



QUARTERLY STATEMENT
AS OF JUNE 30, 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_mcvay@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 06 day of August, 2015

Lauresa Durham, Notary Public
July 30, 2016

STATEMENT AS OF JUNE 30, 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	13,954,603	0	13,954,603	13,839,619
2. Stocks:				
2.1 Preferred stocks	0	0	0	48,816
2.2 Common stocks	7,429,037	3,455	7,425,582	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 (\$614,967), cash equivalents (\$0) and short-term investments (\$1,023,993)	1,638,960	0	1,638,960	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)	23,022,600	3,455	23,019,145	22,742,764
13. Title plants less \$ charged off (for Title insurers only)	0	0	0	0
14. Investment income due and accrued	136,441	0	136,441	130,159
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	306,547	6,408	300,139	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	102	0	102	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	9,944	9,944	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	23,475,634	19,807	23,455,827	23,180,770
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0	0
28. Total (Lines 26 and 27)	23,475,634	19,807	23,455,827	23,180,770
DETAILS OF WRITE-INS				
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	9,944	9,944	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)	9,944	9,944	0	0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 1,377,655)	3,210,837	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	236,872	303,045
5. Other expenses (excluding taxes, licenses and fees)	284,052	472,100
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	65,854	116,864
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))	51,002	11,047
7.2 Net deferred tax liability	160,308	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)	4,591,487	4,519,774
10. Advance premium	93,389	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)	(31,668)	33,644
13. Funds held by company under reinsurance treaties	0	0
14. Amounts withheld or retained by company for account of others	208,605	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)	9,478,819	9,639,837
27. Protected cell liabilities	0	0
28. Total liabilities (Lines 26 and 27)	9,478,819	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)	13,977,008	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)	13,977,008	13,540,933
38. Totals (Page 2, Line 28, Col. 3)	23,455,827	23,180,770
DETAILS OF WRITE-INS		
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.	0	0
2902.	0	0
2903.	0	0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201.	0	0
3202.	0	0
3203.	0	0
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 6,418,176)	5,038,770	1,374,285	3,812,709
1.2 Assumed (written \$ 4,901,843)	4,830,130	4,711,449	9,489,117
1.3 Ceded (written \$ 6,418,176)	5,038,770	1,374,285	3,812,709
1.4 Net (written \$ 4,901,843)	4,830,130	4,711,449	9,489,117
DEDUCTIONS:			
2. Losses incurred (current accident year \$)::			
2.1 Direct	3,241,934	844,658	1,665,375
2.2 Assumed	2,544,652	2,552,482	4,979,718
2.3 Ceded	3,241,934	844,658	1,665,375
2.4 Net	2,544,652	2,552,482	4,979,718
3. Loss adjustment expenses incurred	454,662	460,151	981,767
4. Other underwriting expenses incurred	1,541,555	1,526,218	3,084,493
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	4,540,870	4,538,851	9,045,979
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	289,261	172,598	443,138
INVESTMENT INCOME			
9. Net investment income earned	251,007	245,383	525,511
10. Net realized capital gains (losses) less capital gains tax of \$ 156,670	304,125	28,728	207,983
11. Net investment gain (loss) (Lines 9 + 10)	555,132	274,111	733,494
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ 4,683)	(4,683)	(4,708)	(11,631)
13. Finance and service charges not included in premiums	73,885	74,354	149,770
14. Aggregate write-ins for miscellaneous income	103	63	250
15. Total other income (Lines 12 through 14)	69,305	69,709	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)	913,697	516,418	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)	913,697	516,418	1,315,020
19. Federal and foreign income taxes incurred	83,285	66,052	131,686
20. Net income (Line 18 minus Line 19)(to Line 22)	830,412	450,366	1,183,334
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	13,540,932	12,517,261	12,517,261
22. Net income (from Line 20)	830,412	450,366	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 \$ (165,528)	(321,319)	204,712	27,065
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	(67,908)	(43,514)	(171,590)
27. Change in nonadmitted assets	(5,110)	(18,474)	(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)	436,075	593,090	1,023,671
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	13,977,008	13,110,351	13,540,932
DETAILS OF WRITE-INS			
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)	103	63	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)	103	63	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)

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance.....	4,862,632	4,754,559	9,618,738
2. Net investment income	274,967	256,661	557,073
3. Miscellaneous income	69,305	69,709	138,388
4. Total (Lines 1 to 3)	5,206,904	5,080,929	10,314,199
5. Benefit and loss related payments	2,279,682	2,511,644	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	2,311,393	2,311,607	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).....	200,000	50,000	150,000
10. Total (Lines 5 through 9)	4,791,075	4,873,251	9,162,876
11. Net cash from operations (Line 4 minus Line 10)	415,830	207,678	1,151,324
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	442,095	512,850	992,438
12.2 Stocks	1,819,834	124,466	1,371,267
12.3 Mortgage loans	0	0	0
12.4 Real estate	0	0	0
12.5 Other invested assets	0	632,363	632,364
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0	0
12.7 Miscellaneous proceeds	11,220	2	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	2,273,149	1,269,681	2,996,069
13. Cost of investments acquired (long-term only):			
13.1 Bonds	590,629	1,035,315	2,136,291
13.2 Stocks	1,813,936	256,422	2,007,699
13.3 Mortgage loans	0	0	0
13.4 Real estate	0	0	0
13.5 Other invested assets	0	256,397	256,397
13.6 Miscellaneous applications	10,994	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	2,415,559	1,548,134	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)	(142,410)	(278,453)	(1,404,318)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0	0
16.5 Dividends to stockholders	0	0	0
16.6 Other cash provided (applied).....	(83,123)	96,868	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).....	(83,123)	96,868	432,004
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)	190,296	26,093	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)	1,638,960	1,295,747	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	\$ 830,412	\$ 1,183,333
(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)		\$ 830,412	\$ 1,183,333
<u>SURPLUS</u>			
(5) SMIC state basis (Page 3, Line 37, Columns 1 & 2)	Ohio	\$ 13,977,008	\$ 13,540,933
(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)		\$ 13,977,008	\$ 13,540,933

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 June 30, 2015 and December 31, 2014 are as follows:

1.

