



# QUARTERLY STATEMENT

AS OF SEPTEMBER 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 Joseph E. Wilford 330-262-9060-2437  
(Name) (Area Code) (Telephone Number) (Extension)  
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(E-Mail Address) (Fax Number)

### OFFICERS

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

### OTHER OFFICERS

<u>GREGORY A. BRUNN</u>	<u>VICE PRESIDENT -CHIEF MARKETING &amp; UNDERWRITING OFFICER</u>	<u>GARY W. GWINN</u>	<u>VICE PRESIDENT -CHIEF CLAIMS OFFICER</u>
<u>GREGORY J. OWEN</u>	<u>VICE PRESIDENT -CHIEF INFORMATION OFFICER</u>		

### DIRECTORS OR TRUSTEES

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

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

a. Is this an original filing? Yes  No

b. If no:  
1. State the amendment number \_\_\_\_\_  
2. Date filed \_\_\_\_\_  
3. Number of pages attached \_\_\_\_\_

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

David Lee Jarrett, Attorney at Law  
No Expiration Date

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

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	124,991,873	0	124,991,873	122,868,367
2. Stocks:				
2.1 Preferred stocks .....	0	0	0	536,976
2.2 Common stocks .....	69,758,685	305,148	69,453,537	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) .....	5,111,783	0	5,111,783	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 (\$ .....25,390,505 ), cash equivalents (\$ .....0 ) and short-term investments (\$ .....3,273,056 ) .....	28,663,561	0	28,663,561	30,574,152
6. Contract loans (including \$ ..... premium notes) .....	0	0	0	0
7. Derivatives .....	0	0	0	0
8. Other invested assets .....	8,999,697	0	8,999,697	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) .....	237,525,598	305,148	237,220,451	237,897,761
13. Title plants less \$ ..... charged off (for Title insurers only) .....	0	0	0	0
14. Investment income due and accrued .....	1,268,957	0	1,268,957	1,271,938
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	15,921,141	42,843	15,878,298	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 .....	8,670	0	8,670	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 (\$ ..... ) .....	643,024	643,024	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 .....	169,544	169,544	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	255,536,934	1,160,558	254,376,376	255,077,533
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0	0
28. Total (Lines 26 and 27) .....	255,536,934	1,160,558	254,376,376	255,077,533
<b>DETAILS OF WRITE-INS</b>				
1101. ....	0	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 .....	169,544	169,544	0	0
2502. ....	0	0	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) .....	169,544	169,544	0	0

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

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ .....17,797,178 ) .....	34,810,613	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 .....	3,277,616	3,333,497
5. Other expenses (excluding taxes, licenses and fees) .....	4,327,907	5,254,444
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	1,064,274	1,285,499
7.1 Current federal and foreign income taxes (including \$ ..... on realized capital gains (losses)) .....	9,568	312,270
7.2 Net deferred tax liability .....	346,230	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) .....	52,050,993	49,717,523
10. Advance premium .....	1,084,642	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) .....	370,935	370,080
13. Funds held by company under reinsurance treaties .....	0	0
14. Amounts withheld or retained by company for account of others .....	2,316,334	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) .....	106,348,005	107,759,674
27. Protected cell liabilities .....	0	0
28. Total liabilities (Lines 26 and 27) .....	106,348,005	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) .....	148,028,371	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) .....	148,028,371	147,317,859
38. Totals (Page 2, Line 28, Col. 3)	254,376,376	255,077,533
<b>DETAILS OF WRITE-INS</b>		
2501. ....	0	0
2502. ....	0	0
2503. ....	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0
2901. ....	0	0
2902. ....	0	0
2903. ....	0	0
2998. Summary of remaining write-ins for Line 29 from overflow page .....	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201. ....	0	0
3202. ....	0	0
3203. ....	0	0
3298. Summary of remaining write-ins for Line 32 from overflow page .....	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

## STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct (written \$ 70,460,364 )	68,084,462	67,442,862	90,034,988
1.2 Assumed (written \$ 82,960,689 )	80,813,924	78,331,048	104,889,962
1.3 Ceded (written \$ 71,218,638 )	69,029,442	67,701,831	90,544,653
1.4 Net (written \$ 82,202,415 )	79,868,944	78,072,079	104,380,297
DEDUCTIONS:			
2. Losses incurred (current accident year \$ .....):			
2.1 Direct	29,922,465	35,122,131	46,527,297
2.2 Assumed	45,219,395	38,556,229	53,241,305
2.3 Ceded	33,795,370	33,232,257	44,991,684
2.4 Net	41,346,490	40,446,103	54,776,918
3. Loss adjustment expenses incurred	7,764,941	7,681,418	10,799,441
4. Other underwriting expenses incurred	26,010,865	25,665,721	33,929,428
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	75,122,296	73,793,241	99,505,787
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	4,746,648	4,278,838	4,874,510
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	3,515,552	3,552,307	4,921,526
10. Net realized capital gains (losses) less capital gains tax of \$ 1,177,895	2,286,502	282,189	2,825,233
11. Net investment gain (loss) (Lines 9 + 10)	5,802,054	3,834,496	7,746,759
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ ..... amount charged off \$ 92,283 )	(92,283)	(92,848)	(127,945)
13. Finance and service charges not included in premiums	1,214,995	1,232,361	1,647,467
14. Aggregate write-ins for miscellaneous income	4,151	28,734	30,228
15. Total other income (Lines 12 through 14)	1,126,863	1,168,247	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)	11,675,565	9,281,581	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)	11,675,565	9,281,581	14,171,019
19. Federal and foreign income taxes incurred	1,939,403	1,180,745	1,020,497
20. Net income (Line 18 minus Line 19)(to Line 22)	9,736,162	8,100,836	13,150,522
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year	147,317,859	137,626,499	137,626,499
22. Net income (from Line 20)	9,736,162	8,100,836	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 \$ (4,382,029)	(8,506,290)	1,032,760	(972,588)
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	(421,673)	(980,112)	(2,294,473)
27. Change in nonadmitted assets	(102,055)	(185,593)	(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	4,369	0	(45,245)
38. Change in surplus as regards policyholders (Lines 22 through 37)	710,512	7,967,891	9,691,360
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	148,028,371	145,594,390	147,317,859
<b>DETAILS OF WRITE-INS</b>			
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)	1,686	1,248	2,743
1402. Gain/(Loss) sale of Equipment	2,465	27,485	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)	4,151	28,734	30,228
3701. Change in Surplus Due to Prior Period Adjustment (see Footnote 2)	4,369	0	(45,245)
3702. ....			
3703. ....			
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	4,369	0	(45,245)

## CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance.....	82,547,737	80,205,564	105,806,126
2. Net investment income .....	4,095,819	3,889,920	5,579,919
3. Miscellaneous income .....	1,126,863	1,168,247	1,549,750
4. Total (Lines 1 to 3) .....	87,770,419	85,263,731	112,935,795
5. Benefit and loss related payments .....	38,947,958	41,344,902	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 .....	34,769,613	34,743,241	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).....	3,420,000	(195,000)	880,000
10. Total (Lines 5 through 9) .....	77,137,571	75,893,142	100,139,087
11. Net cash from operations (Line 4 minus Line 10) .....	10,632,848	9,370,589	12,796,708
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	11,070,979	9,787,677	15,675,703
12.2 Stocks .....	18,620,684	1,895,383	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 .....	0	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	29,691,663	18,639,350	42,562,169
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	13,447,773	16,286,092	21,512,935
13.2 Stocks .....	24,116,189	5,684,905	17,464,632
13.3 Mortgage loans .....	0	0	0
13.4 Real estate .....	21,723	727	15,099
13.5 Other invested assets .....	3,425,000	2,820,483	8,570,483
13.6 Miscellaneous applications .....	117,237	2	10
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	41,127,922	24,792,209	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) .....	(11,436,259)	(6,152,859)	(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).....	(1,107,181)	(1,401,481)	(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).....	(1,107,181)	(1,401,481)	(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) .....	(1,910,592)	1,816,249	6,515,364
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	30,574,152	24,058,788	24,058,788
19.2 End of period (Line 18 plus Line 19.1) .....	28,663,560	25,875,037	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	\$ 9,736,162	\$ 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>\$ 9,736,162</u>	<u>\$ 13,150,522</u>
<u>SURPLUS</u>			
(2) LRMIC state basis (Page 3, Line 37, Columns 1 & 2)	Ohio	\$ 148,028,371	\$ 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>\$ 148,028,371</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 September 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 September 30, 2015 and December 31, 2014 are as follows:

1.

