



PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

QUARTERLY STATEMENT

AS OF JUNE 30, 2015  
OF THE CONDITION AND AFFAIRS OF THE

LIGHTNING ROD MUTUAL INSURANCE COMPANY

NAIC Group Code	0207	0207	NAIC Company Code	26123	Employer's ID Number	34-0359380
	(Current Period)	(Prior Period)				
Organized under the Laws of	Ohio		State of Domicile or Port of Entry	Ohio		
Country of Domicile	United States					
Incorporated/Organized	01/01/1906		Commenced Business	03/01/1906		
Statutory Home Office	1685 Cleveland Road		Wooster, OH, US 44691-0036			
	(Street and Number)		(City or Town, State, Country and Zip Code)			
Main Administrative Office	1685 Cleveland Road		Wooster, OH, US 44691-0036		330-262-9060	
	(Street and Number)		(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Mail Address	1685 Cleveland Road		Wooster, OH, US 44691-0036			
	(Street and Number or P.O. Box)		(City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	1685 Cleveland Road		Wooster, OH, US 44691-0036		330-262-9060	
	(Street and Number)		(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Internet Web Site Address	www.wrg-ins.com					
Statutory Statement Contact	Brooke M. McVay, CPA		330-262-9060-2446			
	(Name)		(Area Code) (Telephone Number) (Extension)			
	brooke_mcvay@wrg-ins.com		330-264-7822			
	(E-Mail Address)		(Fax Number)			

OFFICERS

Name	Title	Name	Title
KEVIN W. DAY	PRESIDENT AND SECRETARY - CHIEF EXECUTIVE OFFICER	MICHAEL A. SHUTT	VICE PRESIDENT AND TREASURER -CHIEF FINANCIAL OFFICER

OTHER OFFICERS

GREGORY A. BRUNN	VICE PRESIDENT -CHIEF MARKETING & UNDERWRITING OFFICER	GARY W. GWINN	VICE PRESIDENT -CHIEF CLAIMS OFFICER
GREGORY J. OWEN	VICE PRESIDENT -CHIEF INFORMATION OFFICER		

DIRECTORS OR TRUSTEES

KEVIN W. DAY	JEFFREY P. HASTINGS	RONALD E. HOLTMAN	JOHN P. MURPHY
C. MICHAEL REARDON	EDDIE L. STEINER	FLOYD A. TROUTEN III	KENNETH L. VAGNINI

State of .....Ohio.....

County of .....Wayne.....ss

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	
Subscribed and sworn to before me this 06 day of August, 2015		a. Is this an original filing? Yes [X] No [ ]
Lauresa Durham, Notary Public July 30, 2016		b. If no: 1. State the amendment number 2. Date filed 3. Number of pages attached

STATEMENT AS OF JUNE 30, 2015 OF THE LIGHTNING ROD MUTUAL INSURANCE COMPANY

ASSETS

	Current Statement Date			4  December 31 Prior Year Net Admitted Assets
	1	2	3	
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	125,613,938	0	125,613,938	122,868,367
2. Stocks:				
2.1 Preferred stocks .....	0	0	0	536,976
2.2 Common stocks .....	74,938,645	311,195	74,627,450	72,873,395
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) .....	5,175,004	0	5,175,004	5,286,140
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 (\$ ..... 22,177,837 ), cash equivalents (\$ ..... 0 ) and short-term investments (\$ ..... 2,212,526 ) .....	24,390,363	0	24,390,363	30,574,152
6. Contract loans (including \$ ..... premium notes) .....	0	0	0	0
7. Derivatives .....	0	0	0	0
8. Other invested assets .....	9,193,788	0	9,193,788	5,758,731
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) .....	239,311,738	311,195	239,000,543	237,897,761
13. Title plants less \$ ..... charged off (for Title insurers only) .....	0	0	0	0
14. Investment income due and accrued .....	1,341,156	0	1,341,156	1,271,938
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	15,921,141	38,763	15,882,378	15,878,930
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 .....	1,119	0	1,119	28,903
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 (\$ ..... ) .....	672,852	672,852	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 .....	109,389	109,389	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	257,357,396	1,132,199	256,225,197	255,077,533
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0	0
28. Total (Lines 26 and 27) .....	257,357,396	1,132,199	256,225,197	255,077,533
<b>DETAILS OF WRITE-INS</b>				
1101. ....		0	0	0
1102. ....	0	0	0	0
1103. ....	0	0	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 .....	109,389	109,389	0	0
2502. ....			0	0
2503. ....	0	0	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) .....	109,389	109,389	0	0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ .....15,154,205 ) .....	35,319,202	32,432,314
2. Reinsurance payable on paid losses and loss adjustment expenses .....	0	0
3. Loss adjustment expenses .....	6,688,893	6,688,893
4. Commissions payable, contingent commissions and other similar charges .....	2,605,589	3,333,497
5. Other expenses (excluding taxes, licenses and fees) .....	3,176,596	5,254,444
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	724,393	1,285,499
7.1 Current federal and foreign income taxes (including \$ ..... on realized capital gains (losses)) .....	733,966	312,270
7.2 Net deferred tax liability .....	2,888,955	4,306,585
8. Borrowed money \$ ..... and interest thereon \$ .....	0	0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ ..... 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) .....	50,506,358	49,717,523
10. Advance premium .....	1,027,281	740,175
11. Dividends declared and unpaid:		
11.1 Stockholders .....	0	0
11.2 Policyholders .....	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions) .....	(348,346)	370,080
13. Funds held by company under reinsurance treaties .....	0	0
14. Amounts withheld or retained by company for account of others .....	2,294,656	3,318,394
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) .....	105,617,543	107,759,674
27. Protected cell liabilities .....	0	0
28. Total liabilities (Lines 26 and 27) .....	105,617,543	107,759,674
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) .....	150,607,654	147,317,859
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) .....	150,607,654	147,317,859
38. Totals (Page 2, Line 28, Col. 3)	256,225,197	255,077,533
DETAILS OF WRITE-INS		
2501. ....	0	0
2502. ....	0	0
2503. ....		
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0
2901. ....		
2902. ....		
2903. ....		
2998. Summary of remaining write-ins for Line 29 from overflow page .....	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201. ....	0	0
3202. ....	0	0
3203. ....	0	0
3298. Summary of remaining write-ins for Line 32 from overflow page .....	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

STATEMENT OF INCOME

	1	2	3
	Current Year	Prior Year	Prior Year Ended
	to Date	to Date	December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 46,696,160 )	45,314,351	44,805,571	90,034,988
1.2 Assumed (written \$ 53,987,105 )	53,705,704	51,957,500	104,889,962
1.3 Ceded (written \$ 46,762,997 )	45,888,622	44,937,135	90,544,653
1.4 Net (written \$ 53,920,268 )	53,131,433	51,825,936	104,380,297
DEDUCTIONS:			
2. Losses incurred (current accident year \$ )::			
2.1 Direct	18,856,903	25,040,570	46,527,297
2.2 Assumed	31,774,425	26,282,861	53,241,305
2.3 Ceded	22,640,157	23,246,135	44,991,684
2.4 Net	27,991,171	28,077,296	54,776,918
3. Loss adjustment expenses incurred	5,001,287	5,061,661	10,799,441
4. Other underwriting expenses incurred	16,957,109	16,788,395	33,929,428
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	49,949,566	49,927,352	99,505,787
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	3,181,866	1,898,584	4,874,510
INVESTMENT INCOME			
9. Net investment income earned	2,355,980	2,369,765	4,921,526
10. Net realized capital gains (losses) less capital gains tax of \$ 1,168,631	2,268,518	282,285	2,825,233
11. Net investment gain (loss) (Lines 9 + 10)	4,624,498	2,652,050	7,746,759
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ )	(51,515)	(51,783)	(127,945)
13. Finance and service charges not included in premiums	812,734	817,893	1,647,467
14. Aggregate write-ins for miscellaneous income	3,599	26,038	30,228
15. Total other income (Lines 12 through 14)	764,818	792,148	1,549,750
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	8,571,182	5,342,782	14,171,019
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)	8,571,182	5,342,782	14,171,019
19. Federal and foreign income taxes incurred	1,373,066	532,487	1,020,497
20. Net income (Line 18 minus Line 19)(to Line 22)	7,198,116	4,810,295	13,150,522
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	147,317,859	137,626,499	137,626,499
22. Net income (from Line 20)	7,198,116	4,810,295	13,150,522
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 \$ (1,785,767)	(3,466,489)	1,956,976	(972,588)
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	(368,137)	(492,043)	(2,294,473)
27. Change in nonadmitted assets	(73,694)	(323,157)	(146,856)
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	(45,245)
38. Change in surplus as regards policyholders (Lines 22 through 37)	3,289,795	5,952,071	9,691,360
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	150,607,654	143,578,570	147,317,859
DETAILS OF WRITE-INS			
0501.	0	0	0
0502.			
0503.			
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)	1,135	698	2,743
1402. Gain/(Loss) sale of Equipment	2,465	25,340	27,485
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)	3,599	26,038	30,228
3701. Change in Surplus Due to Prior Period Adjustment (see Footnote 2)	0	0	(45,245)
3702. Change in Surplus Due to Correction of a Depreciation Error (see Footnote 2)	0	0	0
3703. Change in Surplus Due to Change in Depreciation Method (see Footnote 2)	0	0	0
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	(45,245)

