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Form 990

Return of Organization Exempt From Income Tax

OMB No 1545-0047

2009

Open to Public
InspectionDepartment of the Treasury
Internal Revenue ServiceUnder section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung
benefit trust or private foundation)

► The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2009 calendar year, or tax year beginning , 2009 , and ending , 20

B Check if applicable	C Name of organization Rice County Mutual Insurance Company		D Employer identification number 41-0502642
<input type="checkbox"/> Address change	Doing Business As		E Telephone number (507) 334-8145
<input type="checkbox"/> Name change	Number and street (or P O box if mail is not delivered to street address)		Room/suite
<input type="checkbox"/> Initial return	23 Third Street Northwest,		
<input type="checkbox"/> Termination	City or town, state or country, and ZIP + 4		
<input type="checkbox"/> Amended return	Faribault MN 55021-5117		G Gross receipts \$ 641,829
<input type="checkbox"/> Application pending	F Name and address of principal officer Howard Schoenfeld 5811 NW 86th Street, Faribault MN 55021		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
I Tax-exempt status <input checked="" type="checkbox"/> 501(c) (15) (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No
If "No," attach a list. (see instructions)			
J Website: ► None	H(c) Group Exemption Number ►		
K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ►	L Year of formation 1895	M State of legal domicile MN	

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities The organization writes fire and additional lines insurance coverages and pays claims on covered policyholder losses per IRC Section 501(c) (15)		
	2 Check this box ► <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets	3	5
	3 Number of voting members of the governing body (Part VI, line 1a)	4	4
	4 Number of independent voting members of the governing body (Part VI, line 1b)	5	1
	5 Total number of employees (Part V, line 2a)	6	0
	6 Total number of volunteers (estimate if necessary)	7a	0
	7 a Total gross unrelated business revenue from Part VIII, column (C), line 12	7b	0
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	
	9 Program service revenue (Part VIII, line 2g)	0	Current Year
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	406,369	342,330
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	115,247	123,695
	12 Total revenue--add lines 8 through 11 (must equal Part VIII, column (A), line 12)	521,616	466,025
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0	0
	14 Benefits paid to or for members (Part IX, column (A), line 4)	177,156	20,287
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	34,913	68,647
	16 a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25)	159,049	128,325
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	371,118	217,259
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	150,498	248,766
Net Assets or Fund Balances	19 Revenue less expenses Subtract line 18 from line 12	IRS-OSO APR 02 2010	
	20 Total assets (Part X, line 16)	2,457,794	Beginning of Current Year
	21 Total liabilities (Part X, line 26)	216,969	End of Year
	22 Net assets or fund balances Subtract line 21 from line 20	2,240,825	2,679,585
		216,222	
		2,503,363	

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign
Here

Donald O'Neil

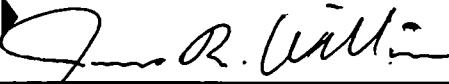
1-3-24-10

Signature of officer

Date

DONALD O'NEIL MGR+TREAS

Type or print name and title

Paid Preparer's Use Only	Preparer's signature 	Date 3/8/2010	Check if self- employed <input type="checkbox"/>	Preparer's identifying number (see instructions) P00737655
	Firm's name (or yours if self-employed), address, and ZIP + 4 401 Sherman St, PO Box 1879, N Mankato, MN 56002-1879	Jim Barta CPA 401 Sherman St, PO Box 1879, N Mankato, MN 56002-1879	EIN 20-1991134	
			Phone no (507) 625-4245	

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Cat. No 11282Y

Form 990 (2009)

9

Part III Statement of Program Service Accomplishments1 Briefly describe the organization's mission

The Company provides fire and additional lines insurance coverages to policyholders/members and pays claims on covered policyholder losses.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No
If "Yes," describe these changes on Schedule O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4 a (Code _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____ 466,025)

We have provided property insurance for our members per section 501(c)(15).

Number of Members: 649

Insurance in Force: 257,448,808

4 b (Code _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4 c (Code _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4 d Other program services. (Describe in Schedule O.)

