, 4, 5, 8, 22, & 27)	133,348,746	132,718,119	167,168,628	231,680,309	206,362,334
57.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	6,353				(127)
58.	Nonproportional reinsurance lines (Lines 31, 32 & 33)					
59.	TOTAL (Line 35)	294,956,038	292,466,683	332,885,504	414,904,137	412,839,450
Net Losses Paid (Page 9, Part 2, Column 4)						
60.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1,19.2 & 19.3,19.4)	77,687,897	79,595,213	86,013,196	93,596,360	106,244,907
61.	Property lines (Lines 1, 2, 9, 12, 21 & 26)	51,941,311	48,623,249	50,522,323	56,179,346	54,887,659
62.	Property and liability combined lines (Lines 3, 4, 5, 8, 22, & 27)	100,634,466	107,881,086	127,301,005	175,248,255	150,615,067
63.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30, & 34)	5,336				(107)
64.	Nonproportional reinsurance lines (Lines 31, 32 & 33)					
65.	TOTAL (Line 35)	230,269,012	236,099,549	263,836,524	325,023,961	311,747,526
Operating Percentages (Page 4)						
(Item divided by Page 4, Line 1) x 100.0						
66.	Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67.	Losses incurred (Line 2)	53.8	52.7	61.9	73.3	77.4
68.	Loss expenses incurred (Line 3)	6.1	5.7	8.7	6.0	9.2
69.	Other underwriting expenses incurred (Line 4)	33.8	34.5	32.9	30.6	30.6
70.	Net underwriting gain (loss) (Line 8)	6.3	7.0	(3.6)	(9.8)	(16.9)
Other Percentages						
71.	Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Column 6, Line 35 x 100.0)	31.8	32.7	32.1	31.3	31.2
72.	Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	59.8	58.4	70.7	79.3	86.5
73.	Net premiums written to policyholders' surplus (Page 8, Part 1B, Column 6, Line 35 divided by Page 3, Line 37, Column 1 x 100.0)	69.9	64.9	72.5	82.1	88.3
One Year Loss Development (000 omitted)						
74.	Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2 - Summary, Line 12, Column 11)	(22,964)	(36,896)	(22,380)	(46,981)	5,743
75.	Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Column 1 x 100.0)	(3.7)	(7.2)	(4.9)	(10.0)	1.1
Two Year Loss Development (000 omitted)						
76.	Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Column 12)	(67,078)	(70,434)	(64,166)	(33,549)	(16,255)
77.	Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Column 2 x 100.0)	(13.1)	(15.4)	(13.7)	(6.7)	(3.4)

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

If no, please explain::

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

($000 omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	Number of Claims Reported - Direct and Assumed
	Direct and Assumed	Ceded	Net (Columns 1 - 2)	4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded	Salvage and Subrogation Received	Total Net Paid (Columns 4 - 5 + 6 - 7 + 8 - 9)	
1. Prior	X X X	X X X	X X X	1,330	384	505	31	380	7	256	1,793	X X X
2. 2005	457,381	22,571	434,810	234,635	33,763	14,619	30	22,866	0	11,689	238,327	X X X
3. 2006	480,739	25,976	454,763	221,085	6,706	15,988	363	25,095	1	9,619	255,099	X X X
4. 2007	492,164	28,563	463,601	243,644	24,924	14,764	157	26,171	775	11,021	258,723	X X X
5. 2008	492,794	35,906	456,888	358,511	90,260	14,171	213	29,999	3,596	11,531	308,611	X X X
6. 2009	493,692	40,999	452,693	290,316	10,184	12,168	1,185	24,482	205	13,324	315,391	X X X
7. 2010	483,486	50,238	433,248	311,457	23,540	8,874	2	23,384	315	13,067	319,857	X X X
8. 2011	439,211	45,839	393,372	325,201	31,633	6,541	76	21,590	603	11,608	321,019	X X X
9. 2012	420,929	51,980	368,949	236,957	3,777	4,912	0	17,172	122	10,664	255,142	X X X
10. 2013	434,648	47,225	387,423	202,057	11,289	2,130	10	16,251	125	9,490	209,013	X X X
11. 2014	468,912	40,951	427,961	154,824	3,378	502		14,345	42	5,955	166,252	X X X
12. Totals	X X X	X X X	X X X	2,580,017	239,837	95,172	2,068	221,734	5,791	108,224	2,649,226	X X X