	06/30/2015		
	(1)	(2)	(3)
	Ordinary	Capital	(Col 1+2) Total
(a) Gross Deferred Tax Assets	\$ 632,784	\$ 45,860	\$ 678,644
(b) Statutory Valuation Allowance Adjustments	—	—	—
(c) Adjusted Gross Deferred Tax Assets (1a – 1b)	632,784	45,860	678,644
(d) Deferred Tax Assets Nonadmitted	—	—	—
(e) Subtotal Net Deferred Tax Asset (1c – 1d)	632,784	45,860	678,644
(f) Deferred Tax Liabilities	(67,414)	(771,538)	(838,952)
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e – 1f)	\$ 565,370	\$ (725,678)	\$ (160,308)

NOTES TO FINANCIAL STATEMENTS

	12/31/2014		
	(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>
	Change		
	(7)	(8)	(9)
	(Col 1—4) Ordinary	(Col 2—5) Capital	(Co 7+8) Total
(a) Gross Deferred Tax Assets	\$ (58,048)	\$ (6,572)	\$ (64,620)
(b) Statutory Valuation Allowance Adjustments	—	—	—
(c) Adjusted Gross Deferred Tax Assets (1a – 1b)	(58,048)	(6,572)	(64,620)
(d) Deferred Tax Assets Nonadmitted	—	—	—
(e) Subtotal Net Deferred Tax Asset (1c – 1d)	(58,048)	(6,572)	(64,620)
(f) Deferred Tax Liabilities	(3,287)	165,527	162,240
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e – 1f)	<u>\$ (61,335)</u>	<u>\$ 158,955</u>	<u>\$ 97,620</u>

2. Admission Calculation Components SSAP No. 101

	06/30/2015		
	(1)	(2)	(3)
	Ordinary	Capital	(Col 1+2) Total
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 445,341	\$ —	\$ 445,341
(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	2,096,551
(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.	110,114	45,860	155,974
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. (2(a) + 2(b) + 2(c))	<u>\$ 632,784</u>	<u>\$ 45,860</u>	<u>\$ 678,644</u>

NOTES TO FINANCIAL STATEMENTS

	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	63,388
(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>(58,048)</u>	<u>(6,572)</u>	<u>(64,620)</u>
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. (2(a) + 2(b) + 2(c))	<u>\$ (58,048)</u>	<u>\$ (6,572)</u>	<u>\$ (64,620)</u>

3.

	2015	2014
(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.	\$ 13,977,008	\$ 13,540,932

NOTES TO FINANCIAL STATEMENTS

4. Impact of Tax—Planning Strategies

		<u>06/30/2015</u>	
		(1)	(2)
		Ordinary	Capital
(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)	\$ 632,784	\$ 45,860
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)	\$ 632,784	\$ 45,860
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)
		Ordinary	Capital
(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)
		Ordinary	Capital
(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)	\$ (58,048)	\$ (6,572)
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)	\$ (58,048)	\$ (6,572)
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)
	06/30/2015	12/31/2014	(Col 1—2) Change
1. Current Income Tax			
(a) Federal	\$ 83,285	\$ 131,686	\$ (48,401)
(b) Foreign	\$ —	\$ —	\$ —
(c) Subtotal	\$ 83,285	\$ 131,686	\$ (48,401)
(d) Federal income tax on net capital gains	\$ 156,670	\$ 107,143	\$ 49,527
(e) Utilization of operating loss carry—forwards	\$ —	\$ —	\$ —
(f) Other (incl. prior year over/under accrual)	\$ —	\$ —	\$ —
(g) Federal and foreign income taxes incurred	<u>\$ 156,670</u>	<u>\$ 238,829</u>	<u>\$ 1,126</u>
2. Deferred Tax Assets			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 49,282	\$ 49,282	\$ —
(2) Unearned premium reserve	\$ 312,221	\$ 307,345	\$ 4,876
(3) Policyholder reserves	\$ —	\$ —	\$ —
(4) Investments	\$ —	\$ —	\$ —
(5) Deferred acquisition costs	\$ —	\$ —	\$ —
(6) Policyholder dividends accrual	\$ —	\$ —	\$ —
(7) Fixed assets and prepaid expense— nonadmitted	\$ 5,109	\$ 3,381	\$ 1,728
(8) Compensation and benefits accrual	\$ 57,759	\$ 71,396	\$ (13,637)
(9) Pension accrual	\$ 23,872	\$ 25,366	\$ (1,494)
(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	\$ 50,659	\$ 45,613	\$ 5,046
(16) Other	\$ 6,349	\$ 4,576	\$ 1,776
(99) Subtotal	\$ 632,784	\$ 690,832	\$ (58,048)
(b) Statutory valuation allowance adjustment	\$ —	\$ —	\$ —
(c) Nonadmitted	\$ —	\$ —	\$ —
(d) Admitted ordinary deferred tax assets (2a99 – 2b – 2c)	<u>\$ 632,784</u>	<u>\$ 690,832</u>	<u>\$ (58,048)</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	\$ 45,860	\$ 52,432	\$ (6,572)
(99) Subtotal	\$ 45,860	\$ 52,432	\$ (6,572)
(f) Statutory valuation allowance adjustment	\$ —	\$ —	\$ —
(g) Nonadmitted	\$ —	\$ —	\$ —
(h) Admitted capital deferred tax assets (2e99 – 2f – 2g)	<u>\$ 45,860</u>	<u>\$ 52,432</u>	<u>\$ (6,572)</u>
(i) Admitted deferred tax assets (2d + 2h)	<u>\$ 678,644</u>	<u>\$ 743,264</u>	<u>\$ (64,620)</u>
3. Deferred Tax Liabilities:			
(a) Ordinary			
(1) Investments	\$ (42,596)	\$ (43,259)	\$ 663
(2) Fixed assets	\$ —	\$ —	\$ —
(3) Deferred and uncollected premium	\$ —	\$ —	\$ —
(4) Policyholder reserves	\$ —	\$ —	\$ —
(5) Other (including items <5% of total ordinary tax liabilities)	\$ (24,818)	\$ (20,868)	\$ (3,950)
(99) Subtotal	\$ (67,414)	\$ (64,127)	\$ (3,287)
(b) Capital:			
(1) Investments	\$ —	\$ —	\$ —
(2) Real estate	\$ —	\$ —	\$ —
(3) Other (including items <5% of total capital tax liabilities):			
(4) Unrealized capital gains	\$ (771,538)	\$ (937,066)	\$ 165,528
(99) Subtotal	\$ (771,538)	\$ (937,066)	\$ 165,528
(c) Deferred tax liabilities (3a99 + 3b99)	<u>\$ (838,952)</u>	<u>\$ (1,001,193)</u>	<u>\$ 162,241</u>
4. Net deferred tax assets/liabilities (2i – 3c)	<u>\$ (160,308)</u>	<u>\$ (257,929)</u>	<u>\$ (97,621)</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>06/30/2015</u>	<u>Effective Tax Rate</u>
Provision computed at statutory rate	\$ 363,925	34.0%
Tax exempt interest	(28,034)	(2.6%)
Dividends received deduction	(18,050)	(1.7%)
Change in deferred tax on nonadmitted assets	(1,728)	(0.2%)
Other	(4,518)	(.7%)
Total	<u>\$ 307,862</u>	<u>28.8%</u>
Federal and foreign income taxes incurred	\$ 83,285	7.7%
Tax on capital gains (losses)	156,670	14.8%
Change in net deferred income taxes	<u>67,907</u>	<u>6.3%</u>
Total statutory income taxes	<u>\$ 307,862</u>	<u>28.8%</u>

