



PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

QUARTERLY STATEMENT
AS OF MARCH 31, 2015
OF THE CONDITION AND AFFAIRS OF THE
SONNENBERG MUTUAL INSURANCE COMPANY

NAIC Group Code 0207, NAIC Company Code 10271, Employer's ID Number 34-0541185
Organized under the Laws of Ohio, State of Domicile or Port of Entry Ohio
Country of Domicile United States
Incorporated/Organized 01/01/1905, Commenced Business 01/01/1859
Statutory Home Office 1685 Cleveland Road, Wooster, OH, US 44691
Main Administrative Office 1685 Cleveland Road, Wooster, OH, US 44691-0036, 330-262-9060
Mail Address 1685 Cleveland Road, Wooster, OH, US 44691-0036
Primary Location of Books and Records 1685 Cleveland Road, Wooster, OH, US 44691-0036, 330-262-9060
Internet Web Site Address www.wrg-ins.com
Statutory Statement Contact Brooke M. McVay, CPA, 330-262-9060-2446, brooke\_mvcvay@wrg-ins.com

OFFICERS

Table with 4 columns: Name, Title, Name, Title. Row 1: KEVIN W. DAY, PRESIDENT AND SECRETARY - CHIEF EXECUTIVE OFFICER, MICHAEL A. SHUTT, VICE PRESIDENT AND TREASURER -CHIEF FINANCIAL OFFICER

OTHER OFFICERS

Table with 4 columns: Name, Title, Name, Title. Row 1: GREGORY A. BRUNN, VICE PRESIDENT -CHIEF MARKETING & UNDERWRITING OFFICER, GARY W. GWINN, VICE PRESIDENT -CHIEF CLAIMS OFFICER

DIRECTORS OR TRUSTEES

Table with 4 columns: Name, Name, Name, Name. Row 1: KEVIN W. DAY, JEFFREY P. HASTINGS, RONALD E. HOLTMAN, JOHN P. MURPHY

State of Ohio

County of Wayne

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

KEVIN W. DAY
PRESIDENT AND SECRETARY -CHIEF
EXECUTIVE OFFICER

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

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

Subscribed and sworn to before me this 13th day of May, 2015

Michele Young, Notary Public
August 16, 2019

STATEMENT AS OF MARCH 31, 2015 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	14,042,749	0	14,042,749	13,839,619
2. Stocks:				
2.1 Preferred stocks .....	49,158	0	49,158	48,816
2.2 Common stocks .....	7,291,617	3,455	7,288,162	7,405,665
3. Mortgage loans on real estate:				
3.1 First liens .....	0	0	0	0
3.2 Other than first liens .....	0	0	0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....	0	0	0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....	0	0	0	0
4.3 Properties held for sale (less \$ ..... encumbrances) .....	0	0	0	0
5. Cash (\$ .....516,412 ), cash equivalents (\$ .....0 ) and short-term investments (\$ .....858,943 ) .....	1,375,355	0	1,375,355	1,448,664
6. Contract loans (including \$ ..... premium notes) .....	0	0	0	0
7. Derivatives .....	0	0	0	0
8. Other invested assets .....	0	0	0	0
9. Receivables for securities .....	0	0	0	0
10. Securities lending reinvested collateral assets .....	0	0	0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	22,758,879	3,455	22,755,424	22,742,764
13. Title plants less \$ ..... charged off (for Title insurers only) .....	0	0	0	0
14. Investment income due and accrued .....	159,257	0	159,257	130,159
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	306,547	6,891	299,656	305,220
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....	0	0	0	0
15.3 Accrued retrospective premiums .....	0	0	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	462	0	462	2,628
16.2 Funds held by or deposited with reinsured companies .....	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts .....	0	0	0	0
17. Amounts receivable relating to uninsured plans .....	0	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	0	0	0	0
18.2 Net deferred tax asset .....	0	0	0	0
19. Guaranty funds receivable or on deposit .....	0	0	0	0
20. Electronic data processing equipment and software .....	0	0	0	0
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....	0	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates .....	0	0	0	0
24. Health care (\$ ..... ) and other amounts receivable .....	0	0	0	0
25. Aggregate write-ins for other-than-invested assets .....	0	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	23,225,144	10,346	23,214,799	23,180,770
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0	0
28. Total (Lines 26 and 27) .....	23,225,144	10,346	23,214,799	23,180,770
<b>DETAILS OF WRITE-INS</b>				
1101. ....			0	0
1102. ....			0	0
1103. ....			0	0
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) .....	0	0	0	0
2501. Prepaid Asset .....			0	0
2502. ....			0	0
2503. ....			0	0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	0	0	0	0

STATEMENT AS OF MARCH 31, 2015 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ .....815,323 ) .....	3,070,347	2,948,392
2. Reinsurance payable on paid losses and loss adjustment expenses .....	0	0
3. Loss adjustment expenses .....	608,081	608,081
4. Commissions payable, contingent commissions and other similar charges .....	196,477	303,045
5. Other expenses (excluding taxes, licenses and fees) .....	251,586	472,100
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	153,812	116,864
7.1 Current federal and foreign income taxes (including \$ ..... on realized capital gains (losses)) .....	90,254	11,047
7.2 Net deferred tax liability .....	272,082	257,929
8. Borrowed money \$ ..... and interest thereon \$ .....	0	0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ .....0 and including warranty reserves of \$ ..... and accrued accident and health experience rating refunds including \$ ..... for medical loss ratio rebate per the Public Health Service Act) .....	4,441,681	4,519,774
10. Advance premium .....	106,410	67,289
11. Dividends declared and unpaid:		
11.1 Stockholders .....	0	0
11.2 Policyholders .....	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions) .....	(34,244)	33,644
13. Funds held by company under reinsurance treaties .....	0	0
14. Amounts withheld or retained by company for account of others .....	205,474	301,672
15. Remittances and items not allocated .....	0	0
16. Provision for reinsurance (including \$ ..... certified) .....	0	0
17. Net adjustments in assets and liabilities due to foreign exchange rates .....	0	0
18. Drafts outstanding .....	0	0
19. Payable to parent, subsidiaries and affiliates .....	0	0
20. Derivatives .....	0	0
21. Payable for securities .....	0	0
22. Payable for securities lending .....	0	0
23. Liability for amounts held under uninsured plans .....	0	0
24. Capital notes \$ ..... and interest thereon \$ .....	0	0
25. Aggregate write-ins for liabilities .....	0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25) .....	9,361,961	9,639,837
27. Protected cell liabilities .....	0	0
28. Total liabilities (Lines 26 and 27) .....	9,361,961	9,639,837
29. Aggregate write-ins for special surplus funds .....	0	0
30. Common capital stock .....	0	0
31. Preferred capital stock .....	0	0
32. Aggregate write-ins for other than special surplus funds .....	0	0
33. Surplus notes .....	0	0
34. Gross paid in and contributed surplus .....	0	0
35. Unassigned funds (surplus) .....	13,852,838	13,540,933
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 30 \$ ..... ) .....	0	0
36.2 ..... shares preferred (value included in Line 31 \$ ..... ) .....	0	0
37. Surplus as regards policyholders (Lines 29 to 35, less 36) .....	13,852,838	13,540,933
38. Totals (Page 2, Line 28, Col. 3)	23,214,799	23,180,770
<b>DETAILS OF WRITE-INS</b>		
2501. ....	0	0
2502. ....	0	0
2503. ....	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0
2901. ....		
2902. ....		
2903. ....		
2998. Summary of remaining write-ins for Line 29 from overflow page .....	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201. ....	0	0
3202. ....	0	0
3203. ....	0	0
3298. Summary of remaining write-ins for Line 32 from overflow page .....	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

## STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct (written \$ 3,153,450 )	2,204,217	682,994	3,812,709
1.2 Assumed (written \$ 2,324,774 )	2,402,868	2,338,359	9,489,117
1.3 Ceded (written \$ 3,153,450 )	2,204,217	682,998	3,812,709
1.4 Net (written \$ 2,324,774 )	2,402,868	2,338,355	9,489,117
DEDUCTIONS:			
2. Losses incurred (current accident year \$ )::			
2.1 Direct	1,407,176	760,127	1,665,375
2.2 Assumed	1,204,373	1,206,174	4,979,718
2.3 Ceded	1,407,176	760,127	1,665,375
2.4 Net	1,204,373	1,206,174	4,979,718
3. Loss adjustment expenses incurred	221,216	223,540	981,767
4. Other underwriting expenses incurred	737,911	736,967	3,084,493
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	2,163,499	2,166,681	9,045,979
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	239,369	171,674	443,138
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	118,535	127,543	525,511
10. Net realized capital gains (losses) less capital gains tax of \$ 62,630	121,577	16,262	207,983
11. Net investment gain (loss) (Lines 9 + 10)	240,112	143,805	733,494
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ 2,601 )	(2,601)	(2,021)	(11,631)
13. Finance and service charges not included in premiums	37,825	37,552	149,770
14. Aggregate write-ins for miscellaneous income	50	(128)	250
15. Total other income (Lines 12 through 14)	35,274	35,403	138,388
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	514,755	350,882	1,315,020
17. Dividends to policyholders	0	0	0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	514,755	350,882	1,315,020
19. Federal and foreign income taxes incurred	36,577	51,900	131,686
20. Net income (Line 18 minus Line 19)(to Line 22)	478,178	298,982	1,183,334
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year	13,540,932	12,517,261	12,517,261
22. Net income (from Line 20)	478,178	298,982	1,183,334
23. Net transfers (to) from Protected Cell accounts	0	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ (49,819)	(96,708)	72,633	27,065
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	(63,972)	(24,046)	(171,590)
27. Change in nonadmitted assets	(5,593)	(28,102)	(11,025)
28. Change in provision for reinsurance	0	0	0
29. Change in surplus notes	0	0	0
30. Surplus (contributed to) withdrawn from protected cells	0	0	0
31. Cumulative effect of changes in accounting principles	0	0	0
32. Capital changes:			
32.1 Paid in	0	0	0
32.2 Transferred from surplus (Stock Dividend)	0	0	0
32.3 Transferred to surplus	0	0	0
33. Surplus adjustments:			
33.1 Paid in	0	0	0
33.2 Transferred to capital (Stock Dividend)	0	0	0
33.3 Transferred from capital	0	0	0
34. Net remittances from or (to) Home Office	0	0	0
35. Dividends to stockholders	0	0	0
36. Change in treasury stock	0	0	0
37. Aggregate write-ins for gains and losses in surplus	0	0	(4,113)
38. Change in surplus as regards policyholders (Lines 22 through 37)	311,905	319,467	1,023,671
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	13,852,838	12,836,728	13,540,932
<b>DETAILS OF WRITE-INS</b>			
0501.		0	0
0502.		0	0
0503.		0	0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0
1401. Other Income (Expense)	.50	(128)	250
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	50	(128)	250
3701. Change in Surplus Due to Prior Period Adjustment (See Footnote 2)	0	0	(4,113)
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	0	0	(4,113)