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR						
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded	21 Direct and Assumed	22 Ceded	Salvage and Subrogation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstanding Direct and Assumed
1. Prior	23,519	11,612	18,431	4,343			6,479	988	4,563	198		35,852	X X X
2. 2005	2,933	215	4,280	1,066			1,694	200	1,047	82	137	8,392	X X X
3. 2006	5,260	418	4,958	1,147			2,427	323	1,364	69	169	12,052	X X X
4. 2007	7,967	3,621	7,021	2,534			2,837	348	1,961	149	305	13,134	X X X
5. 2008	8,019		7,014	2,047			3,414	354	2,385	162	491	18,269	X X X
6. 2009	7,184	2,640	6,516	1,145			4,232	787	2,294	90	846	15,563	X X X
7. 2010	6,005	32	5,666	1,148			4,371	404	2,210	83	874	16,585	X X X
8. 2011	14,848	241	5,736	1,439			5,325	412	3,124	90	1,374	26,851	X X X
9. 2012	16,870	93	10,383	2,053			8,870	663	4,206	142	2,219	37,378	X X X
10. 2013	26,701	948	19,031	2,772			11,656	814	6,100	264	3,926	58,689	X X X
11. 2014	53,482	2,520	51,513	9,195			14,338	896	12,491	917	8,876	118,297	X X X
12. Totals	172,787	22,339	140,548	28,889			65,643	6,189	41,746	2,247	19,218	361,060	X X X

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense	Inter-Company Pooling Participation Percentage	35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior	X X X	X X X	X X X	X X X	X X X	X X X			X X X	25,995	9,856
2. 2005	282,074	35,355	246,719	61.7	156.6	56.7			84.0	5,933	2,459
3. 2006	276,176	9,026	267,150	57.4	34.7	58.7			84.0	8,653	3,399
4. 2007	304,364	32,508	271,857	61.8	113.8	58.6			84.0	8,832	4,301
5. 2008	423,512	96,632	326,880	85.9	269.1	71.5			84.0	12,986	5,283
6. 2009	347,191	16,237	330,955	70.3	39.6	73.1			84.0	9,915	5,648
7. 2010	361,966	25,524	336,442	74.9	50.8	77.7			84.0	10,491	6,094
8. 2011	382,365	34,495	347,870	87.1	75.3	88.4			84.0	18,904	7,947
9. 2012	299,370	6,850	292,520	71.1	13.2	79.3			84.0	25,107	12,272
10. 2013	283,925	16,223	267,702	65.3	34.4	69.1			84.0	42,012	16,678
11. 2014	301,496	16,948	284,549	64.3	41.4	66.5			84.0	93,281	25,016
12. Totals	X X X	X X X	X X X	X X X	X X X	X X X			X X X	262,108	98,953