CASH FLOW

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance.....	53,488,947	52,300,142	105,806,126
2. Net investment income .....	2,535,348	2,455,110	5,579,919
3. Miscellaneous income .....	764,818	792,148	1,549,750
4. Total (Lines 1 to 3) .....	56,789,113	55,547,400	112,935,795
5. Benefit and loss related payments .....	25,076,499	27,628,088	54,538,576
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 .....	25,248,265	25,421,389	44,720,511
8. Dividends paid to policyholders .....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses).....	2,120,000	(250,001)	880,000
10. Total (Lines 5 through 9) .....	52,444,764	52,799,476	100,139,087
11. Net cash from operations (Line 4 minus Line 10) .....	4,344,348	2,747,924	12,796,708
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	6,044,965	6,512,573	15,675,703
12.2 Stocks .....	18,097,234	1,366,947	19,930,176
12.3 Mortgage loans .....	0	0	0
12.4 Real estate .....	0	0	0
12.5 Other invested assets .....	0	6,956,290	6,956,290
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	0	0
12.7 Miscellaneous proceeds .....	117,192	126,032	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	24,259,391	14,961,842	42,562,169
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	9,083,726	12,422,335	21,512,935
13.2 Stocks .....	21,152,806	2,684,931	17,464,632
13.3 Mortgage loans .....	0	0	0
13.4 Real estate .....	15,248	727	15,099
13.5 Other invested assets .....	3,425,000	2,820,483	8,570,483
13.6 Miscellaneous applications .....	117,237	1	10
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	33,794,017	17,928,477	47,563,159
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) .....	(9,534,627)	(2,966,635)	(5,000,990)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds .....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0	0
16.5 Dividends to stockholders .....	0	0	0
16.6 Other cash provided (applied).....	(993,512)	(1,535,893)	(1,280,353)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	(993,512)	(1,535,893)	(1,280,353)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(6,183,790)	(1,754,604)	6,515,364
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	30,574,152	24,052,486	24,058,788
19.2 End of period (Line 18 plus Line 19.1) .....	24,390,362	22,297,882	30,574,152

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of Lightning Rod Mutual Insurance Company (LRMIC) 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) LRMIC state basis (Page 4, Line 20, Columns 1 & 2)	Ohio	\$ 7,198,116	\$ 13,150,522
(2) State Prescribed Practices that increase/(decrease) NAIC SAP:		—	—
(3) State Permitted Practices that increase/(decrease) NAIC SAP:		—	—
(1) NAIC SAP (1-2-3=4)		<u>\$ 7,198,116</u>	<u>\$ 13,150,522</u>
<u>SURPLUS</u>			
(2) LRMIC state basis (Page 3, Line 37, Columns 1 & 2)	Ohio	\$ 150,607,654	\$ 147,317,859
(3) State Prescribed Practices that increase/(decrease) NAIC SAP:		—	—
(4) State Permitted Practices that increase/(decrease) NAIC SAP:		—	—
(5) NAIC SAP (5-6-7=8)		<u>\$ 150,607,654</u>	<u>\$ 147,317,859</u>

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 \$45,245.

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  
The Company is a member of the Federal Home Loan Bank (FHLB) of Cincinnati. The stock owned is carried at \$364,000 as reported on Schedule D, Part 2, Section 2. The Company has no outstanding loans at June 30, 2015.
- 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	\$ 6,853,932	\$ 471,500	\$ 7,325,432
(b) Statutory Valuation Allowance Adjustments	—	—	—
(c) Adjusted Gross Deferred Tax Assets (1a – 1b)	6,853,932	\$ 471,500	\$ 7,325,432
(d) Deferred Tax Assets Nonadmitted	—	—	—
(e) Subtotal Net Deferred Tax Asset (1c – 1d)	6,853,932	\$ 471,500	\$ 7,325,432
(f) Deferred Tax Liabilities	(574,419)	(9,639,968)	(10,214,387)
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e – 1f)	<u>\$ 6,279,513</u>	<u>\$ (9,168,468)</u>	<u>\$ (2,888,955)</u>

NOTES TO FINANCIAL STATEMENTS

	12/31/2014		
	(4)	(5)	(6)
	Ordinary	Capital	(Col 4+5) Total
(h) Gross Deferred Tax Assets	\$ 7,122,410	\$ 553,453	\$ 7,675,863
(a) Statutory Valuation Allowance Adjustments	—	—	—
(b) Adjusted Gross Deferred Tax Assets (1a – 1b)	7,122,410	553,453	7,675,863
(c) Deferred Tax Assets Nonadmitted	—	—	—
(d) Subtotal Net Deferred Tax Asset (1c – 1d)	7,122,410	553,453	7,675,863
(e) Deferred Tax Liabilities	(563,512)	(11,418,936)	(11,982,448)
(f) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e – 1f)	<u>\$ 6,558,898</u>	<u>\$ (10,865,483)</u>	<u>\$ (4,306,585)</u>
	Change		
	(7)	(8)	(9)
	(Col 1—4) Ordinary	(Col 2—5) Capital	(Co 7+8) Total
(a) Gross Deferred Tax Assets	\$ (268,478)	\$ (81,953)	\$ (350,431)
(b) Statutory Valuation Allowance Adjustments	—	—	—
(c) Adjusted Gross Deferred Tax Assets (1a – 1b)	(268,478)	\$ (81,953)	\$ (350,431)
(d) Deferred Tax Assets Nonadmitted	—	—	—
(e) Subtotal Net Deferred Tax Asset (1c – 1d)	(268,478)	\$ (81,953)	\$ (350,431)
(f) Deferred Tax Liabilities	(10,907)	1,778,968	1,768,061
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e – 1f)	<u>\$ (279,385)</u>	<u>\$ 1,657,155</u>	<u>\$ 1,417,630</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.	\$ 2,541,776	\$ 0	\$ 2,541,776
(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)	4,515,548	—	4,515,548
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	4,515,548	—	4,515,548
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	22,510,901
(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>2,338,384</u>	<u>471,500</u>	<u>2,809,884</u>
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. (2(a) + 2(b) + 2(c))	<u>\$ 6,853,932</u>	<u>\$ 471,500</u>	<u>\$ 7,325,432</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)	4,515,548	—	4,515,548
1.	Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	4,515,548	—	4,515,548
2.	Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	22,097,679
(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>2,606,862</u>	<u>553,453</u>	<u>3,160,315</u>
(d)	Deferred Tax Assets Admitted as the result of application of SSAP No. 101. (2(a) + 2(b) + 2(c))	<u>\$ 7,122,410</u>	<u>\$ 553,453</u>	<u>\$ 7,675,863</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.	\$ 2,541,776	\$ 0	\$ 2,541,776
(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.	0	—	0
2.	Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	413,222
(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>(268,478)</u>	<u>(81,953)</u>	<u>(350,431)</u>
(d)	Deferred Tax Assets Admitted as the result of application of SSAP No. 101. (2(a) + 2(b) + 2(c))	<u>\$ (268,478)</u>	<u>\$ (81,953)</u>	<u>\$ (350,431)</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.	\$ 150,607,654	\$ 147,317,859	