	09/30/2015		
	(1)	(2)	(3)
	Ordinary	Capital	(Col 1+2) Total
(a) Gross Deferred Tax Assets	\$ 6,864,147	\$ 426,444	\$ 7,290,591
(b) Statutory Valuation Allowance Adjustments	—	—	—
(c) Adjusted Gross Deferred Tax Assets (1a – 1b)	6,864,147	\$ 426,444	\$ 7,290,591
(d) Deferred Tax Assets Nonadmitted	—	—	—
(e) Subtotal Net Deferred Tax Asset (1c – 1d)	6,864,147	\$ 426,444	\$ 7,290,591
(f) Deferred Tax Liabilities	(599,914)	(7,036,907)	(7,636,822)
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability)			
(h) (1e – 1f)	<u>\$ 6,264,233</u>	<u>\$ (6,610,463)</u>	<u>\$ (346,230)</u>

## NOTES TO FINANCIAL STATEMENTS

	<b>12/31/2014</b>		
	(4)	(5)	(6)
	Ordinary	Capital	(Col 4+5) Total
(i) 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>
	<b>Change</b>		
	(7)	(8)	(9)
	(Col 1—4) Ordinary	(Col 2—5) Capital	(Co 7+8) Total
(a) Gross Deferred Tax Assets	\$ (258,263)	\$ (127,009)	\$ (385,272)
(b) Statutory Valuation Allowance Adjustments	—	—	—
(c) Adjusted Gross Deferred Tax Assets (1a – 1b)	(258,263)	\$ (127,009)	\$ (385,272)
(d) Deferred Tax Assets Nonadmitted	—	—	—
(e) Subtotal Net Deferred Tax Asset (1c – 1d)	(258,263)	\$ (127,009)	\$ (385,272)
(f) Deferred Tax Liabilities	(36,402)	4,382,029	4,345,626
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e – 1f)	<u>\$ (294,665)</u>	<u>\$ 4,255,020</u>	<u>\$ 3,960,355</u>

## 2. Admission Calculation Components SSAP No. 101

	<b>09/30/2015</b>		
	(1)	(2)	(3)
	Ordinary	Capital	(Col 1+2) Total
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 2,671,084	\$ 0	\$ 2,671,084
(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	22,204,256
(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>2,348,599</u>	<u>426,444</u>	<u>2,775,043</u>
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. (2(a) + 2(b) + 2(c))	<u>\$ 6,864,147</u>	<u>\$ 426,444</u>	<u>\$ 7,290,591</u>

## NOTES TO FINANCIAL STATEMENTS

	<u>12/31/2014</u>		
	(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>
	<u>Change</u>		
	(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.	\$ 2,671,084	\$ 0	\$ 2,671,084
(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	106,577
(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>(258,263)</u>	<u>(127,009)</u>	<u>(385,272)</u>
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. (2(a) + 2(b) + 2(c))	<u>\$ (258,263)</u>	<u>\$ (127,009)</u>	<u>\$ (385,272)</u>
3.			
	<u>2015</u>	<u>2014</u>	
(a) Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	15%	15%	
(b) Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b) 2 Above.	\$ 148,028,371	\$ 147,317,859	

## NOTES TO FINANCIAL STATEMENTS

## 4. Impact of Tax—Planning Strategies

		<u>09/30/2015</u>	
		(1)	(2)
		<u>Ordinary</u>	<u>Capital</u>
(a)	Determination Of Adjusted Gross Deferred Tax Assets And Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.		
1.	Adjusted Gross DTAs Amount From Note 9A1(c)	\$ 6,864,147	\$ 426,444
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)	\$ 6,864,147	\$ 426,444
4.	Percentage of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	0%	0%
		<u>12/31/2014</u>	
		(3)	(4)
		<u>Ordinary</u>	<u>Capital</u>
(a)	Determination Of Adjusted Gross Deferred Tax Assets And Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.		
1.	Adjusted Gross DTAs Amount From Note 9A1(c)	\$ 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%
		<u>Change</u>	
		(5)	(6)
		(Col 1-3)	(Col 2-4)
		<u>Ordinary</u>	<u>Capital</u>
(a)	Determination Of Adjusted Gross Deferred Tax Assets And Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.		
1.	Adjusted Gross DTAs Amount From Note 9A1(c)	\$ (258,263)	\$ (127,009)
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)	\$ (258,263)	\$ (127,009)
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)
	09/30/2015	12/31/2014	(Col 1-2) Change
1. Current Income Tax			
(a) Federal	\$ 1,939,403	\$ 1,020,497	\$ 918,906
(b) Foreign	\$ —	\$ —	\$ —
(c) Subtotal	\$ 1,939,403	\$ 1,020,497	\$ 918,906
(d) Federal income tax on net capital gains	\$ 1,177,895	\$ 1,521,279	\$ (343,384)
(e) Utilization of operating loss carry—forwards	\$ —	\$ —	\$ —
(f) Other	\$ —	\$ —	\$ —
(g) Federal and foreign income taxes incurred	<u>\$ 3,117,298</u>	<u>\$ 2,541,776</u>	<u>\$ 575,522</u>
2. Deferred Tax Assets:			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 499,519	\$ 500,222	\$ (703)
(2) Unearned premium reserve	\$ 3,539,466	\$ 3,380,790	\$ 158,676
(3) Policyholder reserves	\$ —	\$ —	\$ —
(4) Investments	\$ —	\$ —	\$ —
(5) Deferred acquisition costs	\$ —	\$ —	\$ —
(6) Policyholder dividends accrual	\$ —	\$ —	\$ —
(7) Fixed assets	\$ 276,985	\$ 239,048	\$ 37,937
(8) Compensation and benefits accrual	\$ 532,832	\$ 785,355	\$ (252,523)
(9) Pension accrual	\$ 251,507	\$ 279,026	\$ (27,519)
(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	\$ 561,151	\$ 501,747	\$ 59,404
(16) Other	\$ 73,755	\$ 50,332	\$ 23,423
(99) Subtotal	\$ 6,864,147	\$ 7,122,410	\$ (258,263)
(b) Statutory valuation allowance adjustment	\$ —	\$ —	\$ —
(c) Nonadmitted	\$ —	\$ —	\$ —
(d) Admitted ordinary deferred tax assets (2a99 – 2b – 2c)	<u>\$ 6,864,147</u>	<u>\$ 7,122,410</u>	<u>\$ (258,263)</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	\$ 421,809	\$ 548,818	\$ (127,009)
(99) Subtotal	\$ 426,444	\$ 553,453	\$ (127,009)
(f) Statutory valuation allowance adjustment	\$ —	\$ —	\$ —
(g) Nonadmitted	\$ —	\$ —	\$ —
(h) Admitted capital deferred tax assets (2e99 – 2f – 2g)	<u>\$ 426,444</u>	<u>\$ 553,453</u>	<u>\$ (127,009)</u>
(i) Admitted deferred tax assets (2d + 2h)	<u>\$ 7,290,591</u>	<u>\$ 7,675,863</u>	<u>\$ (385,272)</u>
3. Deferred Tax Liabilities:			
(a) Ordinary:			
(1) Investments	\$ (286,942)	\$ (311,293)	\$ 24,351
(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	\$ (295,220)	\$ (229,543)	\$ (65,577)
(7) Tax over book depreciation	\$ (17,752)	\$ (22,676)	\$ 4,924
(99) Subtotal	\$ (599,914)	\$ (563,512)	\$ (36,402)
(b) Capital:			
(1) Investments	\$ —	\$ —	\$ —
(2) Real estate	\$ —	\$ —	\$ —
(3) Other (including items <5% of total capital tax liabilities):			
(4) Unrealized capital gains	\$ (7,036,907)	\$ (11,418,936)	\$ 4,382,029
(99) Subtotal	<u>\$ (7,036,907)</u>	<u>\$ (11,418,936)</u>	<u>\$ 4,382,029</u>
(c) Deferred tax liabilities (3a99 + 3b99)	<u>\$ (7,636,822)</u>	<u>\$ (11,982,448)</u>	<u>\$ 4,345,626</u>
4. Net deferred tax assets/liabilities (2i – 3c)	<u>\$ (346,230)</u>	<u>\$ (4,306,585)</u>	<u>\$ 3,960,355</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>09/30/2015</u>	<u>Effective Tax Rate</u>
Provision computed at statutory rate	\$ 4,370,176	34.0%
Tax exempt interest	(251,452)	(2.0%)
Dividends received deduction	(216,938)	(1.7%)
Change in deferred tax on nonadmitted assets	(37,441)	(0.3%)
Other	(304,167)	(2.4%)
Total	<u>\$ 3,538,167</u>	<u>27.5%</u>
Federal and foreign income taxes incurred	\$ 1,939,403	15.1%
Tax on capital gains (losses)	1,177,895	9.2%
Change in net deferred income taxes	421,674	3.3%
Total statutory income taxes	<u>\$ 3,538,167</u>	<u>27.5%</u>

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

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

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

(2) As of September 30, 2015, the Company had federal income taxes incurred available for recoupment in the event of future net losses of \$2,671,084.