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

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END ($000 OMITTED)										DEVELOPMENT	
	1 2005	2 2006	3 2007	4 2008	5 2009	6 2010	7 2011	8 2012	9 2013	10 2014	11 One Year	12 Two Year
1. Prior	208,121	195,395	186,886	186,050	174,294	173,083	169,986	173,648	161,821	163,034	1,213	(10,614)
2. 2005	244,328	233,697	229,488	240,860	230,028	226,872	222,639	227,686	225,336	222,887	(2,450)	(4,799)
3. 2006	XXX	248,976	243,558	243,870	261,666	252,897	245,339	244,041	240,782	240,761	(21)	(3,280)
4. 2007	XXX	XXX	265,120	266,997	261,135	273,023	256,608	251,274	249,955	244,649	(5,306)	(6,625)
5. 2008	XXX	XXX	XXX	319,065	317,580	314,716	321,335	306,821	300,957	298,254	(2,703)	(8,566)
6. 2009	XXX	XXX	XXX	XXX	324,103	333,962	319,349	321,783	310,308	304,475	(5,833)	(17,308)
7. 2010	XXX	XXX	XXX	XXX	XXX	344,392	336,703	329,524	322,710	311,247	(11,463)	(18,277)
8. 2011	XXX	XXX	XXX	XXX	XXX	XXX	335,116	329,918	324,772	323,849	(923)	(6,069)
9. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	262,945	274,103	271,406	(2,697)	8,461
10. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	238,522	245,740	7,218	XXX
11. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	258,672	XXX	XXX
12. TOTALS											(22,964)	(67,078)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END ($000 OMITTED)										11	12
	1 2005	2 2006	3 2007	4 2008	5 2009	6 2010	7 2011	8 2012	9 2013	10 2014	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
1. Prior	000	47,223	76,319	99,466	111,497	120,684	123,725	127,332	130,128	131,548	XXX	XXX
2. 2005	118,963	159,896	179,149	192,878	203,251	207,381	210,065	211,792	214,533	215,461	XXX	XXX
3. 2006	XXX	127,902	170,956	193,543	210,616	219,184	223,153	226,595	228,899	230,005	XXX	XXX
4. 2007	XXX	XXX	131,002	177,536	200,958	216,916	225,435	230,340	232,106	233,327	XXX	XXX
5. 2008	XXX	XXX	XXX	165,966	224,060	251,824	269,450	275,974	280,025	282,208	XXX	XXX
6. 2009	XXX	XXX	XXX	XXX	182,099	244,334	267,050	279,246	286,368	291,115	XXX	XXX
7. 2010	XXX	XXX	XXX	XXX	XXX	197,330	258,566	281,438	291,705	296,789	XXX	XXX
8. 2011	XXX	XXX	XXX	XXX	XXX	XXX	218,397	269,790	289,511	300,032	XXX	XXX
9. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	170,961	220,317	238,092	XXX	XXX
10. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	149,334	192,887	XXX	XXX
11. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	151,949	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END ($000 OMITTED)									
	1 2005	2 2006	3 2007	4 2008	5 2009	6 2010	7 2011	8 2012	9 2013	10 2014
1. Prior	81,083	60,027	49,825	41,867	28,574	29,001	26,193	29,094	18,165	19,579
2. 2005	60,229	34,226	23,631	27,202	15,931	10,620	6,069	10,062	7,016	4,708
3. 2006	XXX	58,496	36,394	22,050	32,683	19,997	11,456	10,201	6,069	5,915
4. 2007	XXX	XXX	71,373	47,186	26,211	31,975	16,307	13,877	11,503	6,976
5. 2008	XXX	XXX	XXX	85,736	50,538	30,142	27,979	19,115	11,043	8,025
6. 2009	XXX	XXX	XXX	XXX	77,107	50,692	25,836	28,398	15,149	8,811
7. 2010	XXX	XXX	XXX	XXX	XXX	78,109	36,469	25,934	18,648	8,478
8. 2011	XXX	XXX	XXX	XXX	XXX	XXX	51,704	22,621	11,243	9,172
9. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	31,641	22,214	16,472
10. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	37,713	26,185
11. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	54,336