NOTES TO FINANCIAL STATEMENTS

4. Impact of Tax—Planning Strategies

		06/30/2015	
		(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)	\$ 6,853,932	\$ 471,500
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)	\$ 6,853,932	\$ 471,500
4.	Percentage of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	0%	0%
		12/31/2014	
		(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)	\$ 7,122,410	\$ 553,453
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)	\$ 7,122,410	\$ 553,453
4.	Percentage of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	0%	0%
		Change	
		(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)	\$ (268,478)	\$ (81,953)
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)	\$ (268,478)	\$ (81,953)
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	\$ 1,373,066	\$ 1,020,497	\$ 352,569
(b) Foreign	\$ —	\$ —	\$ —
(c) Subtotal	\$ 1,373,066	\$ 1,020,497	\$ 352,569
(d) Federal income tax on net capital gains	\$ 1,168,631	\$ 1,521,279	\$ (352,648)
(e) Utilization of operating loss carry—forwards	\$ —	\$ —	\$ —
(f) Other	\$ —	\$ —	\$ —
(g) Federal and foreign income taxes incurred	<u>\$ 2,541,697</u>	<u>\$ 2,541,776</u>	<u>\$ (79)</u>
2. Deferred Tax Assets:			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 500,222	\$ 500,222	\$ —
(2) Unearned premium reserve	\$ 3,434,433	\$ 3,380,790	\$ 53,643
(3) Policyholder reserves	\$ —	\$ —	\$ —
(4) Investments	\$ —	\$ —	\$ —
(5) Deferred acquisition costs	\$ —	\$ —	\$ —
(6) Policyholder dividends accrual	\$ —	\$ —	\$ —
(7) Fixed assets	\$ 265,287	\$ 239,048	\$ 26,239
(8) Compensation and benefits accrual	\$ 635,370	\$ 785,355	\$ (149,985)
(9) Pension accrual	\$ 262,588	\$ 279,026	\$ (16,438)
(10) Receivables – nonadmitted	\$ 13,855	\$ 14,352	\$ (497)
(11) Net operating loss carry—forward	\$ —	\$ —	\$ —
(12) Tax credit carry—forward	\$ —	\$ 256,462	\$ (256,462)
(13) Other (including items <5% of total ordinary tax assets):			
(14) Salvage and subrogation anticipated	\$ 1,115,076	\$ 1,115,076	\$ —
(15) Software capitalized	\$ 557,245	\$ 501,747	\$ 54,498
(16) Other	<u>\$ 69,856</u>	<u>\$ 50,332</u>	<u>\$ 19,524</u>
(99) Subtotal	\$ 6,853,932	\$ 7,122,410	\$ (268,478)
(b) Statutory valuation allowance adjustment	\$ —	\$ —	\$ —
(c) Nonadmitted	\$ —	\$ —	\$ —
(d) Admitted ordinary deferred tax assets (2a99 – 2b – 2c)	<u>\$ 6,853,932</u>	<u>\$ 7,122,410</u>	<u>\$ (268,478)</u>
(e) Capital:			
(1) Investments	\$ 4,635	\$ 4,635	\$ —
(2) Net capital loss carry—forward	\$ —	\$ —	\$ —
(3) Real estate	\$ —	\$ —	\$ —
(4) Other (including items <5% of total capital tax assets):			
(5) Unrealized capital losses for impaired securities	<u>\$ 466,865</u>	<u>\$ 548,818</u>	<u>\$ (81,953)</u>
(99) Subtotal	\$ 471,500	\$ 553,453	\$ (81,953)
(f) Statutory valuation allowance adjustment	\$ —	\$ —	\$ —
(g) Nonadmitted	\$ —	\$ —	\$ —
(h) Admitted capital deferred tax assets (2e99 – 2f – 2g)	<u>\$ 471,500</u>	<u>\$ 553,453</u>	<u>\$ (81,953)</u>
(i) Admitted deferred tax assets (2d + 2h)	<u>\$ 7,325,432</u>	<u>\$ 7,675,863</u>	<u>\$ (350,431)</u>
3. Deferred Tax Liabilities:			
(a) Ordinary:			
(1) Investments	\$ (286,738)	\$ (311,293)	\$ 24,555
(2) Fixed assets	\$ —	\$ —	\$ —
(3) Deferred and uncollected premium	\$ —	\$ —	\$ —
(4) Policyholder reserves	\$ —	\$ —	\$ —
(5) Other (including items <5% of total ordinary tax liabilities):			
(6) Accumulated amortization software	\$ (273,002)	\$ (229,543)	\$ (43,459)
(7) Tax over book depreciation	<u>\$ (14,679)</u>	<u>\$ (22,676)</u>	<u>\$ 7,997</u>
(99) Subtotal	\$ (574,419)	\$ (563,512)	\$ (10,907)
(b) Capital:			
(1) Investments	\$ —	\$ —	\$ —
(2) Real estate	\$ —	\$ —	\$ —
(3) Other (including items <5% of total capital tax liabilities):			
(4) Unrealized capital gains	<u>\$ (9,639,968)</u>	<u>\$ (11,418,936)</u>	<u>\$ 1,778,968</u>
(99) Subtotal	<u>\$ (9,639,968)</u>	<u>\$ (11,418,936)</u>	<u>\$ 1,778,968</u>
(c) Deferred tax liabilities (3a99 + 3b99)	<u>\$ (10,214,387)</u>	<u>\$ (11,982,448)</u>	<u>\$ 1,768,061</u>
4. Net deferred tax assets/liabilities (2i – 3c)	<u>\$ (2,888,955)</u>	<u>\$ (4,306,585)</u>	<u>\$ 1,417,630</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 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	\$ 3,311,536	34.0%
Tax exempt interest	(164,834)	(1.7%)
Dividends received deduction	(167,972)	(1.7%)
Change in deferred tax on nonadmitted assets	(25,743)	(0.3%)
Other	(49,953)	(0.5%)
Total	<u>\$ 2,903,034</u>	<u>29.8%</u>
Federal and foreign income taxes incurred	\$ 1,373,066	14.1%
Tax on capital gains (losses)	1,168,631	12.0%
Change in net deferred income taxes	361,337	3.7%
Total statutory income taxes	<u>\$ 2,903,034</u>	<u>29.8%</u>

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

- (1) As of June 30, 2015, the Company had no net operating loss or 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 of \$2,541,776.
- (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 were no intercompany balances due to and/or due from 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. No significant changes.

11. Debt

- A. The Company has no outstanding debentures at June 30, 2015 nor December 31, 2014.
- B. FHLB (Federal Home Loan Bank) Agreements
  - (1) The Company is a member of the Federal Home Loan Bank (FHLB) of Cincinnati. As of June 30, 2015, the Company has not issued debt to the FHLB in exchange for cash. It is part of the Company's strategy to utilize these funds for operations, and any funds obtained from the FHLB of Cincinnati for use in general operations would be accounted for consistent with SSAP No. 15, *Debt and Holding Company Obligations* as borrowed money. The Company has determined the estimated maximum borrowing capacity as \$72,824,094. The Company calculated this amount in accordance with the Company's holdings of U.S. Treasuries, U.S. Agencies, U.S. Agency residential and commercial mortgage backed securities, and eligible municipal securities including both revenue and general obligation bonds that meet minimum FHLB credit risk requirements.

NOTES TO FINANCIAL STATEMENTS

(2) FHLB Capital Stock

a. Aggregate Totals

1. Current Year

a.	Membership Stock – Class A
b.	Membership Stock – Class B
c.	Activity Stock
d.	Excess Stock
e.	Aggregate Total
f.	Actual or Estimated Borrowing Capacity as Determined by the Insurer

(1)	(2)	(3)
Total 2 + 3	General Account	Separate Accounts
\$ —	\$ —	\$ —
\$ 364,000	\$ 364,000	\$ —
\$ —	\$ —	\$ —
\$ —	\$ —	\$ —
\$ 364,000	\$ 364,000	\$ —
\$ 72,824,094	\$ XXX	\$ XXX

2. Prior Year

a.	Membership Stock – Class A
b.	Membership Stock – Class B
c.	Activity Stock
d.	Excess Stock
e.	Aggregate Total
g.	Actual or Estimated Borrowing Capacity as Determined by the Insurer

(1)	(2)	(3)
Total 2 + 3	General Account	Separate Accounts
\$ —	\$ —	\$ —
\$ 364,000	\$ 364,000	\$ —
\$ —	\$ —	\$ —
\$ —	\$ —	\$ —
\$ 364,000	\$ 364,000	\$ —
\$ 72,335,590	\$ XXX	\$ XXX

b. Membership Stock Eligible for Redemption

Membership Stock	Current Year Total	Not Eligible For Redemption	Less Than Six Months	Six Months to Less Than a Year	1 to Less Than 3 Years	3 to 5 Years
1. Class A	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
2. Class B	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 364,000

C. Collateral pledged to the FHLB

Not applicable.

D. Borrowing from FHLB

Not applicable.

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

A. Defined Benefit Plans

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 \$2.1 million and \$3.2 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.

NOTES TO FINANCIAL STATEMENTS

- 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 \$28.4 million and \$33.6 million at June 30, 2015 and June 30, 2014, respectively.
- (11) Not applicable.
- (12) Not applicable.
- (13) Not applicable.

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.

## NOTES TO FINANCIAL STATEMENTS

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

Not applicable.

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

- A. Transfers of Receivables Reported as Sales

Not applicable.

- B. Transfer and Servicing of Financial Assets

Not applicable.

- C. Wash Sales

Not applicable.

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

- A. ASO Plans

Not applicable.

- B. ASC Plans

Not applicable.

- C. Medicare or Similarly Structured Cost Based Reimbursement Contract

Not applicable.

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

Not applicable.

**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.

NOTES TO FINANCIAL STATEMENTS

(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	592,103			592,103
Industrial and Misc	73,448,606	364,000	222,741	74,035,347
Total Common Stocks	74,040,709	364,000	222,741	74,627,450
Other Invested Assets	—	9,193,788	—	9,193,788
Total assets at fair value	\$ 74,040,709	\$ 9,557,788	\$ 222,741	\$ 83,821,238
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	\$ 536,976	\$ —	\$ —	\$ 536,976
Total Perpetual Preferred Stock	536,976	—	—	536,976
Common Stock:				
Mutual Funds	12,903,223			12,903,223
Industrial and Misc	59,383,431	364,000	222,741	59,970,172
Total Common Stocks	72,286,654	364,000	222,741	72,873,395
Other Invested Assets	—	5,758,731	—	5,758,731
Total assets at fair value	\$ 72,823,630	\$ 6,122,731	\$ 222,741	\$ 79,169,102
b. Liabilities at fair value:				
Not applicable.				

