



PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

# QUARTERLY STATEMENT

AS OF JUNE 30, 2016  
OF THE CONDITION AND AFFAIRS OF THE

## WESTERN RESERVE MUTUAL CASUALTY COMPANY

NAIC Group Code	0207 (Current Period)	0207 (Prior Period)	NAIC Company Code	26131	Employer's ID Number	34-0613930
Organized under the Laws of	Ohio		State of Domicile or Port of Entry	Ohio		
Country of Domicile	United States					
Incorporated/Organized	06/29/1937		Commenced Business	07/30/1937		
Statutory Home Office	1685 Cleveland Road (Street and Number)		Wooster, OH, US 44691-0036 (City or Town, State, Country and Zip Code)			
Main Administrative Office	1685 Cleveland Road (Street and Number)		Wooster, OH, US 44691-0036 (City or Town, State, Country and Zip Code)		330-262-9060 (Area Code) (Telephone Number)	
Mail Address	1685 Cleveland Road (Street and Number or P.O. Box)		Wooster, OH, US 44691-0036 (City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	1685 Cleveland Road (Street and Number)		Wooster, OH, US 44691-0036 (City or Town, State, Country and Zip Code)		330-262-9060-2437 (Area Code) (Telephone Number)	
Internet Web Site Address	www.wrg-ins.com					
Statutory Statement Contact	Christopher M Racz, CPA (Name)		330-262-9060-2446 (Area Code) (Telephone Number) (Extension)			
	christopher_racz@wrg-ins.com (E-Mail Address)		330-264-7822 (Fax Number)			

### OFFICERS

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

### OTHER OFFICERS

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

### DIRECTORS OR TRUSTEES

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

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

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

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

KEVIN W. DAY  
PRESIDENT AND SECRETARY -CHIEF  
EXECUTIVE OFFICER

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

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  
12th day of August, 2016

Lauresa Durham, Notary Public  
July 30, 2021

STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY 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 .....	98,114,697	.0	.98,114,697	97,880,477
2. Stocks:				
2.1 Preferred stocks .....	.38,201	.0	.38,201	.0
2.2 Common stocks .....	55,305,532	.312,085	.54,993,447	51,975,714
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) .....	.7,018,309	.0	.7,018,309	.7,115,080
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 (\$ .....(21,161,371) ), cash equivalents (\$ .....0 ) and short-term investments (\$ .....1,919,487 ) .....	..(19,241,884)	.0	..(19,241,884)	..(13,711,856)
6. Contract loans (including \$ ..... premium notes) .....	.0	.0	.0	.0
7. Derivatives .....	.0	.0	.0	.0
8. Other invested assets .....	.7,842,832	.1,312,833	.6,529,999	.6,380,912
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) .....	.149,077,686	.1,624,917	.147,452,769	.149,640,326
13. Title plants less \$ ..... charged off (for Title insurers only) .....	.0	.0	.0	.0
14. Investment income due and accrued .....	.976,439	.0	.976,439	.969,578
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	32,553,068	.158,752	.32,394,316	.30,016,804
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 (\$ ..... ) and contracts subject to redetermination (\$ ..... ) .....	.0	.0	.0	.0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	.25,248	.0	.25,248	.10,623
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 .....	.919,291	.0	.919,291	.599,688
18.2 Net deferred tax asset .....	.2,994,709	.0	.2,994,709	.2,829,482
19. Guaranty funds receivable or on deposit .....	.0	.0	.0	.0
20. Electronic data processing equipment and software .....	.14,633,838	.12,342,913	.2,290,925	.1,394,753
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....	.298,190	.298,190	.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 .....	.20,936	.0	.20,936	.32,910
24. Health care (\$ ..... ) and other amounts receivable .....	.0	.0	.0	.0
25. Aggregate write-ins for other-than-invested assets .....	.205,463	.205,463	.0	.0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	.201,704,868	.14,630,236	.187,074,632	.185,494,164
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	.0	.0	.0	.0
28. Total (Lines 26 and 27) .....	.201,704,868	.14,630,236	.187,074,632	.185,494,164
<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 Expense .....	.118,394	.118,394	.0	.0
2502. Miscellaneous Receivables .....	.87,069	.87,069	.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) .....	.205,463	.205,463	.0	.0

**STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY**

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 11,437,874 )	27,753,288	25,578,034
2. Reinsurance payable on paid losses and loss adjustment expenses	0	0
3. Loss adjustment expenses	5,383,974	5,383,973
4. Commissions payable, contingent commissions and other similar charges	1,981,625	2,754,764
5. Other expenses (excluding taxes, licenses and fees)	2,371,702	3,804,939
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	557,029	945,283
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))	0	0
7.2 Net deferred tax liability	0	0
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)	38,115,467	36,843,699
10. Advance premium	835,863	653,890
11. Dividends declared and unpaid:		
11.1 Stockholders	0	0
11.2 Policyholders	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions)	(301,301)	283,308
13. Funds held by company under reinsurance treaties	0	0
14. Amounts withheld or retained by company for account of others	903,733	1,676,896
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	943,984
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	77,601,378	78,868,769
27. Protected cell liabilities	0	0
28. Total liabilities (Lines 26 and 27)	77,601,378	78,868,769
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)	109,473,253	106,625,394
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)	109,473,253	106,625,394
38. Totals (Page 2, Line 28, Col. 3)	187,074,632	185,494,164
<b>DETAILS OF WRITE-INS</b>		
2501. Other Liabilities	0	943,984
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	943,984
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 AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

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 \$ 48,092,075 )	48,165,384	51,308,572	100,992,476
1.2 Assumed (written \$ 40,926,520 )	39,654,753	38,641,041	77,562,765
1.3 Ceded (written \$ 48,092,075 )	48,165,384	51,308,571	100,992,476
1.4 Net (written \$ 40,926,520 )	39,654,753	38,641,042	77,562,765
DEDUCTIONS:			
2. Losses incurred (current accident year \$ ):			
2.1 Direct	24,408,604	28,923,619	50,783,346
2.2 Assumed	20,773,935	20,357,215	40,267,610
2.3 Ceded	24,408,604	28,923,619	50,783,346
2.4 Net	20,773,935	20,357,215	40,267,610
3. Loss adjustment expenses incurred	3,791,538	3,637,300	8,161,084
4. Other underwriting expenses incurred	12,929,155	12,332,443	25,299,082
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	37,494,628	36,326,957	73,727,776
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	2,160,125	2,314,084	3,834,989
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	1,725,548	1,683,997	3,569,404
10. Net realized capital gains (losses) less capital gains tax of \$ 125,684	243,975	1,670,609	(811,083)
11. Net investment gain (loss) (Lines 9 + 10)	1,969,523	3,354,606	2,758,321
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ 31,775 )	(31,775)	(37,466)	(88,215)
13. Finance and service charges not included in premiums	575,358	591,079	1,178,538
14. Aggregate write-ins for miscellaneous income	1,497	825	429
15. Total other income (Lines 12 through 14)	545,080	554,439	1,090,752
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	4,674,729	6,223,128	7,684,061
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)	4,674,729	6,223,128	7,684,061
19. Federal and foreign income taxes incurred	1,204,713	1,179,982	2,979,119
20. Net income (Line 18 minus Line 19)(to Line 22)	3,470,016	5,043,146	4,704,943
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year	106,625,394	106,201,929	106,201,929
22. Net income (from Line 20)	3,470,016	5,043,146	4,704,943
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 \$ 739,208	1,434,933	(2,534,568)	(2,623,071)
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	904,435	205,729	2,181,063
27. Change in nonadmitted assets	(2,961,524)	(1,140,409)	(3,847,414)
28. Change in provision for reinsurance	0	0	0
29. Change in surplus notes	0	0	0
30. Surplus (contributed to) withdrawn from protected cells	0	0	0
31. Cumulative effect of changes in accounting principles	0	0	0
32. Capital changes:			
32.1 Paid in	0	0	0
32.2 Transferred from surplus (Stock Dividend)	0	0	0
32.3 Transferred to surplus	0	0	0
33. Surplus adjustments:			
33.1 Paid in	0	0	0
33.2 Transferred to capital (Stock Dividend)	0	0	0
33.3 Transferred from capital	0	0	0
34. Net remittances from or (to) Home Office	0	0	0
35. Dividends to stockholders	0	0	0
36. Change in treasury stock	0	0	0
37. Aggregate write-ins for gains and losses in surplus	0	0	7,944
38. Change in surplus as regards policyholders (Lines 22 through 37)	2,847,859	1,573,898	423,465
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	109,473,253	107,775,827	106,625,394
<b>DETAILS OF WRITE-INS</b>			
0501.		0	0
0502.		0	0
0503.		0	0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. <b>TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)</b>	0	0	0
1401. Other Income	1,497	825	429
1402.	0	0	0
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. <b>TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)</b>	1,497	825	429
3701. Change in Surplus Due to Prior Period Adjustment (see Footnote 2)	0	0	7,944
3702.	0	0	0
3703.	0	0	0
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. <b>TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)</b>	0	0	7,944

STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

**CASH FLOW**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance.....	38,102,087	37,001,319	77,026,943
2. Net investment income.....	2,004,118	1,792,524	4,196,628
3. Miscellaneous income.....	545,080	554,439	1,090,752
4. Total (Lines 1 to 3).....	40,651,286	39,348,281	82,314,322
5. Benefit and loss related payments.....	18,613,306	18,239,382	38,266,314
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.....	19,311,853	18,329,199	32,576,733
8. Dividends paid to policyholders.....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	1,650,000	1,650,000	3,323,348
10. Total (Lines 5 through 9).....	39,575,159	38,218,580	74,166,395
11. Net cash from operations (Line 4 minus Line 10).....	1,076,127	1,129,701	8,147,927
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	5,516,247	4,607,729	13,238,916
12.2 Stocks.....	1,412,227	13,298,842	15,003,503
12.3 Mortgage loans.....	0	0	0
12.4 Real estate.....	0	0	0
12.5 Other invested assets.....	916,763	214,913	544,028
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	0	0	0
12.7 Miscellaneous proceeds.....	111,341	87,949	4,006,296
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	7,956,578	18,209,433	32,792,743
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	5,925,541	6,971,918	16,111,516
13.2 Stocks.....	2,203,029	15,956,818	19,942,597
13.3 Mortgage loans.....	0	0	0
13.4 Real estate.....	14,574	0	0
13.5 Other invested assets.....	1,250,000	2,400,000	2,680,000
13.6 Miscellaneous applications.....	0	87,931	4,006,296
13.7 Total investments acquired (Lines 13.1 to 13.6).....	9,393,144	25,416,667	42,740,409
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).....	(1,436,566)	(7,207,235)	(9,947,666)
<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).....	(5,169,588)	(2,938,004)	(5,303,380)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	(5,169,588)	(2,938,004)	(5,303,380)
<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).....	(5,530,027)	(9,015,538)	(7,103,119)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	(13,711,856)	(6,608,737)	(6,608,737)
19.2 End of period (Line 18 plus Line 19.1).....	(19,241,884)	(15,624,275)	(13,711,856)

## NOTES TO FINANCIAL STATEMENTS

### 1. Summary of Significant Accounting Policies

#### A. Accounting Practices

The financial statements of Western Reserve Mutual Casualty Company (WRMCC) 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	2016	2015
<b><u>NET INCOME</u></b>			
(1) WRMCC state basis (Page 4, Line 20, Columns 1 & 2)	Ohio	\$ 3,470,016	\$ 4,704,943
(2) State Prescribed Practices that increase/(decrease) NAIC SAP:		—	—
(3) State Permitted Practices that increase/(decrease) NAIC SAP:		—	—
(4) NAIC SAP (1-2-3=4)		<u>\$ 3,470,016</u>	<u>\$ 4,704,943</u>
<b><u>SURPLUS</u></b>			
(5) WRMCC state basis (Page 3, Line 37, Columns 1 & 2)	Ohio	\$ 109,473,253	\$ 106,625,394
(6) State Prescribed Practices that increase/(decrease) NAIC SAP:		—	—
(7) State Permitted Practices that increase/(decrease) NAIC SAP:		—	—
(8) NAIC SAP (5-6-7=8)		<u>\$ 109,473,253</u>	<u>\$ 106,625,394</u>

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

No significant changes.