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

ALLOCATED BY STATES AND TERRITORIES

	1	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4	5	6	7	8	9
States, Etc.	Active Status	2 Direct Premiums Written	3 Direct Premiums Earned	Dividends Paid or Credited to Policyholders on Direct Business	Direct Losses Paid (Deducting Salvage)	Direct Losses Incurred	Direct Losses Unpaid	Finance and Service Charges Not Included in Premiums	Direct Premium Written for Federal Purchasing Groups (Included in Column 2)
1. Alabama (AL)	N								
2. Alaska (AK)	N								
3. Arizona (AZ)	L	19,179,001	18,213,438		9,480,457	5,453,867	13,875,363	106,091	
4. Arkansas (AR)	N								
5. California (CA)	L				2,404	(1,781,275)	1,357,208		
6. Colorado (CO)	L	8,271,769	7,431,465		5,569,711	6,053,105	2,901,505	27,306	
7. Connecticut (CT)	L	26,230,896	24,337,761	85,385	9,585,182	10,072,320	20,285,000	146,385	
8. Delaware (DE)	L								
9. District of Columbia (DC)	N								
10. Florida (FL)	N				6,729	356,051	781,169		
11. Georgia (GA)	L	59,202,262	56,991,573		33,888,334	40,804,199	26,953,960	230,367	
12. Hawaii (HI)	N								
13. Idaho (ID)	N								
14. Illinois (IL)	L	17,252,427	16,076,208		13,460,129	5,589,411	30,403,457	76,494	
15. Indiana (IN)	L	22,385,734	21,933,891		11,483,532	9,036,557	10,480,132	119,260	
16. Iowa (IA)	L								
17. Kansas (KS)	N								
18. Kentucky (KY)	L	86,169	50,224		3,282	3,953	13,921	184	
19. Louisiana (LA)	N								
20. Maine (ME)	N								
21. Maryland (MD)	N								
22. Massachusetts (MA)	L	7,753,056	7,397,258	64,321	2,445,351	1,601,973	13,317,544	33,240	
23. Michigan (MI)	L	20,254,209	17,864,357		10,506,650	12,855,688	7,609,979	88,336	
24. Minnesota (MN)	N								
25. Mississippi (MS)	N								
26. Missouri (MO)	N								
27. Montana (MT)	N								
28. Nebraska (NE)	N								
29. Nevada (NV)	L	29,288	41,708			(445)	12,157		
30. New Hampshire (NH)	L	9,490,336	8,644,992	18,857	4,383,182	7,824,344	9,780,175	34,062	
31. New Jersey (NJ)	L				1,908,862	(58,426)	18,161,658		
32. New Mexico (NM)	L	12,606,977	11,951,808		3,165,270	(1,335,220)	7,062,020	48,242	
33. New York (NY)	L	19,133,903	18,402,260		9,197,650	9,941,278	22,541,466	114,057	
34. North Carolina (NC)	L	65,939,968	64,281,766		31,703,928	32,173,954	24,235,289	299,694	
35. North Dakota (ND)	N								
36. Ohio (OH)	L	73,858,930	72,803,066		35,496,535	31,820,385	29,699,507	397,892	
37. Oklahoma (OK)	L	11,843,616	12,170,681		6,411,403	4,716,328	5,327,995	32,250	
38. Oregon (OR)	N								
39. Pennsylvania (PA)	L	137,428	76,953			21,771	21,771	80	
40. Rhode Island (RI)	N								
41. South Carolina (SC)	L	12,992,238	12,569,342		8,739,789	8,334,498	7,178,393	38,589	
42. South Dakota (SD)	N								
43. Tennessee (TN)	L	18,615,384	18,921,416		6,800,297	9,288,061	7,914,703	87,152	
44. Texas (TX)	L	116,161,296	109,127,569		64,330,415	67,579,564	40,179,745	462,895	
45. Utah (UT)	N								
46. Vermont (VT)	N								
47. Virginia (VA)	L	21,195,611	20,740,006		7,559,269	10,997,807	11,096,349	122,820	
48. Washington (WA)	N								
49. West Virginia (WV)	N								
50. Wisconsin (WI)	L								
51. Wyoming (WY)	N								
52. American Samoa (AS)	N								
53. Guam (GU)	N								
54. Puerto Rico (PR)	N								
55. U.S. Virgin Islands (VI)	N								
56. Northern Mariana Islands (MP)	N								
57. Canada (CAN)	N								
58. Aggregate other alien (OT)	XXX								
59. TOTALS	(a). 26	542,620,498	520,027,742	168,563	276,128,361	271,349,748	311,190,466	2,465,396	
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.