(Expenses \$ _____ including grants of \$ _____)

) (Revenue \$ _____)

4 e Total program service expenses ► 128,325

Part IV Checklist of Required Schedules

1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A

2 Is the organization required to complete Schedule B, Schedule of Contributors?

3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I

4 **Section 501(c)(3) organizations.** Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II

5 **Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.** Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III

6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I

7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II

8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III

9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV

10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V

11 Is the organization's answer to any of the following questions "Yes"? If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable

- Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI
- Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII.
- Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII
- Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX
- Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.
- Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? If "Yes," complete Schedule D, Part X.

12 Did the organization obtain a separate, independent audited financial statement for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII.

12 A Was the organization included in a consolidated, independent audited financial statement for the tax year? If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional.

13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E

14 a Did the organization maintain an office, employees, or agents outside of the United States?

 b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Part I

15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II

16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III

17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I

18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II

19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III

20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H

	Yes	No
1	X	
2	X	
3	X	
4	X	
5	X	
6	X	
7	X	
8	X	
9	X	
10	X	
11	X	
12	X	
13	X	
14a	X	
14b	X	
15	X	
16	X	
17	X	
18	X	
19	X	
20	X	

Part IV Checklist of Required Schedules (continued)

		Yes	No
21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	X
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23	X
24 a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to question 25	24a	X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	N/A
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	N/A
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	N/A
25 a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a	N/A
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b	N/A
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26	X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III	27	X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)	28a	X
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b	X
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28c	X
c	An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	29	X
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	30	X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	31	X
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	32	X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	33	X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I	34	X
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	35	X
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	36	X
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	37	X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	38	X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O.		

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1 a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns Enter -0- if not applicable	1a 1b	3 0
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	X
2 a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements filed for the calendar year ending with or within the year covered by this return	2a	1
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <i>Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)</i>		
3 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	X
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.	3b	N/A
4 a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	X
b	If "Yes," enter the name of the foreign country ► See the instructions for exceptions and filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts		
5 a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c	N/A
6 a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	N/A
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	N/A
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d	
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	X
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g	N/A
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h	N/A
8	Sponsoring organization maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8	N/A
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?	9a	X
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b	X
10	Section 501(c)(7) organizations. Enter		
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12 a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	N/A
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b	

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Section A. Governing Body and Management

		Yes	No
1 a	Enter the number of voting members of the governing body	1a 5	
b	Enter the number of voting members that are independent	1b 4	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	X
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4	X
5	Did the organization become aware during the year of a material diversion of the organization's assets?	5	X
6	Does the organization have members or stockholders?	6	X
7 a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a X	
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b	X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
a	The governing body?	8a X	
b	Each committee with authority to act on behalf of the governing body?	8b X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9a	X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code)

		Yes	No
10 a	Does the organization have local chapters, branches, or affiliates?	10a	X
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b N/A	
11	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11	X
11 A	Describe in Schedule O the process, if any, used by the organization to review this Form 990		
12 a	Does the organization have a written conflict of interest policy? If "No," go to line 13	12a	X
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b N/A	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done.	12c N/A	
13	Does the organization have a written whistleblower policy?	13	X
14	Does the organization have a written document retention and destruction policy?	14	X
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision		
a	The organization's CEO, Executive Director, or top management official	15a X	
b	Other officers or key employees of the organization	15b X	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions.)		
16 a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	X
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b N/A	

Section C. Disclosure

17	List the states with which a copy of this Form 990 is required to be filed. ►	None
18	Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available Check all that apply	
	<input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request	
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public	
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization. ► Donald O'Neil-23 Third Street Northwest, Faribault MN 55021-5117	

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)**

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization ►

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual	3	X
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual.	4	X
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for such person	5	X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization

Compensation from the organization		
(A) Name and business address	(B) Description of services	(C) Compensation
None		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100 000 in compensation from the organization ►