STATEMENT AS OF MARCH 31, 2015 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance.....	2,296,010	2,224,830	9,618,738
2. Net investment income .....	104,028	99,885	557,073
3. Miscellaneous income .....	35,274	35,403	138,388
4. Total (Lines 1 to 3) .....	2,435,312	2,360,118	10,314,199
5. Benefit and loss related payments .....	1,080,252	1,200,001	4,958,052
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	1,249,260	1,327,509	4,054,824
8. Dividends paid to policyholders .....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses).....	20,000	0	150,000
10. Total (Lines 5 through 9) .....	2,349,512	2,527,510	9,162,876
11. Net cash from operations (Line 4 minus Line 10) .....	85,800	(167,392)	1,151,324
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	117,326	112,811	992,438
12.2 Stocks .....	1,058,167	1,758	1,371,267
12.3 Mortgage loans .....	0	0	0
12.4 Real estate .....	0	0	0
12.5 Other invested assets .....	0	118,146	632,364
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	0	0
12.7 Miscellaneous proceeds .....	0	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	1,175,493	232,715	2,996,069
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	348,000	546,654	2,136,291
13.2 Stocks .....	890,403	51,491	2,007,699
13.3 Mortgage loans .....	0	0	0
13.4 Real estate .....	0	0	0
13.5 Other invested assets .....	0	0	256,397
13.6 Miscellaneous applications .....	1	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	1,238,404	598,145	4,400,387
14. Net increase (or decrease) in contract loans and premium notes .....	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	(62,910)	(365,430)	(1,404,318)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds .....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0	0
16.5 Dividends to stockholders .....	0	0	0
16.6 Other cash provided (applied).....	(96,199)	286,477	432,004
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	(96,199)	286,477	432,004
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(73,309)	(246,345)	179,010
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	1,448,664	1,269,654	1,269,654
19.2 End of period (Line 18 plus Line 19.1) .....	1,375,355	1,023,309	1,448,664

## NOTES TO FINANCIAL STATEMENTS

### 1. Summary of Significant Accounting Policies

#### A. Accounting Practices

The financial statements of Sonnenberg Mutual Insurance Company (SMIC) are presented on the basis of accounting principles prescribed or permitted by the Ohio Department of Insurance.

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

The financial statements of the Company are presented solely on the basis of accounting principles prescribed by the Ohio Department of Insurance. As such, there are no increases or decreases to net income nor surplus on a statutory accounting basis as shown by the reconciliation below:

	State of Domicile	2015	2014
<u>NET INCOME</u>			
(1) SMIC state basis (Page 4, Line 20, Columns 1 & 3)	Ohio	\$ 478,178	\$ 928,471
(2) State Prescribed Practices that increase/(decrease) NAIC SAP:		—	—
(3) State Permitted Practices that increase/(decrease) NAIC SAP:		—	—
(4) NAIC SAP (1-2-3=4)		\$ 478,178	\$ 928,471
<u>SURPLUS</u>			
(5) SMIC state basis (Page 3, Line 37, Columns 1 & 2)	Ohio	\$ 13,852,838	\$ 12,517,261
(6) State Prescribed Practices that increase/(decrease) NAIC SAP:		—	—
(7) State Permitted Practices that increase/(decrease) NAIC SAP:		—	—
(8) NAIC SAP (5-6-7=8)		\$ 13,852,838	\$ 12,517,261

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

No significant changes.

#### C. Accounting Policy

No significant changes.

### 2. Accounting Changes and Corrections of Errors

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

In accordance with SSAP No. 3 *Accounting Changes and Errors*, the Company recorded a prior period adjustment in December 2014 to true-up the liability for the nonqualified, unfunded directors' retirement plan. The net impact to surplus was a decrease of \$4,113.

### 3. Business Combinations and Goodwill

#### A. Statutory Purchase Method

Not applicable.

#### B. Statutory Merger

Not applicable.

#### C. Impairment Loss

Not applicable.

### 4. Discontinued Operations

Not applicable.

## NOTES TO FINANCIAL STATEMENTS

### 5. Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans  
Not applicable.
- B. Debt Restructuring  
Not applicable.
- C. Reverse Mortgages  
Not applicable.
- D. Loan-Backed Securities  
Not applicable.
- E. Repurchase Agreements and/or Securities Lending Transactions  
Not applicable.
- F. Real Estate  
Not applicable.
- G. Low-Income Housing Tax Credits (LIHTC)  
Not applicable.
- H. Restricted Assets  
Not applicable.
- I. Working Capital Finance Investments  
Not applicable
- J. Offsetting and Netting of Assets and Liabilities  
Not applicable
- K. Structured Notes  
Not applicable

### 6. Joint Ventures, Partnerships and Limited Liability Companies

No significant changes.

### 7. Investment Income

No significant changes.

### 8. Derivative Instruments

No significant changes.

### 9. Income Taxes

- A. The components of the net deferred tax asset/(liability) at March 31, 2015 and December 31, 2014 are as follows:

1.

	03/31/2015		
	(1)	(2)	(3)
	Ordinary	Capital	(Col 1+2) Total
(a) Gross Deferred Tax Assets	\$ 632,995	\$ 45,025	\$ 678,020
(b) Statutory Valuation Allowance Adjustments	—	—	—
(c) Adjusted Gross Deferred Tax Assets (1a – 1b)	632,995	45,025	678,020
(d) Deferred Tax Assets Nonadmitted	—	—	—
(e) Subtotal Net Deferred Tax Asset (1c – 1d)	632,995	45,025	678,020
(f) Deferred Tax Liabilities	(62,855)	(887,247)	(950,102)
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e – 1f)	\$ 570,140	\$ (842,222)	\$ (272,082)

## NOTES TO FINANCIAL STATEMENTS

	<b>12/31/2014</b>		
	(4)	(5)	(6)
	Ordinary	Capital	(Col 4+5) Total
(a) Gross Deferred Tax Assets	\$ 690,832	\$ 52,432	\$ 743,264
(b) Statutory Valuation Allowance Adjustments	—	—	—
(c) Adjusted Gross Deferred Tax Assets (1a – 1b)	690,832	52,432	743,264
(d) Deferred Tax Assets Nonadmitted	—	—	—
(e) Subtotal Net Deferred Tax Asset (1c – 1d)	690,832	52,432	743,264
(f) Deferred Tax Liabilities	(64,127)	(937,066)	(1,001,193)
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e – 1f)	<u>\$ 626,705</u>	<u>\$ (884,634)</u>	<u>\$ (257,929)</u>
	<b>Change</b>		
	(7)	(8)	(9)
	(Col 1—4) Ordinary	(Col 2—5) Capital	(Co 7+8) Total
(a) Gross Deferred Tax Assets	\$ (57,837)	\$ (7,407)	\$ (65,244)
(b) Statutory Valuation Allowance Adjustments	—	—	—
(c) Adjusted Gross Deferred Tax Assets (1a – 1b)	(57,837)	(7,407)	(65,244)
(d) Deferred Tax Assets Nonadmitted	—	—	—
(e) Subtotal Net Deferred Tax Asset (1c – 1d)	(57,837)	(7,407)	(65,244)
(f) Deferred Tax Liabilities	1,272	49,819	51,091
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e – 1f)	<u>\$ (56,565)</u>	<u>\$ 42,412</u>	<u>\$ (14,153)</u>

## NOTES TO FINANCIAL STATEMENTS

## 2. Admission Calculation Components SSAP No. 101

	03/31/2015		
	(1)	(2)	(3)
	Ordinary	Capital	(Col 1+2) Total
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 304,593	\$ —	\$ 304,593
(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)	522,670	—	522,670
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	522,670	—	522,670
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	2,077,926
(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.	<u>110,325</u>	<u>45,025</u>	<u>155,350</u>
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. (2(a) + 2(b) + 2(c))	<u>\$ 632,995</u>	<u>\$ 45,025</u>	<u>\$ 678,020</u>
	12/31/2014		
	(4)	(5)	(6)
	Ordinary	Capital	(Col 4+5) Total
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ —	\$ —	\$ —
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation (The Lesser of 2(b)1 and 2(b)2 Below)	522,670	—	522,670
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	522,670	—	522,670
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	2,033,163
(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.	<u>168,162</u>	<u>52,432</u>	<u>220,594</u>
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. (2(a) + 2(b) + 2(c))	<u>\$ 690,832</u>	<u>\$ 52,432</u>	<u>\$ 743,264</u>
	Change		
	(7)	(8)	(9)
	(Col 1—4) Ordinary	(Col 2—5) Capital	(Col 7+8) Total
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ —	\$ —	\$ —
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation (The Lesser of 2(b)1 and 2(b)2 Below)	—	—	—
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	—	—	—
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	44,763
(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.	<u>(57,837)</u>	<u>(7,407)</u>	<u>(65,244)</u>
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. (2(a) + 2(b) + 2(c))	<u>\$ (57,837)</u>	<u>\$ (7,407)</u>	<u>\$ (65,244)</u>

## NOTES TO FINANCIAL STATEMENTS

3.