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

	Beginning Balance at 01/01/2015	Transfers In/(out) Level 3	Total Gains/(Losses) Included in Net Income	Total Gains/(Losses) Included in Surplus	Purchases (Sales)	Ending Balance at 06/30/2015
a. Assets:						
Common Stock:						
Industrial and Misc	\$ 222,741	\$ —	\$ —	\$ —	\$ —	\$ 222,741
Other Invested Assets	—	—	—	—	—	—
Total Assets	\$ 222,741	\$ —	\$ —	\$ —	\$ —	\$ 222,741
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.

B. Not applicable.



NOTES TO FINANCIAL STATEMENTS

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	\$ 129,325,929	\$ 125,613,938	\$ 9,777,970	\$ 119,547,959	\$ —	\$ —
Perpetual Preferred Stock	—	—	—	—	—	—
Common Stock	74,627,450	74,627,450	74,040,709	364,000	222,741	—
Other Invested Assets	9,193,788	9,193,788	—	9,193,788	—	—

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 – Non-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 II events were identified that would have a material effect on the financial condition of the Company.

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.

NOTES TO FINANCIAL STATEMENTS

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 \$39.1 million. During 2015, \$12.4 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 \$23.9 million as a result of re-estimation of unpaid claims and claim adjusting expenses. Therefore, there has been a \$2.8 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.

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 –					
1) Beginning reserves:	\$ 14	\$ 14	\$ 41	\$ 86	\$ 45
2) Incurred losses and loss adjustment expense:	27	39	95	39	0
3) Calendar year payments for losses and loss adjustment expenses:	<u>27</u>	<u>12</u>	<u>50</u>	<u>80</u>	<u>0</u>
4) Ending reserves:	<u>\$ 14</u>	<u>\$ 41</u>	<u>\$ 86</u>	<u>\$ 45</u>	<u>\$ 45</u>

NOTES TO FINANCIAL STATEMENTS

(2) Assumed Reinsurance:					
1) Beginning reserves:	\$	—	\$	—	\$ —
2) Incurred losses and loss adjustment expense:		—		—	—
3) Calendar year payments for losses and loss adjustment expenses:		<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
4) Ending reserves:	\$	<u>—</u>	\$	<u>—</u>	\$ <u>—</u>
(3) Net of Ceded Reinsurance:					
1) Beginning reserves:	\$	14	\$	14	\$ 41
2) Incurred losses and loss adjustment expense:		27		39	(86)
3) Calendar year payments for loss and loss adjustment expenses:		<u>27</u>	<u>12</u>	<u>10</u>	<u>—</u>
4) Ending reserves:	\$	<u>14</u>	\$	<u>41</u>	\$ <u>86</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 and LAE):

(1) Direct Basis:	\$	—
(2) Assumed Reinsurance Basis:	\$	—
(3) Net of Ceded Reinsurance Basis:	\$	—
- F. State the amount of ending reserves for loss adjustment expenses included in D (Case, Bulk + IBNR):

(1) Direct Basis:	\$	—
(2) Assumed Reinsurance Basis:	\$	—
(3) Net of 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 ☒
- 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 ☒
- 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 ☒ 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 ☒
- 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 ☒
- 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	2	3
Name of Entity	NAIC Company Code	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 ☒ 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 ☒
- 6.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes ☒ 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 ☒
- 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 ☒
- 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 ☒
- 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	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	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? .....  
(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.

Yes [X] No [ ]
- 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 [X]
- 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 [X]
- 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 [X]
- 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 [X]
- 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 [X] No [ ]
- 14.2

If yes, please complete the following:

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....	\$ .....	\$ .....
14.22 Preferred Stock .....	\$ .....	\$ .....
14.23 Common Stock .....	\$ .....313,215	\$ .....311,195
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).....	\$ .....313,215	\$ .....311,195
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 [X]
- 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	2
Name of Custodian(s)	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	2	3
Name(s)	Location(s)	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	2	3	4
Old Custodian	New Custodian	Date of Change	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	2	3
Central Registration Depository	Name(s)	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:
- .....

GENERAL INTERROGATORIES  
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

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

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

3.2 If yes, give full and complete information thereto.  
.....

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

4.2 If yes, complete the following schedule:

			TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
1	2	3	4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Discount Rate	Unpaid Losses	Unpaid LAE	IBNR	TOTAL	Unpaid Losses	Unpaid LAE	IBNR	TOTAL
TOTAL			0	0	0	0	0	0	0	0

5. Operating Percentages:

5.1 A&H loss percent .....

0.0%

5.2 A&H cost containment percent .....

0.0%

5.3 A&H expense percent excluding cost containment expenses.....

0.0%

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

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

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

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

## STATEMENT AS OF JUNE 30, 2015 OF THE LIGHTNING ROD MUTUAL INSURANCE COMPANY

## SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

[illegible]



SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

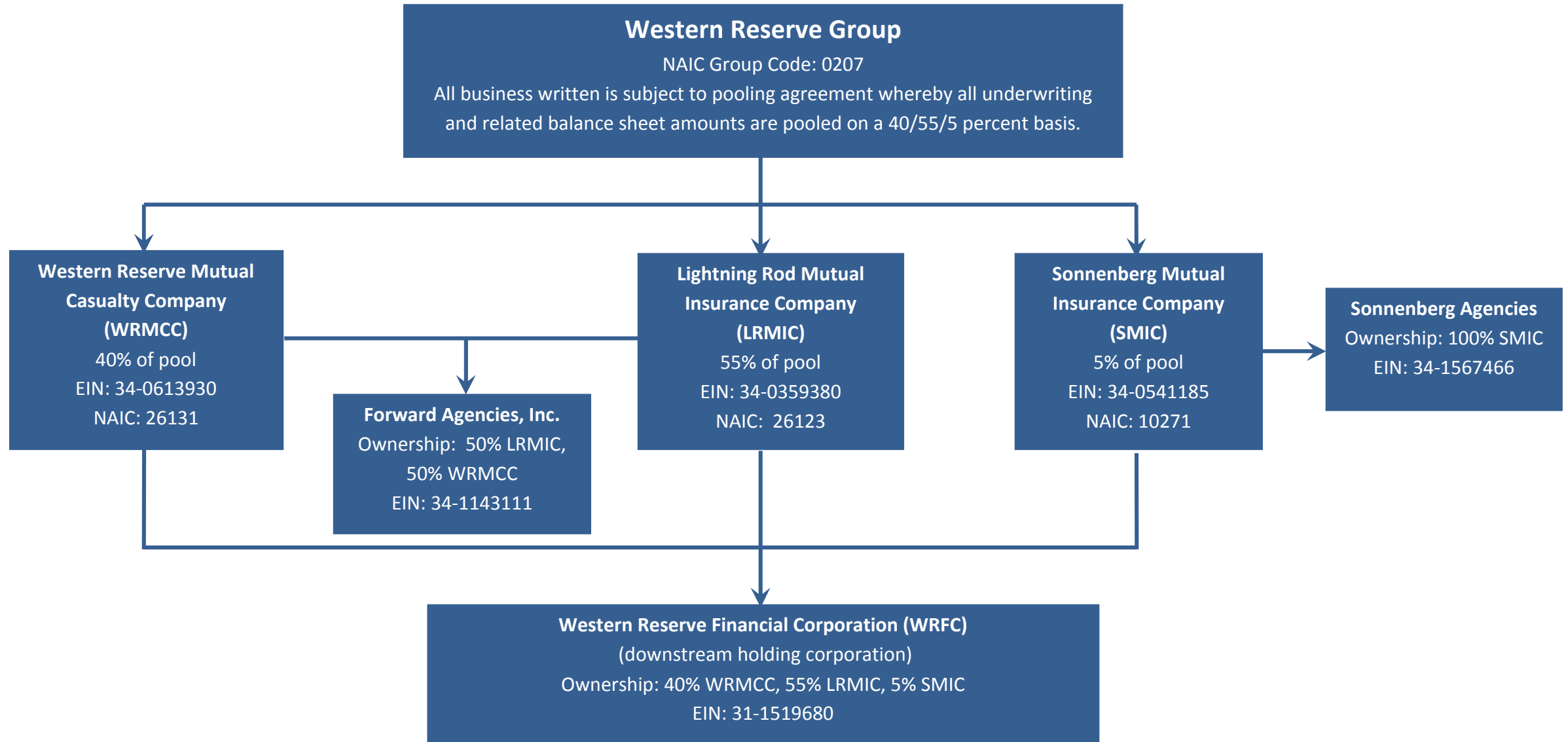
Current Year to Date - Allocated by States and Territories							
States, etc.	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2	3	4	5	6	7
	Active Status	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date
1. Alabama	AL..N		.0		.0		.0
2. Alaska	AK..N		.0		.0		.0
3. Arizona	AZ..N		.0		.0		.0
4. Arkansas	AR..N		.0		.0		.0
5. California	CA..N		.0		.0		.0
6. Colorado	CO..N		.0		.0		.0
7. Connecticut	CT..N		.0		.0		.0
8. Delaware	DE..N		.0		.0		.0
9. Dist. Columbia	DC..N		.0		.0		.0
10. Florida	FL..N		.0		.0		.0
11. Georgia	GA..N		.0		.0		.0
12. Hawaii	HI..N		.0		.0		.0
13. Idaho	ID..N		.0		.0		.0
14. Illinois	IL..L		.0		.0		.0
15. Indiana	IN..L	13,298,288	13,762,019	4,666,354	6,722,892	6,073,104	5,755,958
16. Iowa	IA..N		.0		.0		.0
17. Kansas	KS..N		.0		.0		.0
18. Kentucky	KY..N		.0		.0		.0
19. Louisiana	LA..N		.0		.0		.0
20. Maine	ME..N		.0		.0		.0
21. Maryland	MD..N		.0		.0		.0
22. Massachusetts	MA..N		.0		.0		.0
23. Michigan	MI..N		.0		.0		.0
24. Minnesota	MN..N		.0		.0		.0
25. Mississippi	MS..N		.0		.0		.0
26. Missouri	MO..N		.0		.0		.0
27. Montana	MT..N		.0		.0		.0
28. Nebraska	NE..N		.0		.0		.0
29. Nevada	NV..N		.0		.0		.0
30. New Hampshire	NH..N		.0		.0		.0
31. New Jersey	NJ..N		.0		.0		.0
32. New Mexico	NM..N		.0		.0		.0
33. New York	NY..N		.0		.0		.0
34. No. Carolina	NC..N		.0		.0		.0
35. No. Dakota	ND..N		.0		.0		.0
36. Ohio	OH..L	33,397,872	32,972,718	13,440,423	15,089,476	20,299,192	18,767,268
37. Oklahoma	OK..N		.0		.0		.0
38. Oregon	OR..N		.0		.0		.0
39. Pennsylvania	PA..N		.0		.0		.0
40. Rhode Island	RI..N		.0		.0		.0
41. So. Carolina	SC..N		.0		.0		.0
42. So. Dakota	SD..N		.0		.0		.0
43. Tennessee	TN..L		.0		.0		.0
44. Texas	TX..N		.0		.0		.0
45. Utah	UT..N		.0		.0		.0
46. Vermont	VT..N		.0		.0		.0
47. Virginia	VA..N		.0		.0		.0
48. Washington	WA..N		.0		.0		.0
49. West Virginia	WV..N		.0		.0		.0
50. Wisconsin	WI..N		.0		.0		.0
51. Wyoming	WY..N		.0		.0		.0
52. American Samoa	AS..N		.0		.0		.0
53. Guam	GU..N		.0		.0		.0
54. Puerto Rico	PR..N		.0		.0		.0
55. U.S. Virgin Islands	VI..N		.0		.0		.0
56. Northern Mariana Islands	MP..N		.0		.0		.0
57. Canada	CAN..N		.0		.0		.0
58. Aggregate Other Alien	OT..XXX	.0	.0	.0	.0	.0	.0
59. Totals	(a) 4	46,696,160	46,734,737	18,106,777	21,812,368	26,372,296	24,523,226
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**