Part VIII Statement of Revenue

		(A) Total Revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts					
1 a Federated campaigns	1a				
b Membership dues	1b				
c Fundraising events	1c				
d Related organizations	1d				
e Government grants (contributions)	1e				
f All other contributions, gifts, grants, and similar amounts not included above	1f				
g Noncash contributions included in lines 1a-1f \$					
h Total. Add lines 1a-1f	►	0			
Program Service Revenue		Business Code			
2 a Premium Income		524126	342,330	\$ 342,330	
b			0		
c			0		
d			0		
e			0		
f All other program service revenue .			0		
g Total. Add lines 2a-2f	►	342,330			
3 Investment income (including dividends, interest and other similar amounts)			113,484	113,484	
4 Income from investment of tax-exempt bond proceeds			0		
5 Royalties			0		
6 a Gross Rents	(i) Real	(ii) Personal			
b Less: rental expenses					
c Rental income or (loss)					
d Net rental income or (loss)		►	0		
7 a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other			
b Less cost or other basis and sales expenses	165,593				
c Gain or (loss)	175,804				
d Net gain or (loss)	10,211		►	10,211	
8 a Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18 a					
b Less direct expenses b					
c Net income or (loss) from fundraising events	►	0			
9 a Gross income from gaming activities. See Part IV, line 19 a					
b Less direct expenses b					
c Net income or (loss) from gaming activities	►	0			
10 a Gross sales of inventory, less returns and allowances a					
b Less cost of goods sold b					
c Net income or (loss) from sales of inventory	►	0			
Miscellaneous Revenue		Business Code			
11 a			0		
b			0		
c			0		
d All other revenue			0		
e Total. Add lines 11a-11d	►	0			
12 Total Revenue. See instructions.	►	466,025	455,814	0	0

Part IX Statement of Functional Expenses**Section 501(c)(3) and 501(c)(4) organization must complete all columns.****All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).**

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U S See Part IV, line 21 .				
2 Grants and other assistance to individuals in the U S See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4 Benefits paid to or for members	20,287			
5 Compensation of current officers, directors, trustees, and key employees	55,916			
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	11,400			
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits	0			
10 Payroll taxes	1,331			
11 Fees for services (non-employees)				
a Management				
b Legal				
c Accounting	6,332			
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other				
12 Advertising and promotion	2,033			
13 Office expenses	9,537			
14 Information technology				
15 Royalties				
16 Occupancy	5,886			
17 Travel	637			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	2,203			
20 Interest	0			
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	74			
23 Insurance	4,382			
24 Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a State Taxes & Fees	4,218			
b Commissions	15,102			
c Adjusting and Inspecting	68			
d Reinsurance Premium	77,853			
e Real Estate Expense	0			
f All other expenses				
25 Total functional expenses. Add lines 1 through 24f	217,259			
26 Joint Costs. Check here ► <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year	(B) End of year
Assets	1 Cash—non-interest-bearing	29,822	1 25,960
	2 Savings and temporary cash investments	32,938	2 33,751
	3 Pledges and grants receivable, net		3
	4 Accounts receivable, net		4
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		5
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L		6
	7 Notes and loans receivable, net		7
	8 Inventories for sale or use		8
	9 Prepaid expenses and deferred charges		9
	10 a Land, buildings, and equipment: cost or 10a other basis Complete Part VI of Schedule D		
	b Less: accumulated depreciation 10b	0	10c 0
	11 Investments—publicly traded securities	2,368,179	11 2,596,569
	12 Investments—other securities. See Part IV, line 11		12
	13 Investments—program-related. See Part IV, line 11		13
	14 Intangible assets		14
	15 Other assets See Part IV, line 11	26,854	15 23,305
	16 Total assets. Add lines 1 through 15 (must equal line 34)	2,457,793	16 2,679,585
Liabilities	17 Accounts payable and accrued expenses	2,256	17 2,525
	18 Grants payable		18
	19 Deferred revenue		19
	20 Tax-exempt bond liabilities		20
	21 Escrow or custodial account liability Complete Part IV of Schedule D		21
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22
	23 Secured mortgages and notes payable to unrelated third parties		23
	24 Unsecured notes and loans payable to unrelated third parties		24
	25 Other liabilities. Complete Part X of Schedule D	214,712	25 173,697
	26 Total liabilities. Add lines 17 through 25	216,968	26 176,222
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.		
	27 Unrestricted net assets		27
	28 Temporarily restricted net assets		28
	29 Permanently restricted net assets		29
	Organizations that do not follow SFAS 117, check here ► <input checked="" type="checkbox"/> and complete lines 30 through 34.		
	30 Capital stock or trust principal, or current funds		30
	31 Paid-in or capital surplus, or land, building, or equipment fund		31
	32 Retained earnings, endowment, accumulated income, or other funds	2,240,825	32 2,503,363
	33 Total net assets or fund balances	2,240,825	33 2,503,363
	34 Total liabilities and net assets/fund balances	2,457,793	34 2,679,585