	<u>2015</u>	<u>2014</u>
(a) Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	15%	15%
(b) Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b) 2 Above.	\$ 13,852,838	\$ 13,540,932

4. Impact of Tax—Planning Strategies

	<u>03/31/2015</u>	
	(1)	(2)
	<u>Ordinary</u>	<u>Capital</u>
(a) Determination Of Adjusted Gross Deferred Tax Assets And Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.		
1. Adjusted Gross DTAs Amount From Note 9A1(c)	\$ 632,995	\$ 45,025
2. Percentage of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies	0%	0%
3. Net Admitted Adjusted Gross DTAs Amount from Note 9A1(e)	\$ 632,995	\$ 45,025
4. Percentage of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	0%	0%
	<u>12/31/2014</u>	
	(3)	(4)
	<u>Ordinary</u>	<u>Capital</u>
(a) Determination Of Adjusted Gross Deferred Tax Assets And Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.		
1. Adjusted Gross DTAs Amount From Note 9A1(c)	\$ 690,832	\$ 52,432
2. Percentage of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies	0%	0%
3. Net Admitted Adjusted Gross DTAs Amount from Note 9A1(e)	\$ 690,832	\$ 52,432
4. Percentage of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	0%	0%
	<u>Change</u>	
	(5)	(6)
	(Col 1-3)	(Col 2-4)
	<u>Ordinary</u>	<u>Capital</u>
(a) Determination Of Adjusted Gross Deferred Tax Assets And Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.		
1. Adjusted Gross DTAs Amount From Note 9A1(c)	\$ (57,836)	\$ (7,407)
2. Percentage of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies	0%	0%
3. Net Admitted Adjusted Gross DTAs Amount from Note 9A1(c)	\$ (57,836)	\$ (7,407)
4. Percentage of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	0%	0%
(b) Does the Company's tax—planning strategies include the use of reinsurance? Yes _____ No <u>X</u>		

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

## NOTES TO FINANCIAL STATEMENTS

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

	(1)	(2)	(3)
	03/31/2015	12/31/2014	(Col 1—2) Change
1. Current Income Tax			
(a) Federal	\$ 36,577	\$ 131,686	\$ (95,110)
(b) Foreign	\$ —	\$ —	\$ —
(c) Subtotal	\$ 36,577	\$ 131,686	\$ (95,110)
(d) Federal income tax on net capital gains	\$ 62,630	\$ 107,143	\$ (44,512)
(e) Utilization of operating loss carry—forwards	\$ —	\$ —	\$ —
(f) Other (incl. prior year over/under accrual)	\$ —	\$ —	\$ —
(g) Federal and foreign income taxes incurred	<u>\$ 99,207</u>	<u>\$ 238,829</u>	<u>\$ (139,622)</u>
2. Deferred Tax Assets			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 49,282	\$ 49,282	\$ —
(2) Unearned premium reserve	\$ 302,034	\$ 307,345	\$ (5,310)
(3) Policyholder reserves	\$ —	\$ —	\$ —
(4) Investments	\$ —	\$ —	\$ —
(5) Deferred acquisition costs	\$ —	\$ —	\$ —
(6) Policyholder dividends accrual	\$ —	\$ —	\$ —
(7) Fixed assets and prepaid expense—nonadmitted	\$ 5,272	\$ 3,381	\$ 1,891
(8) Compensation and benefits accrual	\$ 67,119	\$ 71,396	\$ (4,277)
(9) Pension accrual	\$ 24,204	\$ 25,366	\$ (1,162)
(10) Receivables – nonadmitted	\$ 452	\$ 452	\$ —
(11) Net operating loss carry—forward	\$ —	\$ —	\$ —
(12) Tax credit carry—forward	\$ —	\$ 56,340	\$ (56,340)
(13) Other (including items <5% of total ordinary tax assets):			
(14) Salvage and subrogation anticipated	\$ 127,081	\$ 127,081	\$ —
(15) Software capitalized	\$ 50,315	\$ 45,613	\$ 4,702
(16) Other	<u>\$ 7,236</u>	<u>\$ 4,576</u>	<u>\$ 2,660</u>
(99) Subtotal	\$ 632,995	\$ 690,831	\$ (57,836)
(b) Statutory valuation allowance adjustment	\$ —	\$ —	\$ —
(c) Nonadmitted	\$ —	\$ —	\$ —
(d) Admitted ordinary deferred tax assets (2a99 – 2b – 2c)	<u>\$ 632,995</u>	<u>\$ 690,831</u>	<u>\$ (57,836)</u>
(e) Capital:			
(1) Investments	\$ —	\$ —	\$ —
(2) Net capital loss carry—forward	\$ —	\$ —	\$ —
(3) Real estate	\$ —	\$ —	\$ —
(4) Other (including items <5% of total capital tax assets):			
(5) Unrealized capital losses for impaired securities	<u>\$ 45,025</u>	<u>\$ 52,432</u>	<u>\$ (7,407)</u>
(99) Subtotal	\$ 45,025	\$ 52,432	\$ (7,407)
(f) Statutory valuation allowance adjustment	\$ —	\$ —	\$ —
(g) Nonadmitted	\$ —	\$ —	\$ —
(h) Admitted capital deferred tax assets (2e99 – 2f – 2g)	<u>\$ 45,025</u>	<u>\$ 52,432</u>	<u>\$ (7,407)</u>
(i) Admitted deferred tax assets (2d + 2h)	<u>\$ 678,020</u>	<u>\$ 743,264</u>	<u>\$ (65,244)</u>
3. Deferred Tax Liabilities:			
(a) Ordinary			
(1) Investments	\$ (40,021)	\$ (43,259)	\$ 3,238
(2) Fixed assets	\$ —	\$ —	\$ —
(3) Deferred and uncollected premium	\$ —	\$ —	\$ —
(4) Policyholder reserves	\$ —	\$ —	\$ —
(5) Other (including items <5% of total ordinary tax liabilities)	<u>\$ (22,834)</u>	<u>\$ (20,868)</u>	<u>\$ (1,966)</u>
(99) Subtotal	\$ (62,855)	\$ (64,127)	\$ 1,272
(b) Capital:			
(1) Investments	\$ —	\$ —	\$ —
(2) Real estate	\$ —	\$ —	\$ —
(3) Other (including items <5% of total capital tax liabilities):			
(4) Unrealized capital gains	<u>\$ (887,247)</u>	<u>\$ (937,066)</u>	<u>\$ 49,819</u>
(99) Subtotal	<u>\$ (887,247)</u>	<u>\$ (937,066)</u>	<u>\$ 49,819</u>
(c) Deferred tax liabilities (3a99 + 3b99)	<u>\$ (950,102)</u>	<u>\$ (1,001,193)</u>	<u>\$ 51,091</u>
4. Net deferred tax assets/liabilities (2i – 3c)	<u>\$ (272,082)</u>	<u>\$ (257,929)</u>	<u>\$ (14,153)</u>

## NOTES TO FINANCIAL STATEMENTS

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

	<u>03/31/2015</u>	<u>Effective Tax Rate</u>
Provision computed at statutory rate	\$ 230,041	34.0%
Tax exempt interest	(13,998)	(2.1%)
Dividends received deduction	(8,860)	(1.3%)
Change in deferred tax on nonadmitted assets	(1,891)	(0.3%)
Other	(42,113)	(6.2%)
Total	<u>\$ 163,179</u>	<u>24.1%</u>
Federal and foreign income taxes incurred	\$ 36,577	5.4%
Tax on capital gains (losses)	62,630	9.3%
Change in net deferred income taxes	63,972	9.4%
Total statutory income taxes	<u>\$ 163,179</u>	<u>24.1%</u>

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

(1) As of March 31, 2015, the Company had no net operating loss and net capital loss carry—forwards available for tax purposes.

As of March 31, 2015, the Company had no alternative minimum tax (AMT) credit carry—forwards.

(2) As of March 31, 2015, the Company had federal income taxes incurred available for recoupment in the event of future net losses in the amount of \$238,829.

(3) The Company has no deposits reported as admitted assets under IRC §6603 as of March 31, 2015.