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

(1) As of June 30, 2015, the Company had no net operating loss and net capital loss carry—forwards available for tax purposes.

As of June 30, 2015, the Company had no alternative minimum tax (AMT) credit carry—forwards.

(2) As of June 30, 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 June 30, 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 June 30, 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 June 30, 2015 and December 31, 2014, amounts held for these deferrals were \$0.3 million and \$0.3 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 \$2.3 million and \$2.8 million at June 30, 2015 and December 31, 2014, 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

No significant changes.

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

Not applicable.

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

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

18. Gain or Loss to the Reporting Entity from Uninsured 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 June 30, 2015:

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	\$ —	\$ —	\$ —	\$ —
Total Perpetual Preferred Stocks	—	—	—	—
Common Stock:				
Mutual Funds	1,150,232			1,150,232
Industrial and Misc	6,192,444	—	82,906	6,275,350
Total Common Stocks	7,342,676	—	82,906	7,425,582
Other Invested Assets	—	—	—	—
Total assets at fair value	\$ 7,342,676	\$ —	\$ 82,906	\$ 7,425,582
b. Liabilities at fair value:				
Not applicable.				

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	\$ 48,816	\$ —	\$ —	\$ 48,816
Total Perpetual Preferred Stocks	48,816	—	—	48,816
Common Stock:				
Mutual Funds	2,094,535			2,094,535
Industrial and Misc	5,228,224	—	82,906	5,311,130
Total Common Stocks	7,322,759	—	82,906	7,405,665
Other Invested Assets	—	—	—	—
Total assets at fair value	\$ 7,371,575	\$ —	\$ 82,906	\$ 7,454,481
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 01/01/2015	Transfers In/(out) Level 3	Total Gain/(Loss) Included in Net Income	Total Gain/(Loss) Included in Surplus	(Sales)	Ending Balance at 06/30/2015
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 June 30, 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	\$ 14,440,164	\$ 13,954,603	\$ 1,092,009	\$ 13,348,155	\$ —	\$ —
Perpetual Preferred Stock	—	—	—	—	—	—
Common Stock	7,425,583	7,425,583	7,342,677	—	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 August 7, 2015 for the statutory statement issued on August 7, 2015 for the quarter ending June 30, 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 August 7, 2015 for the statutory statement issued on August 7, 2015 for the quarter ending June 30, 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, \$1.1 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 \$2.2 million as a result of re-estimation of unpaid claims and claim adjusting expenses. Therefore, there has been a \$.3 million favorable prior year development from December 31, 2014 to June 30, 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.

NOTES TO FINANCIAL STATEMENTS

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

No significant changes.

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>
(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: | \$ — |

NOTES TO FINANCIAL STATEMENTS

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:	\$	—

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: \$

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 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$	\$
14.22 Preferred Stock	\$	\$
14.23 Common Stock	\$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 JUNE 30, 2015 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