(3) The Company has no deposits reported as admitted assets under IRC §6603 as of September 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 September 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 September 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 September 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 \$74,208,374. 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)	(2)	(3)
	Total 2 + 3	General Account	Separate Accounts
1. Current Year			
a. Membership Stock – Class A	\$ —	\$ —	\$ —
b. Membership Stock – Class B	\$ 364,000	\$ 364,000	\$ —
c. Activity Stock	\$ —	\$ —	\$ —
d. Excess Stock	\$ —	\$ —	\$ —
e. Aggregate Total	<u>\$ 364,000</u>	<u>\$ 364,000</u>	<u>\$ —</u>
f. Actual or Estimated Borrowing Capacity as Determined by the Insurer	<u>\$ 74,208,374</u>	<u>\$ XXX</u>	<u>\$ XXX</u>
2. Prior Year			
a. Membership Stock – Class A	\$ —	\$ —	\$ —
b. Membership Stock – Class B	\$ 364,000	\$ 364,000	\$ —
c. Activity Stock	\$ —	\$ —	\$ —
d. Excess Stock	\$ —	\$ —	\$ —
e. Aggregate Total	<u>\$ 364,000</u>	<u>\$ 364,000</u>	<u>\$ —</u>
g. Actual or Estimated Borrowing Capacity as Determined by the Insurer	<u>\$ 72,335,590</u>	<u>\$ XXX</u>	<u>\$ XXX</u>

## 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. The retiree health care plan was closed to new participants. The directors' retirement plan was terminated July 1, 2015 with payout of vested benefit balances scheduled to occur in July 2016. 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 September 30, 2015 and December 31, 2014, amounts held for these deferrals were \$2.2 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 \$20.7 million and \$33.6 million at September 30, 2015 and September 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 September 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	568,650			568,650
Industrial and Misc	68,298,144	364,000	222,741	68,884,885
Total Common Stocks	68,866,794	364,000	222,741	69,453,535
Other Invested Assets	—	8,999,697	—	8,999,697
Total assets at fair value	\$ 68,866,794	\$ 9,363,697	\$ 222,741	\$ 78,453,232
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 09/30/2015
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 September 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.

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	\$ 129,212,947	\$ 124,991,873	\$ 9,191,308	\$ 120,021,639	\$ —	\$ —
Perpetual Preferred Stock	—	—	—	—	—	—
Common Stock	69,453,536	69,453,536	68,866,794	364,000	222,741	—
Other Invested Assets	8,999,697	8,999,697	—	8,999,697	—	—

## NOTES TO FINANCIAL STATEMENTS

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 November 15, 2015 for the statutory statement issued on November 16, 2015 for the quarter ending September 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 November 15, 2015 for the statutory statement issued on November 16, 2015 for the quarter ending September 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.
- 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.

## NOTES TO FINANCIAL STATEMENTS

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

Reserves as of December 31, 2014 were \$39.1 million. During 2015, \$16.1 million has been paid for incurred losses and loss adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$20.3 million as a result of re-estimation of unpaid claims and claim adjusting expenses. Therefore, there has been a \$2.6 million favorable prior year development from December 31, 2014 to September 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 ( )

	2011	2012	2013	2014	2015
(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:	27	12	50	80	0
4) Ending reserves:	\$ 14	\$ 41	\$ 86	\$ 45	\$ 45

## 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>	<u>—</u>
4) Ending reserves:	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
(3) Net of Ceded Reinsurance:					
1) Beginning reserves:	\$ 14	\$ 14	\$ 41	\$ 86	\$ —
2) Incurred losses and loss adjustment expense:	27	39	54	(86)	—
3) Calendar year payments for loss and loss adjustment expenses:	<u>27</u>	<u>12</u>	<u>10</u>	<u>—</u>	<u>—</u>
4) Ending reserves:	<u>\$ 14</u>	<u>\$ 41</u>	<u>\$ 86</u>	<u>\$ —</u>	<u>\$ —</u>

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

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

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

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

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

**GENERAL INTERROGATORIES**

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? ..... Yes  No
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
  - (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
  - (c) Compliance with applicable governmental laws, rules and regulations;
  - (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
  - (e) Accountability for adherence to the code.

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

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

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

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

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

**FINANCIAL**

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

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

**INVESTMENT**

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

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

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

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

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

14.2 If yes, please complete the following:

	1	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	\$ .....305,148
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	\$ .....305,148
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....	\$ .....	\$ .....

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

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

If no, attach a description with this statement.

## GENERAL INTERROGATORIES

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

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

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

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

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

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

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

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

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

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

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

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

18.2 If no, list exceptions:

.....





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

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

Current Year to Date - Allocated by States and Territories

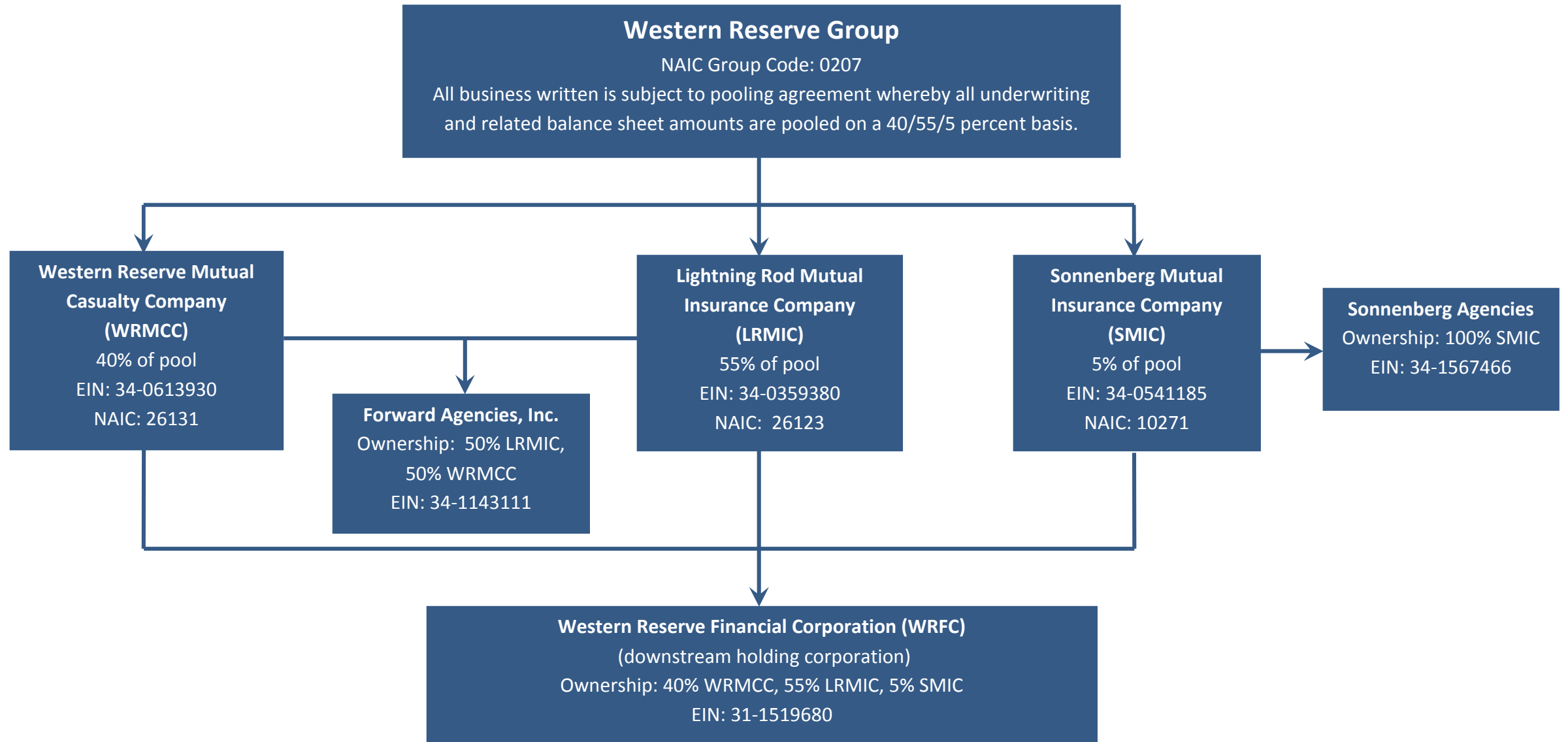
States, etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid		
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date	
1. Alabama	AL	N	0	0	0	0	0	
2. Alaska	AK	N	0	0	0	0	0	
3. Arizona	AZ	N	0	0	0	0	0	
4. Arkansas	AR	N	0	0	0	0	0	
5. California	CA	N	0	0	0	0	0	
6. Colorado	CO	N	0	0	0	0	0	
7. Connecticut	CT	N	0	0	0	0	0	
8. Delaware	DE	N	0	0	0	0	0	
9. Dist. Columbia	DC	N	0	0	0	0	0	
10. Florida	FL	N	0	0	0	0	0	
11. Georgia	GA	N	0	0	0	0	0	
12. Hawaii	HI	N	0	0	0	0	0	
13. Idaho	ID	N	0	0	0	0	0	
14. Illinois	IL	L	0	0	0	0	0	
15. Indiana	IN	L	20,077,271	20,472,911	8,363,735	10,119,885	5,310,666	5,913,741
16. Iowa	IA	N	0	0	0	0	0	0
17. Kansas	KS	N	0	0	0	0	0	0
18. Kentucky	KY	N	0	0	0	0	0	0
19. Louisiana	LA	N	0	0	0	0	0	0
20. Maine	ME	N	0	0	0	0	0	0
21. Maryland	MD	N	0	0	0	0	0	0
22. Massachusetts	MA	N	0	0	0	0	0	0
23. Michigan	MI	N	0	0	0	0	0	0
24. Minnesota	MN	N	0	0	0	0	0	0
25. Mississippi	MS	N	0	0	0	0	0	0
26. Missouri	MO	N	0	0	0	0	0	0
27. Montana	MT	N	0	0	0	0	0	0
28. Nebraska	NE	N	0	0	0	0	0	0
29. Nevada	NV	N	0	0	0	0	0	0
30. New Hampshire	NH	N	0	0	0	0	0	0
31. New Jersey	NJ	N	0	0	0	0	0	0
32. New Mexico	NM	N	0	0	0	0	0	0
33. New York	NY	N	0	0	0	0	0	0
34. No. Carolina	NC	N	0	0	0	0	0	0
35. No. Dakota	ND	N	0	0	0	0	0	0
36. Ohio	OH	L	50,383,093	49,679,086	20,523,015	22,353,916	21,347,219	18,029,613
37. Oklahoma	OK	N	0	0	0	0	0	0
38. Oregon	OR	N	0	0	0	0	0	0
39. Pennsylvania	PA	N	0	0	0	0	0	0
40. Rhode Island	RI	N	0	0	0	0	0	0
41. So. Carolina	SC	N	0	0	0	0	0	0
42. So. Dakota	SD	N	0	0	0	0	0	0
43. Tennessee	TN	L	0	0	0	0	0	0
44. Texas	TX	N	0	0	0	0	0	0
45. Utah	UT	N	0	0	0	0	0	0
46. Vermont	VT	N	0	0	0	0	0	0
47. Virginia	VA	N	0	0	0	0	0	0
48. Washington	WA	N	0	0	0	0	0	0
49. West Virginia	WV	N	0	0	0	0	0	0
50. Wisconsin	WI	N	0	0	0	0	0	0
51. Wyoming	WY	N	0	0	0	0	0	0
52. American Samoa	AS	N	0	0	0	0	0	0
53. Guam	GU	N	0	0	0	0	0	0
54. Puerto Rico	PR	N	0	0	0	0	0	0
55. U.S. Virgin Islands	VI	N	0	0	0	0	0	0
56. Northern Mariana Islands	MP	N	0	0	0	0	0	0
57. Canada	CAN	N	0	0	0	0	0	0
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0	0
59. Totals	(a)	4	70,460,364	70,151,997	28,886,750	32,473,801	26,657,885	23,943,354
<b>DETAILS OF WRITE-INS</b>								
58001.	XXX							
58002.	XXX							
58003.	XXX							
58998. Summary of remaining write-ins for Line 58 from overflow page.	XXX		0	0	0	0	0	0
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX		0	0	0	0	0	0