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

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

- A. Not applicable.
- B. Not applicable.
- C. Not applicable.
- D. At March 31, 2015, there was no intercompany receivable due from and/or due to its Subsidiaries and Affiliates. The intercompany balances due from and/or due to its Subsidiaries and Affiliates are reimbursed quarterly on an as made basis.
- E. Not applicable.
- F. No significant changes.
- G. No significant changes.
- H. Not applicable.
- I. Not applicable.
- J. Not applicable.
- K. Not applicable.
- L. No significant changes.

## NOTES TO FINANCIAL STATEMENTS

### 11. Debt

Not applicable.

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

#### A. Defined Benefit Plan

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

The Company also has a non—qualified voluntary deferred compensation plan for senior executive officers. The plan allows for deferral of payouts from the Annual Cash Bonus Plan and Performance Share Plan for Key Executives. As of December 31, 2014 and December 31, 2013, amounts held for these deferrals were \$0.3 million and \$0.4 million, respectively.

#### B. Investment Policies and Strategies

Not applicable.

#### C. Fair Value of Plan Assets

Not applicable.

#### D. Basis of Rates of Returns on Assets

Not applicable.

#### E. Defined Contribution Plans

No significant changes.

#### F. Multiemployer Plans

Not applicable.

#### G. Consolidated/Holding Company Plans

Not applicable.

#### H. Postemployment Benefits and Compensated Absences

Not applicable.

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

Not applicable.

### 13. Capital and Surplus, Dividend Restrictions and Quasi—Reorganizations

(1) Not applicable.

(2) Not applicable.

(3) Not applicable.

(4) Not applicable.

(5) Not applicable.

(6) Not applicable.

(7) Not applicable.

(8) Not applicable.

(9) Not applicable.

(10) The portion of unassigned funds (surplus) represented by cumulative unrealized gains net of losses before tax is \$2.8 million and \$2.7 million at December 31, 2014 and December 31, 2013, respectively.

(11) Not applicable.

(12) Not applicable.

(13) Not applicable.

## NOTES TO FINANCIAL STATEMENTS

### 14. Liabilities, Contingencies and Assessments

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

### 15. Leases

The Company's lease agreements are limited to office and electronic data processing equipment. Rent expense for the years ending December 31, 2014 and 2013 was not considered material to the Company's financial statements.

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

Not applicable.

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

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

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

- A. ASO Plans  
Not applicable.
- B. ASC Plans  
Not applicable.
- C. Medicare or Similarly Structured Cost Based Reimbursement Contract  
Not applicable.

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

Not applicable.

## NOTES TO FINANCIAL STATEMENTS

## 20. Fair Value Measurements

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

*Level 1:*

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

*Level 2:*

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

*Level 3:*

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

## (1) Fair Value Measurements at December 31, 2014:

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value:				
Perpetual Preferred Stock:				
Industrial and Misc	\$ 49,158	\$ —	\$ —	\$ 49,158
Total Perpetual Preferred Stocks	49,158	—	—	49,158
Common Stock:				
Mutual Funds	1,469,585			1,469,585
Industrial and Misc	5,735,671	—	82,906	5,818,577
Total Common Stocks	7,205,256	—	82,906	7,288,162
Other Invested Assets	—	—	—	—
Total assets at fair value	\$ 7,254,414	\$ —	\$ 82,906	\$ 7,337,320
b. Liabilities at fair value:				
Not applicable.				

## Fair Value Measurements at December 31, 2013:

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value:				
Perpetual Preferred Stock:				
Industrial and Misc	\$ 49,266	\$ —	\$ —	\$ 49,266
Total Perpetual Preferred Stocks	49,266	—	—	49,266
Common Stock:				
Mutual Funds	2,494,535			2,494,535
Industrial and Misc	3,796,995	72,614	—	3,869,609
Total Common Stocks	6,291,530	72,614	—	6,364,144
Other Invested Assets	—	—	435,046	435,046
Total assets at fair value	\$ 6,340,796	\$ 72,614	\$ 435,046	\$ 6,848,456
b. Liabilities at fair value:				
Not applicable.				

## NOTES TO FINANCIAL STATEMENTS

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

	Beginning Balance at 01/01/2014	Transfers In/(out) Level 3	Total Gain/(Loss) Included in Net Income	Total Gain/(Loss) Included in Surplus	(Sales)	Ending Balance at 12/31/2014
a. Assets:						
Common Stock:						
Industrial and Misc	\$ 82,906	\$ —	\$ —	\$ —	\$ —	\$ 82,906
Other Invested Assets	—	—	—	—	—	—
Total Assets	<u>\$ 82,906</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 82,906</u>
b. Liabilities:						
Not applicable.						

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

(4) As of March 31, 2015, the reported fair value of the entity's investments categorized within Level 3 of the fair value hierarchy is as follows:

**Common Stocks** – The Company holds an investment in NAMIC common stock.

Not applicable.

B. Not applicable

C. Fair Value of All Financial Instruments:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	\$ 14,712,556	\$ 14,042,749	\$ 1,249,285	\$ 13,463,271	\$ —	\$ —
Perpetual Preferred Stock	49,158	49,158	48,816	—	—	—
Common Stock	7,288,162	7,288,162	7,205,256	—	82,906	—
Other Invested Assets	—	—	—	—	—	—

D. The Company has no assets for which it was not practicable to estimate fair value.

## 21. Other Items

A. Extraordinary Items

Not applicable.

B. Troubled Debt Restructuring: Debtors

Not applicable.

C. Other Disclosures and Unusual Items

Not applicable.

D. Business Interruption Insurance Recoveries

Not applicable.

E. State Transferable and Non—Transferrable Tax Credits

Not applicable.

F. Subprime Mortgage Related Risk Exposure

Not applicable.

## 22. Events Subsequent

Type I – Recognized Subsequent Events:

Subsequent events have been considered through May 15, 2015 for the statutory statement issued on May 15, 2015 for the quarter ending March 31, 2015. No Type I events were identified that would have a material effect on the financial condition of the Company.

Type II – Nonrecognized Subsequent Events:

Subsequent events have been considered through May 15, 2015 for the statutory statement issued on May 15, 2015 for the quarter ending March 31, 2015. No Type II events were identified that would have a material effect on the financial condition of the Company.

## NOTES TO FINANCIAL STATEMENTS

### 23. Reinsurance

- A. Unsecured Reinsurance Recoverables  
Not applicable.
- B. Reinsurance Recoverable in Dispute  
Not applicable.
- C. Reinsurance Assumed and Ceded  
No significant changes.
- D. Uncollectible Reinsurance  
No significant changes.
- E. Commutation of Ceded Reinsurance  
Not applicable.
- F. Retroactive Reinsurance  
Not applicable.
- G. Reinsurance Accounted for as a Deposit  
Not applicable.
- H. Disclosures for the Transfer of Property and Casualty Run—off Agreements  
Not applicable.
- I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation  
Not applicable.

### 24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

Not applicable.

### 25. Changes in Incurred Losses and Loss Adjustment Expense

Reserves as of December 31, 2014 were \$3.6 million. During 2015, \$.6 million has been paid for incurred losses and loss adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$2.7 million as a result of re-estimation of unpaid claims and claim adjusting expenses. Therefore, there has been a \$.2 million favorable prior year development from December 31, 2014 to March 31, 2015. Favorable development in auto physical damage, commercial auto liability, commercial multi-peril, other property and other liability lines of insurance, were offset, in part, by unfavorable development in homeowner and farmowner lines of insurance. The re-estimation is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims. The estimates are not affected by prior year loss development on *retrospectively* rated policies, as the Company does not write this type of policy.

### 26. Intercompany Pooling Agreements

No significant changes.

### 27. Structured Settlements

Not applicable.

### 28. Health Care Receivables

Not applicable.

### 29. Participating Policies

Not applicable.

### 30. Premium Deficiency Reserves

No significant changes.

### 31. High Deductibles

Not applicable.

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

No significant changes.

## NOTES TO FINANCIAL STATEMENTS

## 33. Asbestos/Environmental Reserves

- A. Does the Company have on the books, or has it ever written an insured for which you have identified a potential for the existence of a liability due to asbestos losses? Yes ( ) No ( x )
- B. Not applicable.
- C. Not applicable.
- D. Does the Company have on the books, or has it ever written an insured for which you have identified a potential for the existence of a liability due to environmental losses? Yes ( x ) No ( )

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
(1) Direct –					
a. Beginning reserves:	\$ 1	\$ 1	\$ 4	\$ 8	\$ 4
b. Incurred losses and loss adjustment expense:	2	4	9	4	0
c. Calendar year payments for losses and loss adjustment expenses:	<u>2</u>	<u>1</u>	<u>5</u>	<u>7</u>	<u>0</u>
d. Ending reserves:	<u>\$ 1</u>	<u>\$ 4</u>	<u>\$ 8</u>	<u>\$ 4</u>	<u>\$ 4</u>

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
(2) Assumed Reinsurance –					
a. Beginning reserves:	\$ —	\$ —	\$ —	\$ —	\$ —
b. Incurred losses and loss adjustment expense:	—	—	—	—	—
c. Calendar year payments for losses and loss adjustment expenses:	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
d. Ending reserves:	<u>\$ —</u>				

(3) Net of Ceded Reinsurance –					
a. Beginning reserves:	\$ 1	\$ 1	\$ 4	\$ 8	\$ —
b. Incurred losses and loss adjustment expense:	2	4	5	(8)	—
c. Calendar year payments for loss and loss adjustment expenses:	<u>2</u>	<u>1</u>	<u>1</u>	<u>—</u>	<u>—</u>
d. Ending reserves:	<u>\$ 1</u>	<u>\$ 4</u>	<u>\$ 8</u>	<u>\$ —</u>	<u>\$ —</u>

The Company's exposure to environmental losses arises from the sale of general liability insurance. The company estimates the full impact of the environmental exposure by establishing full case basis reserves on all known losses and computing incurred but not reported losses based on previous experience. The company's estimate of the environmental related losses for each of the five most recent years after intercompany pooling are displayed above.