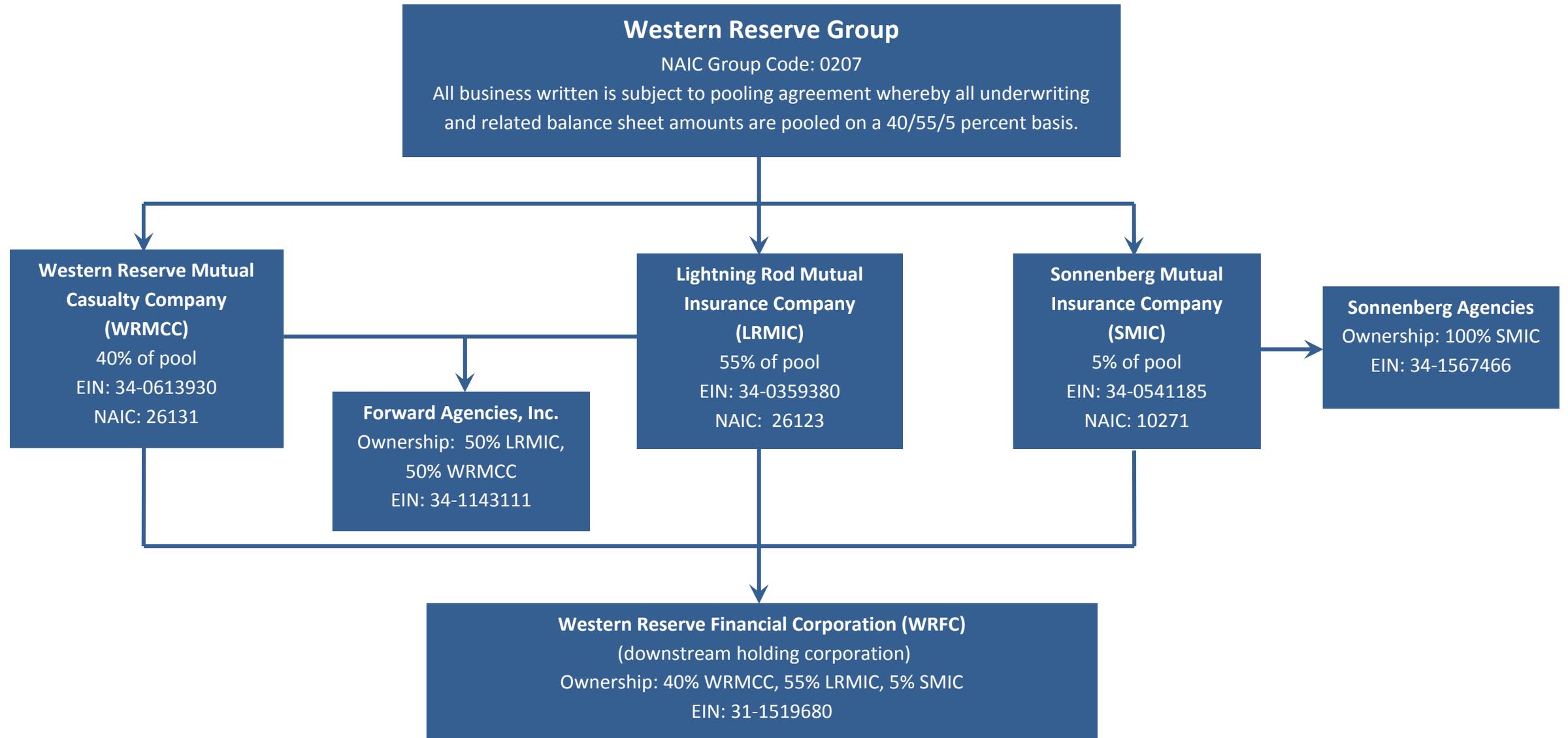
States, etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid		
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date	
1. Alabama	AL	N	0	0	0	0	0	
2. Alaska	AK	N	0	0	0	0	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	1,769,652	346,483	775,852	110,908	645,082	51,004
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	4,648,524	1,049,109	1,428,404	531,090	857,853	347,381
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	6,418,176	1,395,592	2,204,256	641,998	1,502,935	398,385
DETAILS OF WRITE-INS								
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	16,592	116	0.7	0.0
2. Allied lines	7,498		0.0	(6.1)
3. Farmowners multiple peril	173,851		0.0	118.4
4. Homeowners multiple peril	1,233,652	843,553	68.4	54.1
5. Commercial multiple peril	0		0.0	0.0
6. Mortgage guaranty	0		0.0	0.0
8. Ocean marine	0		0.0	0.0
9. Inland marine	0		0.0	0.0
10. Financial guaranty	0		0.0	0.0
11.1 Medical professional liability -occurrence	0		0.0	0.0
11.2 Medical professional liability -claims made	0		0.0	0.0
12. Earthquake	0		0.0	0.0
13. Group accident and health	0		0.0	0.0
14. Credit accident and health	0		0.0	0.0
15. Other accident and health	0		0.0	0.0
16. Workers' compensation	0		0.0	0.0
17.1 Other liability occurrence	616		0.0	0.0
17.2 Other liability-claims made	0		0.0	0.0
17.3 Excess Workers' Compensation	0		0.0	0.0
18.1 Products liability-occurrence	0		0.0	0.0
18.2 Products liability-claims made	0		0.0	0.0
19.1,19.2 Private passenger auto liability	2,070,617	1,169,576	56.5	0.0
19.3,19.4 Commercial auto liability			0.0	0.0
21. Auto physical damage	1,535,574	1,228,689	80.0	0.0
22. Aircraft (all perils)	0		0.0	0.0
23. Fidelity	0		0.0	0.0
24. Surety	0		0.0	0.0
26. Burglary and theft	0		0.0	0.0
27. Boiler and machinery	370		0.0	0.0
28. Credit	0		0.0	0.0
29. International	0		0.0	0.0
30. Warranty	0		0.0	0.0
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0.0	0.0
35. TOTALS	5,038,770	3,241,934	64.3	61.5
DETAILS OF WRITE-INS				
3401.			0.0	0.0
3402.			0.0	0.0
3403.			0.0	0.0
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	8,076	14,003	15,570
2. Allied lines	4,192	6,555	7,020
3. Farmowners multiple peril	85,261	163,056	187,026
4. Homeowners multiple peril	626,372	1,173,443	1,185,422
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	318	512	554
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	1,439,786	2,910,524	0
19.3,19.4 Commercial auto liability	0		0
21. Auto physical damage	1,099,684	2,149,045	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	1,037	1,038	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	3,264,726	6,418,176	1,395,592
DETAILS OF WRITE-INS			
3401.			
3402.			
3403.			
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0

STATEMENT AS OF JUNE 30, 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	.181	.1	.182	.420	.5	.23	.448	(.98)	(.60)	(.158)
2. 2013 .....	.872	.64	.936	.163	.5	.168	.587	.15	.32	.634	(122)	(12)	(134)
3. Subtotals 2013 + prior	1,571	153	1,724	344	6	350	1,007	20	55	1,082	(220)	(72)	(292)
4. 2014	1,387	445	1,832	647	129	776	918	88	95	1,101	178	(133)	45
5. Subtotals 2014 + prior	2,958	598	3,556	991	135	1,126	1,925	108	150	2,183	(42)	(205)	(247)
6. 2015	XXX	XXX	XXX	XXX	1,611	1,611	XXX	1,143	493	1,636	XXX	XXX	XXX
7. Totals	2,958	598	3,556	991	1,746	2,737	1,925	1,251	643	3,819	(42)	(205)	(247)
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. (1.4)	2. (34.3)	3. (6.9)
													Col. 13, Line 7 Line 8
													4. (1.8)