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

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

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

**PART 1 – ORGANIZATIONAL CHART**





**PART 1 - LOSS EXPERIENCE**

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire	13,378	0	0.0	0.0
2. Allied lines	15,080	15,000	99.5	0.0
3. Farmowners multiple peril	15,528,747	4,488,127	28.9	39.2
4. Homeowners multiple peril	25,007,411	10,911,564	43.6	54.0
5. Commercial multiple peril	8,235,901	3,652,779	44.4	78.4
6. Mortgage guaranty			0.0	0.0
8. Ocean marine			0.0	0.0
9. Inland marine	788,647	115,003	14.6	25.5
10. Financial guaranty			0.0	0.0
11.1 Medical professional liability -occurrence			0.0	0.0
11.2 Medical professional liability -claims made			0.0	0.0
12. Earthquake	15,807	0	0.0	0.0
13. Group accident and health			0.0	0.0
14. Credit accident and health			0.0	0.0
15. Other accident and health			0.0	0.0
16. Workers' compensation			0.0	0.0
17.1 Other liability occurrence	416,258	0	0.0	(33.9)
17.2 Other liability-claims made	39,995	56,000	140.0	0.0
17.3 Excess Workers' Compensation			0.0	0.0
18.1 Products liability-occurrence	29,122	25,000	85.8	173.4
18.2 Products liability-claims made			0.0	0.0
19.1,19.2 Private passenger auto liability	6,958,959	5,045,800	72.5	55.4
19.3,19.4 Commercial auto liability	3,383,167	1,143,104	33.8	46.6
21. Auto physical damage	7,206,777	4,439,012	61.6	50.9
22. Aircraft (all perils)			0.0	0.0
23. Fidelity			0.0	0.0
24. Surety			0.0	0.0
26. Burglary and theft	36,789	0	0.0	5.4
27. Boiler and machinery	408,424	31,076	7.6	28.5
28. Credit			0.0	0.0
29. International			0.0	0.0
30. Warranty			0.0	0.0
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0.0	0.0
35. TOTALS	68,084,462	29,922,465	43.9	52.1
<b>DETAILS OF WRITE-INS</b>				
3401.			0.0	0.0
3402.			0.0	0.0
3403.			0.0	0.0
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0.0	0.0

**PART 2 - DIRECT PREMIUMS WRITTEN**

Line of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire	7,247	23,387	4,619
2. Allied lines	8,872	25,668	5,015
3. Farmowners multiple peril	5,240,830	15,963,489	15,251,254
4. Homeowners multiple peril	9,730,008	25,980,768	25,895,163
5. Commercial multiple peril	2,371,863	8,458,891	7,918,055
6. Mortgage guaranty	0	0	0
8. Ocean marine	0	0	0
9. Inland marine	231,059	844,828	770,796
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	4,851	17,904	18,075
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	114,644	436,159	389,011
17.2 Other liability-claims made	10,170	44,441	41,038
17.3 Excess Workers' Compensation	0	0	0
18.1 Products liability-occurrence	10,502	27,058	21,422
18.2 Products liability-claims made	0	0	0
19.1,19.2 Private passenger auto liability	2,440,678	7,106,753	7,767,885
19.3,19.4 Commercial auto liability	933,565	3,576,185	3,390,465
21. Auto physical damage	2,506,724	7,461,774	8,261,549
22. Aircraft (all perils)	0	0	0
23. Fidelity	0	0	0
24. Surety	0	0	0
26. Burglary and theft	10,087	38,304	37,138
27. Boiler and machinery	143,104	454,755	380,512
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	23,764,204	70,460,364	70,151,997
<b>DETAILS OF WRITE-INS</b>			
3401.	0	0	0
3402.	0	0	0
3403.	0	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 SEPTEMBER 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	2,880	37	2,917	3,783	69	250	4,102	(1,051)	(624)	(1,675)
2. 2013 .....	9,587	705	10,292	2,605	124	2,729	5,309	191	351	5,851	(1,673)	(39)	(1,712)
3. Subtotals 2013 + prior .....	17,301	1,685	18,986	5,485	161	5,646	9,092	260	601	9,953	(2,724)	(663)	(3,387)
4. 2014 .....	15,253	4,885	20,138	8,329	1,701	10,030	8,806	633	1,043	10,482	1,882	(1,508)	374
5. Subtotals 2014 + prior .....	32,554	6,570	39,124	13,814	1,862	15,676	17,898	893	1,644	20,435	(842)	(2,171)	(3,013)
6. 2015 .....	XXX	XXX	XXX	XXX	31,057	31,057	XXX	16,133	4,932	21,065	XXX	XXX	XXX
7. Totals .....	32,554	6,570	39,124	13,814	32,919	46,733	17,898	17,026	6,576	41,500	(842)	(2,171)	(3,013)
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. (2.6)	2. (33.0)	3. (7.7)
													Col. 13, Line 7 Line 8
													4. (2.0)

## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

**Explanation:**

- 1.
- 2.
- 3.