- E. State the amount of ending reserves for Bulk + IBNR included in D (Loss & LAE):

(1) Direct Basis:	\$ —
(2) Assumed Reinsurance Basis:	\$ —
(3) Net of Ceded Reinsurance Basis:	\$ —

- F. State the amount of ending reserves for loss adjustment expenses included in D (Case, Bulk + IBNR):

(1) Direct Basis:	\$ —
(2) Assumed Reinsurance Basis:	\$ —
(3) Ceded Reinsurance Basis:	\$ —

## NOTES TO FINANCIAL STATEMENTS

**34. Subscriber Savings Accounts**

Not applicable.

**35. Multiple Peril Crop Insurance**

Not applicable.

**36. Financial Guaranty Insurance**

Not applicable.

**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES  
GENERAL**

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? ..... Yes [ ] No [X]
- 1.2 If yes, has the report been filed with the domiciliary state? ..... Yes [ ] No [ ]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? ..... Yes [ ] No [X]
- 2.2 If yes, date of change: .....
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? ..... Yes [X] No [ ]  
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? ..... Yes [ ] No [X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.  
.....
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes [ ] No [X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? ..... Yes [ ] No [X] NA [ ]  
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. ....12/31/2011
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. ....12/31/2011
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). ....11/26/2012
- 6.4 By what department or departments?  
Ohio.....
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? ..... Yes [ ] No [ ] NA [X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes [X] No [ ] NA [ ]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? ..... Yes [ ] No [X]
- 7.2 If yes, give full information:  
.....
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?..... Yes [ ] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.  
.....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?..... Yes [ ] No [X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

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

**GENERAL INTERROGATORIES**

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

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

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

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

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

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

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

**FINANCIAL**

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

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: ..... \$ .....0

**INVESTMENT**

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

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

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

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

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

14.2 If yes, please complete the following:

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....	\$ .....	\$ .....
14.22 Preferred Stock .....	\$ .....	\$ .....
14.23 Common Stock .....	\$ .....3,425	\$ .....3,455
14.24 Short-Term Investments .....	\$ .....	\$ .....
14.25 Mortgage Loans on Real Estate .....	\$ .....	\$ .....
14.26 All Other .....	\$ .....	\$ .....
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$ .....3,425	\$ .....3,455
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....	\$ .....	\$ .....

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

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? ..... Yes  No

If no, attach a description with this statement.

**GENERAL INTERROGATORIES**

- 16 For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ .....0
  - 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ .....0
  - 16.3 Total payable for securities lending reported on the liability page \$ .....0

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

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

1 Name of Custodian(s)	2 Custodian Address
Northern Trust Company.....	Chicago, Illinois.....

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

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

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

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

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

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

1 Central Registration Depository	2 Name(s)	3 Address
154425.....	Harvest Fund Advisors.....	100 W. Lancaster Ave. Second Floor Wayne, PA 19087.....

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

18.2 If no, list exceptions:  
.....





STATEMENT AS OF MARCH 31, 2015 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

Current Year to Date - Allocated by States and Territories

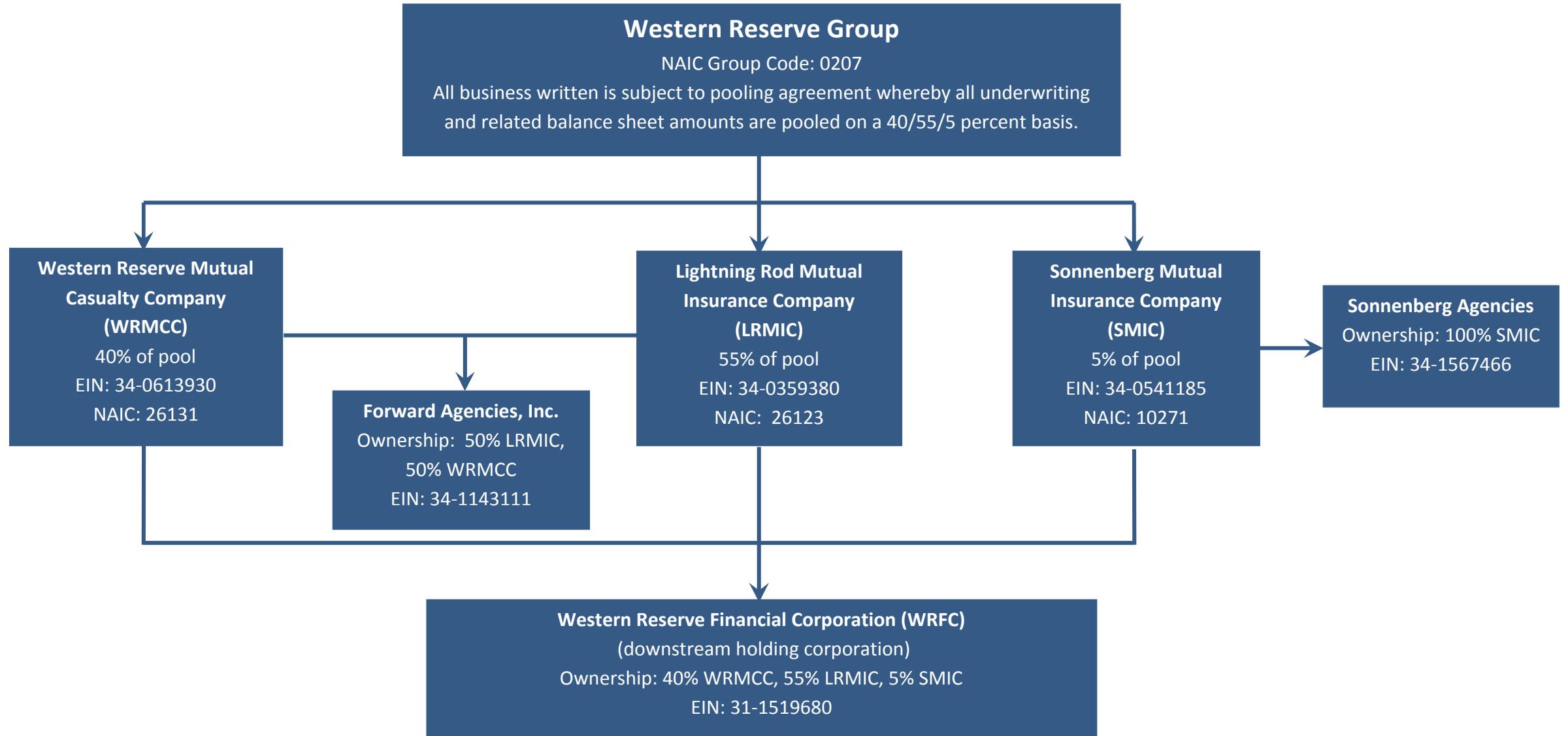
States, etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid		
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date	
1. Alabama	AL	N	0	0	0	0	0	
2. Alaska	AK	N	0	0	0	0	0	
3. Arizona	AZ	N	0	0	0	0	0	
4. Arkansas	AR	N	0	0	0	0	0	
5. California	CA	N	0	0	0	0	0	
6. Colorado	CO	N	0	0	0	0	0	
7. Connecticut	CT	N	0	0	0	0	0	
8. Delaware	DE	N	0	0	0	0	0	
9. Dist. Columbia	DC	N	0	0	0	0	0	
10. Florida	FL	N	0	0	0	0	0	
11. Georgia	GA	N	0	0	0	0	0	
12. Hawaii	HI	N	0	0	0	0	0	
13. Idaho	ID	N	0	0	0	0	0	
14. Illinois	IL	N	0	0	0	0	0	
15. Indiana	IN	L	912,074	164,316	344,481	65,230	348,894	47,899
16. Iowa	IA	N	0	0	0	0	0	0
17. Kansas	KS	N	0	0	0	0	0	0
18. Kentucky	KY	N	0	0	0	0	0	0
19. Louisiana	LA	N	0	0	0	0	0	0
20. Maine	ME	N	0	0	0	0	0	0
21. Maryland	MD	N	0	0	0	0	0	0
22. Massachusetts	MA	N	0	0	0	0	0	0
23. Michigan	MI	N	0	0	0	0	0	0
24. Minnesota	MN	N	0	0	0	0	0	0
25. Mississippi	MS	N	0	0	0	0	0	0
26. Missouri	MO	N	0	0	0	0	0	0
27. Montana	MT	N	0	0	0	0	0	0
28. Nebraska	NE	N	0	0	0	0	0	0
29. Nevada	NV	N	0	0	0	0	0	0
30. New Hampshire	NH	N	0	0	0	0	0	0
31. New Jersey	NJ	N	0	0	0	0	0	0
32. New Mexico	NM	N	0	0	0	0	0	0
33. New York	NY	N	0	0	0	0	0	0
34. No. Carolina	NC	N	0	0	0	0	0	0
35. No. Dakota	ND	N	0	0	0	0	0	0
36. Ohio	OH	L	2,241,376	507,040	596,260	176,539	582,758	666,186
37. Oklahoma	OK	N	0	0	0	0	0	0
38. Oregon	OR	N	0	0	0	0	0	0
39. Pennsylvania	PA	N	0	0	0	0	0	0
40. Rhode Island	RI	N	0	0	0	0	0	0
41. So. Carolina	SC	N	0	0	0	0	0	0
42. So. Dakota	SD	N	0	0	0	0	0	0
43. Tennessee	TN	N	0	0	0	0	0	0
44. Texas	TX	N	0	0	0	0	0	0
45. Utah	UT	N	0	0	0	0	0	0
46. Vermont	VT	N	0	0	0	0	0	0
47. Virginia	VA	N	0	0	0	0	0	0
48. Washington	WA	N	0	0	0	0	0	0
49. West Virginia	WV	N	0	0	0	0	0	0
50. Wisconsin	WI	N	0	0	0	0	0	0
51. Wyoming	WY	N	0	0	0	0	0	0
52. American Samoa	AS	N	0	0	0	0	0	0
53. Guam	GU	N	0	0	0	0	0	0
54. Puerto Rico	PR	N	0	0	0	0	0	0
55. U.S. Virgin Islands	VI	N	0	0	0	0	0	0
56. Northern Mariana Islands	MP	N	0	0	0	0	0	0
57. Canada	CAN	N	0	0	0	0	0	0
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0	0
59. Totals	(a)	2	3,153,450	671,356	940,741	241,769	931,652	714,085
<b>DETAILS OF WRITE-INS</b>								
58001.	XXX							
58002.	XXX							
58003.	XXX							
58998. Summary of remaining write-ins for Line 58 from overflow page.	XXX		0	0	0	0	0	0
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX		0	0	0	0	0	0