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

OVERFLOW PAGE FOR WRITE-INS

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	2,404,565	4,143,990
3. Accrual of discount	6,381	13,239
4. Unrealized valuation increase (decrease)	(486,862)	126,125
5. Total gain (loss) on disposals	471,789	289,087
6. Deduct consideration for bonds and stocks disposed of	2,262,155	2,363,705
7. Deduct amortization of premium	36,623	60,270
8. Total foreign exchange change in book/adjusted carrying value		0
9. Deduct current year's other-than-temporary impairment recognized	10,979	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	21,383,641	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)	21,380,186	21,294,100

STATEMENT AS OF JUNE 30, 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
BONDS								
1. NAIC 1 (a).....	14,294,441	1,965,075	1,882,572	(4,870)	14,294,441	14,372,074	.0	14,346,425
2. NAIC 2 (a).....	401,163			(73)	401,163	401,090	.0	276,258
3. NAIC 3 (a).....	206,088			(656)	206,088	205,432	.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	14,901,692	1,965,075	1,882,572	(5,599)	14,901,692	14,978,596	0	14,829,415
PREFERRED STOCK								
8. NAIC 1.....	.0				.0	.0	.0	.0
9. NAIC 2.....	49,158		49,866	708	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.....	49,158	0	49,866	708	49,158	0	0	48,816
15. Total Bonds & Preferred Stock	14,950,850	1,965,075	1,932,439	(4,891)	14,950,850	14,978,596	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 \$0 ; NAIC 2 \$0 ;
NAIC 3 \$0 ; NAIC 4 \$0 ; NAIC 5 \$0 ; NAIC 6 \$0

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SCHEDULE DA - PART 1

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	1,023,993	XXX	1,023,993	41	

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	2,971,927	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	2,937,730	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).....	1,023,993	989,796
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	1,023,993	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 JUNE 30, 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)
Bonds - U.S. Political Subdivisions of States, Territories and Possessions									
812626-4T-3	City of Seattle WA GO		05/07/2015	Raymond James & Associates, Inc.		123,551	100,000		1FE
388568-HZ-3	Granville OH Exempted Vlg SD GO		04/29/2015	Fifth Third Securities, Inc.		119,078	100,000		1FE
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						242,629	200,000	0	XXX
8399997 - Subtotals - Bonds - Part 3						242,629	200,000	0	XXX
8399999 - Subtotals - Bonds						242,629	200,000	0	XXX
Common Stocks - Industrial and Miscellaneous									
Y2687W-10-8	Gaslog Partners LP MLP	R	06/01/2015	Harvest Investment Manager	4,000	105			
Y8565J-10-1	Teekay Offshore Partners LP MLP	R	06/01/2015	Harvest Investment Manager	13,000	296			
282539-10-5	8Point3 Energy partners MLP		06/19/2015	Harvest Investment Manager	14,000	294			
02752P-10-0	American Midstream Partners LP		06/01/2015	Harvest Investment Manager	7,000	128			
030975-10-6	Amerigas Partners LP MLP		06/01/2015	Harvest Investment Manager	7,000	344			
03673L-10-3	Antero Midstream Partners LP MLP		06/01/2015	Harvest Investment Manager	8,000	214			
096627-10-4	Boardwalk Pipeline Partners LP		05/01/2015	Harvest Investment Manager	6,000	105			
118230-10-1	Buckey Partners LP MLP		05/15/2015	Harvest Investment Manager	49,000	3,927			
131476-10-3	Calumet Specialty Prods Prtns LP		06/01/2015	Harvest Investment Manager	1,000	27			
164110-10-1	Cheniere Energy Partners LP		06/03/2015	Harvest Investment Manager	7,000	233			
198281-10-7	Columbia Pipeline Partners MLP LP		06/01/2015	Harvest Investment Manager	12,000	326			
206812-10-9	Cone Midstream Partners LP MLP		06/01/2015	Harvest Investment Manager	4,000	77			
226378-10-7	Crestwood Midstream Partners LP		05/01/2015	Harvest Investment Manager	1,000	16			
22758A-10-5	CrossAmerica Partners LP Unit Ltd		06/01/2015	Harvest Investment Manager	48,000	1,595			
257454-10-8	Dominion Midstream Partners MLP		06/01/2015	Harvest Investment Manager	5,000	211			
29250R-10-6	Enbridge Energy Partners LP MLP		06/01/2015	Harvest Investment Manager	29,000	1,078			
29273V-10-0	Energy Transfer Equity LP MLP		06/01/2015	Harvest Investment Manager	85,000	5,737			
29273R-10-9	Energy Transfer Partners LP MLP		06/01/2015	Harvest Investment Manager	110,250	6,251			
29336U-10-7	Enlink Midstream Partners LP MLP		05/01/2015	Harvest Investment Manager	14,000	359			
293792-10-7	Enterprise Prods Partners LP MLP		06/01/2015	Harvest Investment Manager	146,000	4,912			
29414J-10-7	Enviva Partners MLP		05/01/2015	Harvest Investment Manager	25,000	502			
26885J-10-3	EQT GP Holdings LP		05/13/2015	Harvest Investment Manager	40,000	1,091			
26885B-10-0	EQT Midstream Partners LP		05/15/2015	Harvest Investment Manager	16,000	1,316			
26926V-10-7	EV Energy Partnes L P COM		05/01/2015	Harvest Investment Manager	5,000	74			
30225X-10-3	Exterran Hldgs Inc		05/15/2015	Harvest Investment Manager	29,000	1,021			
30225N-10-5	Exterran Partners LP MLP		06/01/2015	Harvest Investment Manager	31,000	820			
637585-10-9	Gaslog Ltd		06/01/2015	Harvest Investment Manager	18,000	382			
371927-10-4	Genesis Energy LP MLP		05/15/2015	Harvest Investment Manager	13,000	632			
435763-10-7	Holly Energy Partners LP		06/01/2015	Harvest Investment Manager	10,000	335			
55608B-10-5	Macquarie Infrastructure Co LLC		05/01/2015	Harvest Investment Manager	6,000	494			
559080-10-6	Magellan Midstream Partners LP MLP		06/01/2015	Harvest Investment Manager	42,000	3,434			
570759-10-0	Markwest Energy Partners LP MLP		06/01/2015	Harvest Investment Manager	12,000	796			
55336V-10-0	MPLX LP Com MLP		06/01/2015	Harvest Investment Manager	13,000	966			
62913M-10-7	NGL Energy Partners LP		06/29/2015	Harvest Investment Manager	51,000	1,573			
665826-10-3	Northern Tier Energy LP MLP		06/01/2015	Harvest Investment Manager	6,000	146			
67058H-10-2	Nustar Energy LP MLP		05/15/2015	Harvest Investment Manager	31,000	2,040			
682680-10-3	Oneok Inc Com Stk		05/01/2015	Harvest Investment Manager	6,000	288			
68268N-10-3	Oneok Partners LP MLP		05/22/2015	Harvest Investment Manager	24,000	981			
693180-10-4	PBF Logistics LP MLP		05/15/2015	Harvest Investment Manager	11,000	269			
709311-10-4	Penntex Midstream Partners MLP		06/10/2015	VARIOUS	37,000	740			
718546-10-4	Phillips 66 Com Stk		06/01/2015	Harvest Investment Manager	9,000	714			
718549-20-7	Phillips 66 Partners LP MLP		06/01/2015	Harvest Investment Manager	4,000	289			
726503-10-5	Plains All American Pipeline LP		06/01/2015	Harvest Investment Manager	189,000	9,027			
72651A-10-8	Plains GP Hldgs LP CL A MLP		06/01/2015	Harvest Investment Manager	46,000	1,325			
74735R-11-5	OEP Midstream Partners LP MLP		06/01/2015	Harvest Investment Manager	33,000	579			
762819-10-0	Rice Midstream Partners LP MLP		06/26/2015	Harvest Investment Manager	139,000	2,397			
777149-10-5	Rose Rock Midstream LP		05/01/2015	Harvest Investment Manager	2,000	104			
81663A-10-5	Sengroup Corp CL A		05/15/2015	Harvest Investment Manager	7,000	578			
822634-10-1	Shell Midstream PA MLP		05/15/2015	Harvest Investment Manager	18,000	716			
849343-10-8	Sprague Resources LP MLP		05/01/2015	Harvest Investment Manager	3,000	78			
866142-10-2	Summit Midstream Partners LP		06/29/2015	Harvest Investment Manager	55,000	1,886			
86764L-10-8	Sunoco Logistics Partners LP MLP		05/01/2015	Harvest Investment Manager	6,000	263			