Part XI Financial Statements and Reporting

1 Accounting method used to prepare the Form 990 Cash Accrual Other _____
 If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.

2 a Were the organization's financial statements compiled or reviewed by an independent accountant?
 b Were the organization's financial statements audited by an independent accountant?
 c If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? . . .
 If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O

d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both
 Separate basis Consolidated basis Both consolidated and separate basis

3 a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
 b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a	X	
2b	X	
2c	X	
3a		N/A
3b		N/A

SCHEDULE D
(Form 990)Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements**► Complete if the organization answered "Yes," to Form 990,
Part IV, line 6, 7, 8, 9, 10, 11, or 12.

► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

2009Open to Public
Inspection

Name of the organization

Rice County Mutual Insurance Company

Employer identification number
41 0502642**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year) . . .		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? Yes No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? Yes No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

Preservation of land for public use (e.g., recreation or pleasure) Preservation of an historically important land area

Protection of natural habitat Preservation of a certified historic structure

Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
2a	
2b	
2c	
2d	

a Total number of conservation easements

b Total acreage restricted by conservation easements

c Number of conservation easements on a certified historic structure included in (a)

d Number of conservation easements included in (c) acquired after 8/17/06

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ►

4 Number of states where property subject to conservation easement is located ►

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ►

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ► \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? Yes No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.
Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

1b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ► \$

(ii) Assets included in Form 990, Part X ► \$

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ► \$

b Assets included in Form 990, Part X ► \$

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

a <input type="checkbox"/> Public exhibition	d <input type="checkbox"/> Loan or exchange programs
b <input type="checkbox"/> Scholarly research	e <input type="checkbox"/> Other _____
c <input type="checkbox"/> Preservation for future generations	

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as:

a Board designated or quasi-endowment ► %

b Permanent endowment ► %

c Term endowment ► %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

Yes	No
3a(i)	
3a(ii)	
3b	

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other				

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) ►

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation. Cost or end-of-year market value
Financial derivatives		
Closely-held equity interests		
Other		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12) ►		

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.)

Part IX **Other Assets.** See Form 990, Part X, line 15.

Part X Other Liabilities. See Form 990, Part X, line 25.

1.	(a) Description of liability	(b) Amount
Federal income taxes		
Unpaid Losses		4,093
Unearned Premiums		168,786
Reinsurance Premium Payable		818
Total. (Column (b) must equal Form 990, Part X, col. (B), line 25.) ►		173,697