#### C. Accounting Policy

No significant changes.

#### D. Going Concern

Not applicable.

### 2. Accounting Changes and Corrections of Errors

Not applicable.

### 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.

### 5. Investments

#### A. Mortgage Loans, including Mezzanine Real Estate Loans

Not applicable.

#### B. Debt Restructuring

Not applicable.

## NOTES TO FINANCIAL STATEMENTS

- C. Reverse Mortgages  
Not applicable.
- D. Loan-Backed Securities  
Not applicable.
- E. Repurchase Agreements and/or Securities Lending Transactions  
Not applicable.
- F. Real Estate  
Not applicable.
- G. Low-income Housing Tax Credits (LIHTC)  
Not applicable.
- H. Restricted Assets  
Not applicable.
- I. Working Capital Finance Investments  
Not applicable.
- J. Offsetting and Netting of Assets and Liabilities  
Not applicable.
- K. Structured Notes  
Not applicable.
- 6. Joint Ventures, Partnerships and Limited Liability Companies**  
No significant changes.
- 7. Investment Income**  
No significant changes.
- 8. Derivative Instruments**  
No significant changes.
- 9. Income Taxes**

A. The components of the net deferred tax asset/(liability) at June 30, 2016 and December 31, 2015 are as follows:

1.

	06/30/2016		
	(1)	(2)	(3)
	(Col 1+2)		
	Ordinary	Capital	Total
(a) Gross Deferred Tax Assets	\$ 9,485,404	\$ 1,526,370	\$ 11,011,774
(b) Statutory Valuation Allowance Adjustments	—	—	—
(c) Adjusted Gross Deferred Tax Assets (1a – 1b)	9,485,404	1,526,370	11,011,774
(d) Deferred Tax Assets Nonadmitted	—	—	—
(e) Subtotal Net Deferred Tax Asset (1c – 1d)	9,485,404	1,526,370	11,011,774
(f) Deferred Tax Liabilities	(554,242)	(7,462,823)	(8,017,065)
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e – 1f)	<u>\$ 8,931,162</u>	<u>\$ (5,936,453)</u>	<u>\$ 2,994,709</u>

## NOTES TO FINANCIAL STATEMENTS

	12/31/2015		
	(4)	(5)	(6)
	Ordinary	Capital	(Col 4+5) Total
(a) Gross Deferred Tax Assets	\$ 8,395,656	\$ 1,629,618	\$ 10,025,274
(b) Statutory Valuation Allowance Adjustments	—	—	—
(c) Adjusted Gross Deferred Tax Assets (1a – 1b)	8,395,656	1,629,618	10,025,274
(d) Deferred Tax Assets Nonadmitted	—	—	—
(e) Subtotal Net Deferred Tax Asset (1c – 1d)	8,395,656	1,629,618	10,025,274
(f) Deferred Tax Liabilities	(472,176)	(6,723,616)	(7,195,792)
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e – 1f)	<u>\$ 7,923,479</u>	<u>\$ (5,093,997)</u>	<u>\$ 2,829,482</u>

	Change		
	(7)	(8)	(9)
	(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total
(a) Gross Deferred Tax Assets	\$ 1,089,749	\$ (103,248)	\$ 986,500
(b) Statutory Valuation Allowance Adjustments	—	—	—
(c) Adjusted Gross Deferred Tax Assets (1a – 1b)	1,089,749	(103,248)	986,500
(d) Deferred Tax Assets Nonadmitted	—	—	—
(e) Subtotal Net Deferred Tax Asset (1c – 1d)	1,089,749	(103,248)	986,500
(f) Deferred Tax Liabilities	(82,065)	(739,208)	(821,273)
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e – 1f)	<u>\$ 1,007,684</u>	<u>\$ (842,456)</u>	<u>\$ 165,227</u>

### 2. Admission Calculation Components SSAP No. 101

	06/30/2016		
	(1)	(2)	(3)
	Ordinary	Capital	(Col 1+2) Total
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 3,610,406	\$ —	\$ 3,610,406
(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)	1,977,420	—	1,977,420
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	1,977,420	—	1,977,420
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	15,628,143
(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.	3,897,578	1,526,370	5,423,948
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. (2(a) + 2(b) + 2(c))	<u>\$ 9,485,404</u>	<u>\$ 1,526,370</u>	<u>\$ 11,011,774</u>

## NOTES TO FINANCIAL STATEMENTS

	12/31/2015		
	(4)	(5)	(6)
	Ordinary	Capital	(Col 4+5) Total
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 3,514,519	\$ —	\$ 3,514,519
(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)	1,951,452	—	1,951,452
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	1,951,452	—	1,951,452
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	15,360,174
(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.	2,929,684	1,629,619	4,559,303
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. (2(a) + 2(b) + 2(c))	<u>\$ 8,395,655</u>	<u>\$ 1,629,619</u>	<u>\$ 10,025,274</u>
	Change		
	(7)	(8)	(9)
	(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 95,887	\$ —	\$ 95,887
(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)	25,968	—	25,968
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	25,968	—	25,968
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	(179,056)
(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.	967,894	(103,249)	864,645
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. (2(a) + 2(b) + 2(c))	<u>\$ 1,089,749</u>	<u>\$ (103,248)</u>	<u>\$ 986,500</u>
	2016		
	2016	2015	
(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.	\$104,187,619	\$102,401,159	

3.

## NOTES TO FINANCIAL STATEMENTS

### 4. Impact of Tax-Planning Strategies

		06/30/2016	
		(1)	(2)
		Ordinary	Capital
(a)	Determination Of Adjusted Gross Deferred Tax Assets And Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.		
1.	Adjusted Gross DTAs Amount From Note 9A1(c)	\$ 9,485,404	\$ 1,526,370
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)	\$ 9,485,404	\$ 1,526,370
4.	Percentage of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	0%	0%
		12/31/2015	
		(3)	(4)
		Ordinary	Capital
(a)	Determination Of Adjusted Gross Deferred Tax Assets And Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.		
1.	Adjusted Gross DTAs Amount From Note 9A1(c)	\$ 8,395,656	\$ 1,629,618
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)	\$ 8,395,656	\$ 1,629,618
4.	Percentage of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because of The Impact Of Tax Planning Strategies	0%	0%
		Change	
		(5)	(6)
		(Col 1-3)	(Col 2-4)
		Ordinary	Capital
(a)	Determination Of Adjusted Gross Deferred Tax Assets And Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.		
1.	Adjusted Gross DTAs Amount From Note 9A1(c)	\$ 1,089,749	\$ (103,248)
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)	\$ 1,089,749	\$ (103,248)
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 _____ X _____		

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) 06/30/2016	(2) 12/31/2015	(3) (Col 1-2) Change
1. Current Income Tax			
(a) Federal	\$ 1,204,713	\$ 2,979,119	\$ (1,774,406)
(b) Foreign	\$ —	\$ —	\$ —
(c) Subtotal	<u>\$ 1,204,713</u>	<u>\$ 2,979,119</u>	<u>\$ (1,774,406)</u>
(d) Federal income tax on net capital gains	\$ 125,684	\$ (417,831)	\$ 543,515
(e) Utilization of operating loss carry-forwards	\$ —	\$ —	\$ —
(f) Other	\$ —	\$ —	\$ —
(g) Federal and foreign income taxes incurred	<u>\$ 1,330,397</u>	<u>\$ 2,561,288</u>	<u>\$ (1,230,891)</u>
2. Deferred Tax Assets:			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 362,706	\$ 362,706	\$ —
(2) Unearned premium reserve	\$ 2,591,852	\$ 2,505,372	\$ 86,480
(3) Policyholder reserves	\$ —	\$ —	\$ —
(4) Investments	\$ —	\$ —	\$ —
(5) Deferred acquisition costs	\$ —	\$ —	\$ —
(6) Policyholder dividends accrual	\$ —	\$ —	\$ —
(7) Fixed Assets/prepaid expense	\$ 4,613,140	\$ 3,491,274	\$ 1,121,867
(8) Compensation and benefits accrual	\$ 280,917	\$ 317,153	\$ (36,236)
(9) Pension accrual	\$ 178,398	\$ 192,238	\$ (13,840)
(10) Receivables – nonadmitted	\$ 236,944	\$ 377,081	\$ —
(11) Net operating loss carry-forward	\$ —	\$ —	\$ —
(12) Tax credit carry-forward	\$ —	\$ —	\$ —
(13) Other (including items <5% of total ordinary tax assets):			
(14) Salvage and subrogation anticipated	\$ 793,688	\$ 793,688	\$ —
(15) Software capitalized	\$ 350,632	\$ 311,675	\$ 38,957
(16) Other	<u>\$ 77,127</u>	<u>\$ 44,468</u>	<u>\$ 32,659</u>
(99) Subtotal	<u>\$ 9,485,404</u>	<u>\$ 8,395,655</u>	<u>\$ 1,089,749</u>
(b) Statutory valuation allowance adjustment	\$ —	\$ —	\$ —
(c) Nonadmitted	\$ —	\$ —	\$ —
(d) Admitted ordinary deferred tax assets (2a99 – 2b – 2c)	<u>\$ 9,485,404</u>	<u>\$ 8,395,655</u>	<u>\$ 1,089,749</u>
(e) Capital:			
(1) Investments	\$ —	\$ —	\$ —
(2) Net capital loss carry-forward	\$ —	\$ —	\$ —
(3) Real estate	\$ —	\$ —	\$ —
(4) Other (including items <5% of total capital tax assets):			
(5) Unrealized capital losses for impaired securities	\$ 1,519,570	\$ 1,622,818	\$ (103,249)
(6) Other	<u>\$ 6,800</u>	<u>\$ 6,800</u>	<u>\$ —</u>
(99) Subtotal	<u>\$ 1,526,370</u>	<u>\$ 1,629,619</u>	<u>\$ (103,249)</u>
(f) Statutory valuation allowance adjustment	\$ —	\$ —	\$ —
(g) Nonadmitted	\$ —	\$ —	\$ —
(h) Admitted capital deferred tax assets (2e99 – 2f – 2g)	<u>\$ 1,526,370</u>	<u>\$ 1,629,619</u>	<u>\$ (103,249)</u>
(i) Admitted deferred tax assets (2d + 2h)	<u>\$ 11,011,774</u>	<u>\$ 10,025,274</u>	<u>\$ 986,500</u>
3. Deferred Tax Liabilities:			
(a) Ordinary:			
(1) Investments	\$ (209,458)	\$ (209,993)	\$ 534
(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	\$ (214,486)	\$ (180,434)	\$ (34,052)
(7) Other	<u>\$ (130,297)</u>	<u>\$ (81,750)</u>	<u>\$ (48,547)</u>
(99) Subtotal	<u>\$ (554,242)</u>	<u>\$ (472,176)</u>	<u>\$ (82,065)</u>
(b) Capital:			
(1) Investments	\$ —	\$ —	\$ —
(2) Real estate	\$ —	\$ —	\$ —
(3) Other (including items <5% of total capital tax liabilities):			
(4) Unrealized capital gains	\$ (7,462,823)	\$ (6,723,616)	\$ (739,208)
(99) Subtotal	<u>\$ (7,462,823)</u>	<u>\$ (6,723,616)</u>	<u>\$ (739,208)</u>
(c) Deferred tax liabilities (3a99 + 3b99)	<u>\$ (8,017,065)</u>	<u>\$ (7,195,792)</u>	<u>\$ (821,273)</u>
4. Net deferred tax assets/liabilities (2i – 3c)	<u>\$ 2,994,709</u>	<u>\$ 2,829,482</u>	<u>\$ 165,227</u>