**Bar Code:**

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

**OVERFLOW PAGE FOR WRITE-INS**

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**SCHEDULE A – VERIFICATION****Real Estate**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	5,286,140	5,523,140
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....	21,723	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 .....	196,080	252,099
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8) .....	5,111,783	5,286,140
10. Deduct total nonadmitted amounts .....	0	0
11. Statement value at end of current period (Line 9 minus Line 10)	5,111,783	5,286,140

**SCHEDULE B – VERIFICATION****Mortgage Loans**

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

**SCHEDULE BA – VERIFICATION****Other Long-Term Invested Assets**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	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) .....	(184,034)	(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) .....	8,999,697	5,758,731
12. Deduct total nonadmitted amounts .....	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	8,999,697	5,758,731

**SCHEDULE D – VERIFICATION****Bonds and Stocks**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	196,591,953	190,145,832
2. Cost of bonds and stocks acquired .....	37,564,007	38,977,567
3. Accrual of discount .....	52,255	112,964
4. Unrealized valuation increase (decrease) .....	(12,704,284)	(546,012)
5. Total gain (loss) on disposals .....	3,581,633	4,060,077
6. Deduct consideration for bonds and stocks disposed of .....	29,691,663	35,605,879
7. Deduct amortization of premium .....	526,107	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) .....	194,750,557	196,591,953
11. Deduct total nonadmitted amounts .....	305,148	313,215
12. Statement value at end of current period (Line 10 minus Line 11)	194,445,409	196,278,738

STATEMENT AS OF SEPTEMBER 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).....	122,480,973	13,116,915	12,187,527	(1,201,465)	125,000,215	122,480,973	122,208,896	128,375,726
2. NAIC 2 (a).....	4,318,333		370,000	2,107,700	4,326,286	4,318,333	6,056,033	2,110,176
3. NAIC 3 (a).....	1,027,158			(1,027,158)	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	127,826,464	13,116,915	12,557,527	(120,923)	130,356,940	127,826,464	128,264,929	131,519,561
<b>PREFERRED STOCK</b>								
8. NAIC 1.....	0				0	0	0	0
9. NAIC 2.....	0				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.....	0	0	0	0	540,738	0	0	536,976
15. Total Bonds & Preferred Stock	127,826,464	13,116,915	12,557,527	(120,923)	130,897,678	127,826,464	128,264,929	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 \$ ..... ; NAIC 2 \$ ..... ;  
NAIC 3 \$ ..... ; NAIC 4 \$ ..... ; NAIC 5 \$ ..... ; NAIC 6 \$ .....

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## SCHEDULE DA - PART 1

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	3,273,056	XXX	3,273,056	360	

## 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 .....	44,503,247	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 .....	49,881,386	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).....	3,273,056	8,651,194
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	3,273,056	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**

Schedule A - Part 2

**NONE**

Schedule A - Part 3

**NONE**

Schedule B - Part 2

**NONE**

Schedule B - Part 3

**NONE**

Schedule BA - Part 2

**NONE**

Schedule BA - Part 3

**NONE**

STATEMENT AS OF SEPTEMBER 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 (a)
<b>Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>									
388046-JM-7	Grant Cnty WA Sch Dist #161		08/20/2015	First Empire Securities Inc.		724,200	600,000		1FE
558495-LR-6	Madison WI Met Sch District		07/21/2015	FTN Financial Capital Markets		512,590	500,000		1FE
592112-QD-1	Met Govt Nashville & Davidson TN		07/21/2015	FTN Financial Capital Markets		565,520	500,000		1FE
985743-PW-7	Yellowstone County School MT		09/02/2015	D A Davidson & Co.		245,382	200,000		1FE
<b>2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>						2,047,692	1,800,000	0	XXX
<b>Bonds - U.S. Special Revenue</b>									
438701-ZA-5	Honolulu City & Cnty HI Rev.		09/02/2015	Raymond James & Associates, Inc.		613,655	500,000	1,528	1FE
<b>3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions</b>						613,655	500,000	1,528	XXX
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>									
053015-AE-3	Automatic Data Processing Inc NT		09/09/2015	First Empire Securities Inc.		504,200	500,000		1FE
375558-AZ-6	GILEAD SCIENCES Inc.		08/05/2015	First Empire Securities Inc.		598,500	600,000	525	1FE
48125U-UH-3	JPMORGAN CHASE & Co.		08/14/2015	Shay Financial Services, Inc.		600,000	600,000		1FE
<b>3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)</b>						1,702,700	1,700,000	525	XXX
<b>8399997 - Subtotals - Bonds - Part 3</b>						4,364,047	4,000,000	2,053	XXX
<b>8399999 - Subtotals - Bonds</b>						4,364,047	4,000,000	2,053	XXX
<b>Common Stocks - Industrial and Miscellaneous</b>									
Y2687W-10-8	Gaslog Partners LP MLP	R	07/21/2015	Harvest Investment Manager	44,000	945			
Y8565J-10-1	Teekay Offshore Partners LP MLP	R	07/21/2015	Harvest Investment Manager	51,000	953			
282539-10-5	8Point3 Energy partners MLP		07/21/2015	Harvest Investment Manager	8,000	140			
02752P-10-0	American Midstream Partners LP		07/21/2015	Harvest Investment Manager	87,000	1,150			
030975-10-6	Amerigas Partners LP MLP		07/21/2015	Harvest Investment Manager	76,000	3,533			
03673L-10-3	Antero Midstream Partners LP MLP		09/14/2015	Harvest Investment Manager	310,000	8,631			
07177W-10-3	Baxalta Inc.		07/01/2015	Stock Spin Off	9,200,000	98,960			
096627-10-4	Boardwalk Pipeline Partners LP		09/25/2015	Harvest Investment Manager	843,000	11,647			
118230-10-1	Buckey Partners LP MLP		07/21/2015	Harvest Investment Manager	528,000	38,501			
131476-10-3	Calumet Specialty Prods Prtns LP		07/21/2015	Harvest Investment Manager	17,000	469			
164110-10-1	Cheniere Energy Partners LP		08/07/2015	Harvest Investment Manager	589,000	18,266			
198281-10-7	Columbia Pipeline Partners MLP LP		07/21/2015	Harvest Investment Manager	203,000	4,803			
206812-10-9	Cone Midstream Partners LP MLP		07/14/2015	Harvest Investment Manager	126,000	2,221			
226378-10-7	Crestwood Midstream Partners LP		09/22/2015	Harvest Investment Manager	362,000	2,562			
22758A-10-5	CrossAmerica Partners LP Unit Ltd.		07/22/2015	Harvest Investment Manager	123,000	3,451			
23311P-10-0	DCP Midstream Partners LP		09/21/2015	Harvest Investment Manager	1,088,000	32,876			
24664T-10-3	Delek Logistics Partners MLP		07/21/2015	Harvest Investment Manager	5,000	224			
257454-10-8	Dominion Midstream Partners MLP		07/21/2015	Harvest Investment Manager	69,000	2,428			
29250R-10-6	Enbridge Energy Partners LP MLP		07/21/2015	Harvest Investment Manager	368,000	11,556			
29273V-10-0	Energy Transfer Equity LP MLP		09/25/2015	Harvest Investment Manager	1,070,000	63,118			
29273R-10-9	Energy Transfer Partners LP MLP		09/25/2015	Harvest Investment Manager	2,601,000	128,635			
29336T-10-0	Enlink Midstream LLC		07/21/2015	Harvest Investment Manager	64,000	1,827			
29336U-10-7	Enlink Midstream Partners LP MLP		09/21/2015	Harvest Investment Manager	551,000	11,218			
293792-10-7	Enterprise Prods Partners LP MLP		07/30/2015	Harvest Investment Manager	3,585,000	102,638			
26885J-10-3	EQT GP Holdings LP		07/21/2015	Harvest Investment Manager	69,000	2,217			
26885B-10-0	EQT Midstream Partners LP		09/14/2015	Harvest Investment Manager	482,000	35,979			
30225X-10-3	Exterran Hldgs Inc.		07/21/2015	Harvest Investment Manager	141,000	4,172			
30225N-10-5	Exterran Partners LP MLP		07/21/2015	Harvest Investment Manager	407,000	9,514			
637585-10-9	Gaslog Ltd.		07/21/2015	Harvest Investment Manager	234,000	3,910			
371927-10-4	Genesis Energy LP MLP		09/14/2015	Harvest Investment Manager	491,000	23,348			
Y2745C-10-2	Golar LNG Partners LP		09/14/2015	Harvest Investment Manager	503,000	9,886			
435763-10-7	Holly Energy Partners LP		07/21/2015	Harvest Investment Manager	135,000	4,379			
49456B-10-1	Kinder Morgan Inc Del Comm		09/21/2015	Harvest Investment Manager	625,000	19,691			
55608B-10-5	Macquarie Infrastructure Co LLC		07/21/2015	Harvest Investment Manager	197,000	16,337			
559080-10-6	Magellan Midstream Partners LP MLP		07/21/2015	Harvest Investment Manager	699,000	49,666			
570759-10-0	Markwest Energy Partners LP MLP		08/04/2015	Harvest Investment Manager	1,698,000	115,311			
55336V-10-0	MPLX LP Com MLP		07/13/2015	Harvest Investment Manager	8,000	471			
62913M-10-7	NGL Energy Partners LP		07/13/2015	Harvest Investment Manager	297,000	8,859			
665826-10-3	Northern Tier Energy LP MLP		07/21/2015	Harvest Investment Manager	74,000	1,856			
67058H-10-2	Nustar Energy LP MLP		07/21/2015	Harvest Investment Manager	263,000	14,847			
682680-10-3	Oneok Inc Com Stk		07/21/2015	Harvest Investment Manager	247,000	9,718			
68268N-10-3	Oneok Partners LP MLP		09/22/2015	Harvest Investment Manager	1,593,000	52,530			