Total. (Column (b) must equal Form 990, Part X, col (B) line 25.) ► 173,697

2. FIN 48 Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48.

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements	
1 Total revenue (Form 990, Part VIII, column (A), line 12)	1
2 Total expenses (Form 990, Part IX, column (A), line 25)	2
3 Excess or (deficit) for the year. Subtract line 2 from line 1	3
4 Net unrealized gains (losses) on investments	4
5 Donated services and use of facilities	5
6 Investment expenses	6
7 Prior period adjustments	7
8 Other (Describe in Part XIV.)	8
9 Total adjustments (net). Add lines 4 through 8	9
10 Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return	
1 Total revenue, gains, and other support per audited financial statements	1
2 Amounts included on line 1 but not on Form 990, Part VIII, line 12:	
a Net unrealized gains on investments	2a
b Donated services and use of facilities	2b
c Recoveries of prior year grants	2c
d Other (Describe in Part XIV.)	2d
e Add lines 2a through 2d	2e
3 Subtract line 2e from line 1	3
4 Amounts included on Form 990, Part VIII, line 12, but not on line 1:	
a Investment expenses not included on Form 990, Part VIII, line 7b	4a
b Other (Describe in Part XIV.)	4b
c Add lines 4a and 4b	4c
5 Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return	
1 Total expenses and losses per audited financial statements	1
2 Amounts included on line 1 but not on Form 990, Part IX, line 25:	
a Donated services and use of facilities	2a
b Prior year adjustments	2b
c Other losses	2c
d Other (Describe in Part XIV.)	2d
e Add lines 2a through 2d	2e
3 Subtract line 2e from line 1	3
4 Amounts included on Form 990, Part IX, line 25, but not on line 1:	
a Investment expenses not included on Form 990, Part VIII, line 7b	4a
b Other (Describe in Part XIV.)	4b
c Add lines 4a and 4b	4c
5 Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

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Part XIV Supplemental Information (continued)

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.
► Attach to Form 990

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization

Rice County Mutual Insurance Company

Employer identification number

410502642

Part VI:

Line 6. The Company has policyholders who are also the owners of the Company. It is a mutual company.

Line 7a: The policyholder/owners elect the board members and officers.

Line 11: The Company hires a CPA firm to complete the Form 990. When the firm is finished preparing the form,
it is reviewed by Company management and staff before filing. The form is then filed by company management

Line 15 a&b: Compensation is determined by the number of meetings attended by the board member. The board
determines management and staff salaries based on experience and qualifications.

Line 19: Financial and governing documents are available to the public upon request.

Name of the organization

Rice County Mutual Insurance Company

Employer identification number

410502642

Rice County Mutual Insurance Company

41-0502642

FORM 990-RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX
MODIFICATION OF GROSS RECEIPTS PER IRS NOTICE 2006-42

December 31, 2009

The filing of this Form 990 has been prepared in accordance with guidance provided by IRS Notice 2006-42 (copy attached).

Gross Receipts as computed in accordance with the instructions to Form 990 (Page 1, Item G), has been modified pursuant to IRS Notice 2006-42 in determining the organizations status as exempt from corporate income taxes. The applicable computation of Gross Receipts is shown below:

Gross Receipts per Form 990, Page 1, Item G	641,829
Modification per IRS Notice 2006-42:	
Form 990, Page 9, Line 7A,	<u>(175,804)</u>
Gross Receipts per IRS Notice 2006-42	<u>466,025</u>
(Amount meets the \$600,000 limitation)	
Premium Income per Form 990, Page 1, Line 9	342,330
Gross Receipts per IRS Notice 2006-42 From Above	466,025
(Amount meets the more than 50% premium income test)	= <u>73.5%</u>

Attachment to Form 990

Schedule 1

FORM 990-RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX

December 31, 2009

Internal Revenue Service Notice 2006-42

Part III - Administrative, Procedural, and Miscellaneous

Determination of Gross Receipts for Purposes of Section 501(c)(15)

Notice 2006-42

SECTION 1. PURPOSE

This notice provides guidance as to the meaning of "gross receipts" for purposes of § 501(c)(15)(A) of the Internal Revenue Code.

SECTION 2. BACKGROUND

Section 501(a) of the Code provides generally that an organization described in § 501(c) shall be exempt from federal income taxation. An insurance company (as defined in § 816(a)), other than a life insurance company, is described in § 501(c)(15), and is therefore exempt from income tax under § 501(a), if its gross receipts for the taxable year do not exceed \$600,000 and more than 50 percent of those gross receipts consist of premiums. Section 501(c)(15)(A)(i). A non-life mutual insurance company not meeting the requirements of the previous sentence is nonetheless described in § 501(c)(15) if its gross receipts for the taxable year do not exceed \$150,000 and more than 35 percent of those gross receipts consist of premiums. Section 501(c)(15)(A)(ii). Amounts received by all members of the insurance company's controlled group (as defined in section 501(c)(15)(C)) are taken into account for purposes of these tests.

Section 501(c)(15)(B).