## NOTES TO FINANCIAL STATEMENTS

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

	<u>06/30/2016</u>	<u>Effective Tax Rate</u>
Provision computed at statutory rate	\$ 1,632,140	34.0%
Tax exempt interest	(154,830)	(3.2%)
Dividends received deduction	(107,435)	(2.2%)
Change in deferred tax on nonadmitted assets	(981,730)	(20.5%)
Other	38,054	0.8%
Total	<u>\$ 426,199</u>	<u>8.9%</u>
 Federal and foreign income taxes incurred	 \$ 1,204,713	 25.1%
Tax on capital gains (losses)	125,684	2.6%
Change in net deferred income taxes	<u>(904,435)</u>	<u>(18.8%)</u>
Total statutory income taxes	<u>\$ 426,199</u>	<u>8.9%</u>

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

- (1) As of June 30, 2016, the Company had no net operating loss or net capital loss carry-forwards available for tax purposes.
- As of June 30, 2016, the Company had no alternative minimum tax (AMT) credit carry-forwards.
- (2) As of June 30, 2016, the Company had federal income taxes incurred available for recoupment in the event of future net losses in the amount of \$4,658,660.
- (3) The Company has no deposits reported as admitted assets under IRC §6603 as June 30, 2016.

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

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

- A. Not applicable.
- B. Not applicable.
- C. Not applicable.
- D. At June 30, 2016 there was an intercompany receivable of \$20,936 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 change.
- G. No significant change.
- H. Not applicable.
- I. Not applicable.
- J. Not applicable.
- K. Not applicable.
- L. No significant change.

### 11. Debt

Not applicable.

## NOTES TO FINANCIAL STATEMENTS

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

#### A. Defined Benefit Plan

The Company has a non-qualified, unfunded, directors' retirement plan and a retiree healthcare plan. 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 June 30, 2016 and December 31, 2015, amounts held for these deferrals were \$.8 million and \$1.6 million, respectively.

#### B. Investment Policies and Strategies

Not applicable.

#### C. Fair Value of Plan Assets

Not applicable.

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

Not applicable.

#### E. Defined Contribution Plans

No significant changes.

#### F. Multiemployer Plans

Not applicable.

#### G. Consolidated/Holding Company Plans

Not applicable.

#### H. Postemployment Benefits and Compensated Absences

Not applicable.

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

Not applicable.

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

(1) Not applicable.

(2) Not applicable.

(3) Not applicable.

(4) Not applicable.

(5) Not applicable.

(6) Not applicable.

(7) Not applicable.

(8) Not applicable.

(9) Not applicable.

(10) The portion of unassigned funds (surplus) represented by cumulative unrealized gains net of losses before tax is \$21.9 million and \$15.9 million at June 30, 2016 and December 31, 2015, respectively.

(11) Not applicable.

(12) Not applicable.

(13) Not applicable.

## NOTES TO FINANCIAL STATEMENTS

### 14. Liabilities, Contingencies and Assessments

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

### 15. Leases

No significant changes.

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

Not applicable.

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

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

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

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

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

Not applicable.

## NOTES TO FINANCIAL STATEMENTS

### 20. Fair Value Measurements

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

*Level 1:*

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

*Level 2:*

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

*Level 3:*

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

(1) Fair Value Measurements at June 30, 2016:

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value:				
Preferred Stock:				
Industrial and Misc	\$ 38,201	\$ —	\$ —	\$ 38,201
Total Preferred Stocks	38,201	—	—	38,201
Common Stock:				
Mutual Funds	17,352,649	—	—	17,352,649
Industrial and Misc	37,525,550	—	115,248	37,640,798
Total Common Stocks	54,878,199	—	115,248	54,993,447
Other Invested Assets	—	6,529,999	—	6,529,999
Total assets at fair value	<u>\$ 54,916,400</u>	<u>\$ 6,529,999</u>	<u>\$ 115,248</u>	<u>\$ 61,561,647</u>
b. Liabilities at fair value:				
Not applicable.				

Fair Value Measurements at December 31, 2015:

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value:				
Common Stock:				
Mutual Funds	\$ 446,697	\$ —	\$ —	\$ 446,697
Industrial and Misc	51,413,770	—	115,247	51,529,017
Total Common Stocks	51,860,467	—	115,247	51,975,714
Other Invested Assets	—	6,380,912	—	6,380,912
Total assets at fair value	<u>\$ 51,860,467</u>	<u>\$ 6,380,912</u>	<u>\$ 115,247</u>	<u>\$ 58,356,626</u>
b. Liabilities at fair value:				
Not applicable.				

**STATEMENT AS OF June 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY**

**NOTES TO FINANCIAL STATEMENTS**

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

	Beginning Balance at 01/01/2016	Transfers In/(out) Level 3	Total Gains/(Losses) Included in Net Income	Total Gains/(Losses) Included in Surplus	Purchases (Sales)	Ending Balance at 06/30/2016
a. Assets:						
Common Stock:						
Industrial and Misc	\$ 115,248	\$ —	\$ —	\$ —	\$ —	\$ 115,248
Other Invested Assets	—	—	—	—	—	—
Total Assets	<u>\$ 115,248</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 115,248</u>
b. Liabilities:						
Not applicable.						

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

(4) As of June 30, 2016, 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	\$ 103,390,618	\$ 98,114,697	\$ 6,816,565	\$ 96,574,053	\$ —	\$ —
Preferred Stock	38,201	38,201	38,201	—	—	—
Common Stock	54,993,447	54,993,447	54,878,199	—	115,248	—
Other Invested Assets	6,529,999	6,529,999	—	6,529,999	—	—
Short-Term Investments	1,919,487	1,919,487	—	1,919,487	—	—

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-Transferable Tax Credits

Not applicable.

F. Subprime Mortgage Related Risk Exposure

Not applicable.

**22. Events Subsequent**

Type I – Recognized Subsequent Events:

Subsequent events have been considered through August 15, 2016 for the statutory statement issued on August 15, 2016 for the quarter ending June 30, 2016. No Type I events were identified that would have a material effect on the financial condition of the Company.

Type II – Nonrecognized Subsequent Events:

Subsequent events have been considered through August 15, 2016 for the statutory statement issued on August 15, 2016 for the quarter ending June 30, 2016. No Type II events were identified that would have a material effect on the financial condition of the Company.

## NOTES TO FINANCIAL STATEMENTS

### 23. Reinsurance

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

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

Not applicable.

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

Reserves as of December 31, 2015 were \$31.0 million. During 2016, \$9.1 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 \$20.1 million as a result of re-estimation of unpaid claims and claim adjusting expenses. Therefore, there has been a \$1.8 million favorable prior year development from December 31, 2015 to June 30, 2016. Favorable development in auto physical damage, homeowner, farmowner, other property and other liability lines of insurance, were offset, in part, by unfavorable development in commercial auto liability and commercial multi-peril 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

## NOTES TO FINANCIAL STATEMENTS

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 ( )

	2012	2013	2014	2015	2016
(1) Direct –					
1) Beginning reserves:	\$ 10	\$ 10	\$ 62	\$ 32	\$ 32
2) Incurred losses and loss adjustment expense:	28	69	28	0	1
3) Calendar year payments for losses and loss adjustment expenses:	<u>8</u>	<u>36</u>	<u>58</u>	<u>0</u>	<u>1</u>
4) Ending reserves:	<u><u>\$ 30</u></u>	<u><u>\$ 62</u></u>	<u><u>\$ 32</u></u>	<u><u>\$ 32</u></u>	<u><u>\$ 32</u></u>
(2) Assumed Reinsurance –					
1) Beginning reserves:	\$ —	\$ —	\$ —	\$ —	\$ —
2) Incurred losses and loss adjustment expense:	—	—	—	—	—
3) Calendar year payments for losses and loss adjustment expenses:	—	—	—	—	—
4) Ending reserves:	<u><u>\$ —</u></u>				
(3) Net of Ceded Reinsurance –					
1) Beginning reserves:	\$ 10	\$ 30	\$ 62	\$ —	\$ —
2) Incurred losses and loss adjustment expense:	28	40	(62)	—	—
3) Calendar year payments for loss and loss adjustment expenses:	<u>8</u>	<u>7</u>	—	—	—
4) Ending reserves:	<u><u>\$ 30</u></u>	<u><u>\$ 62</u></u>	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>

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

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

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

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

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

### 34. Subscriber Savings Accounts

Not applicable.

## NOTES TO FINANCIAL STATEMENTS

**35. Multiple Peril Crop Insurance**

Not applicable.

**36. Financial Guaranty Insurance**

Not applicable.

**STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY**

**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES  
GENERAL**

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? ..... Yes [ ] No [X]

1.2 If yes, has the report been filed with the domiciliary state? ..... Yes [ ] No [ ]

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

2.2 If yes, date of change: .....

3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? ..... Yes [X] No [ ]

If yes, complete Schedule Y, Parts 1 and 1A.

3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? ..... Yes [ ] No [X]

3.3 If the response to 3.2 is yes, provide a brief description of those changes.

.....

4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes [ ] No [X]

4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? ..... Yes [ ] No [X] NA [ ]

If yes, attach an explanation.

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. ..... 12/31/2011

6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. ..... 12/31/2011

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). ..... 11/26/2012

6.4 By what department or departments?

Ohio.....

6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? ..... Yes [ ] No [ ] NA [X]

6.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes [X] No [ ] NA [ ]

7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? ..... Yes [ ] No [X]

7.2 If yes, give full information:

.....

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? ..... Yes [ ] No [X]

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

.....

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? ..... Yes [ ] No [X]

8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

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

**STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY****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 [X]  No [ ]

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

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

.....

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

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

.....

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

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

.....

**FINANCIAL**

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

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: ..... \$ 20,936

**INVESTMENT**

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

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

.....

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

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

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

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....	\$ .....	\$ .....
14.22 Preferred Stock .....	\$ .....	\$ .....
14.23 Common Stock .....	\$ ..... 296,327	\$ ..... 312,085
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) .....	\$ ..... 296,327	\$ ..... 312,085
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....	\$ .....	\$ .....

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

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

If no, attach a description with this statement.

**STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY**

**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 [X] No [ ]

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

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

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)
Eaton Vance Management.....	Two International Place Boston, MA 02110.....	Not accounted for by Northern Trust.....

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

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

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

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

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

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

18.2 If no, list exceptions:

.....

**STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY**

# **GENERAL INTERROGATORIES**

## **PART 2 - PROPERTY & CASUALTY INTERROGATORIES**

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

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? .....

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? ..... Yes [ ] No [X]  
3.2 If yes, give full and complete information thereto.

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

#### 4.2 If yes, complete the following schedule:

## 5. Operating Percentages:

5.1 A&H loss percent..... %  
5.2 A&H cost containment percent ..... %  
5.3 A&H expense percent excluding cost containment expenses..... %

6.1 Do you act as a custodian for health savings accounts?..... Yes [ ] No [X]  
6.2 If yes, please provide the amount of custodial funds held as of the reporting date..... \$ \_\_\_\_\_  
6.3 Do you act as an administrator for health savings accounts?..... Yes [ ] No [X]  
6.4 If yes, please provide the balance of the funds administered as of the reporting date..... \$ \_\_\_\_\_

**STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY**

## **SCHEDULE F - CEDED REINSURANCE**

**Showing All New Reinsurers - Current Year to Date**

STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY 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	13,886,900	14,562,802	8,167,559	7,265,862	11,168,377
16. Iowa	IA.	N.	0	0	0	0	0
17. Kansas	KS.	N.	0	0	0	0	0
18. Kentucky	KY.	N.	0	0	0	0	0
19. Louisiana	LA.	N.	0	0	0	0	0
20. Maine	ME.	N.	0	0	0	0	0
21. Maryland	MD.	N.	0	0	0	0	0
22. Massachusetts	MA.	N.	0	0	0	0	0
23. Michigan	MI.	N.	0	0	0	0	0
24. Minnesota	MN.	N.	0	0	0	0	0
25. Mississippi	MS.	N.	0	0	0	0	0
26. Missouri	MO.	N.	0	0	0	0	0
27. Montana	MT.	N.	0	0	0	0	0
28. Nebraska	NE.	N.	0	0	0	0	0
29. Nevada	NV.	N.	0	0	0	0	0
30. New Hampshire	NH.	N.	0	0	0	0	0
31. New Jersey	NJ.	N.	0	0	0	0	0
32. New Mexico	NM.	N.	0	0	0	0	0
33. New York	NY.	N.	0	0	0	0	0
34. No. Carolina	NC.	N.	0	0	0	0	0
35. No. Dakota	ND.	N.	0	0	0	0	0
36. Ohio	OH.	L	34,205,175	35,882,336	15,042,266	18,089,488	27,347,418
37. Oklahoma	OK.	N.	0	0	0	0	0
38. Oregon	OR.	N.	0	0	0	0	0
39. Pennsylvania	PA.	N.	0	0	0	0	0
40. Rhode Island	RI.	N.	0	0	0	0	0
41. So. Carolina	SC.	N.	0	0	0	0	0
42. So. Dakota	SD.	N.	0	0	0	0	0
43. Tennessee	TN.	L	0	0	0	0	0
44. Texas	TX.	N.	0	0	0	0	0
45. Utah	UT.	N.	0	0	0	0	0
46. Vermont	VT.	N.	0	0	0	0	0
47. Virginia	VA.	N.	0	0	0	0	0
48. Washington	WA.	N.	0	0	0	0	0
49. West Virginia	WV.	N.	0	0	0	0	0
50. Wisconsin	WI.	N.	0	0	0	0	0
51. Wyoming	WY.	N.	0	0	0	0	0
52. American Samoa	AS.	N.	0	0	0	0	0
53. Guam	GU.	N.	0	0	0	0	0
54. Puerto Rico	PR.	N.	0	0	0	0	0
55. U.S. Virgin Islands	VI.	N.	0	0	0	0	0
56. Northern Mariana Islands	MP.	N.	0	0	0	0	0
57. Canada	CAN.	N.	0	0	0	0	0
58. Aggregate Other Alien	OT.	XXX	0	0	0	0	0
59. Totals	(a)	4	48,092,075	50,445,138	23,209,825	25,355,350	38,515,795
<b>DETAILS OF WRITE-INS</b>		XXX					
58001.		XXX					
58002.		XXX					
58003.		XXX					
58998.	Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0
58999.	TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX	0	0	0	0	0

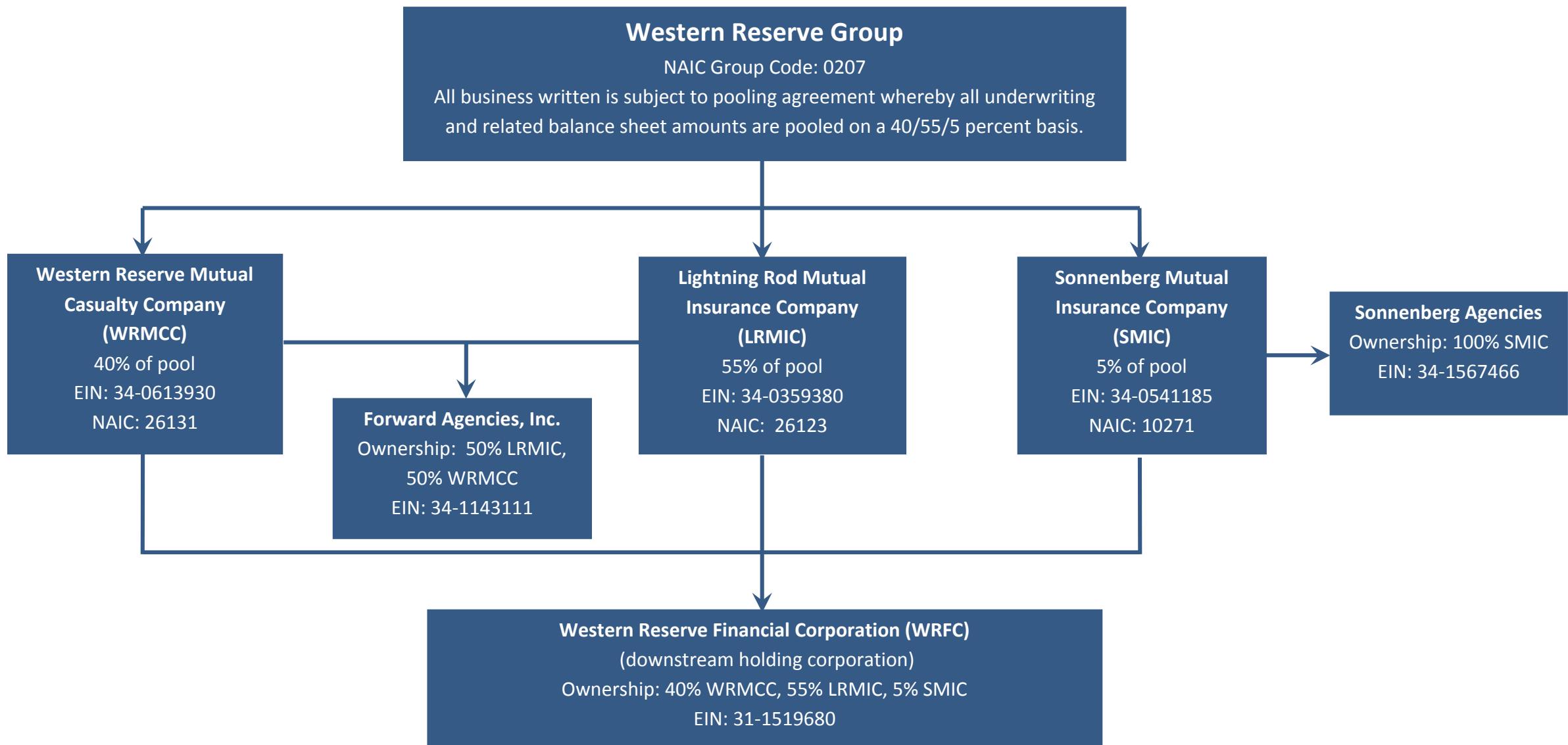
(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business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