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STATEMENT AS OF SEPTEMBER 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 (a)	
693180-10-4	PBF Logistics LP MLP		09/14/2015	Harvest Investment Manager		92.000	1,732				
709311-10-4	Penntex Midstream Partners MLP		07/22/2015	Harvest Investment Manager		109.000	1,968				
718546-10-4	Phillips 66 Com Stk		09/21/2015	Harvest Investment Manager		326.000	26,267				
718549-20-7	Phillips 66 Partners LP MLP		07/21/2015	Harvest Investment Manager		47.000	2,746				
726503-10-5	Plains All American Pipeline LP		08/24/2015	Harvest Investment Manager		2,256.000	85,502				
72651A-10-8	Plains GP Hldgs LP CL A MLP		09/25/2015	Harvest Investment Manager		956.000	22,610				
74735R-11-5	QEP Midstream Partners LP MLP		07/22/2015	Harvest Investment Manager		132.000	2,154				
762819-10-0	Rice Midstream Partners LP MLP		08/27/2015	Harvest Investment Manager		274.000	4,466				
81663A-10-5	Sengroup Corp CL A		09/14/2015	Harvest Investment Manager		301.000	19,529				
822634-10-1	Shell Midstream PA MLP		07/22/2015	Harvest Investment Manager		255.000	10,719				
84130C-10-0	Southcross Energy Partners LTD PT		07/30/2015	Harvest Investment Manager		23.000	235				
849343-10-8	Sprague Resources LP MLP		09/14/2015	Harvest Investment Manager		35.000	903				
864482-10-4	Suburban Propane Partners LP		07/21/2015	Harvest Investment Manager		7.000	276				
866142-10-2	Summit Midstream Partners LP		09/23/2015	Harvest Investment Manager		162.000	4,158				
86764L-10-8	Sunoco Logistics Partners LP MLP		07/22/2015	Harvest Investment Manager		250.000	9,019				
874696-10-7	Tallgrass Energy GP LP		08/27/2015	Harvest Investment Manager		199.000	5,832				
874697-10-5	Tallgrass Energy partners LP MLP		09/14/2015	Harvest Investment Manager		200.000	9,202				
876126-10-1	Targa Resources Corp		09/25/2015	Harvest Investment Manager		432.000	31,314				
87611X-10-5	Targa Resources Parnters LP MLP		09/25/2015	Harvest Investment Manager		2,078.000	72,973				
Y8564M-10-5	Teekay Long Partners LP MLP		07/21/2015	Harvest Investment Manager		249.000	7,461				
88160T-10-7	Tesoro Logistics LP MLP		07/23/2015	Harvest Investment Manager		863.477	46,333				
163851-10-8	The Chemours Company		07/01/2015	Stock Spin Off		2,400.000	3,493				
89353D-10-7	Transcanada Corp		09/14/2015	Harvest Investment Manager		107.000	3,889				
90290N-10-9	USA Compression Partners LP		07/21/2015	Harvest Investment Manager		184.000	3,691				
91914J-10-2	Valero Energy Partners LP MLP		07/21/2015	Harvest Investment Manager		155.000	6,711				
Y9384M-10-1	VTTI Energy Parnters LP MLP		07/13/2015	Harvest Investment Manager		122.000	2,990				
95825R-10-3	Western Gas Equity Partners MLP		09/22/2015	Harvest Investment Manager		161.000	8,713				
95931Q-20-5	Western Refining Logistics LP		07/21/2015	Harvest Investment Manager		377.000	10,275				
960417-10-3	Westlake Chemical Partners LP MLP		07/22/2015	Harvest Investment Manager		933.000	21,930				
969457-10-0	Williams Co Inc		07/21/2015	Harvest Investment Manager		578.000	32,521				
96949L-10-5	Williams Partners LP MLP NEW		09/28/2015	Harvest Investment Manager		1,910.000	85,332				
9099999 - Common Stocks - Industrial and Miscellaneous (Unaffiliated)							1,478,383	XXX	0	XXX	
Common Stocks - Mutual Funds											
233203-84-3	DFA US Small Cap Portfolio		08/25/2015	Northern Trust		2,852.700	82,500			U	
25264S-85-8	Diamond Hill Small Cap FD Cl I		08/25/2015	Northern Trust		2,621.540	82,500			U	
256206-10-3	Dodge & Cox Intl Stk FD	R	09/25/2015	Northern Trust		34,625.120	1,320,000			U	
9299999 - Common Stocks - Mutual Funds							1,485,000	XXX	0	XXX	
9799997 - Subtotals - Common Stocks - Part 3							2,963,383	XXX	0	XXX	
9799999 - Subtotals - Common Stocks							2,963,383	XXX	0	XXX	
9899999 - Subtotals- Preferred and Common Stocks							2,963,383	XXX	0	XXX	
9999999 Totals							7,327,430	XXX	2,053	XXX	