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

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

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

**PART 1 – ORGANIZATIONAL CHART**





**PART 1 - LOSS EXPERIENCE**

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire	8,390	(150)	(1.8)	0.0
2. Allied lines	3,770		0.0	(12.1)
3. Farmowners multiple peril	88,857	(16,158)	(18.2)	260.7
4. Homeowners multiple peril	617,237	465,821	75.5	90.0
5. Commercial multiple peril			0.0	0.0
6. Mortgage guaranty			0.0	0.0
8. Ocean marine			0.0	0.0
9. Inland marine			0.0	0.0
10. Financial guaranty			0.0	0.0
11.1 Medical professional liability -occurrence			0.0	0.0
11.2 Medical professional liability -claims made			0.0	0.0
12. Earthquake			0.0	0.0
13. Group accident and health			0.0	0.0
14. Credit accident and health			0.0	0.0
15. Other accident and health			0.0	0.0
16. Workers' compensation			0.0	0.0
17.1 Other liability occurrence	308		0.0	0.0
17.2 Other liability-claims made			0.0	0.0
17.3 Excess Workers' Compensation			0.0	0.0
18.1 Products liability-occurrence			0.0	0.0
18.2 Products liability-claims made			0.0	0.0
19.1,19.2 Private passenger auto liability	857,935	414,213	48.3	0.0
19.3,19.4 Commercial auto liability	0		0.0	0.0
21. Auto physical damage	627,551	543,450	86.6	0.0
22. Aircraft (all perils)			0.0	0.0
23. Fidelity			0.0	0.0
24. Surety			0.0	0.0
26. Burglary and theft	169		0.0	0.0
27. Boiler and machinery			0.0	0.0
28. Credit			0.0	0.0
29. International			0.0	0.0
30. Warranty			0.0	0.0
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0.0	0.0
35. TOTALS	2,204,217	1,407,176	63.8	111.3
<b>DETAILS OF WRITE-INS</b>				
3401.				
3402.				
3403.				
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0.0	0.0

**PART 2 - DIRECT PREMIUMS WRITTEN**

Line of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire	5,927	5,927	5,886
2. Allied lines	2,363	2,363	2,345
3. Farmowners multiple peril	77,795	77,795	84,571
4. Homeowners multiple peril	547,071	547,071	578,340
5. Commercial multiple peril	0		0
6. Mortgage guaranty	0		0
8. Ocean marine	0		0
9. Inland marine	0		0
10. Financial guaranty	0		0
11.1 Medical professional liability-occurrence	0		0
11.2 Medical professional liability-claims made	0		0
12. Earthquake	0		0
13. Group accident and health	0		0
14. Credit accident and health	0		0
15. Other accident and health	0		0
16. Workers' compensation	0		0
17.1 Other liability occurrence	194	194	214
17.2 Other liability-claims made	0		0
17.3 Excess Workers' Compensation	0		0
18.1 Products liability-occurrence	0		0
18.2 Products liability-claims made	0		0
19.1,19.2 Private passenger auto liability	1,470,738	1,470,738	0
19.3,19.4 Commercial auto liability	0		0
21. Auto physical damage	1,049,361	1,049,361	0
22. Aircraft (all perils)	0		0
23. Fidelity	0		0
24. Surety	0		0
26. Burglary and theft	0		0
27. Boiler and machinery	1	1	0
28. Credit	0		0
29. International	0		0
30. Warranty	0		0
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0
35. TOTALS	3,153,450	3,153,450	671,356
<b>DETAILS OF WRITE-INS</b>			
3401.			
3402.			
3403.			
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0

STATEMENT AS OF MARCH 31, 2015 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2015 Loss and LAE Payments on Claims Reported as of Prior Year-End	2015 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2015 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols.7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2012 + Prior .....	.699	.89	.788	.56	.0	.56	.528	.2	.40	.570	(115)	(.47)	(.162)
2. 2013 .....	.872	.64	.936	.96	.2	.98	.664	.4	.51	.719	(112)	(.7)	(.119)
3. Subtotals 2013 + prior .....	1,571	.153	1,724	.152	.2	.154	1,192	.6	.91	1,289	(227)	(.54)	(.281)
4. 2014 .....	1,387	.445	1,832	.433	.57	.490	1,120	.33	.269	1,422	.166	(.86)	.80
5. Subtotals 2014 + prior .....	2,958	.598	3,556	.585	.59	.644	2,312	.39	.360	2,711	(.61)	(.140)	(.201)
6. 2015 .....	XXX	XXX	XXX	XXX	.659	.659	XXX	.749	.219	.968	XXX	XXX	XXX
7. Totals .....	2,958	598	3,556	585	718	1,303	2,312	788	579	3,679	(61)	(140)	(201)
8. Prior Year-End Surplus As Regards Policy-holders	13,541										Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1. (2.1)	2. (23.4)	3. (5.7)
													Col. 13, Line 7 Line 8
													4. (1.5)

## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

**Explanation:**

- 1.
- 2.
- 3.

**Bar Code:**

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

**OVERFLOW PAGE FOR WRITE-INS**

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**SCHEDULE A – VERIFICATION**

**Real Estate**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		0
2.2 Additional investment made after acquisition .....		0
3. Current year change in encumbrances .....		0
4. Total gain (loss) on disposals .....		0
5. Deduct amounts received on disposals .....		0
6. Total foreign exchange change in book/adjusted carrying value .....		0
7. Deduct current year's other-than-temporary impairment recognized .....		0
8. Deduct current year's depreciation .....		0
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8) .....	0	0
10. Deduct total nonadmitted amounts .....	0	0
11. Statement value at end of current period (Line 9 minus Line 10)	0	0

NONE

**SCHEDULE B – VERIFICATION**

**Mortgage Loans**

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

NONE

**SCHEDULE BA – VERIFICATION**

**Other Long-Term Invested Assets**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	0	435,046
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		256,397
2.2 Additional investment made after acquisition .....		0
3. Capitalized deferred interest and other .....		0
4. Accrual of discount .....		0
5. Unrealized valuation increase (decrease) .....		(85,118)
6. Total gain (loss) on disposals .....		26,039
7. Deduct amounts received on disposals .....		632,364
8. Deduct amortization of premium and depreciation .....		0
9. Total foreign exchange change in book/adjusted carrying value .....		0
10. Deduct current year's other-than-temporary impairment recognized .....		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7+8+9-10) .....	0	0
12. Deduct total nonadmitted amounts .....	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	0	0

**SCHEDULE D – VERIFICATION**

**Bonds and Stocks**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	21,297,525	19,149,059
2. Cost of bonds and stocks acquired .....	1,238,403	4,143,990
3. Accrual of discount .....	3,282	13,239
4. Unrealized valuation increase (decrease) .....	(146,526)	126,125
5. Total gain (loss) on disposals .....	184,207	289,087
6. Deduct consideration for bonds and stocks disposed of .....	1,175,493	2,363,705
7. Deduct amortization of premium .....	17,873	60,270
8. Total foreign exchange change in book/adjusted carrying value .....		0
9. Deduct current year's other-than-temporary impairment recognized .....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	21,383,525	21,297,525
11. Deduct total nonadmitted amounts .....	3,455	3,425
12. Statement value at end of current period (Line 10 minus Line 11)	21,380,070	21,294,100

STATEMENT AS OF MARCH 31, 2015 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