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

STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

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

**PART 1 – ORGANIZATIONAL CHART**



**STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY**

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

2

Asterisk	Explanation

STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

**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	1,620,042	540,089	33.3	39.7
2. Allied lines	878,123	905,688	103.1	78.1
3. Farmowners multiple peril	0	0	0.0	0.0
4. Homeowners multiple peril	9,528,110	3,648,247	38.3	46.0
5. Commercial multiple peril	6,728,591	2,613,224	38.8	80.8
6. Mortgage guaranty	0	0	0.0	0.0
8. Ocean marine	0	0	0.0	0.0
9. Inland marine	524,090	94,100	18.0	6.3
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	.9,286		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	694,939	430,957	62.0	14.0
17.1 Other liability occurrence	1,630,282	497,418	30.5	10.2
17.2 Other liability-claims made	.6,976	0	0.0	0.0
17.3 Excess Workers' Compensation			0.0	0.0
18.1 Products liability-occurrence	.55,232	(6,999)	(12.7)	30.2
18.2 Products liability-claims made			0.0	0.0
19.1,19.2 Private passenger auto liability	12,901,286	8,449,695	65.5	63.1
19.3,19.4 Commercial auto liability	1,973,315	456,533	23.1	24.2
21. Auto physical damage	11,500,394	6,758,011	58.8	60.2
22. Aircraft (all perils)			0.0	0.0
23. Fidelity			0.0	0.0
24. Surety			0.0	0.0
26. Burglary and theft	17,425	(2,150)	(12.3)	5.0
27. Boiler and machinery	.97,293	23,791	24.5	0.0
28. Credit	0		0.0	0.0
29. International	0		0.0	0.0
30. Warranty	0		0.0	0.0
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0.0	0.0
35. TOTALS	48,165,384	24,408,604	50.7	56.4
<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 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date	
1. Fire	.832,585	1,582,442	1,539,085	
2. Allied lines	.450,440	857,124	842,436	
3. Farmowners multiple peril	0	0	0	
4. Homeowners multiple peril	4,835,588	8,684,856	9,121,811	
5. Commercial multiple peril	3,980,316	7,489,594	6,973,512	
6. Mortgage guaranty	0	0	0	
8. Ocean marine	0	0	0	
9. Inland marine	.330,677	.577,740	525,232	
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	4,638	.9,148	7,404	
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	347,627	.772,576	751,538	
17.1 Other liability occurrence	.951,545	1,781,893	1,735,956	
17.2 Other liability-claims made	3,977	.7,649	7,350	
17.3 Excess Workers' Compensation	0	0	0	
18.1 Products liability-occurrence	.33,435	45,480	.56,084	
18.2 Products liability-claims made	0	0	0	
19.1,19.2 Private passenger auto liability	6,310,158	.12,622,919	14,339,368	
19.3,19.4 Commercial auto liability	1,145,170	2,214,981	2,041,591	
21. Auto physical damage	5,696,954	11,319,647	12,396,233	
22. Aircraft (all perils)	0	0	0	
23. Fidelity	0	0	0	
24. Surety	0	0	0	
26. Burglary and theft	6,288	15,957	16,271	
27. Boiler and machinery	.52,000	.110,069	.91,267	
28. Credit	0	0	0	
29. International	0	0	0	
30. Warranty	0	0	0	
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	
34. Aggregate write-ins for other lines of business	0	0	0	
35. TOTALS	24,981,398	48,092,075	50,445,138	
<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
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0	0

STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

**PART 3 (000 omitted)**

**LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE**

Years in Which Losses Occurred	1 Prior Year-End Known Case Loss and LAE Reserves	2 Prior Year-End IBNR Loss and LAE Reserves	3 Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	4 2016 Loss and LAE Payments on Claims Reported as of Prior Year-End	5 2016 Loss and LAE Payments on Claims Unreported as of Prior Year-End	6 Total 2016 Loss and LAE Payments (Cols. 4 + 5)	7 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened and Open as of Prior Year End	8 Q.S. Date IBNR Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	9 Q.S. Date IBNR Loss and LAE Reserves	10 Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	11 Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	12 Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	13 Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2013 + Prior .....	5,948	639	6,587	1,480	.10	1,490	3,862	.211	.271	4,344	(606)	(147)	(753)
2. 2014 .....	7,360	.517	7,877	1,604	.46	1,650	5,032	.24	.349	5,405	(724)	(98)	(822)
3. Subtotals 2014 + prior .....	13,308	1,156	14,464	3,084	.56	3,140	8,894	.235	.620	9,749	(1,330)	(245)	(1,575)
4. 2015.....	12,855	3,643	16,498	5,356	.613	5,969	8,753	.498	.1,086	10,337	1,254	(1,446)	(192)
5. Subtotals 2015 + prior .....	26,163	4,799	30,962	8,440	.669	9,109	17,647	.733	.1,706	20,086	(76)	(1,691)	(1,767)
6. 2016.....	XXX	XXX	XXX	XXX	13,282	13,282	XXX	9,563	.3,488	13,051	XXX	XXX	XXX
7. Totals .....	26,163	4,799	30,962	8,440	13,951	22,391	17,647	10,296	5,194	33,137	(76)	(1,691)	(1,767)
Prior Year-End Surplus As Regards Policy-holders		106,625									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. (0.3)	2. (35.2)	3. (5.7)
												Col. 13, Line 7 Line 8	
												4. (1.7)	

**STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY**

**SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES**

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

**Response**

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

**Explanation:**

- 1.
- 2.
- 3.

**Bar Code:**

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

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**STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY**

**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 .....	.7,115,080	.7,337,621
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....	14,574	0
2.2 Additional investment made after acquisition .....	0	0
3. Current year change in encumbrances .....	0	0
4. Total gain (loss) on disposals .....	0	0
5. Deduct amounts received on disposals .....	0	0
6. Total foreign exchange change in book/adjusted carrying value .....	0	0
7. Deduct current year's other-than-temporary impairment recognized .....	0	0
8. Deduct current year's depreciation .....	111,345	222,541
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8) .....	.7,018,309	.7,115,080
10. Deduct total nonadmitted amounts .....	0	0
11. Statement value at end of current period (Line 9 minus Line 10) .....	.7,018,309	.7,115,080

**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	0
2.2 Additional investment made after acquisition .....	0	0
3. Capitalized deferred interest and other .....	0	0
4. Accrual of discount .....	0	0
5. Unrealized valuation increase (decrease) .....	0	0
6. Total gain (loss) on disposals .....	0	0
7. Deduct amounts received on disposals .....	0	0
8. Deduct amortization of premium and mortgage interest points and commitment fees .....	0	0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest .....	0	0
10. Deduct current year's other-than-temporary impairment recognized .....	0	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	0
13. Subtotal (Line 11 plus Line 12) .....	0	0
14. Deduct total nonadmitted amounts .....	0	0
15. Statement value at end of current period (Line 13 minus Line 14) .....	0	0

**NONE**

**SCHEDULE BA – VERIFICATION**

**Other Long-Term Invested Assets**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	.7,360,507	.5,530,377
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....	1,250,000	2,680,000
2.2 Additional investment made after acquisition .....	0	0
3. Capitalized deferred interest and other .....	0	0
4. Accrual of discount .....	0	0
5. Unrealized valuation increase (decrease) .....	149,088	(305,842)
6. Total gain (loss) on disposals .....	0	0
7. Deduct amounts received on disposals .....	916,763	544,028
8. Deduct amortization of premium and depreciation .....	0	0
9. Total foreign exchange change in book/adjusted carrying value .....	0	0
10. Deduct current year's other-than-temporary impairment recognized .....	0	0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....	.7,842,832	.7,360,507
12. Deduct total nonadmitted amounts .....	1,312,833	979,596
13. Statement value at end of current period (Line 11 minus Line 12) .....	6,529,999	6,380,911

**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 .....	.150,152,519	.147,701,244
2. Cost of bonds and stocks acquired .....	.8,128,570	.36,054,113
3. Accrual of discount .....	20,904	.63,590
4. Unrealized valuation increase (decrease) .....	.2,025,085	(3,668,509)
5. Total gain (loss) on disposals .....	.369,659	.2,777,382
6. Deduct consideration for bonds and stocks disposed of .....	.6,928,473	.28,242,420
7. Deduct amortization of premium .....	.309,835	.526,586
8. Total foreign exchange change in book/adjusted carrying value .....	0	0
9. Deduct current year's other-than-temporary impairment recognized .....	0	.4,006,295
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7+8-9) .....	.153,458,429	.150,152,519
11. Deduct total nonadmitted amounts .....	.312,085	.296,328
12. Statement value at end of current period (Line 10 minus Line 11) .....	.153,146,344	.149,856,191

## STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY 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).....	94,760,063	7,217,380	7,895,772	(21,483)	94,760,063	94,060,188	0	96,012,732
2. NAIC 2 (a).....	5,208,131	841,836		(886,979)	5,208,131	5,162,988	0	3,921,895
3. NAIC 3 (a).....	0			811,008	0	811,008	0	0
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.....	99,968,195	8,059,216	7,895,772	(97,454)	99,968,195	100,034,184	0	99,934,627
<b>PREFERRED STOCK</b>								
8. NAIC 1.....	0	35,820		2,381	0	38,201	0	0
9. NAIC 2.....	0				0	0	0	0
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	35,820	0	2,381	0	38,201	0	0
15. Total Bonds & Preferred Stock.....	99,968,195	8,095,036	7,895,772	(95,073)	99,968,195	100,072,385	0	99,934,627

(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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**STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY**

**SCHEDULE DA - PART 1**

**Short-Term Investments**

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999	1,919,487	XXX	1,919,487	482	

**SCHEDULE DA - VERIFICATION**

**Short-Term Investments**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	2,054,149	6,902,324
2. Cost of short-term investments acquired .....	240,880	40,838,505
3. Accrual of discount .....		0
4. Unrealized valuation increase (decrease).....		0
5. Total gain (loss) on disposals .....		0
6. Deduct consideration received on disposals .....	375,542	45,686,680
7. Deduct amortization of premium.....		0
8. Total foreign exchange change in book/adjusted carrying value.....		0
9. Deduct current year's other-than-temporary impairment recognized.....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	1,919,487	2,054,149
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	1,919,487	2,054,149

Schedule DB - Part A - Verification

**NONE**

Schedule DB - Part B - Verification

**NONE**

Schedule DB - Part C - Section 1

**NONE**

Schedule DB - Part C - Section 2

**NONE**

Schedule DB - Verification

**NONE**

Schedule E - Verification

**NONE**

**STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY**

## **SCHEDULE A - PART 2**

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

## **SCHEDULE A - PART 3**

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

**NONE**

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**STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY**

## **SCHEDULE B - PART 2**

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

## **SCHEDULE B - PART 3**

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

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**STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY**