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STATEMENT AS OF JUNE 30, 2015 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor			6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
.874696-10-7	Tallgrass Energy CP LP		.05/14/2015	Harvest Investment Manager		80.000	2,331				
.874697-10-5	Tallgrass Energy partners LP MLP		.05/01/2015	Harvest Investment Manager		4.000	.196				
.876126-10-1	Targa Resources Corp		.06/10/2015	Harvest Investment Manager		38.000	3,629				
.87611X-10-5	Targa Resources Parnters LP MLP		.06/09/2015	Harvest Investment Manager		15.000	.624				
.Y8564M-10-5	Teekay Long Partners LP MLP		.05/01/2015	Harvest Investment Manager		6.000	.238				
.88160T-10-7	Tesoro Logistics LP MLP		.06/01/2015	Harvest Investment Manager		19.000	1,081				
.90290N-10-9	USA Compression Partners LP		.05/01/2015	Harvest Investment Manager		22.000	.508				
.91914J-10-2	Valero Energy Partners LP MLP		.06/01/2015	Harvest Investment Manager		12.000	.613				
.Y9384M-10-1	VTTI Energy Parnters LP MLP		.06/25/2015	Harvest Investment Manager		40.000	1,042				
.95825R-10-3	Western Gas Equity Partners MLP		.06/24/2015	Harvest Investment Manager		44.000	2,605				
.959310-20-5	Western Refining Logistics LP		.06/01/2015	Harvest Investment Manager		29.000	.861				
.960417-10-3	Westlake Chemical Partners LP MLP		.06/26/2015	Harvest Investment Manager		22.000	.523				
.969457-10-0	Williams Co Inc		.06/01/2015	Harvest Investment Manager		34.000	1,743				
.96949L-10-5	Williams Partners LP MLP NEW		.05/01/2015	Harvest Investment Manager		9.000	.449				
9099999 - Common Stocks - Industrial and Miscellaneous (Unaffiliated)								78,533	XXX	0	XXX
Common Stocks - Mutual Funds											
.233203-84-3	DFA US Small Cap Portfolio		.06/29/2015	Northern Trust		1,875.840	60,000			U	
.25264S-85-8	Diamond Hill Small Cap FD Cl I		.06/29/2015	Northern Trust		1,764.320	60,000			U	
.256206-10-3	Dodge & Cox Intl Stk FD	R	.06/29/2015	Northern Trust		15,680.570	700,000			U	
.277911-49-1	Eaton Vance Floating Rate Fnd Cl I		.06/29/2015	Northern Trust		2,799.550	25,000			U	
9299999 - Common Stocks - Mutual Funds								845,000	XXX	0	XXX
9799997 - Subtotals - Common Stocks - Part 3								923,533	XXX	0	XXX
9799999 - Subtotals - Common Stocks								923,533	XXX	0	XXX
9899999 - Subtotals- Preferred and Common Stocks								923,533	XXX	0	XXX
9999999 Totals								1,166,162	XXX	0	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues4