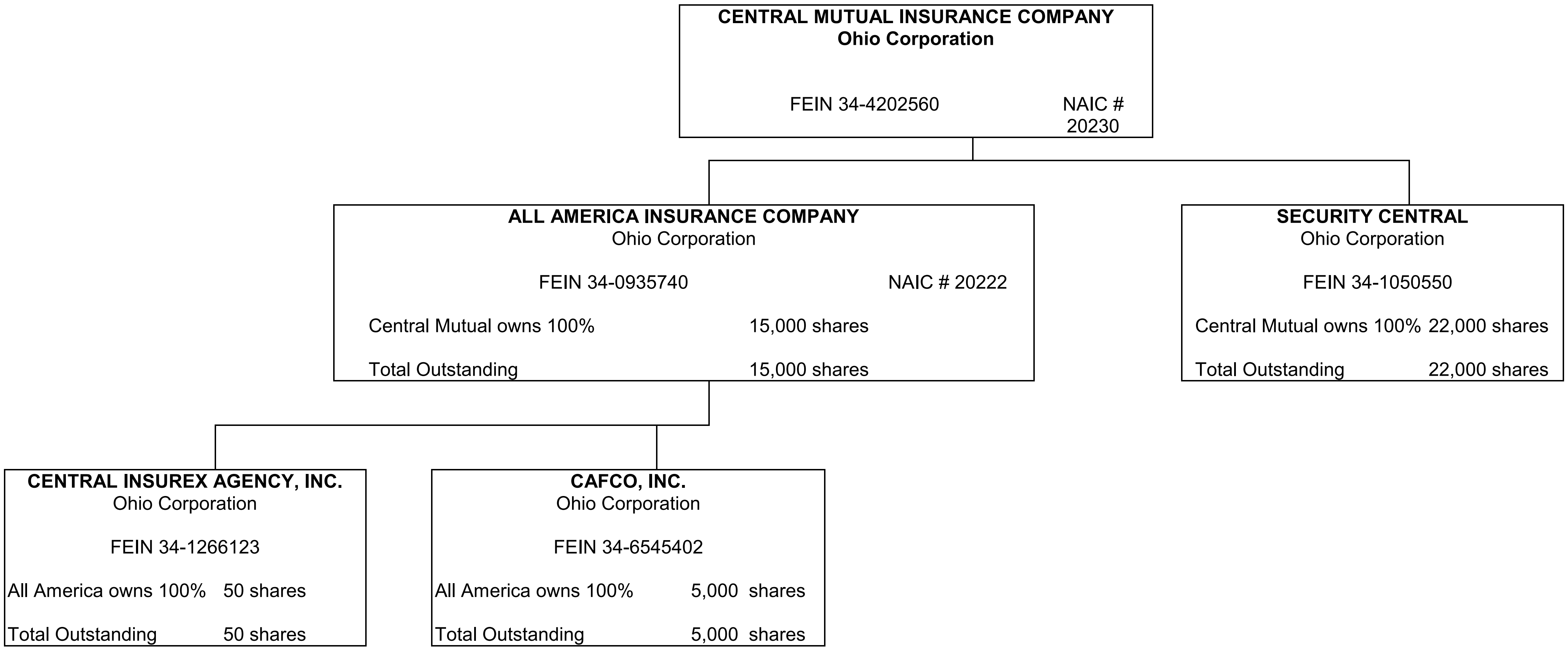
(a) Insert the number of L responses except for Canada and Other Alien.

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

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER

MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



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