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

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STATEMENT AS OF SEPTEMBER 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	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Governments</b>																					
30250R-AA-2	FDIC 20110-R1 TR CTF CI		09/25/2015	PRINCIPAL RECEIPT		42,027	42,027	42,027	42,027						42,027				615	05/25/2050	1
36217A-HM-5	GNMA Pool #187536		09/15/2015	PRINCIPAL RECEIPT		101	101	100	100		1		1		101				0	02/15/2017	1
36295P-6H-0	GNMA Pool #676872		09/15/2015	PRINCIPAL RECEIPT		4,622	4,622	4,663	4,651		(29)		(29)		4,622				139	03/15/2023	1
831641-EZ-0	SBA SBC 2010-10A 1 CMO		09/10/2015	PRINCIPAL RECEIPT		100,121	100,121	109,132	107,583		(7,462)		(7,462)		100,121				2,433	03/10/2020	1
831641-EZ-4	SBA SBC 2013-10B CL1		09/10/2015	PRINCIPAL RECEIPT		68,530	68,530	71,521	71,521		(2,621)		(2,621)		68,530				1,275	09/10/2023	1
912829-EE-6	U S Treasury Note		08/17/2015	MATURITY		500,000	500,000	486,719	498,959		1,041		1,041		500,000				21,250	08/15/2015	1
<b>0599999 - Bonds - U.S. Governments</b>																					
<b>Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>																					
25009X-FN-0	Des Moines IA Series A		09/01/2015	Partial Call		35,000	35,000	35,000	35,000						35,000				788	06/01/2022	1FE
<b>2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>																					
<b>Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions</b>																					
3128M1-LA-5	FHLMC (Gold) Pool #G12221		09/15/2015	PRINCIPAL RECEIPT		4,508	4,508	4,508	4,508						4,508				165	06/01/2021	1
31335H-5P-4	FHLMC (Gold) Pool #C90854		09/15/2015	PRINCIPAL RECEIPT		5,456	5,456	5,474	5,470		(15)		(15)		5,456				201	09/01/2024	1
31294K-K5-3	FHLMC (Gold) Pool #E01216		09/15/2015	PRINCIPAL RECEIPT		3,880	3,880	3,909	3,884		(3)		(3)		3,880				144	10/01/2017	1
3128M1-5B-4	FHLMC (Gold) Pool #G11934		09/15/2015	PRINCIPAL RECEIPT		2,717	2,717	2,716	2,701		16		16		2,717				103	04/01/2016	1
3128M1-PA-1	FHLMC (Gold) Pool #G12317		09/15/2015	PRINCIPAL RECEIPT		4,385	4,385	4,385	4,385						4,385				163	08/01/2021	1
3128Q0-N9-4	FHLMC (Gold) Pool #J19416		09/15/2015	PRINCIPAL RECEIPT		31,193	31,193	32,051	32,007		(814)		(814)		31,193				627	06/01/2027	1
3137AP-BD-1	FHLMC CMO 4033 EB		09/15/2015	PRINCIPAL RECEIPT		26,143	26,143	26,078	26,084		60		60		26,143				332	10/15/2036	1
31326F-Y9-3	FHLMC Pool #2B1636		09/15/2015	PRINCIPAL RECEIPT		20,922	20,922	20,451	20,454		468		468		20,922				314	08/01/2043	1
3128S2-Q0-7	FHLMC Pool #T61363		09/15/2015	PRINCIPAL RECEIPT		13,767	13,767	14,404	14,404		(632)		(632)		13,767				323	09/01/2042	1
31371L-JU-4	FNMA Gtd Mtg Pool #255075		09/25/2015	PRINCIPAL RECEIPT		6,640	6,640	6,638	6,634		6		6		6,640				244	02/01/2024	1
31402R-GM-5	FNMA Pool #735604		09/25/2015	PRINCIPAL RECEIPT		10,091	10,091	10,123	10,099		(8)		(8)		10,091				341	06/01/2020	1
3136A1-4P-7	FNMA CMO TR-2011-126		09/25/2015	PRINCIPAL RECEIPT		18,990	18,990	19,038	19,038		(47)		(47)		18,990				254	08/25/2040	1
3136A2-VK-6	FNMA CMO TR-2011-126		09/25/2015	PRINCIPAL RECEIPT		22,509	22,509	22,509	22,502		7		7		22,509				371	06/25/2040	1
31381P-C9-7	FNMA DUS Pool #466396		09/25/2015	PRINCIPAL RECEIPT		1,750	1,750	1,754	1,753		(2)		(2)		1,750				101	11/01/2024	1
31371L-XW-4	FNMA Gtd Mtg Pool #25549		09/25/2015	PRINCIPAL RECEIPT		6,440	6,440	6,404	6,407		33		33		6,440				242	10/01/2024	1
31416X-HY-9	FNMA Gtd Mtg Pool #AB2046		09/25/2015	PRINCIPAL RECEIPT		19,598	19,598	19,268	19,296		302		302		19,598				393	01/01/2026	1
31418A-LY-2	FNMA Gtd Mtg Pool #MA1242		09/25/2015	PRINCIPAL RECEIPT		11,272	11,272	11,779	11,779		(517)		(517)		11,272				266	11/01/2042	1
31418A-V5-4	FNMA Gtd Mtg Pool #MA1535		09/25/2015	PRINCIPAL RECEIPT		22,188	22,188	22,174	22,206		(18)		(18)		22,188				296	08/01/2023	1
31418A-WS-3	FNMA Gtd Mtg Pool #MA1556		09/25/2015	PRINCIPAL RECEIPT		24,181	24,181	23,999	24,054		126		126		24,181				438	08/01/2028	1
31371K-2X-8	FNMA Pool #254690		09/25/2015	PRINCIPAL RECEIPT		3,578	3,578	3,554	3,557		22		22		3,578				132	04/01/2023	1
31385W-SB-6	FNMA Pool #555014		09/25/2015	PRINCIPAL RECEIPT		6,650	6,650	6,712	6,712		(2)		(2)		6,650				250	11/01/2017	1
3136A1-6Y-6	FNMA REMIC Ser 2011-M8 CL AB		09/25/2015	PRINCIPAL RECEIPT		2,937	2,937	3,023	2,997		(59)		(59)		2,937				63	08/25/2021	1
3136AE-Z4-2	FNMA TR 2013-70 CL-VA Honolulu HI City & Cnty		09/25/2015	PRINCIPAL RECEIPT		10,098	10,098	10,616	10,616		(518)		(518)		10,098				152	08/25/2026	1
438701-DR-2	Wstlfr		07/01/2015	MATURITY		500,000	500,000	499,575	499,975		25		25		500,000				18,750	07/01/2015	1FE
<b>3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions</b>																					
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>																					
071813-BL-2	Baxter International Inc.		07/16/2015	Cash Tender Offer		630,102	600,000	605,040	604,349		(246)		(246)		604,103		25,999	25,999	11,520	06/15/2023	1FE
494368-AV-9	Kimberly Clark Corp Nt		08/17/2015	MATURITY		1,200,000	1,200,000	1,181,244	1,188,312		1,688		1,688		1,200,000				58,500	08/15/2015	1FE
585055-AH-9	Medtronic Inc.		09/15/2015	MATURITY		500,000	500,000	480,240	497,841		2,159		2,159		500,000				23,750	09/15/2015	1FE
855244-AC-3	Starbucks Corp.		07/01/2015	CALLED @ 110.9360000		665,616	600,000	720,119	674,852		(14,062)		(14,062)		660,790		4,826	4,826	32,917	08/15/2017	1FE
982526-AB-1	Wrigley Wm Jr Co SR NT		07/15/2015	MATURITY		500,000	500,000	370,000	370,000						370,000		130,000	130,000	23,250	07/15/2015	2FE
<b>3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)</b>																					
<b>8399997 - Subtotals - Bonds - Part 4</b>																					
<b>8399999 - Subtotals - Bonds</b>																					
<b>Common Stocks - Industrial and Miscellaneous (Unaffiliated)</b>																					
Y2687W-10-8	Gaslog Partners LP MLP Teekay Offshore Partners LP MLP	R	09/14/2015	Harvest Investment Manager		11,000	186	XXX	313						313		(127)	(127)	10	XXX	1
Y8565J-10-1	8Point3 Energy partners MLP	R	09/14/2015	Harvest Investment Manager		338,000	6,589	XXX	9,047		(8)		(8)		9,047		(2,458)	(2,458)	406	XXX	1
282539-10-5	American Midstream Partners LP		09/18/2015	Harvest Investment Manager		167,000	2,248	XXX	3,479						3,479		(1,231)	(1,231)		XXX	1
02752P-10-0	Amegas Partners LP MLP		09/14/2015	Harvest Investment Manager		25,000	256	XXX	479		(13)		(13)		479		(223)	(223)	35	XXX	1
030975-10-6	Baxter International Inc.		07/01/2015	ROC		19,000	829	XXX	978						978		(148)	(148)	52	XXX	1
071813-10-9	Baxter International Inc.		07/01/2015	ROC		98,960	XXX	98,960	98,960						98,960				0	XXX	1

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STATEMENT AS OF SEPTEMBER 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	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
096627-10-4	Boardwalk Pipeline Partners LP		09/14/2015	Harvest Investment Manager	16,000	214	XXX	279					.0		279		(65)	(65)	.3	XXX	J
118230-10-1	Buckey Partners LP MLP		09/14/2015	Harvest Investment Manager	133,000	8,886	XXX	10,927	10,063	865			865		10,927		(2,041)	(2,041)	459	XXX	J
131476-10-3	Calumet Specialty Prods Prtns LP		09/14/2015	Harvest Investment Manager	4,000	97	XXX	112					.0		112		(16)	(16)	.3	XXX	J
164110-10-1	Cheniere Energy Partners LP		09/14/2015	Harvest Investment Manager	9,000	245	XXX	302					.0		302		(57)	(57)	.16	XXX	J
198281-10-7	Columbia Pipeline Partners MLP LP		09/14/2015	Harvest Investment Manager	51,000	886	XXX	1,430					.0		1,430		(543)	(543)	.13	XXX	J
206812-10-9	Cone Midstream Partners LP MLP		09/14/2015	Harvest Investment Manager	52,000	611	XXX	1,219	1,254	(35)			(35)		1,219		(608)	(608)	.33	XXX	J
22758A-10-5	CrossAmerica Partners LP Unit Ltd.		09/14/2015	Harvest Investment Manager	137,000	3,002	XXX	4,758	5,520	(762)			(762)		4,758		(1,756)	(1,756)	226	XXX	J
24664T-10-3	Delek Logistics Partners MLP		09/14/2015	Harvest Investment Manager	1,000	35	XXX	46					.0		46		(12)	(12)	.1	XXX	J
257454-10-8	Dominion Midstream Partners MLP		09/14/2015	Harvest Investment Manager	18,000	539	XXX	765					.0		765		(226)	(226)	.4	XXX	J
263534-10-9	DuPont (EI) DeNemours		07/01/2015	ROC		3,493	XXX	3,493	3,493				.0		3,493		.0	.0		XXX	J
29250R-10-6	Enbridge Energy Partners LP MLP		09/14/2015	Harvest Investment Manager	108,000	2,787	XXX	4,299	4,309	(10)			(10)		4,299		(1,512)	(1,512)	186	XXX	J
29273V-10-0	Energy Transfer Equity LP MLP		09/14/2015	Harvest Investment Manager	544,000	13,904	XXX	18,455					.0		18,455		(4,551)	(4,551)	144	XXX	J
29273R-10-9	Energy Transfer Partners LP MLP		09/14/2015	Harvest Investment Manager	252,000	11,483	XXX	17,025	16,380	645			645		17,025		(5,541)	(5,541)	770	XXX	J
29336T-10-0	Enlink Midstream LLC		09/14/2015	Harvest Investment Manager	34,000	682	XXX	1,144					.0		1,144		(461)	(461)	18	XXX	J
29336U-10-7	Enlink Midstream Partners LP MLP		09/14/2015	Harvest Investment Manager	125,000	2,122	XXX	3,581	3,626	(46)			(46)		3,581		(1,458)	(1,458)	150	XXX	J
293792-10-7	Enterprise Prods Partners LP MLP		09/14/2015	Harvest Investment Manager	368,000	9,516	XXX	14,145					.0		14,145		(4,629)	(4,629)	301	XXX	J
29414J-10-7	Enviva Partners MLP		09/14/2015	Harvest Investment Manager	118,000	1,899	XXX	2,396					.0		2,396		(497)	(497)	.3	XXX	J
26885J-10-3	EQT GP Holdings LP		09/14/2015	Harvest Investment Manager	18,000	495	XXX	588					.0		588		(93)	(93)	.1	XXX	J
30225X-10-3	Exterran Hldgs Inc		09/14/2015	Harvest Investment Manager	74,000	1,578	XXX	2,783					.0		2,783		(1,205)	(1,205)	22	XXX	J
30225N-10-5	Exterran Partners LP MLP		09/14/2015	Harvest Investment Manager	103,000	1,876	XXX	2,856	2,227	630			630		2,856		(981)	(981)	174	XXX	J
637585-10-9	Gaslog Ltd.		09/14/2015	Harvest Investment Manager	59,000	738	XXX	1,317					.0		1,317		(579)	(579)	.17	XXX	J
371927-10-4	Genesis Energy LP MLP		07/22/2015	Harvest Investment Manager	58,000	2,555	XXX	2,873					.0		2,873		(319)	(319)		XXX	J
435763-10-7	Holly Energy Partners LP		09/14/2015	Harvest Investment Manager	34,000	1,016	XXX	1,185	1,017	168			168		1,185		(169)	(169)	58	XXX	J
55608B-10-5	Macquarie Infrastructure Co LLC		09/14/2015	Harvest Investment Manager	50,000	3,949	XXX	4,158					.0		4,158		(209)	(209)	56	XXX	J
559080-10-6	Magellan Midstream Partners LP MLP		09/14/2015	Harvest Investment Manager	176,000	11,445	XXX	15,612	14,548	1,063			1,063		15,612		(4,166)	(4,166)	381	XXX	J
570759-10-0	Markwest Energy Partners LP MLP		09/14/2015	Harvest Investment Manager	125,000	6,449	XXX	9,311	8,399	912			912		9,311		(2,863)	(2,863)	344	XXX	J
55336V-10-0	MPLX LP Com MLP		09/14/2015	Harvest Investment Manager	444,000	26,045	XXX	32,376	18,226	(610)			(610)		32,376		(6,332)	(6,332)	285	XXX	J
62913W-10-7	NGL Energy Partners LP		09/14/2015	Harvest Investment Manager	173,000	4,023	XXX	6,306	4,842	1,464			1,464		6,306		(2,283)	(2,283)	350	XXX	J
665826-10-3	Northern Tier Energy LP MLP		09/14/2015	Harvest Investment Manager	19,000	464	XXX	484					.0		484		(20)	(20)	.39	XXX	J
67058H-10-2	Nustar Energy LP MLP		09/14/2015	Harvest Investment Manager	66,000	3,294	XXX	4,428					.0		4,428		(1,134)	(1,134)	145	XXX	J
682680-10-3	Oneok Inc Com Stk		09/03/2015	Harvest Investment Manager	1,920,000	68,849	XXX	94,206	46,006	3,097			3,097		94,206		(25,357)	(25,357)	2,570	XXX	J
68268N-10-3	Oneok Partners LP MLP		09/14/2015	Harvest Investment Manager	29,000	911	XXX	1,206					.0		1,206		(295)	(295)	.79	XXX	J
709311-10-4	PennTex Midstream Partners MLP		09/14/2015	Harvest Investment Manager	17,000	296	XXX	340					.0		340		(44)	(44)	.1	XXX	J
718549-20-7	Phillips 66 Partners LP MLP		09/14/2015	Harvest Investment Manager	12,000	641	XXX	907					.0		907		(266)	(266)	.6	XXX	J
726503-10-5	Plains All American Pipeline LP		09/14/2015	Harvest Investment Manager	317,000	10,046	XXX	17,230	16,268	962			962		17,230		(7,184)	(7,184)	688	XXX	J
72651A-10-8	Plains GP Hldgs LP CL A MLP		09/14/2015	Harvest Investment Manager	2,562,000	49,128	XXX	71,322	42,064	2,539			2,539		71,322		(22,194)	(22,194)	1,024	XXX	J
74735R-11-5	QEP Midstream Partners LP MLP		07/22/2015	Harvest Investment Manager	2,168,000	36,009	XXX	36,009	26,595	(577)			(577)		36,009		.0	.0	1,013	XXX	J
762819-10-0	Rice Midstream Partners LP MLP		09/14/2015	Harvest Investment Manager	89,000	1,313	XXX	1,605					.0		1,605		(292)	(292)	.18	XXX	J
822634-10-1	Shell Midstream PA MLP		09/14/2015	Harvest Investment Manager	347,000	12,163	XXX	14,310					.0		14,310		(2,147)	(2,147)	.18	XXX	J
84130C-10-0	Southcross Energy Partners LTD PT		09/14/2015	Harvest Investment Manager	1,000	6	XXX	10					.0		10		(4)	(4)		XXX	J
86764L-10-8	Sunoco Logistics Partners LP MLP		09/14/2015	Harvest Investment Manager	135,000	4,372	XXX	6,951	5,640	1,311			1,311		6,951		(2,579)	(2,579)	127	XXX	J
874696-10-7	Tallgrass Energy GP LP		09/14/2015	Harvest Investment Manager	43,000	1,093	XXX	1,367					.0		1,367		(274)	(274)	.3	XXX	J