**SCHEDULE D - PART 1B**

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

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a).....	14,346,425	1,597,481	1,497,661	(201,980)	14,244,264	0	0	14,346,425
2. NAIC 2 (a).....	276,258			124,905	401,163	0	0	276,258
3. NAIC 3 (a).....	206,732			(644)	206,088	0	0	206,732
4. NAIC 4 (a).....	0				0	0	0	0
5. NAIC 5 (a).....	0				0	0	0	0
6. NAIC 6 (a).....	0				0	0	0	0
7. Total Bonds	14,829,415	1,597,481	1,497,661	(77,720)	14,851,515	0	0	14,829,415
<b>PREFERRED STOCK</b>								
8. NAIC 1.....	0				0	0	0	0
9. NAIC 2.....	48,816			342	49,158	0	0	48,816
10. NAIC 3.....	0				0	0	0	0
11. NAIC 4.....	0				0	0	0	0
12. NAIC 5.....	0				0	0	0	0
13. NAIC 6.....	0				0	0	0	0
14. Total Preferred Stock.....	48,816	0	0	342	49,158	0	0	48,816
15. Total Bonds & Preferred Stock	14,878,231	1,597,481	1,497,661	(77,378)	14,900,673	0	0	14,878,231

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

S102

**SCHEDULE DA - PART 1**

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	858,943	XXX	858,943	20	

**SCHEDULE DA - VERIFICATION**

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	989,796	683,967
2. Cost of short-term investments acquired .....	1,249,481	7,195,293
3. Accrual of discount .....		0
4. Unrealized valuation increase (decrease).....		0
5. Total gain (loss) on disposals .....		0
6. Deduct consideration received on disposals .....	1,380,334	6,889,463
7. Deduct amortization of premium.....		0
8. Total foreign exchange change in book/adjusted carrying value.....		0
9. Deduct current year's other-than-temporary impairment recognized.....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	858,943	989,796
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	858,943	989,796

Schedule DB - Part A - Verification

**NONE**

Schedule DB - Part B - Verification

**NONE**

Schedule DB - Part C - Section 1

**NONE**

Schedule DB - Part C - Section 2

**NONE**

Schedule DB - Verification

**NONE**

Schedule E - Verification

**NONE**

Schedule A - Part 2

**NONE**

Schedule A - Part 3

**NONE**

Schedule B - Part 2

**NONE**

Schedule B - Part 3

**NONE**

Schedule BA - Part 2

**NONE**

Schedule BA - Part 3  
**NONE**

STATEMENT AS OF MARCH 31, 2015 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>									
930863-5H-4	Wake Cnty NC Go Pub Impt Bnds		01/09/2015	Raymond James & Associates, Inc.		123,982	115,000	1,250	1FE
2499999	Bonds - U.S. Political Subdivisions of States, Territories and Possessions					123,982	115,000	1,250	XXX
<b>Bonds - U.S. Special Revenue</b>									
46263R-MU-6	Indianapolis Multi Sch Bldg Rev		03/27/2015	Fifth Third Securities, Inc.		113,457	100,000		1FE
3199999	Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions					113,457	100,000	0	XXX
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>									
742404-AK-2	Princeton Theological Seminary		02/06/2015	D A Davidson & Co.		110,561	100,000	456	1FE
3899999	Bonds - Industrial and Miscellaneous (Unaffiliated)					110,561	100,000	456	XXX
8399997	Subtotals - Bonds - Part 3					348,000	315,000	1,706	XXX
8399999	Subtotals - Bonds					348,000	315,000	1,706	XXX
<b>Common Stocks - Industrial and Miscellaneous</b>									
Y8565J-10-1	Teekay Offshore Partners LP MLP	R	03/19/2015	Harvest Investment Manager	1.000	23			
030975-10-6	Amerigas Partners LP MLP		01/20/2015	Harvest Investment Manager	3.000	153			
049392-10-3	Atlas Pipeline Partners LP MLP		01/16/2015	Harvest Investment Manager	9.000	226			
096627-10-4	Boardwalk Pipeline Partners LP		03/30/2015	Harvest Investment Manager	80.000	1,297			
118230-10-1	Buckey Partners LP MLP		03/30/2015	Harvest Investment Manager	7.000	534			
131347-30-4	Calpine Corp Com		03/30/2015	Harvest Investment Manager	50.000	1,119			
164110-10-1	Cheniere Energy Partners LP		03/23/2015	Harvest Investment Manager	14.000	421			
198281-10-7	Columbia Pipeline Partners MLP LP		02/06/2015	Harvest Investment Manager	106.000	2,825			
226378-10-7	Crestwood Midstream Partners LP		03/30/2015	Harvest Investment Manager	158.000	2,317			
23311P-10-0	DCP Midstream Partners LP		03/30/2015	Harvest Investment Manager	79.000	2,980			
291011-10-4	Emerson Electric Co.		02/17/2015	Northern Trust	102.000	5,979			
29336T-10-0	Enlink Midstream LLC		03/30/2015	Harvest Investment Manager	38.000	1,227			
29336U-10-7	Enlink Midstream Partners LP MLP		03/30/2015	Harvest Investment Manager	69.000	1,808			
293792-10-7	Enterprise Prods Partners LP MLP		02/13/2015	Return of Capital / Merger	175.500	6,575			
26885B-10-0	EQT Midstream Partners LP		03/19/2015	Harvest Investment Manager	5.000	379			
26926V-10-7	EV Energy Partnes L P COM		03/30/2015	Harvest Investment Manager	36.000	469			
371927-10-4	Genesis Energy LP MLP		03/25/2015	Harvest Investment Manager	24.000	1,058			
49456B-10-1	Kinder Morgan Inc Del Com		03/30/2015	Harvest Investment Manager	115.000	4,828			
55608B-10-5	Macquarie Infrastructure Co LLC		03/19/2015	Harvest Investment Manager	35.000	2,748			
62913M-10-7	NGL Energy Partners LP		03/19/2015	Harvest Investment Manager	51.000	1,393			
655844-10-8	Norfolk Southern Crp		01/20/2015	Northern Trust	241.000	24,957			
67058H-10-2	Nustar Energy LP MLP		03/20/2015	Harvest Investment Manager	20.000	1,225			
678049-10-7	Oiltanking Partners LP MLP		02/01/2015	Harvest Investment Manager	3.000	132			
682680-10-3	Oneok Inc Com Stk		03/25/2015	Harvest Investment Manager	48.000	2,267			
68268N-10-3	Oneok Partners LP MLP		01/20/2015	Harvest Investment Manager	5.000	205			
693475-10-5	PNC Financial Services		01/22/2015	Northern Trust	172.000	14,983			
75885Y-10-7	Regency Energy partners LP MLP		01/14/2015	Harvest Investment Manager	4.000	85			
81663A-10-5	Sengroup Corp CL A		03/18/2015	Harvest Investment Manager	18.000	1,316			
866142-10-2	Summit Midstream Partners LP		03/19/2015	Harvest Investment Manager	9.000	282			
86764L-10-8	Sunoco Logistics Partners LP MLP		03/19/2015	Harvest Investment Manager	53.000	2,137			
874697-10-5	Tallgrass Energy partners LP MLP		03/19/2015	Harvest Investment Manager	60.000	2,990			
87611X-10-5	Targa Resources Parnters LP MLP		03/30/2015	VARIOUS	106.278	4,361			
89353D-10-7	Transcanada Corp		03/30/2015	Harvest Investment Manager	67.000	2,928			
902973-30-4	U S Bancorp		01/22/2015	Northern Trust	344.000	14,961			
911312-10-6	United Parcel Svc CL B		03/30/2015	Northern Trust	154.000	14,994			
92343V-10-4	Verizon Communications		01/15/2015	Northern Trust	317.000	14,975			
384802-10-4	W W Grainger Inc		01/06/2015	Northern Trust	61.000	14,984			
949746-10-1	Wells Fargo & Company		01/22/2015	Northern Trust	279.000	14,984			
96950F-10-4	Williams Partners LP MLP		01/20/2015	Harvest Investment Manager	10.000	413			
96949L-10-5	Williams Partners LP MLP NEW		02/04/2015	VARIOUS	301.462	17,869			
9099999	Common Stocks - Industrial and Miscellaneous (Unaffiliated)					189,403	XXX	0	XXX
<b>Common Stocks - Mutual Funds</b>									
233203-84-3	DFA US Small Cap Portfolio		03/31/2015	Northern Trust	3,093.760	95,500			U
25264S-85-8	Diamond Hill Small Cap FD CI I		03/31/2015	Northern Trust	2,905.080	95,500			U
256206-10-3	Dodge & Cox Intl Stk FD	R	03/31/2015	VARIOUS	8,437.040	360,000			U