**SCHEDULE Y**  
**PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

Asterisk	Explanation

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	6,940		0.0	0.0
2.	Allied lines	7,812		0.0	0.0
3.	Farmowners multiple peril	10,299,494	3,347,281	32.5	44.3
4.	Homeowners multiple peril	16,648,644	6,425,048	38.6	56.7
5.	Commercial multiple peril	5,489,407	1,868,694	34.0	94.3
6.	Mortgage guaranty	0		0.0	0.0
8.	Ocean marine	0		0.0	0.0
9.	Inland marine	518,601	95,705	18.5	14.8
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	10,480		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	275,544	(1)	0.0	(60.7)
17.2	Other liability-claims made	26,740		0.0	0.0
17.3	Excess Workers' Compensation	0		0.0	0.0
18.1	Products liability-occurrence	18,710	25,000	133.6	196.0
18.2	Products liability-claims made	0		0.0	0.0
19.1,19.2	Private passenger auto liability	4,675,081	3,325,867	71.1	46.9
19.3,19.4	Commercial auto liability	2,230,430	715,028	32.1	61.1
21.	Auto physical damage	4,815,911	3,042,471	63.2	54.3
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	24,361		0.0	7.9
27.	Boiler and machinery	266,196	11,810	4.4	32.0
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	45,314,351	18,856,903	41.6	55.9
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 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1.	Fire	1,514	16,140	4,179
2.	Allied lines	2,505	16,796	3,950
3.	Farmowners multiple peril	5,577,732	10,722,659	10,407,099
4.	Homeowners multiple peril	9,501,366	16,250,760	16,319,939
5.	Commercial multiple peril	3,082,691	6,087,028	5,579,337
6.	Mortgage guaranty	0	0	0
8.	Ocean marine	0	0	0
9.	Inland marine	316,646	613,769	539,189
10.	Financial guaranty	0	0	0
11.1	Medical professional liability-occurrence	0	0	0
11.2	Medical professional liability-claims made	0	0	0
12.	Earthquake	4,490	13,053	12,119
13.	Group accident and health	0	0	0
14.	Credit accident and health	0	0	0
15.	Other accident and health	0	0	0
16.	Workers' compensation	0	0	0
17.1	Other liability occurrence	170,976	321,515	289,676
17.2	Other liability-claims made	24,917	34,271	25,504
17.3	Excess Workers' Compensation	0	0	0
18.1	Products liability-occurrence	9,550	16,556	15,142
18.2	Products liability-claims made	0	0	0
19.1,19.2	Private passenger auto liability	2,115,304	4,666,075	5,119,368
19.3,19.4	Commercial auto liability	1,378,882	2,642,620	2,425,401
21.	Auto physical damage	2,299,602	4,955,050	5,710,023
22.	Aircraft (all perils)	0	0	0
23.	Fidelity	0	0	0
24.	Surety	0	0	0
26.	Burglary and theft	14,611	28,217	28,530
27.	Boiler and machinery	165,786	311,651	255,281
28.	Credit	0	0	0
29.	International	0	0	0
30.	Warranty	0	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	24,666,572	46,696,160	46,734,737
DETAILS OF WRITE-INS				
3401.		0		0
3402.		0		0
3403.		0		0
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 LIGHTNING ROD 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 .....	7,714	980	8,694	1,993	15	2,008	4,615	57	250	4,922	(1,106)	(658)	(1,764)
2. 2013 .....	9,587	705	10,292	1,790	53	1,843	6,453	169	351	6,973	(1,344)	(132)	(1,476)
3. Subtotals 2013 + prior .....	17,301	1,685	18,986	3,783	68	3,851	11,068	226	601	11,895	(2,450)	(790)	(3,240)
4. 2014 .....	15,253	4,885	20,138	7,120	1,416	8,536	10,095	971	1,048	12,114	1,962	(1,450)	512
5. Subtotals 2014 + prior .....	32,554	6,570	39,124	10,903	1,484	12,387	21,163	1,197	1,649	24,009	(488)	(2,240)	(2,728)
6. 2015 .....	XXX	XXX	XXX	XXX	17,718	17,718	XXX	12,576	5,424	18,000	XXX	XXX	XXX
7. Totals .....	32,554	6,570	39,124	10,903	19,202	30,105	21,163	13,773	7,073	42,009	(488)	(2,240)	(2,728)
8. Prior Year-End Surplus As Regards Policy-holders	147,318										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. (1.5)	2. (34.1)	3. (7.0)
											Col. 13, Line 7 Line 8		
											4. (1.9)		

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

Explanation:

- 1.
- 2.
- 3.

Bar Code:

1.



26123201549000002

2.



26123201545500002

3.