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STATEMENT AS OF JUNE 30, 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)	
Bonds - U.S. Governments																					
912828-DV-9	U S Treasury Note	05/15/2015	MATURITY		100,000	100,000	93,527	99,675		326		326		100,000			0	2,063	05/15/2015	1	
0599999 - Bonds - U.S. Governments																					
					100,000	100,000	93,527	99,675	0	326	0	326	0	100,000	0	0	0	2,063	XXX	XXX	
Bonds - U.S. Political Subdivisions of States, Territories and Possessions																					
091582-NH-5	Bismarck ND Ref Impt-Ser	05/01/2015	CALLED @ 100.0000000		75,000	75,000	75,000	75,000				0		75,000			0	1,594	05/01/2017	1FE	
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions																					
					75,000	75,000	75,000	75,000	0	0	0	0	0	75,000	0	0	0	1,594	XXX	XXX	
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
913017-BH-1	United Technologies Corp	05/01/2015	MATURITY		100,000	100,000	99,530	99,975		25		25		100,000			0	2,438	05/01/2015	1FE	
921937-82-7	Vanguard S/T Bond ETF	05/27/2015	VARIOUS		49,769		50,177	50,177				0		50,177		(408)	(408)	208		1	
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)																					
					149,769	100,000	149,707	150,151	0	25	0	25	0	150,177	0	(408)	(408)	2,646	XXX	XXX	
8399997 - Subtotals - Bonds - Part 4																					
					324,769	275,000	318,234	324,826	0	351	0	351	0	325,177	0	(408)	(408)	6,302	XXX	XXX	
8399999 - Subtotals - Bonds																					
					324,769	275,000	318,234	324,826	0	351	0	351	0	325,177	0	(408)	(408)	6,302	XXX	XXX	
Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)																					
902973-81-7	US Bancorp Series G	06/26/2015	Northern Trust		1,800,000		49,866	48,816	1,050			1,050		49,866		(1,875)	(1,875)	2,025	XXX	P2LFE	
8499999 - Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)																					
					47,991	XXX	49,866	48,816	1,050	0	0	1,050	0	49,866	0	(1,875)	(1,875)	2,025	XXX	XXX	
8999997 - Total - Preferred Stocks - Part 4																					
					47,991	XXX	49,866	48,816	1,050	0	0	1,050	0	49,866	0	(1,875)	(1,875)	2,025	XXX	XXX	
8999999 - Subtotals - Preferred Stocks																					
					47,991	XXX	49,866	48,816	1,050	0	0	1,050	0	49,866	0	(1,875)	(1,875)	2,025	XXX	XXX	
Common Stocks - Industrial and Miscellaneous (Unaffiliated)																					
66987Y-10-9	Novartis	05/07/2015	Northern Trust		60,910	XXX	24,990	55,596	(30,606)			(30,606)		24,990		35,920	35,920	2,710	XXX	L	
Y8565J-10-1	Teekay Offshore Partners LP MLP	04/02/2015	Harvest Investment Manager		5,000	107	134	134	0			0		134		(27)	(27)	3	XXX	L	
00287Y-10-9	AbbVie Inc	06/26/2015	Northern Trust		215,000	15,122	4,079	14,070	(9,991)			(9,991)		4,079		11,043	11,043	215	XXX	L	
053015-10-3	Automatic Data Processing Boardwalk Pipeline	04/27/2015	Northern Trust		283,000	24,040	8,566	23,594	(15,028)			(15,028)		8,566		15,474	15,474	277	XXX	L	
096627-10-4	Partners LP	06/01/2015	Harvest Investment Manager		35,000	563	620	569	(1)			(1)		620		(57)	(57)	8	XXX	L	
131347-30-4	Calpine Corp Com	06/05/2015	Harvest Investment Manager		50,000	1,004	1,119	1,119	0			0		1,119		(114)	(114)		XXX	L	
12508E-10-1	CDK Global Inc	06/26/2015	Northern Trust		180,000	9,991	2,360	7,337	(4,976)			(4,976)		2,360		7,630	7,630	42	XXX	L	
16411Q-10-1	Cheniere Energy Partners LP	06/01/2015	Harvest Investment Manager		8,000	266	241		0			0		241		25	25	3	XXX	L	
226378-10-7	Crestwood Midstream Partners LP	06/01/2015	Harvest Investment Manager		112,000	1,504	1,648		0			0		1,648		(145)	(145)	46	XXX	L	
23311P-10-0	DCP Midstream Partners LP	06/01/2015	Harvest Investment Manager		21,000	796	870	727	(49)			(49)		870		(73)	(73)	29	XXX	L	
292480-10-0	Enable Midstream Partners LP MLP	05/14/2015	Harvest Investment Manager		26,000	435	573	504	69			69		573		(138)	(138)	15	XXX	L	
29336T-10-0	Enlink Midstream LLC	06/01/2015	Harvest Investment Manager		11,000	364	392	320	4			4		392		(27)	(27)	5	XXX	L	
29336U-10-7	Enlink Midstream Partners LP MLP	06/01/2015	Harvest Investment Manager		14,000	345	404	203	(2)			(2)		404		(59)	(59)	11	XXX	L	
26885B-10-0	EQT Midstream Partners LP	05/01/2015	Harvest Investment Manager		1,000	87	88	88	1			1		89		(3)	(3)	1	XXX	L	
26926V-10-7	EV Energy Partnes L P COM	06/25/2015	Harvest Investment Manager		41,000	535	543		0			0		543		(8)	(8)	21	XXX	L	
49456B-10-1	Kindler Morgan Inc Del Comm	06/01/2015	Harvest Investment Manager		57,000	2,363	2,402		0			0		2,402		(39)	(39)	27	XXX	L	
55608B-10-5	Macquarie Infrastructure Co LLC	06/01/2015	Harvest Investment Manager		9,000	747	741		0			0		741		6	6	1	XXX	L	
570759-10-0	Markwest Energy Partners LP MLP	04/15/2015	Harvest Investment Manager		12,000	781	894	806	88			88		894		(113)	(113)	11	XXX	L	
632592-10-1	National Bancshares Corp of Ohio	06/11/2015	Cash Merger		6,100,000	196,115	25,985	140,300	(114,315)			(114,315)		25,985		170,130	170,130	1,220	XXX	U	
62913M-10-7	NGL Energy Partners LP	04/02/2015	Harvest Investment Manager		13,000	351	474	364	110			110		474		(123)	(123)	8	XXX	L	
67058H-10-2	Nustar Energy LP MLP	06/01/2015	Harvest Investment Manager		1,000	62	67		0			0		67		(5)	(5)	1	XXX	L	
682680-10-3	Oneok Inc Com Stk	06/01/2015	Harvest Investment Manager		13,000	546	748	647	101			101		748		(202)	(202)	17	XXX	L	
74735R-11-5	QEP Midstream Partners LP	06/02/2015	Harvest Investment Manager		6,000	108	106		0			0		106		2	2		XXX	L	
756109-10-4	Realty Income Crp	06/26/2015	Northern Trust		200,000	8,983	9,156	9,542	(386)			(386)		9,156		(173)	(173)	264	XXX	L	
75885Y-10-7	Regency Energy partners LP MLP	05/01/2015	Harvest Investment Manager		20,000	473	473	384	4			4		473		0	0	10	XXX	L	
777149-10-5	Rose Rock Midstream LP	06/23/2015	Harvest Investment Manager		45,000	2,156	2,270	1,954	212			212		2,270		(114)	(114)	60	XXX	L	
806857-10-8	Schlumberger LTD	06/26/2015	Northern Trust		350,000	30,183	29,894	9,328	(20,565)			(20,565)		9,328		20,855	20,855	315	XXX	L	
822634-10-1	Shell Midstream PA MLP	06/12/2015	Harvest Investment Manager		16,000	735	637		0			0		637		98	98		XXX	L	
84756N-10-9	Spectra Energy Partners LP Co MLP	06/23/2015	Harvest Investment Manager		2,000	98	103	114	(11)			(11)		103		(4)	(4)	2	XXX	L	
866142-10-2	Summit Midstream Partners LP	04/02/2015	Harvest Investment Manager		2,000	66	92	76	16			16		92		(26)	(26)	1	XXX	L	