The gross receipts and percentage of income from premium requirements described above were added to the Code in 2004 by § 206 of the Pension Funding Equity Act, Pub. L. No. 108-218 (the "Act"). The legislative history of the Act states that "it is intended that the provision not permit the use of small companies . . . to shelter investment income". H.R. Conf. Rep. 108-457, at 48 (2004).

FORM 990-RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX
December 31, 2009

Internal Revenue Service Notice 2006-42

SECTION 3. DETERMINATION OF GROSS RECEIPTS

This notice advises taxpayers that the Service will include amounts received from the following sources during the taxable year in "gross receipts" for purposes of § 501(c)(15)(A):

- A. Premiums (including deposits and assessments), without reduction for return premiums or premiums paid for reinsurance;
- B. Items described in § 834(b) (gross investment income of a non-life insurance company); and
- C. Other items that are properly included in the taxpayer's gross income under subchapter B of chapter 1, subtitle A, of the Code.

Thus, gross receipts include both tax-free interest and the gain (but not the entire amount realized) from the sale or exchange of capital assets, because those items are described in § 834(b). Gross receipts do not, however, include amounts other than premium income or gross investment income unless those amounts are otherwise included in gross income. Accordingly, the term gross receipts does not include contributions to capital excluded from gross income under § 118, or salvage or reinsurance recovered accounted for as offsets to losses incurred under § 832(b)(5)(A)(i).

SECTION 4. DRAFTING INFORMATION

The principal author of this notice is Sarah R. Katz of TE/GE Division, Exempt Organizations. For further information regarding this notice, contact Ms. Katz at (202) 283-8934 (not a toll-free call).

**Annual Statement
For the Year Ended December 31, 2009
Of The Financial Condition and Affairs Of The**

Rice County Mutual Insurance Company
(Corporate Name of Insurer)

Filed with the Minnesota Department of Commerce pursuant to Minnesota Statutes Chapter 67-A

Incorporated	<u>03/25/1895</u>	Commenced Business	<u>03/25/1895</u>	Date of Annual Meeting	<u>2/17/2010</u>
Main Administrative Office	<u>23 Third Street Northwest, Fanbault MN 55021-5117</u>				
Business Telephone	<u>(507) 334-8145</u> <u>(Area Code) Telephone #</u>				
Fax Telephone	<u>(507) 334-0544</u> <u>(Area Code) Telephone #</u>				
E-Mail Address	<u>nicecountymutual@qwest.net</u>				

Officers

President	<u>Howard Schoenfeld</u>	Vice-President	<u>Orville Wegner</u>
Secretary	<u>Allen Ross</u>	Manager or Administrative	
Treasurer	<u>Donald O'Neil</u>	Executive	<u>Donald O'Neil</u>

Directors

Name	(Street, City, State, Zip)	From	To
Howard Schoenfeld	5811 NW 86th Street, Fanbault MN 55021	Feb-09	Feb-12
Orville Wegner	1381 250th Street West, Fanbault MN 55021-8415	Feb-08	Feb-11
Allen Ross	11840 Falls Trail, Lonsdale MN 55046-4471	Feb-08	Feb-11
Jeff La Canne	19146 Roberds Lake Boulevard, Fanbault MN 55021-8512	Feb-07	Feb-10
Robert Heine	20305 Cedar Lake Path, Mornstown MN 55052-5070	Feb-09	Feb-12

State of Minnesota
County of Rice

Pursuant to the laws of Minnesota, and the rules and regulations amendatory thereto, the President, Secretary, and Treasurer or Chief Financial Officer of this Company, being duly sworn, each deposes and says that they are the above described officers of the said insurer, and that on the thirty-first day of December last, all of the herein described assets were the absolute property of the said insurer, free and clear from any liens or claims thereon except as herein stated, and that this annual statement, together with the related exhibits, schedules, and explanations therein contained, annexed or referred to are a full and true statement of all the assets and liabilities of the condition and affairs of the said insurer as of the thirty-first day of December last, and of its income and deductions therefrom for the year ended on that date, according to the best of their information, knowledge, and belief, respectively