26123201536500002

**OVERFLOW PAGE FOR WRITE-INS**

SCHEDULE A – VERIFICATION

Real Estate

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	5,286,140	5,523,140
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....	15,248	15,099
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 .....	126,384	252,099
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8) .....	5,175,004	5,286,140
10. Deduct total nonadmitted amounts .....	.0	.0
11. Statement value at end of current period (Line 9 minus Line 10)	5,175,004	5,286,140

SCHEDULE B – VERIFICATION

Mortgage Loans

	1	2
	Year To Date	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

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	5,758,731	4,785,707
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....	3,425,000	8,570,483
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) .....	10,057	(927,605)
6. Total gain (loss) on disposals .....		286,436
7. Deduct amounts received on disposals .....		6,956,290
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) .....	9,193,788	5,758,731
12. Deduct total nonadmitted amounts .....	.0	.0
13. Statement value at end of current period (Line 11 minus Line 12)	9,193,788	5,758,731

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	196,591,953	190,145,832
2. Cost of bonds and stocks acquired .....	30,236,577	38,977,567
3. Accrual of discount .....	35,980	112,964
4. Unrealized valuation increase (decrease) .....	(5,262,313)	(546,012)
5. Total gain (loss) on disposals .....	3,554,385	4,060,077
6. Deduct consideration for bonds and stocks disposed of .....	24,142,199	35,605,879
7. Deduct amortization of premium .....	344,563	552,596
8. Total foreign exchange change in book/adjusted carrying value .....		.0
9. Deduct current year's other-than-temporary impairment recognized .....	117,237	.0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	200,552,583	196,591,953
11. Deduct total nonadmitted amounts .....	311,195	313,215
12. Statement value at end of current period (Line 10 minus Line 11)	200,241,388	196,278,738



STATEMENT AS OF JUNE 30, 2015 OF THE LIGHTNING ROD MUTUAL INSURANCE COMPANY

SCHEDULE D - PART 1B

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

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a).....	125,000,215	22,152,442	24,584,015	(87,668)	125,000,215	122,480,973	0	128,375,726
2. NAIC 2 (a).....	4,326,286			(7,953)	4,326,286	4,318,333	0	2,110,176
3. NAIC 3 (a).....	1,030,439			(3,282)	1,030,439	1,027,158	0	1,033,659
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	130,356,940	22,152,442	24,584,015	(98,903)	130,356,940	127,826,464	0	131,519,561
<b>PREFERRED STOCK</b>								
8. NAIC 1 .....	0				0	0	0	0
9. NAIC 2 .....	540,738		548,529	7,791	540,738	0	0	536,976
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.....	540,738	0	548,529	7,791	540,738	0	0	536,976
15. Total Bonds & Preferred Stock	130,897,678	22,152,442	25,132,544	(91,112)	130,897,678	127,826,464	0	132,056,537

(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

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	2,212,526	XXX	2,212,526	270	

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.....	8,651,194	2,924,301
2. Cost of short-term investments acquired .....	35,750,379	75,277,060
3. Accrual of discount .....		0
4. Unrealized valuation increase (decrease).....		0
5. Total gain (loss) on disposals .....		0
6. Deduct consideration received on disposals .....	42,189,047	69,538,590
7. Deduct amortization of premium.....		11,577
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).....	2,212,526	8,651,194
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	2,212,526	8,651,194

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

**STATEMENT AS OF JUNE 30, 2015 OF THE LIGHTNING ROD MUTUAL INSURANCE COMPANY**

## SCHEDULE A - PART 2

**Showing All Real Estate ACQUIRED AND ADDITIONS MADE During the Current Quarter**

[illegible]

## SCHEDULE A - PART 3

**Showing All Real Estate DISPOSED During the Quarter, Including Payments During the Final Year on "Sales Under Contract"**

[illegible]

EO1

**STATEMENT AS OF JUNE 30, 2015 OF THE LIGHTNING ROD MUTUAL INSURANCE COMPANY**

## SCHEDULE B - PART 2

**Showing All Mortgage Loans ACQUIRED AND ADDITIONS MADE During the Current Quarter**

[illegible]

## SCHEDULE B - PART 3

**Showing All Mortgage Loans DISPOSED, Transferred or Repaid During the Current Quarter**

[illegible]

**STATEMENT AS OF JUNE 30, 2015 OF THE LIGHTNING ROD MUTUAL INSURANCE COMPANY**

## SCHEDULE BA - PART 2

**Showing Other Long-Term Invested Assets ACQUIRED AND ADDITIONS MADE During the Current Quarter**

1	2	Location		5	6	7	8	9	10	11	12	13
CUSIP Identification	Name or Description	City	State	Name of Vendor or General Partner	NAIC Designation	Date Originally Acquired	Type and Strategy	Actual Cost at Time of Acquisition	Additional Investment Made After Acquisition	Amount of Encumbrances	Commitment for Additional Investment	Percentage of Ownership
<b>Joint, Partnership or Limited Liability Company Interests that have the Underlying Characteristics - Other - Unaffiliated</b>												
62926*-10-0...	Eaton Vance Inst'l Senior Loan Fd.		KY	Eaton Vance	U	.06/29/2015		275,000				
2199999 - Joint,	<b>Partnership or Limited Liability Company Interests that have the Underlying Characteristics - Other - Unaffiliated</b>							275,000	0	0	0	XXX
<b>4499999 – Subtotals - Unaffiliated</b>								275,000	0	0	0	XXX
<b>4599999 – Subtotals - Affiliated</b>								0	0	0	0	XXX
<b>4699999 Totals</b>								275,000	0	0	0	XXX

## SCHEDULE BA - PART 3

**Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Quarter**

[illegible]

E03

STATEMENT AS OF JUNE 30, 2015 OF THE LIGHTNING ROD 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 <sup>(a)</sup>
Bonds - U.S. Political Subdivisions of States, Territories and Possessions									
041796-LS-0	Arlington Tx Public Imp GO		05/27/2015	FTN Financial Capital Markets		485,224	400,000		1FE
812626-4T-3	City of Seattle WA GO		05/07/2015	Raymond James & Associates, Inc.		617,755	500,000		1FE
388568-HZ-3	Granville OH Exempted Vig SD GO		04/29/2015	Fifth Third Securities, Inc.		476,312	400,000		1FE
989258-MM-7	Zeeland MI Public Schools GO		05/07/2015	Fifth Third Securities, Inc.		348,660	300,000		1FE
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						1,927,951	1,600,000	0	XXX
Bonds - U.S. Special Revenue									
799204-KV-3	San Patricio TX Mun Wtrwks Rev		05/07/2015	First Empire Securities Inc.		404,600	340,000	2,692	1FE
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						404,600	340,000	2,692	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)									
381416-VM-3	Goldman Sachs Group Inc.		06/16/2015	First Empire Securities Inc.		612,360	600,000	7,067	1FE
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						612,360	600,000	7,067	XXX
8399997 - Subtotals - Bonds - Part 3						2,944,911	2,540,000	9,758	XXX
8399999 - Subtotals - Bonds						2,944,911	2,540,000	9,758	XXX
Common Stocks - Industrial and Miscellaneous									
Y2687W-10-8	Gaslog Partners LP MLP	R	06/01/2015	Harvest Investment Manager	62,000	1,649			L
Y8565J-10-1	Teekay Offshore Partners LP MLP	R	06/01/2015	Harvest Investment Manager	167,000	3,863			L
282539-10-5	8Point3 Energy partners MLP		06/19/2015	Harvest Investment Manager	159,000	3,339			L
02752P-10-0	American Midstream Partners LP		06/01/2015	Harvest Investment Manager	117,000	2,134			L
030975-10-6	Amerigas Partners LP MLP		06/01/2015	Harvest Investment Manager	101,000	4,942			L
03673L-10-3	Antero Midstream Partners LP MLP		06/01/2015	Harvest Investment Manager	175,000	4,551			L
096627-10-4	Boardwalk Pipeline Partners LP		05/01/2015	Harvest Investment Manager	145,000	2,528			L
118230-10-1	Buckey Partners LP MLP		05/15/2015	Harvest Investment Manager	645,000	51,856			L
131476-10-3	Calumet Specialty Prods Prtns LP		06/01/2015	Harvest Investment Manager	23,000	626			L
164110-10-1	Cheniere Energy Partners LP		06/03/2015	Harvest Investment Manager	80,000	2,669			L
198281-10-7	Columbia Pipeline Partners LP LP		06/01/2015	Harvest Investment Manager	226,000	6,147			L
206812-10-9	Cone Midstream Partners LP MLP		06/01/2015	Harvest Investment Manager	75,000	1,388			L
226378-10-7	Crestwood Midstream Parnters LP		05/01/2015	Harvest Investment Manager	24,000	383			L
22758A-10-5	CrossAmerica Partners LP Unit Ltd.		06/01/2015	Harvest Investment Manager	648,000	21,381			L
23311P-10-0	DCP Midstream Partners LP		05/01/2015	Harvest Investment Manager	18,000	734			L
24664T-10-3	Delek Logistics Partners MLP		05/01/2015	Harvest Investment Manager	1,000	42			L
257454-10-8	Dominion Midstream Partners MLP		06/01/2015	Harvest Investment Manager	93,000	3,870			L
292480-10-0	Enable Midstream Partners LP MLP		04/01/2015	Harvest Investment Manager	7,000	115			L
29250R-10-6	Enbridge Energy Partners LP MLP		06/01/2015	Harvest Investment Manager	508,000	18,867			L
29273V-10-0	Energy Transfer Equity LP MLP		06/01/2015	Harvest Investment Manager	1,531,000	102,850			L
29273R-10-9	Energy Transfer Partners LP MLP		05/01/2015	Harvest Investment Manager	2,191,140	124,336			L
29336T-10-0	Enlink Midstream LLC		05/01/2015	Harvest Investment Manager	20,000	706			L
29336U-10-7	Enlink Midstream Partners LP MLP		05/01/2015	Harvest Investment Manager	292,000	7,495			L
293792-10-7	Enterprise Prods Partners LP MLP		06/01/2015	Harvest Investment Manager	3,316,000	111,581			L
29414J-10-7	Enviva Partners MLP		05/01/2015	Harvest Investment Manager	297,000	5,976			L
26885J-10-3	EQT GP Holdings LP		05/13/2015	Harvest Investment Manager	467,000	12,775			L
26885B-10-0	EQT Midstream Partners LP		05/15/2015	Harvest Investment Manager	224,000	18,639			L
26926V-10-7	EV Energy Partnes L P COM		06/01/2015	Harvest Investment Manager	93,000	1,466			L
30225X-10-3	Exterran Hldgs Inc		05/15/2015	Harvest Investment Manager	400,000	14,204			L
30225N-10-5	Exterran Partners LP MLP		06/01/2015	Harvest Investment Manager	548,000	14,458			L
637585-10-9	Gaslog Ltd		06/01/2015	Harvest Investment Manager	317,000	6,749			L
371927-10-4	Genesis Energy LP MLP		06/01/2015	Harvest Investment Manager	190,000	9,334			L
435763-10-7	Holly Energy Partners LP		06/01/2015	Harvest Investment Manager	187,000	6,226			L
49456B-10-1	Kinder Morgan Inc Del Comm		05/01/2015	Harvest Investment Manager	15,000	644			L
55608B-10-5	Macquarie Infrastructure Co LLC		05/01/2015	Harvest Investment Manager	128,000	10,559			L
559080-10-6	Magellan Midstream Partners LP MLP		06/01/2015	Harvest Investment Manager	827,000	67,705			L
570759-10-0	Markwest Energy Partners LP MLP		06/01/2015	Harvest Investment Manager	199,000	13,397			L
55336V-10-0	MPLX LP Com MLP		06/01/2015	Harvest Investment Manager	209,000	15,679			L
62913M-10-7	NGL Energy Partners LP		06/29/2015	Harvest Investment Manager	604,000	18,650			L
665826-10-3	Northern Tier Energy LP MLP		06/01/2015	Harvest Investment Manager	103,000	2,544			L
67058H-10-2	Nustar Energy LP MLP		05/15/2015	Harvest Investment Manager	380,000	25,057			L
682680-10-3	Oneok Inc Com Stk		05/01/2015	Harvest Investment Manager	127,000	6,099			L
68268N-10-3	Oneok Partners LP MLP		06/01/2015	Harvest Investment Manager	283,000	11,554			L
69318Q-10-4	PBF Logistics LP MLP		05/15/2015	Harvest Investment Manager	193,000	4,702			L