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STATEMENT AS OF JUNE 30, 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)
86764L-10-8	Sunoco Logistics Partners LP MLP		06/01/2015	Harvest Investment Manager	6,000	238	XXX	309	251	58			58		309		(71)	(71)	5	XXX	L
87611X-10-5	Targa Resources Partners LP MLP		06/01/2015	Harvest Investment Manager	47,000	2,022	XXX	1,937					0		1,937		86	86	39	XXX	L
Y8564W-10-5	Teekay Long Partners LP MLP		06/01/2015	Harvest Investment Manager	2,000	70	XXX	84	86	(2)			(2)		84		(14)	(14)	3	XXX	L
89353D-10-7	Transcanada Corp. USA Compression Partners LP		06/01/2015	Harvest Investment Manager	33,000	1,434	XXX	1,446					0		1,446		(12)	(12)	2	XXX	L
90290N-10-9	Westlake Chemical Partners LP MLP		06/01/2015	Harvest Investment Manager	5,000	112	XXX	116					0		116		(4)	(4)	58	XXX	L
960417-10-3	Williams Partners LP MLP		05/11/2015	Harvest Investment Manager	47,000	994	XXX	1,356	1,160	(8)			(8)		1,356		(362)	(362)	11	XXX	L
96949L-10-5	NEW Potash Corporation of Saskatchewan		06/23/2015	Harvest Investment Manager	178,000	8,872	XXX	11,053					0		11,053		(2,181)	(2,181)	224	XXX	L
73755L-10-7			04/13/2015	Northern Trust	840,000	27,545	XXX	25,212	29,669	(4,457)			(4,457)		25,212		2,333	2,333	460	XXX	L
9099999 - Common Stocks - Industrial and Miscellaneous (Unaffiliated)						401,124	XXX	141,617	318,388	(199,735)	0	0	(199,735)	0	141,617	0	259,506	259,506	6,125	XXX	XXX
Common Stock - Mutual Funds																					
464287-46-5	iShares MSCI EAFE Index ETF	R	06/25/2015	Northern Trust	3,093,000	203,209	XXX	182,690	188,178	(5,488)			(5,488)		182,690		20,519	20,519	3,437	XXX	L
464287-65-5	iShares Trust Russell 2000 Index		05/26/2015	Northern Trust	890,000	109,343	XXX	99,503	106,462	(6,959)			(6,959)		99,503		9,840	9,840	341	XXX	L
9299999 - Common Stocks - Mutual Funds						312,552	XXX	282,193	294,640	(12,447)	0	0	(12,447)	0	282,193	0	30,359	30,359	3,778	XXX	XXX
9799997 - Subtotals - Common Stocks - Part 4						713,676	XXX	423,810	613,027	(212,182)	0	0	(212,182)	0	423,810	0	289,865	289,865	9,903	XXX	XXX
9799999 - Subtotals - Common Stocks						713,676	XXX	423,810	613,027	(212,182)	0	0	(212,182)	0	423,810	0	289,865	289,865	9,903	XXX	XXX
9899999 - Subtotals - Preferred and Common Stocks						761,667	XXX	473,677	661,843	(211,131)	0	0	(211,131)	0	473,677	0	287,990	287,990	11,928	XXX	XXX
9999999 Totals						1,086,436	XXX	791,910	986,669	(211,131)	351	0	(210,781)	0	798,853	0	287,583	287,583	18,230	XXX	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues 1.

E05.1

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

STATEMENT AS OF JUNE 30, 2015 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
NONE							
8699999 Total Cash Equivalents					0	0	0



SUPPLEMENT FOR THE QUARTER ENDING JUNE 30, 2015 OF THE SONNENBERG MUTUAL INSURANCE COMPANY

DIRECTOR AND OFFICER INSURANCE COVERAGE SUPPLEMENT

Year To Date For The Period Ended 2015

NAIC Group Code 0207

NAIC Company Code 10271

If the reporting entity writes any director and officer (D&O) business, please provide the following:

1. Monoline Policies

Table with 3 columns: 1 Direct Written Premium, 2 Direct Earned Premium, 3 Direct Losses Incurred. Each column has a dollar sign (\$) in the bottom row.

2. Commercial Multiple Peril (CMP) Packaged Policies

2.1 Does the reporting entity provide D&O liability coverage as part of a CMP packaged policy? Yes [] No []

2.2 Can the direct premium earned for D&O liability coverage provided as part of a CMP packaged policy be quantified or estimated? Yes [] No []

2.3 If the answer to question 2.2 is yes, provide the quantified or estimated direct premium earned amount for D&O liability coverage in CMP packaged policies

2.31 Amount quantified: \$

2.32 Amount estimated using reasonable assumptions: \$

2.4 If the answer to question 2.1 is yes, provide direct losses incurred (losses paid plus change in case reserves) for the D&O liability coverage provided in CMP packaged policies. \$