## **SCHEDULE BA - PART 2**

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

## **SCHEDULE BA - PART 3**

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

1	2	Location		5	6	7	8	Change in Book/Adjusted Carrying Value							15	16	17	18	19	20
		3	4					Date Originally Acquired	Disposal Date	Book/Adjusted Carrying Value Less Encumbrances Prior Year	9	10 Current Year's (Depreciation) or (Amortization)/Accretion	11 Current Year's Other Than Temporary Impairment Recognized	12 Capitalized Deferred Interest and Other	13 Total Change in B.I.A.C.V. (9+10-11+12)	14 Total Foreign Exchange Change in B.I.A.C.V.	Book/Adjusted Carrying Value Less Encumbrances on Disposal	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal
CUSIP Identification	Name or Description	City	State	Name of Purchaser or Nature of Disposal																
Fixed or Variable Interest Rate Investments that have the Underlying Characteristics of - Other - Affiliated																				
000000-00-0.....	The Allen Thomas Group.....	Medina.....	OH.....	Principal Payment.....	03/15/2013.....	06/30/2016.....	80,450.....	0.....	0.....	0.....	0.....	0.....	0.....	0.....	0.....	4,627.....	4,627.....	0.....	0.....	2,402.....
000000-00-0.....	Voldico / Encore.....	Wooster.....	OH.....	Principal Payment.....	10/31/2010.....	06/30/2016.....	596,804.....	0.....	0.....	0.....	0.....	0.....	0.....	0.....	0.....	79,323.....	79,323.....	0.....	0.....	14,151.....
000000-00-0.....	Hughes Agency.....	Lebanon.....	IN.....	Principal Payment.....	01/29/2016.....	06/30/2016.....	0.....	0.....	0.....	0.....	0.....	0.....	0.....	0.....	0.....	441,172.....	441,172.....	0.....	0.....	10,130.....
000000-00-0.....	Buell Agency.....	Massillon.....	OH.....	Principal Payment.....	01/28/2016.....	06/30/2016.....	0.....	0.....	0.....	0.....	0.....	0.....	0.....	0.....	0.....	15,254.....	15,254.....	0.....	0.....	18,102.....
1299999 - Fixed or Variable Interest Rate Investments that have the Underlying Characteristics of - Other Fixed Income Instruments - Affiliated																				44,785.....
4499999 - Subtotals - Unaffiliated								0.....	0.....	0.....	0.....	0.....	0.....	0.....	0.....	0.....	0.....	0.....	0.....	0.....
4599999 - Subtotals - Affiliated								677,254.....	0.....	0.....	0.....	0.....	0.....	0.....	0.....	540,376.....	540,376.....	0.....	0.....	44,785.....
4699999 Totals								677,254.....	0.....	0.....	0.....	0.....	0.....	0.....	0.....	540,376.....	540,376.....	0.....	0.....	44,785.....

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STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

**SCHEDULE D - PART 3**

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>									
116083-RP-3.....	Brownsburg IN 1999 Sch Bldg Revenue.....		05/12/2016.....	Raymond James & Associates, Inc.....	472,303	.405,000	.....1,530	.1FE	
245869-JT-0.....	Delaware Cnty OH GO.....		05/05/2016.....	Fifth Third Securities, Inc.....	233,374	.200,000	.....1,530	.1FE	
680616-D7-1.....	Oientangy Loc Sch Dist OH.....		06/10/2016.....	Fifth Third Securities, Inc.....	238,672	.200,000	.....1,530	.1FE	
720628-KM-7.....	Pierce Cnty WA Sch Dst No 416.....		06/02/2016.....	D A Davidson & Co.....	234,528	.200,000	.....1,530	.1FE	
944233-LC-7.....	Wayland MI Union SD GO.....		05/02/2016.....	Fifth Third Securities, Inc.....	248,838	.200,000	.....1,530	.1FE	
<b>2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>						1,427,715	1,205,000	1,530	XXX
<b>Bonds - U.S. Special Revenue</b>									
579160-MF-6.....	McALLEN TX Wtrwks & Swr Sys Rev.....		06/16/2016.....	Raymond James & Associates, Inc.....	349,617	.300,000	.....1,530	.1FE	
983349-HR-5.....	Wyoming MI Wtr Sply Sys Revenue.....		04/06/2016.....	Hutchinson, Shockey, Erle.....	250,852	.200,000	.....1,530	.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>						600,469	500,000	0	XXX
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>									
.00206R-DC-3.....	AT&T Inc.....		05/12/2016.....	Raymond James & Associates, Inc.....	434,996	.400,000	.....2,274	.2FE	
487836-BP-2.....	Kellogg Co Fixed Rt Sr Nt.....		05/19/2016.....	First Empire Securities Inc.....	406,840	.400,000	.....2,781	.2FE	
904311-AA-5.....	Under Armour Inc.....		06/22/2016.....	First Empire Securities Inc.....	401,080	.400,000	.....506	.1FE	
949746-RW-3.....	Wells Fargo & Co.....		04/20/2016.....	D A Davidson & Co.....	400,000	.400,000	.....100	.1FE	
<b>3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)</b>						1,642,916	1,600,000	5,661	XXX
<b>8399997 - Subtotals - Bonds - Part 3</b>						3,671,100	3,305,000	7,191	XXX
<b>8399999 - Subtotals - Bonds</b>						3,671,100	3,305,000	7,191	XXX
<b>Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)</b>									
.49456B-20-0.....	Kinder Morgan Inc Depositary Shs.....		06/28/2016.....	Harvest Investment Manager.....	.782,000	.35,820	.....50.00		
<b>8499999 - Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)</b>						35,820	XXX	0	XXX
<b>8999997 - Subtotals - Preferred Stocks - Part 3</b>						35,820	XXX	0	XXX
<b>8999999 - Subtotals - Preferred Stocks</b>						35,820	XXX	0	XXX
<b>Common Stocks - Industrial and Miscellaneous</b>									
.030975-10-6.....	Amerigas Partners LP MLP.....		05/12/2016.....	Harvest Investment Manager.....	.590,000	.25,149			L
.03673L-10-3.....	Antero Midstream Partners LP MLP.....		06/27/2016.....	Harvest Investment Manager.....	156,000	.4,023			L
.03674X-10-6.....	Antero Res Corp Com.....		06/29/2016.....	Harvest Investment Manager.....	1,433,000	.40,558			L
.03957W-10-6.....	Archrock Inc.....		06/01/2016.....	Harvest Investment Manager.....	.585,000	.4,734			L
.03957U-10-0.....	Archrock Partners LP.....		05/25/2016.....	Harvest Investment Manager.....	.13,000	.180			L
.096627-10-4.....	Boardwalk Pipeline Partners LP.....		06/07/2016.....	Harvest Investment Manager.....	.869,000	.14,704			L
.118230-10-1.....	Buckeye Partners LP MLP.....		06/08/2016.....	Harvest Investment Manager.....	.157,000	.11,505			L
.16411R-20-8.....	Cheniere Energy Inc Com.....		06/27/2016.....	Harvest Investment Manager.....	.308,000	.10,603			L
.16411W-10-8.....	Cheniere Energy Partners Higs LLC.....		06/03/2016.....	Harvest Investment Manager.....	.1,000	.20			L
.164110-10-1.....	Cheniere Energy Partners LP.....		06/01/2016.....	Harvest Investment Manager.....	.80,000	.2,344			L
.198281-10-7.....	Columbia Pipeline Partners MLP LP.....		06/03/2016.....	Harvest Investment Manager.....	.52,000	.775			L
.22758A-10-5.....	CrossAmerica Partners LP Unit Ltd.....		06/01/2016.....	Harvest Investment Manager.....	.61,000	.1,420			L
.23311P-10-0.....	DCP Midstream Partners LP.....		04/20/2016.....	Harvest Investment Manager.....	.163,000	.5,096			L
.257454-10-8.....	Dominion Midstream Partners MLP.....		06/27/2016.....	Harvest Investment Manager.....	.2,000	.53			L
.25746U-10-9.....	Dominion Res Inc VA New Com.....		06/01/2016.....	Harvest Investment Manager.....	.12,000	.858			L
.292480-10-0.....	Enable Midstream Partners LP MLP.....		05/25/2016.....	Harvest Investment Manager.....	.679,000	.8,211			L
.292500-10-6.....	Enbridge Energy Partners LP MLP.....		06/27/2016.....	Harvest Investment Manager.....	1,214,000	.26,489			L
.29273V-10-0.....	Energy Transfer Equity LP MLP.....		06/27/2016.....	Harvest Investment Manager.....	2,468,000	.33,157			L
.29273R-10-9.....	Energy Transfer Partners LP MLP.....		06/28/2016.....	Harvest Investment Manager.....	1,720,000	.67,004			L
.29336U-10-7.....	EnLink Midstream Partners LP MLP.....		06/27/2016.....	Harvest Investment Manager.....	.302,000	.4,920			L
.293792-10-7.....	Enterprise Prods Partners LP MLP.....		06/27/2016.....	Harvest Investment Manager.....	.300,000	.8,323			L
.26885B-10-0.....	EOT Midstream Partners LP.....		06/01/2016.....	Harvest Investment Manager.....	.27,000	.2,058			L
.371927-10-4.....	Genesis Energy LP MLP.....		06/03/2016.....	Harvest Investment Manager.....	1,100,000	.37,756			L
.49456B-10-1.....	Kinder Morgan Inc Del Comm.....		06/27/2016.....	Harvest Investment Manager.....	1,487,000	.27,595			L
.501797-10-4.....	L BRANDS NC COM.....		04/25/2016.....	Northern Trust.....	1,540,000	.120,000			L
.559080-10-6.....	Magellan Midstream Partners LP MLP.....		05/25/2016.....	Harvest Investment Manager.....	.10,000	.707			L
.55336V-10-0.....	MPLX LP Com MLP.....		05/25/2016.....	Harvest Investment Manager.....	.19,000	.633			L
.62913M-10-7.....	NGL Energy Partners LP.....		06/28/2016.....	Harvest Investment Manager.....	.686,000	.10,089			L
.67058H-10-2.....	Nustar Energy LP MLP.....		06/27/2016.....	Harvest Investment Manager.....	.458,000	.22,475			L
.68268N-10-3.....	Oneok Partners LP MLP.....		06/27/2016.....	Harvest Investment Manager.....	.154,000	.6,023			L
.709311-10-4.....	Pennext Midstream Partners MLP.....		05/12/2016.....	Harvest Investment Manager.....	.276,000	.3,316			L
.726503-10-5.....	Plains All American Pipeline LP.....		06/01/2016.....	Harvest Investment Manager.....	.46,000	.1,078			L
.72651A-10-8.....	Plains GP Hldgs LP CL A MLP.....		06/28/2016.....	Harvest Investment Manager.....	1,707,000	.16,903			L

STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

**SCHEDULE D - PART 3**

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator <sup>(a)</sup>
.762760-10-6.	Rice Energy Inc.		06/27/2016	Harvest Investment Manager	2,774,000	48,618			
.762819-10-0.	Rice Midstream Partners LP MLP		06/27/2016	Harvest Investment Manager	459,000	8,515			U
81663A-10-5.	Semgroup Corp CL A		06/27/2016	Harvest Investment Manager	76,000	2,331			
822634-10-1.	Shell Midstream PA MLP		05/25/2016	Harvest Investment Manager	8,000	267			
82481R-10-6.	Shire plc		06/03/2016	Stock Merger	592,800	26,418			
847560-10-9.	Spectra Energy Corp		06/01/2016	Harvest Investment Manager	12,000	.384			
849343-10-8.	Sprague Resources LP MLP		06/14/2016	Harvest Investment Manager	231,000	5,439			
866142-10-2.	Summit Midstream Partners LP		06/14/2016	Harvest Investment Manager	42,000	.905			
86764L-10-8.	Sunoco Logistics Partners LP MLP		06/29/2016	Harvest Investment Manager	563,000	15,620			
88160T-10-7.	Tesoro Logistics LP MLP		05/25/2016	Harvest Investment Manager	5,000	.240			
89353D-10-7.	Transcanada Corp	U	06/27/2016	Harvest Investment Manager	710,000	29,431			
91914J-10-2.	Valero Energy Partners LP MLP		06/27/2016	Harvest Investment Manager	2,000	.88			
254687-10-6.	Walt Disney Co		06/15/2016	Northern Trust	1,214,000	119,967			
949746-10-1.	Wells Fargo & Company		05/18/2016	Northern Trust	2,486,000	120,001			
959310-20-5.	Western Refining Logistics LP		05/25/2016	Harvest Investment Manager	6,000	.134			
960417-10-3.	Westlake Chemical Partners LP MLP		06/01/2016	Harvest Investment Manager	302,000	6,602			
969457-10-0.	Williams Co Inc		05/26/2016	Harvest Investment Manager	2,889,000	60,681			
96949L-10-5.	Williams Partners LP MLP NEW		06/29/2016	Harvest Investment Manager	1,430,000	41,959			
9099999 - Common Stocks - Industrial and Miscellaneous (Unaffiliated)						1,006,358	XXX	0	XXX
<b>Common Stocks - Mutual Funds</b>									
256206-10-3.....	Dodge & Cox Intl Stk FD	R	04/28/2016	Northern Trust	10,920,010	400,000			U
9299999 - Common Stocks - Mutual Funds						400,000	XXX	0	XXX
9799997 - Subtotals - Common Stocks - Part 3						1,406,358	XXX	0	XXX
9799999 - Subtotals - Common Stocks						1,406,358	XXX	0	XXX
9899999 - Subtotals- Preferred and Common Stocks						1,442,178	XXX	0	XXX
9999999 Totals						5,113,278	XXX	7,191	XXX

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

**STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY**

**SCHEDULE D - PART 4**

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

1 CUSIP Identifi- cation	2 Description	3 For- eign	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Design- ation or Market Indicator (a)		
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.									
<b>Bonds - U.S. Governments</b>																							
30250R-AA-2...	FDIC 2010-R1 TR CTF CI 1-A 144A		06/27/2016	PRINCIPAL RECEIPT			37,642	37,642	37,642				0			37,642			0		339	05/25/2050	1
36295P-6H-0...	GNMA Pool #6768/2...		06/15/2016	PRINCIPAL RECEIPT			3,084	3,084	3,111	3,102		(17)		(17)		3,084			0		58	03/15/2023	1
83162C-VD-2...	SBA SBAP 2012-20K CL 1 CMO		05/02/2016	PRINCIPAL RECEIPT			17,539	17,539	17,692	17,679		(140)		(140)		17,539			0		191	11/01/2032	1
83162C-PP-2...	U S Small Business Admin- DCPC CMO		06/01/2016	PRINCIPAL RECEIPT			17,000	17,000	17,255	17,184		(184)		(184)		17,000			0		388	06/01/2025	1
912828-FF-2...	U S Treasury Note		05/16/2016	MATURITY			400,000	400,000	399,000	399,953		47		47		400,000			0		10,250	05/15/2016	1
912828-KZ-2...	U S Treasury Note		06/30/2016	MATURITY			400,000	400,000	419,948	402,003		(2,003)		(2,003)		400,000			0		6,500	06/30/2016	1
0599999 - Bonds - U.S. Governments							875,265	875,265	894,649	877,562	0	(2,297)	0	(2,297)	0	875,265	0	0	0		17,726	XXX	XXX
<b>Bonds - U.S. States, Territories and Possessions</b>																							
56052A-SE-7...	Maine ST FSA		06/15/2016	MATURITY			300,000	300,000	305,133	300,288		(288)		(288)		300,000			0		6,375	06/19/2016	1FE
1799999 - Bonds - U.S. States, Territories and Possessions							300,000	300,000	305,133	300,288	0	(288)	0	(288)	0	300,000	0	0	0		6,375	XXX	XXX
<b>Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>																							
899645-QS-7...	Tulsa OK		05/02/2016	CALLED @ 102,0000000			408,000	400,000	398,236	399,385		59		59		399,444			8,556	8,556	8,000	05/01/2019	1FE
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions							408,000	400,000	398,236	399,385	0	59	0	59	0	399,444	0	8,556	8,556	8,000	XXX	XXX	
<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>																							
3128W1-LA-5...	FHLMC (Gold) Pool #G12221		06/15/2016	PRINCIPAL RECEIPT			2,558	2,558	2,558	2,558		0		0		2,558			0		58	06/01/2021	1
31335H-5P-4...	FHLMC (Gold) Pool #C90854		06/15/2016	PRINCIPAL RECEIPT			2,207	2,207	2,214	2,212		(5)		(5)		2,207			0		51	09/01/2024	1
31294K-K3-5...	FHLMC (Gold) Pool #E01216		06/15/2016	PRINCIPAL RECEIPT			2,338	2,338	2,355	2,337		0		0		2,338			0		54	10/01/2017	1
3128W1-PA-1...	FHLMC (Gold) Pool #G12317		06/15/2016	PRINCIPAL RECEIPT			2,207	2,207	2,207	2,207		0		0		2,207			0		50	08/01/2021	1
3128W0-N9-4...	FHLMC (Gold) Pool #J19416		06/15/2016	PRINCIPAL RECEIPT			18,775	18,775	19,292	19,239		(464)		(464)		18,775			0		233	06/01/2027	1
3137AP-BD-1...	FHLMC CMO 4033 EB		06/15/2016	PRINCIPAL RECEIPT			12,121	12,121	12,090	12,094		26		26		12,121			0		99	10/15/2036	1
31326F-Y9-3...	FHLMC Pool #281636		06/15/2016	PRINCIPAL RECEIPT			12,512	12,512	12,230	12,240		272		272		12,512			0		124	08/01/2043	1
3128S2-QQ-7...	FHLMC Pool #G161363, FNMA Gtd Mtg Pool		06/15/2016	PRINCIPAL RECEIPT			19,095	19,095	19,978	19,959		(864)		(864)		19,095			0		260	09/01/2042	1
31371L-JU-4...	#255075		06/25/2016	PRINCIPAL RECEIPT			3,719	3,719	3,718	3,715		4		4		3,719			0		82	02/01/2024	1
31402R-GM-5...	FNMA Pool #735604, FNMA CMO FNR 2011-117 CL		06/27/2016	PRINCIPAL RECEIPT			4,659	4,659	4,674	4,660		(1)		(1)		4,659			0		98	06/01/2020	1
3136A1-4P-7...	MA		06/27/2016	PRINCIPAL RECEIPT			11,734	11,734	11,764	11,763		(29)		(29)		11,734			0		98	08/25/2040	1
3136A2-VK-6...	FNMA CMO TR-2011-126		06/27/2016	PRINCIPAL RECEIPT			15,233	15,233	15,233	15,225		7		7		15,233			0		151	06/25/2040	1
31381P-C9-7...	FNMA DUS Pool #466396		06/27/2016	PRINCIPAL RECEIPT			1,363	1,363	1,365	1,364		(1)		(1)		1,363			0		20	11/01/2020	1
31371L-XW-4...	FNMA Gtd Mtg Pool #A25549		06/27/2016	PRINCIPAL RECEIPT			4,026	4,026	4,003	4,005		20		20		4,026			0		94	10/01/2024	1
31416X-HY-9...	FNMA Gtd Mtg Pool #A82046		06/27/2016	PRINCIPAL RECEIPT			13,518	13,518	13,290	13,320		199		199		13,518			0		176	01/01/2026	1
31418A-LY-2...	FNMA Gtd Mtg Pool #MA1242		06/27/2016	PRINCIPAL RECEIPT			15,539	15,539	16,238	16,241		(702)		(702)		15,539			0		214	11/01/2042	1
31418A-V5-3...	FNMA Gtd Mtg Pool #MA1535		06/27/2016	PRINCIPAL RECEIPT			15,435	15,435	15,426	15,445		(9)		(9)		15,435			0		130	08/01/2023	1
31418A-WS-3...	FNMA Gtd Mtg Pool #MA1556		06/27/2016	PRINCIPAL RECEIPT			10,919	10,919	10,837	10,863		55		55		10,919			0		114	08/01/2028	1
31371K-2X-8...	FNMA Pool #254690		06/27/2016	PRINCIPAL RECEIPT			1,873	1,873	1,860	1,862		11		11		1,873			0		43	04/01/2023	1
31385W-SB-6...	FNMA Pool #555014, FNMA REMIC Ser 2011-M8 CL		06/27/2016	PRINCIPAL RECEIPT			2,320	2,320	2,341	2,319		1		1		2,320			0		53	11/01/2017	1
3136A1-6Y-6...	AB		06/27/2016	PRINCIPAL RECEIPT			28,304	28,304	29,136	28,826		(52)		(52)		28,304			0		472	08/25/2021	1
3136AE-24-2...	FNMA TR 2013-70 CL-VA		06/27/2016	PRINCIPAL RECEIPT			10,311	10,311	10,839	10,809		(494)		(494)		10,311			0		129	08/25/2026	1
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions							210,764	210,764	213,647	213,259	0	(2,495)	0	(2,495)	0	210,764	0	0	0		2,805	XXX	XXX
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>																							
921813-AA-9...	Vanderbilt University		04/29/2016	CALLED @ 110,8656500			665,194	600,000	604,200	601,595		(149)		(149)		601,445			63,749	63,749	18,200	04/01/2019	1FE
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)							665,194	600,000	604,200	601,595	0	(149)	0	(149)	0	601,445	0	63,749	63,749	18,200	XXX	XXX	
8399997 - Subtotals - Bonds - Part 4							2,459,223	2,386,029	2,415,865														

**STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY**

**SCHEDULE D - PART 4**

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

1 CUSIP Ident- ification	2 Description	3 For- eign	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Design- ation or Market Indicator (a)			
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B.A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B.A.C.V.										
16411W-10-8..	Cheniere Energy Partners Hlds LLC.....		06/01/2016..	Harvest Investment Manager.....	19,000	378	XXX.....	335					0		335		43		43		XXX..	L		
198280-10-9..	Columbia Pipeline Group Inc.....		04/25/2016..	Harvest Investment Manager.....	209,000	5,341	XXX.....	3,680					0		3,680		1,661		1,661		XXX..	L		
198281-10-7..	Columbia Pipeline Partners MLP Unit Ltd.....		06/01/2016..	Harvest Investment Manager.....	40,000	589	XXX.....	699	699			0		699		(111)		(111)		15	XXX..	L		
22758A-10-5..	CrossAmerica Partners LP.....		05/11/2016..	Harvest Investment Manager.....	86,000	2,001	XXX.....	2,229	2,229			0		2,229		(228)		(228)		51	XXX..	L		
23311P-10-0..	DCP Midstream Partners LP.....		06/29/2016..	Harvest Investment Manager.....	155,000	5,490	XXX.....	4,855					0		4,855		635		635		121	XXX..	L	
25745A-10-8..	Dominion Partners MLP.....		06/15/2016..	Harvest Investment Manager.....	51,000	1,401	XXX.....	1,564					0		1,564		(162)		(162)		22	XXX..	L	
25746U-10-9..	Dominion Res Inc VA New Com.....		06/02/2016..	Harvest Investment Manager.....	12,000	855	XXX.....	858					0		858		(3)		(3)		8	XXX..	L	
292480-10-0..	Enable Midstream Partners LP MLP.....		06/30/2016..	Harvest Investment Manager.....	254,000	3,633	XXX.....	3,163					0		3,163		471		471		XXX..	L		
29250R-10-6..	Enbridge Energy Partners LP MLP.....		06/01/2016..	Harvest Investment Manager.....	53,000	1,165	XXX.....	1,223					0		1,223		(58)		(58)		62	XXX..	L	
29273V-10-0..	Energy Transfer Equity LP MLP.....		05/12/2016..	Harvest Investment Manager.....	369,000	4,316	XXX.....	5,070	5,070			0		5,070		(754)		(754)		139	XXX..	L		
29273R-10-9..	Energy Transfer Partners LP MLP.....		04/25/2016..	Harvest Investment Manager.....	90,000	3,208	XXX.....	3,036	3,036			0		3,036		173		173		95	XXX..	L		
29336U-10-7..	EnLink Midstream Partners LP MLP.....		06/01/2016..	Harvest Investment Manager.....	130,000	2,065	XXX.....	2,155	2,155			0		2,155		(91)		(91)		101	XXX..	L		
293792-10-7..	Enterprise Prods Partners LP MLP.....		06/01/2016..	Harvest Investment Manager.....	1,582,000	43,602	XXX.....	40,598	38,933			0		40,598		3,004		3,004		1,195	XXX..	L		
30231G-10-2..	Exxon Mobil Corp.....		06/27/2016..	Stock Donation.....	223,000	19,816	XXX.....	704	17,383			(16,679)		(16,679)		704		19,112		330	XXX..	L		
371927-10-4..	Genesis Energy LP MLP.....		06/01/2016..	Harvest Investment Manager.....	1,680,000	49,816	XXX.....	45,790					0		45,790		4,026		4,026		XXX..	L		
435763-10-7..	Holly Energy Partners LP.....		06/01/2016..	Harvest Investment Manager.....	130,000	4,320	XXX.....	4,048					0		4,048		272		272		148	XXX..	L	
49456B-10-1..	Kinder Morgan Inc Del Com.....		04/20/2016..	Harvest Investment Manager.....	472,000	8,954	XXX.....	7,272	3,864			0		7,272		1,682		1,682		52	XXX..	L		
55608B-10-5..	Macquarie Infrastructure Co LLC.....		06/01/2016..	Harvest Investment Manager.....	30,000	2,153	XXX.....	2,178	2,178			0		2,178		(25)		(25)		71	XXX..	L		
559080-10-6..	Magellan Midstream Partners LP MLP.....		06/30/2016..	Harvest Investment Manager.....	829,000	58,765	XXX.....	56,334	55,626			0		56,334		2,432		2,432		1,279	XXX..	L		
55336V-10-0..	MPLX LP Com MLP.....		06/01/2016..	Harvest Investment Manager.....	55,000	1,781	XXX.....	2,163	2,163			0		2,163		(382)		(382)		52	XXX..	L		
62913M-10-7..	NGL Energy Partners LP.....		06/01/2016..	Harvest Investment Manager.....	186,000	2,807	XXX.....	2,656					0		2,656		151		151		73	XXX..	L	
66582G-10-3..	Northern Tier Energy LP MLP.....		04/18/2016..	Harvest Investment Manager.....	420,000	9,614	XXX.....	10,074	10,861			(787)		(787)		10,074		(460)		(460)		160	XXX..	L
68268G-10-3..	Oneok Inc Com Stk.....		04/18/2016..	Harvest Investment Manager.....	211,000	6,694	XXX.....	4,615					0		4,615		2,078		2,078		XXX..	L		
68268N-10-3..	Oneok Partners LP MLP.....		06/30/2016..	Harvest Investment Manager.....	43,000	1,718	XXX.....	1,690	60				0		1,690		28		28		2	XXX..	L	
69318G-10-4..	PFB Logistics LP MLP.....		06/01/2016..	Harvest Investment Manager.....	80,000	1,747	XXX.....	1,709					0		1,709		38		38		66	XXX..	L	
709311-10-4..	Pennex Midstream Partners MLP.....		05/19/2016..	Harvest Investment Manager.....	276,000	3,953	XXX.....	3,316					0		3,316		637		637		XXX..	L		
718546-10-4..	Phillips 66 Com Stk.....		06/01/2016..	Harvest Investment Manager.....	30,000	2,401	XXX.....	2,569					0		2,569		(168)		(168)		19	XXX..	L	
726503-10-5..	Plains All American Pipeline LP.....		06/28/2016..	Harvest Investment Manager.....	68,000	1,728	XXX.....	1,586	508					0		1,586		142		142		18	XXX..	L
72651A-10-8..	Plains GP Hldgs LP CL A MLP.....		05/04/2016..	Harvest Investment Manager.....	92,000	.810	XXX.....	.869	.869			0		.869		(59)		(59)		35	XXX..	L		
762760-10-6..	Rice Energy Inc.....		06/29/2016..	Harvest Investment Manager.....	256,000	5,842	XXX.....	5,167					0		5,167		675		675		XXX..	L		
762819-10-0..	Rice Midstream Partners LP MLP.....		06/01/2016..	Harvest Investment Manager.....	208,000	3,790	XXX.....	2,857	1,255			0		2,857		933		933		60	XXX..	L		
81663A-10-5..	Semgroup Corp CL A.....		06/01/2016..	Harvest Investment Manager.....	67,000	2,152	XXX.....	1,290					0		1,290		862		862		30	XXX..	L	
822634-10-1..	Shell Midstream PA MLP.....		06/01/2016..	Harvest Investment Manager.....	176,000	5,950	XXX.....	6,437	7,308			(871)		6,437		(486)		(486)		80	XXX..	L		
82481R-10-6..	Shire plc.....		06/15/2016..	Northern Trust.....	592,000	.101,394	XXX.....	26,382					0		26,382		75,012		75,012		XXX..	L		
847560-10-9..	Spectra Energy Corp.....		06/02/2016..	Harvest Investment Manager.....	12,000	.385	XXX.....	.384					0		.384		1		1		XXX..	L		
849343-10-8..	Sprague Resources LP MLP.....		06/01/2016..	Harvest Investment Manager.....	301,000	6,240	XXX.....	6,172	5,466			0		6,172		.68		.68		140	XXX..	L		
86448Z-10-4..	Suburban Propane Partners LP.....		04/20/2016..	Harvest Investment Manager.....	236,000	7,233	XXX.....	6,264					0		6,264		969		969		XXX..	L		
866142-10-2..	Summit Midstream Partners LP.....		06/01/2016..	Harvest Investment Manager.....	143,000	2,977	XXX.....	2,763	2,173			0		2,763		215		215		133	XXX..	L		
874697-10-5..	Talgrass Energy partners LP MLP.....		06/01/2016..	Harvest Investment Manager.....	53,000	2,396	XXX.....	2,184	2,184			0		2,184		211		211		71	XXX..	L		
87612G-10-1..	Targa Resources Corp.....		06/01/2016..	Harvest Investment Manager.....	81,000	3,550	XXX.....	2,160					0		2,160		1,390		1,390		74	XXX..	L	
Y8564M-10-5..	Teekay Long Partners LP MLP.....		04/18/2016..	Harvest Investment Manager.....	1,448,000	18,988	XXX.....	18,999	19,041			(42)		18,999		(11)		(11)		203	XXX..	L		
88160T-10-7..	Tesoro Logistics LP MLP.....		06/01/2016..	Harvest Investment Manager.....	77,000	3,827	XXX.....	3,875	3,875			0		3,875		(48)		(48)		117	XXX..	L		

**STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY**

## **SCHEDULE D - PART 4**

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

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

E05.2

Schedule DB - Part A - Section 1

**NONE**

Schedule DB - Part B - Section 1

**NONE**

Schedule DB - Part D - Section 1

**NONE**

Schedule DB - Part D - Section 2

**NONE**

Schedule DL - Part 1

**NONE**

Schedule DL - Part 2

**NONE**

STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY

**SCHEDULE E - PART 1 - CASH**

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
Open Depositories								
Fifth Third Bank.....Cincinnati, OH.....					6,310,855	9,438,854	4,575,728	XXX
First Merit Bank.....Akron, OH.....					(1,621,246)	(1,515,031)	(1,399,116)	XXX
First Merit Bank.....Akron, OH.....					4,647	(8,733)	(87,308)	XXX
First Merit Bank.....Akron, OH.....					65,742	70,797	71,842	XXX
J P Morgan Chase.....New York, NY.....					(25,488,057)	(25,733,754)	(26,452,907)	XXX
J P Morgan Chase.....New York, NY.....	1.640		1,752	348	2,119,387	2,119,744	2,119,744	XXX
Northern Trust.....Chicago, IL.....					(66,775)	10,476	10,646	XXX
0199998 Deposits in ..... depositories that do not exceed the allowable limit in any one depository (See Instructions) - Open Depositories	XXX	XXX						XXX
0199999 Total Open Depositories	XXX	XXX	1,752	348	(18,675,447)	(15,617,647)	(21,161,371)	XXX
0399999 Total Cash on Deposit	XXX	XXX	1,752	348	(18,675,447)	(15,617,647)	(21,161,371)	XXX
0499999 Cash in Company's Office	XXX	XXX	XXX	XXX				XXX
<b>0599999 Total</b>	<b>XXX</b>	<b>XXX</b>	<b>1,752</b>	<b>348</b>	<b>(18,675,447)</b>	<b>(15,617,647)</b>	<b>(21,161,371)</b>	<b>XXX</b>

**STATEMENT AS OF JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY**

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

Show Investments Owned End of Current Quarter							
1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year

**NONE**

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**SUPPLEMENT FOR THE QUARTER ENDING JUNE 30, 2016 OF THE WESTERN RESERVE MUTUAL CASUALTY COMPANY**

**DIRECTOR AND OFFICER INSURANCE COVERAGE SUPPLEMENT**

Year To Date For The Period Ended 2016

NAIC Group Code 0207

NAIC Company Code 26131

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

1. Monoline Policies

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

2. Commercial Multiple Peril (CMP) Packaged Policies

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

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

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

2.31 Amount quantified: \$ ..... 2,475

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