STATEMENT AS OF JUNE 30, 2015 OF THE LIGHTNING ROD 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 <sup>(a)</sup>
709311-10-4	Penntex Midstream Partners MLP		06/10/2015	Harvest Investment Manager	423.000	8,458			L
718546-10-4	Phillips 66 Com Stk		06/01/2015	Harvest Investment Manager	136.000	10,801			L
718549-20-7	Phillips 66 Partners LP MLP		06/01/2015	Harvest Investment Manager	63.000	4,585			L
726503-10-5	Plains All American Pipeline LP		05/22/2015	Harvest Investment Manager	2,550.000	122,504			L
72651A-10-8	Plains GP Hldgs LP CL A MLP		06/01/2015	Harvest Investment Manager	924.000	26,719			L
74735R-11-5	QEP Midstream Partners LP MLP		06/01/2015	Harvest Investment Manager	518.000	9,006			L
75885Y-10-7	Regency Energy partners LP MLP		04/01/2015	Harvest Investment Manager	4.000	93			L
762819-10-0	Rice Midstream Partners LP MLP		06/26/2015	Harvest Investment Manager	697.000	11,842			L
777149-10-5	Rose Rock Midstream LP		05/01/2015	Harvest Investment Manager	58.000	2,975			L
81663A-10-5	Semgroup Corp CL A		05/15/2015	Harvest Investment Manager	97.000	8,179			L
822634-10-1	Shell Midstream PA MLP		05/15/2015	Harvest Investment Manager	1,020.000	40,061			L
84756N-10-9	Spectra Energy Partners LP Co MLP		05/01/2015	Harvest Investment Manager	3.000	160			L
849343-10-8	Sprague Resources LP MLP		05/01/2015	Harvest Investment Manager	72.000	1,864			L
864482-10-4	Suburban Propane Partners LP		05/01/2015	Harvest Investment Manager	3.000	132			L
866142-10-2	Summit Midstream Partners LP		06/29/2015	Harvest Investment Manager	645.000	22,332			L
86764L-10-8	Sunoco Logistics Partners LP MLP		05/01/2015	Harvest Investment Manager	138.000	6,064			L
874696-10-7	Tallgrass Energy CP LP		05/14/2015	Harvest Investment Manager	931.000	27,099			L
874697-10-5	Tallgrass Energy partners LP MLP		05/01/2015	Harvest Investment Manager	95.000	4,655			L
87612G-10-1	Targa Resources Corp		06/10/2015	Harvest Investment Manager	457.000	43,822			L
87611X-10-5	Targa Resources Parnters LP MLP		06/09/2015	Harvest Investment Manager	161.000	6,699			L
Y8564M-10-5	Teekay Long Partners LP MLP		06/01/2015	Harvest Investment Manager	173.000	6,779			L
88160T-10-7	Tesoro Logistics LP MLP		05/07/2015	Harvest Investment Manager	315.000	17,825			L
90290N-10-9	USA Compression Partners LP		05/01/2015	Harvest Investment Manager	381.000	8,751			L
91914J-10-2	Valero Energy Partners LP MLP		06/01/2015	Harvest Investment Manager	211.000	10,761			L
Y9384M-10-1	VTTI Energy Parnters LP MLP		06/25/2015	Harvest Investment Manager	562.000	14,436			L
95825R-10-3	Western Gas Equity Partners MLP		06/24/2015	Harvest Investment Manager	514.000	30,452			L
95931Q-20-5	Western Refining Logistics LP		06/01/2015	Harvest Investment Manager	521.000	15,585			L
960417-10-3	Westlake Chemical Partners LP MLP		06/26/2015	Harvest Investment Manager	347.000	8,806			L
969457-10-0	Williams Co Inc		06/01/2015	Harvest Investment Manager	565.000	28,940			L
96949L-10-5	Williams Partners LP MLP NEW		05/01/2015	Harvest Investment Manager	263.000	13,095			L
9099999 - Common Stocks - Industrial and Miscellaneous (Unaffiliated)						1,257,951	XXX	0	XXX
Common Stocks - Mutual Funds									
233203-84-3	DFA US Small Cap Portfolio		06/29/2015	Northern Trust	20,634.280	660,000			U
25264S-85-8	Diamond Hill Small Cap FD Cl I		06/29/2015	Northern Trust	19,407.520	660,000			U
256206-10-3	Dodge & Cox Intl Stk FD	R	06/29/2015	Northern Trust	178,748.080	7,990,000			U
9299999 - Common Stocks - Mutual Funds						9,310,000	XXX	0	XXX
9799997 - Subtotals - Common Stocks - Part 3						10,567,951	XXX	0	XXX
9799999 - Subtotals - Common Stocks						10,567,951	XXX	0	XXX
9899999 - Subtotals- Preferred and Common Stocks						10,567,951	XXX	0	XXX
9999999 Totals						13,512,862	XXX	9,758	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....3