Subscribed and sworn to before me this
day of

President

NOTARY PUBLIC

SEAL

Secretary

Treasury

Print name, business address, and telephone number of person who prepared this statement
Jim Barta CPA PO Box 1879 North Mankato MN 56002-1879

Jim Barta CPA, PO Box 1879, North Mankato MN 56002-1879 (507) 625-4245
Name Address City, State, Zip Code (Area Code)Telephone #
Firm Name and Address Jim Barta CPA 401 Sherman Street, PO Box 1879 North Mankato MN 56002-1879

1/24/2010

Rice County Mutual Insurance Company

Admitted Assets

		1 Current Year	2 Prior Year
1	Cash in company's office Exh 9, Ln 1, Col 4	-	7
2	Cash deposited in checking account Exh 9, Ln 2, Col 4	25,960	29,815
3	Cash deposited at interest Exh 9, Ln 3, Col 4	905,733	817,881
4	Guarantee fund certificates Exh 9, Ln 4, Col 4	80,000	80,000
5	Bonds (at amortized cost) Exh 9, Ln 5, Col 4	1,547,067	1,395,062
6	Investment company shares Exh 9, Ln 6, Col 4	96,021	106,674
7	Common stock Exh 9, Ln 7, Col 4	1,500	1,500
8	Mortgage loans on real estate Exh 9, Ln 8, Col 4	-	-
9	Real Estate (cost less accumulated depreciation and encumbrances) Exh 9, Ln 9, Col 4	-	-
10	Agents' balances or uncollected premiums Exh 9, Ln 10, Col 4	6,884	5,330
11	Investment income due or accrued Exh 9, Ln 11, Col 4	13,966	16,777
12	Unpaid assessments receivable (under 90 days past due) Exh 9, Ln 12, Col 4	-	-
13	Reinsurance recoverable on paid losses Exh 9, Ln 13, Col 4	-	-
14	Electronic data processing equipment-excluding software - (cost less accumulated depreciation) - Exh 9, Ln 14, Col 4	-	-
15	Funds due from reinsurance (other than losses) Exh 9, Ln 15, Col 4	513	3,039
16	Federal tax refund receivable Exh 9, Ln 16, Col 4	-	-
17	Premium tax refund receivable Exh 9, Ln 17, Col 4	113	38
18	Accounts receivable Exh 9, Ln 18, Col 4	1,828	1,670
19	Reinsurance premium overpayment Exh 9, Ln 19, Col 4	-	-
20		-	-
21		-	-
22	Rounding Exh 9, Ln 22, Col 4	-	-
23	Total Admitted Assets (Must agree with Pg 3, Ln 18)	2,679,585	2,457,793

Liabilities and Policyholders' Surplus

		<u>1</u> <u>Current Year</u>	<u>2</u> <u>Prior Year</u>
1	<u>Net losses unpaid - Exh. 5</u>	4,093	32,054
2	<u>Net expenses unpaid - Exh. 8</u>	2,119	1,589
3	<u>Unearned premiums - Exh. 3</u>	168,786	182,484
4	<u>Borrowed money unpaid</u>	-	-
5	<u>Funds payable on reinsurance (other than losses)</u>	818	174
6	<u>Federal income taxes payable</u>	-	-
7	<u>Amounts withheld for the account of others</u>	403	667
8	<u>Accounts payable-agency</u>	-	-
9	<u>Rounding</u>	3	-
10		-	-
11		-	-
12		-	-
13		-	-
14		-	-
15		-	-
16	<u>Total Liabilities</u>	176,222	216,968
17	<u>Total Policyholders' Surplus</u>	2,503,363	2,240,825
18	Total liabilities and policyholders' surplus	2,679,585	2,457,793