E04



STATEMENT AS OF MARCH 31, 2015 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22	
										11	12	13	14	15								
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)	
<b>Bonds - U.S. Governments</b>																						
831641-ES-0...	SBA SBIC 2010-10A 1 CMO		03/10/2015	PRINCIPAL RECEIPT		12,326	12,326	13,436	13,245		(919)		(919)		12,326			0	251	03/10/2020	1	
912828-DM-9...	U S Treasury Note		02/15/2015	MATURITY		100,000	100,000	93,602	99,891				109		100,000			0	2,000	02/15/2015	1	
<b>0599999 - Bonds - U.S. Governments</b>																						
<b>Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>																						
25009X-FN-0...	Des Moines IA Series A		03/03/2015	Partial Call		5,000	5,000	5,000	5,000				0		5,000			0	38	06/01/2022	1FE	
<b>2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>																						
<b>8399997 - Subtotals - Bonds - Part 4</b>																						
<b>8399999 - Subtotals - Bonds</b>																						
<b>Common Stocks - Industrial and Miscellaneous (Unaffiliated)</b>																						
66987Y-10-9...	Novartis	R	03/31/2015	Northern Trust	600,000	59,354	XXX	24,990	55,596	(30,606)			(30,606)		24,990		34,364	34,364		XXX	J	
767204-10-0...	Rio Tinto	R	01/20/2015	Northern Trust	212,000	9,297	XXX	9,976	9,765	211			211		9,976		(679)	(679)		XXX	J	
00434L-10-9...	Access Midstream Partners LP MLP		02/04/2015	Harvest Investment Manager	161,982	9,508	XXX	9,632	8,293	1,339			1,339		9,632		(124)	(124)		XXX	J	
049392-10-3...	Atlas Pipeline Partners LP MLP		03/03/2015	CAPITAL GAIN		11	XXX						0				11	11		XXX	J	
136375-10-2...	Canadian Natl Railway Co		03/30/2015	Northern Trust	100,000	6,611	XXX	2,900	6,891	(3,991)			(3,991)		2,900		3,711	3,711	18	XXX	J	
226378-10-7...	Crestwood Midstream Partners LP		01/02/2015	Harvest Investment Manager	1,000	16	XXX	15	15				0		15		1	1		XXX	J	
25179M-10-3...	Devon Energy Corp		01/22/2015	Northern Trust	160,000	9,737	XXX	10,112	9,794	318			318		10,112		(375)	(375)		XXX	J	
292480-10-0...	Enable Midstream Partners LP MLP		02/02/2015	Harvest Investment Manager	1,000	18	XXX	23	19	4			4		23		(6)	(6)		XXX	J	
29273V-10-0...	Energy Transfer Equity LP MLP		01/27/2015	Harvest Investment Manager	51,000	2,943	XXX	3,242	2,926	315			315		3,242		(298)	(298)		XXX	J	
293792-10-7...	Enterprise Prods Partners LP MLP		02/17/2015	Harvest Investment Manager	0,500	16	XXX	19	18	1			1		19		(4)	(4)		XXX	J	
30225X-10-3...	Exterran Hldgs Inc		02/01/2015	Harvest Investment Manager	34,000	969	XXX	1,269	1,108	162			162		1,269		(300)	(300)		XXX	J	
637585-10-9...	Gaslog Ltd		01/20/2015	Harvest Investment Manager	2,000	33	XXX	42	41	1			1		42		(9)	(9)		XXX	J	
459200-10-1...	International Business Machines		01/20/2015	Northern Trust	161,000	25,051	XXX	12,820	25,831	(13,010)			(13,010)		12,820		12,231	12,231		XXX	J	
570759-10-0...	Markwest Energy Partners LP MLP		02/02/2015	Harvest Investment Manager	17,000	1,011	XXX	1,266	1,142	124			124		1,266		(255)	(255)		XXX	J	
580135-10-1...	McDonalds Corporation		01/29/2015	Northern Trust	215,000	19,863	XXX	20,376	20,146	230			230		20,376		(513)	(513)		XXX	J	
678049-10-7...	Oil Tanking Partners LP MLP		02/13/2015	Stock Merger	135,000	6,575	XXX	6,575	6,149	294			294		6,575		0	0	38	XXX	J	
682680-10-3...	Oneok Inc Com Stk		02/02/2015	Harvest Investment Manager	8,000	352	XXX	461	398	62			62		461		(109)	(109)		XXX	J	
68268M-10-3...	Oneok Partners LP MLP		02/25/2015	Harvest Investment Manager	28,000	1,213	XXX	1,144	911	27			27		1,144		70	70	17	XXX	J	
718546-10-4...	Phillips 66 Com Stk		01/20/2015	Harvest Investment Manager	3,000	185	XXX	233	215	18			18		233		(48)	(48)		XXX	J	
777149-10-5...	Rose Rock Midstream LP		02/09/2015	Harvest Investment Manager	11,000	460	XXX	583	500	83			83		583		(123)	(123)		XXX	J	
876126-10-1...	Targa Resources Corp		02/01/2015	VARIOUS	14,000	1,224	XXX	1,700	1,485	216			216		1,700		(476)	(476)		XXX	J	
87611X-10-5...	Targa Resources Parnters LP MLP		03/20/2015	VARIOUS	22,278	987	XXX	983	814	(57)			(57)		983		3	3		XXX	J	
Y8564W-10-3...	Teekay Corp		01/14/2015	Harvest Investment Manager	7,000	304	XXX	371	356	14			14		371		(66)	(66)		XXX	J	
Y8564W-10-5...	Teekay Long Partners LP MLP		01/21/2015	Harvest Investment Manager	1,000	40	XXX	42	43	(1)			(1)		42		(3)	(3)		XXX	J	
88160T-10-7...	Tesoro Logistics LP MLP		01/08/2015	Harvest Investment Manager	3,000	169	XXX	174	177	(3)			(3)		174		(5)	(5)		XXX	J	
884903-10-5...	Thomson Reuters Corp		03/30/2015	Northern Trust	450,000	18,013	XXX	15,221	18,153	(2,932)			(2,932)		15,221		2,792	2,792	113	XXX	J	
89353D-10-7...	Transcanada Corp		02/03/2015	Northern Trust	1,250,000	59,032	XXX	24,850	61,375	(36,525)			(36,525)		24,850		34,182	34,182	354	XXX	J	
91914J-10-2...	Valero Energy Partners LP MLP		01/23/2015	Harvest Investment Manager	6,000	267	XXX	301	260	42			42		301		(34)	(34)		XXX	J	
960417-10-3...	Westlake Chemical Partners LP MLP		01/22/2015	Harvest Investment Manager	3,000	76	XXX	89	87	2			2		89		(13)	(13)		XXX	J	
969457-10-0...	Williams Co Inc		02/19/2015	Harvest Investment Manager	61,000	2,823	XXX	3,389	2,741	648			648		3,389		(566)	(566)		XXX	J	
96950F-10-4...	Williams Partners LP MLP		02/02/2015	VARIOUS	173,000	8,853	XXX	8,912	7,294	1,205			1,205		8,912		(59)	(59)		XXX	J	
96949L-10-5...	Williams Partners LP MLP NEW		03/09/2015	Harvest Investment Manager	1,460	69	XXX	91	91	0			0		91		(22)	(22)		XXX	J	
<b>9099999 - Common Stocks - Industrial and Miscellaneous (Unaffiliated)</b>																						
<b>Common Stock - Mutual Funds</b>																						
001620-86-6...	Alerian MLP ETF		02/13/2015	Northern Trust	6,701,000	114,049	XXX	118,895	117,402	1,493			1,493		118,895		(4,846)	(4,846)		1,960	XXX	J
25264S-83-3...	Diamond Hill Long Short Fd CI 1		01/29/2015	Northern Trust	2,268,000	52,708	XXX	31,457	54,931	(23,474)			(23,474)		31,457		21,251	21,251		XXX	J	
45070A-40-4...	IVA International Fund CI 1		02/25/2015	Northern Trust	10,745,000	182,880	XXX	154,986	176,540	(21,554)			(21,554)		154,986		27,894	27,894		XXX	J	
577125-10-7...	Matthews Asia Dividend Fund		02/03/2015	Harvest Investment Manager	5,742,000	90,322	XXX	74,992	87,623	(12,630)			(12,630)		74,992		15,329	15,329		XXX	J	

E05

STATEMENT AS OF MARCH 31, 2015 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
577130-20-6	Matthews Asian Growth and Inc Fnd	R	03/20/2015	Northern Trust	2,550,000	46,487	XXX	39,988	45,926	(5,937)			(5,937)		39,988		6,498	6,498		XXX	JJ
780905-60-0	Royce Premier Fund		01/08/2015	Northern Trust	6,882,000	133,373	XXX	122,492	135,713	(13,221)			(13,221)		122,492		10,881	10,881		XXX	JJ
78463X-86-3	SPDR DJ Wilshire Int'l ETF	R	01/22/2015	Northern Trust	1,245,000	54,458	XXX	39,369	51,755	(12,386)			(12,386)		39,369		15,089	15,089	414	XXX	JJ
885215-56-6	Thornburg International Fund Cl	R	01/06/2015	Northern Trust	5,195,000	138,810	XXX	129,978	142,395	(12,417)			(12,417)		129,978		8,832	8,832		XXX	JJ
9299999 - Common Stocks - Mutual Funds						813,087	XXX	712,157	812,284	(100,127)	0	0	(100,127)	0	712,157	0	100,929	100,929	2,374	XXX	XXX
9799997 - Subtotals - Common Stocks - Part 4						1,058,167	XXX	873,960	1,054,826	(181,933)	0	0	(181,933)	0	873,960	0	184,207	184,207	2,917	XXX	XXX
9799999 - Subtotals - Common Stocks						1,058,167	XXX	873,960	1,054,826	(181,933)	0	0	(181,933)	0	873,960	0	184,207	184,207	2,917	XXX	XXX
9899999 - Subtotals - Preferred and Common Stocks						1,058,167	XXX	873,960	1,054,826	(181,933)	0	0	(181,933)	0	873,960	0	184,207	184,207	2,917	XXX	XXX
9999999 Totals						1,175,493	XXX	985,997	1,172,961	(181,933)	(809)	0	(182,743)	0	991,286	0	184,207	184,207	5,206	XXX	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....6.

Schedule DB - Part A - Section 1

**NONE**

Schedule DB - Part B - Section 1

**NONE**

Schedule DB - Part D - Section 1

**NONE**

Schedule DB - Part D - Section 2

**NONE**

Schedule DL - Part 1

**NONE**

Schedule DL - Part 2

**NONE**



Schedule E - Part 2

**NONE**

Director and Officer Insurance Coverage

**NONE**