STATEMENT AS OF JUNE 30, 2015 OF THE LIGHTNING ROD 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	F o r e i g n	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																					
30250R-AA-2..	FDIC 20110-R1 TR CTF CI 1-A 144A.....		06/25/2015..	PRINCIPAL RECEIPT.....		41,215	41,215	41,215	41,215				.0		41,215			.0	.329	05/25/2050..	1
36217A-HM-5..	GNMA Pool #187536.....		06/15/2015..	PRINCIPAL RECEIPT.....		100	100	99	100		.1		.1		100			.0	.4	02/15/2017..	1
36295P-6H-0..	GNMA Pool #676872.....		06/15/2015..	PRINCIPAL RECEIPT.....		12,831	12,831	12,943	12,912		(81)		(81)		12,831			.0	241	03/15/2023..	1
83162C-VD-2..	SBA SBAP 2012-20K CL 1 CMO.....		05/01/2015..	PRINCIPAL RECEIPT.....		25,117	25,117	25,337	25,323		(206)		(206)		25,117			.0	273	11/01/2032..	1
83162C-PP-2..	U S Small Business Admin-DCPC CMO.....		06/01/2015..	PRINCIPAL RECEIPT.....		28,343	28,343	28,768	28,671		(328)		(328)		28,343			.0	.660	06/01/2025..	1
912828-DV-9..	U S Treasury Note.....		05/15/2015..	MATURITY.....		600,000	600,000	561,164	598,047		1,953		1,953		600,000			.0	12,375	05/15/2015..	1
0599999 - Bonds - U.S. Governments						707,606	707,606	669,527	706,268	0	1,338	0	1,338	0	707,606	0	0	0	13,882	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.....		500,000	500,000	500,000	500,000				.0		500,000			.0	10,625	05/01/2017..	1FE
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						500,000	500,000	500,000	500,000	0	0	0	0	0	500,000	0	0	0	10,625	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																					
3128M1-LA-5..	FHLMC (Gold) Pool #G12221.....		06/15/2015..	PRINCIPAL RECEIPT.....		5,536	5,536	5,536	5,536				.0		5,536			.0	126	06/01/2021..	1
31335H-5P-4..	FHLMC (Gold) Pool #C90854.....		06/15/2015..	PRINCIPAL RECEIPT.....		4,912	4,912	4,928	4,925		(13)		(13)		4,912			.0	116	09/01/2024..	1
31294K-K5-3..	FHLMC (Gold) Pool #E01216.....		06/15/2015..	PRINCIPAL RECEIPT.....		4,241	4,241	4,272	4,244		(4)		(4)		4,241			.0	98	10/01/2017..	1
3128M1-BB-4..	FHLMC (Gold) Pool #G11934.....		06/15/2015..	PRINCIPAL RECEIPT.....		3,305	3,305	3,303	3,286		20		20		3,305			.0	79	04/01/2016..	1
3128M1-PA-1..	FHLMC (Gold) Pool #G12317.....		06/15/2015..	PRINCIPAL RECEIPT.....		4,452	4,452	4,452	4,452		.0		.0		4,452			.0	104	08/01/2021..	1
3128Q0-N9-4..	FHLMC (Gold) Pool #J19416.....		06/15/2015..	PRINCIPAL RECEIPT.....		21,663	21,663	22,259	22,229		(569)		(569)		21,663			.0	279	06/01/2027..	1
3137AP-BD-1..	FHLMC CMO 4033 EB.....		06/15/2015..	PRINCIPAL RECEIPT.....		29,283	29,283	29,210	29,216		.67		.67		29,283			.0	245	10/15/2036..	1
31326F-Y9-3..	FHLMC Pool #2B1636.....		06/15/2015..	PRINCIPAL RECEIPT.....		13,897	13,897	13,584	13,586		311		311		13,897			.0	113	08/01/2043..	1
3128S2-QQ-7..	FHLMC Pool #T61363.....		06/15/2015..	PRINCIPAL RECEIPT.....		33,102	33,102	34,633	34,621		(1,520)		(1,520)		33,102			.0	466	09/01/2042..	1
31371L-JU-4..	FNMA Gtd Mtg Pool #255075.....		06/25/2015..	PRINCIPAL RECEIPT.....		5,970	5,970	5,968	5,965		.5		.5		5,970			.0	134	02/01/2024..	1
31402R-GM-5..	FNMA Pool #735604.....		06/25/2015..	PRINCIPAL RECEIPT.....		9,441	9,441	9,471	9,449		(8)		(8)		9,441			.0	183	06/01/2020..	1
3136A1-4P-7..	FNMA CMO TR-2011-126 MA.....		06/25/2015..	PRINCIPAL RECEIPT.....		19,806	19,806	19,856	19,856		(49)		(49)		19,806			.0	155	08/25/2040..	1
3136A2-VK-6..	FNMA CMO TR-2011-126.....		06/25/2015..	PRINCIPAL RECEIPT.....		33,203	33,203	33,203	33,193		.11		.11		33,203			.0	311	06/25/2040..	1
31381P-C9-7..	FNMA DUS Pool #466396.....		06/25/2015..	PRINCIPAL RECEIPT.....		1,729	1,729	1,732	1,731		(2)		(2)		1,729			.0	24	11/01/2020..	1
31371L-XN-4..	FNMA Gtd Mtg Pool #25549.....		06/25/2015..	PRINCIPAL RECEIPT.....		6,465	6,465	6,429	6,432		.33		.33		6,465			.0	136	10/01/2024..	1
31416X-HY-9..	FNMA Gtd Mtg Pool #AB2046.....		06/25/2015..	PRINCIPAL RECEIPT.....		14,672	14,672	14,424	14,446		226		226		14,672			.0	175	01/01/2026..	1
31418A-LY-2..	FNMA Gtd Mtg Pool #MA1242.....		06/25/2015..	PRINCIPAL RECEIPT.....		26,310	26,310	27,493	27,515		(1,206)		(1,206)		26,310			.0	348	11/01/2042..	1
31418A-V5-4..	FNMA Gtd Mtg Pool #MA1535.....		06/25/2015..	PRINCIPAL RECEIPT.....		21,767	21,767	21,753	21,784		(17)		(17)		21,767			.0	171	08/01/2023..	1
31418A-WS-3..	FNMA Gtd Mtg Pool #MA1556.....		06/25/2015..	PRINCIPAL RECEIPT.....		15,981	15,981	15,861	15,897		.83		.83		15,981			.0	175	08/01/2028..	1
31371K-2X-8..	FNMA Pool #254690.....		06/25/2015..	PRINCIPAL RECEIPT.....		3,470	3,470	3,446	3,449		.21		.21		3,470			.0	72	04/01/2023..	1
31385W-SB-6..	FNMA Pool #555014.....		06/25/2015..	PRINCIPAL RECEIPT.....		7,029	7,029	7,095	7,031		(2)		(2)		7,029			.0	153	11/01/2017..	1
3136A1-6Y-6..	FNMA REMIC Ser 2011-M8 CL AB.....		06/25/2015..	PRINCIPAL RECEIPT.....		35,112	35,112	36,144	35,822		(710)		(710)		35,112			.0	283	08/25/2021..	1
3136AE-Z4-2..	FNMA TR 2013-70 CL-VA.....		06/25/2015..	PRINCIPAL RECEIPT.....		10,023	10,023	10,536	10,536		(514)		(514)		10,023			.0	67	08/25/2026..	1
880591-DY-5..	Tennessee Valley Auth.....		06/15/2015..	MATURITY.....		400,000	400,000	396,016	399,718		282		282		400,000			.0	8,750	06/15/2015..	1
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						731,370	731,370	731,606	724,384	0	(3,550)	0	(3,550)	0	731,370	0	0	0	12,764	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
12572X-AA-8..	CME Group Index Senior NT 144A.....		04/08/2015..	CALLED @ 109.8700000.....		329,610	300,000	299,850	299,934		.5		.5		299,939		29,671	29,671	7,443	03/15/2018..	1FE
913017-BH-1..	United Technologies Corp NT.....		05/01/2015..	MATURITY.....		500,000	500,000	497,650	499,874		126		126		500,000			.0	12,188	05/01/2015..	1FE
921937-82-7..	Vanguard S/T Bond ETF.....		05/27/2015..	VARIOUS.....		545,850		550,324	550,324		.0		.0		545,850		(4,474)	(4,474)	2,283		1
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						1,375,460	800,000	1,347,824	1,350,132	0	131	0	131	0	1,350,263	0	25,198	25,198	21,914	XXX	XXX
8399997 - Subtotals - Bonds - Part 4						3,314,436	2,738,976	3,248,957	3,280,784	0	(2,081)	0	(2,081)	0	3,289,239	0	25,198	25,198	59,185	XXX	XXX
8399999 - Subtotals - Bonds						3,314,436	2,738,976	3,248,957	3,280,784	0	(2,081)	0	(2,081)	0	3,289,239	0	25,198	25,198	59,185	XXX	XXX
Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)																					
902973-81-7..	US Bancorp Series C.....		06/29/2015..	Northern Trust.....		19,800,000		527,342	548,529	536,976	11,553		11,553		548,529		(21,188)	(21,188)	22,275	XXX	P2LFE
8499999 - Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)						527,342	XXX	548,529	536,976	11,553	0	0	11,553	0	548,529	0	(21,188)	(21,188)	22,275	XXX	XXX
8999997 - Total - Preferred Stocks - Part 4						527,342	XXX	548,529	536,976	11,553	0	0	11,553	0	548,529	0	(21,188)	(21,188)	22,275	XXX	XXX
8999999 - Subtotals - Preferred Stocks						527,342	XXX	548,529	536,976	11,553	0	0	11,553	0	548,529	0	(21,188)	(21,188)	22,275	XXX	XXX
Common Stocks - Industrial and Miscellaneous (Unaffiliated)																					
66987Y-10-9..	Novartis.....		05/07/2015..	Northern Trust.....		6,600,000	670,008	XXX	274,542	611,556	(337,014)		(337,014)		274,542		395,466	395,466	29,813	XXX	1

## SCHEDULE D - PART 4

	Prior Year Book/Adjusted Carrying Value	Unre- valued Inc. (De-
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## E05.1

## E05.2

## E05.2

## E05.2

## E05.2

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

Schedule DB - Part D - Section 2

NONE

Schedule DL - Part 1

NONE

Schedule DL - Part 2

NONE



SCHEDULE E - PART 2 - 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 LIGHTNING ROD MUTUAL INSURANCE COMPANY

DIRECTOR AND OFFICER INSURANCE COVERAGE SUPPLEMENT

NAIC Group Code0207

Year To Date For The Period Ended 2015

NAIC Company Code26123

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

1. Monoline Policies

1 Direct Written Premium	2 Direct Earned Premium	3 Direct Losses Incurred
\$0	\$0	\$0

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:

\$ .....8,016

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.

\$ .....0