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STATEMENT AS OF SEPTEMBER 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	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)	
876126-10-1	Targa Resources Corp.		09/14/2015	Harvest Investment Manager	68,000	4,740	XXX	8,259	7,211	1,047			1,047		8,259		(3,519)	(3,519)	166	XXX	L	
87611X-10-5	Targa Resources Partners LP MLP		09/14/2015	Harvest Investment Manager	46,000	1,398	XXX	1,946					0		1,946		(548)	(548)	66	XXX	L	
Y8564M-10-5	Teekay Long Partners LP MLP		09/14/2015	Harvest Investment Manager	63,000	1,659	XXX	2,650	2,709	(59)			(59)		2,650		(991)	(991)	135	XXX	L	
88160T-10-7	Tesoro Logistics LP MLP		09/14/2015	VARIOUS	76,480	3,816	XXX	4,432	4,473	(65)			(65)		4,432		(616)	(616)	190	XXX	L	
90290N-10-9	USA Compression Partners LP		09/14/2015	Harvest Investment Manager	46,000	783	XXX	1,059					0		1,059		(276)	(276)	149	XXX	L	
91914J-10-2	Valero Energy Partners LP MLP		09/24/2015	Harvest Investment Manager	182,000	7,823	XXX	9,291					0		9,291		(1,468)	(1,468)	61	XXX	L	
Y9384M-10-1	VTTI Energy Partners LP MLP		09/14/2015	Harvest Investment Manager	52,000	1,041	XXX	1,431					0		1,431		(390)	(390)	15	XXX	L	
95825R-10-3	Western Gas Equity Partners MLP		09/14/2015	Harvest Investment Manager	13,000	634	XXX	791					0		791		(157)	(157)	3	XXX	L	
959310-20-5	Western Refining Logistics LP		09/14/2015	Harvest Investment Manager	71,000	1,665	XXX	2,356	2,166	190			190		2,356		(691)	(691)	75	XXX	L	
960417-10-3	Westlake Chemical Partners LP MLP		09/14/2015	Harvest Investment Manager	1,524,000	31,948	XXX	41,562	36,888	(998)			(998)		41,562		(9,614)	(9,614)	740	XXX	L	
969457-10-0	Williams Co Inc		09/14/2015	Harvest Investment Manager	943,000	47,799	XXX	52,799	16,403	3,875			3,875		52,799		(5,000)	(5,000)	427	XXX	L	
96949L-10-5	Williams Partners LP MLP NEW		09/14/2015	Harvest Investment Manager	50,000	1,926	XXX	3,082					0		3,082		(1,156)	(1,156)	130	XXX	L	
<b>9099999 - Common Stocks - Industrial and Miscellaneous (Unaffiliated)</b>						523,450	XXX	657,027	408,835	15,582	0	0	15,582	0	657,027	0	(133,577)	(133,577)	12,406	XXX	XXX	
<b>9799997 - Subtotals - Common Stocks - Part 4</b>						523,450	XXX	657,027	408,835	15,582	0	0	15,582	0	657,027	0	(133,577)	(133,577)	12,406	XXX	XXX	
<b>9799999 - Subtotals - Common Stocks</b>						523,450	XXX	657,027	408,835	15,582	0	0	15,582	0	657,027	0	(133,577)	(133,577)	12,406	XXX	XXX	
<b>9899999 - Subtotals - Preferred and Common Stocks</b>						523,450	XXX	657,027	408,835	15,582	0	0	15,582	0	657,027	0	(133,577)	(133,577)	12,406	XXX	XXX	
<b>9999999 Totals</b>						5,549,464	XXX	5,543,971	5,284,509	15,582	(21,101)	0	0	(5,519)	0	5,522,216	0	27,248	27,248	213,453	XXX	XXX

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

E052

Schedule DB - Part A - Section 1

**NONE**

Schedule DB - Part B - Section 1

**NONE**

Schedule DB - Part D - Section 1

**NONE**

Schedule DB - Part D - Section 2

**NONE**

Schedule DL - Part 1

**NONE**

Schedule DL - Part 2

**NONE**



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

**SCHEDULE E - PART 2 - CASH EQUIVALENTS**

Show Investments Owned End of Current Quarter

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



SUPPLEMENT FOR THE QUARTER ENDING SEPTEMBER 30, 2015 OF THE LIGHTNING ROD MUTUAL INSURANCE COMPANY

DIRECTOR AND OFFICER INSURANCE COVERAGE SUPPLEMENT

Year To Date For The Period Ended 2015

NAIC Group Code 0207

NAIC Company Code 26123

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

1. Monoline Policies

Table with 3 columns: 1 Direct Written Premium, 2 Direct Earned Premium, 3 Direct Losses Incurred. All values are \$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 [X] 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 [X] 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: \$ .....12,010

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