Statement of Income

	<u>Underwriting Income</u>	1 Current Year	2 Prior Year
1	Net premiums earned - Exh 3, Col 9	278,175	333,505
2	Net assessments earned - Exh 4, Col. 9	-	-
3	Total premiums and assessments (Ln. 1 + Ln 2)	278,175	333,505
	Deductions		
4	Net losses incurred - Exh 5, Col 9	20,288	177,156
5	Operating expenses incurred - Exh 8, Ln 25, Col 4	118,796	120,795
6	Total losses and expenses (Ln 4 + Ln 5)	139,084	297,951
	Net Underwriting Gain (loss)(Ln 3 minus Ln 6)	(A) 139,091	35,554
	Investment Income		
7	Net investment income earned - Exh. 1, Ln. 10, Col. 5	113,162	115,540
8	Net realized capital gains or (losses) - Exh 2, Ln. 8, Col. 3	10,211	(595)
9	Net Investment Gain or (loss) (Ln 7 + Ln 8)	(B) 123,373	114,945
	Other Income		
10			
11			
12			
13	Rounding		(1)
14	Total Other Income or (loss)	(C) -	(1)
15	Net income (loss) before income taxes (A + B + C)	262,464	150,498
16	Federal income taxes incurred*	-	-
17	Net Income (to Ln 19)	262,464	150,498

*Federal income tax paid in the current year plus federal income tax payable (Pg 3, Ln 6, Col 1) minus federal income tax payable previous year (Pg 3, Ln 6, Col 2)

Policyholders' Surplus Account

18	Policyholders' surplus, December 31, previous year	2,240,825	2,090,253
Gains and (Losses) In Surplus			
19	Net income (from Ln 17)	262,464	150,498
20	Change in non-admitted assets Exh 10, Ln. 18, Col 3	74	74
21	Net unrealized capital gains or losses Exh 2, Ln 8, Col. 4	-	-
22			
23			
24			
25	Change in policyholders' surplus for the year	262,538	150,572
26	Policyholders' surplus, December 31, current year	2,503,363	2,240,825

Exhibit 1**Investment Income Earned**

	1 Received During Year Less Paid for Accrued on Purchases	2 Amortization(-) or Bond Premium or Accrual (+) of Bond Discount	3 Income Due and Accrued December 31 Current Year	4 Income Due and Accrued December 31 Prior Year	5 Investment Income Earned (Col. 1 + or - Col. 2 + Col. 3 Less Col. 4)
1 Cash on deposit	29,565		7,249	9,492	27,322
2 Schedule B Guarantee fund certificates	3,913		-	-	3,913
3 Schedule C Bonds	80,982	1,185	6,717	7,285	81,599
4 Schedule D, Part 1 + Part 2 Investment company shares	652		-	-	652
5 Schedule E, Part 1 + Part 2 Common stock	-		-	-	-
6 Schedule F, Part 1 + Part 2 Mortgage loans	-		-	-	-
7 Schedule G Real estate	-		-	-	-
8 Totals	115,112	1,185	13,966	16,777	113,486
			<i>Exh 9, Ln 11, Col 2</i>	<i>Pg 2, Ln 11, Col 2</i>	
9 Total investment expense incurred (Exh. 8, Ln. 31, Col 4)				324	
10 Net investment income earned (Ln. 8 minus Ln. 9)					113,162
					<i>Pg 4, Ln. 7, Col 1</i>

9 Total investment expense incurred (Exh. 8, Ln. 31, Col 4)

10 Net investment income earned (Ln. 8 minus Ln. 9)

Exhibit 2
Capital Gains and Losses on Investments

1	2	3	4
Profit on Sales or Maturity	Losses on Sales or Maturity	Net Gain or Loss[-] (Col. 1 minus Col. 2)	Net Gain or Loss [-] From Change in or Difference Between Book Value or Admitted Assets
1 Bonds	10,205	-	10,205
2 Guarantee fund certificates		-	
3 Mortgage loans		-	
4 Real estate	-	-	
5 Investment company shares	6	-	6
6 Common stock	-	-	
7 Other gains and losses - explain		-	
8 Totals	10,211	10,211	-

Pg 4, Ln 8, Col 1

Pg 4, Ln 21, Col 1

PREMIUM AND LOSS EXHIBITS
Exhibit 3

Written and Earned Premiums								
1	2	3	4	5	6	7	8	9
Line of Business	Direct Written Premiums	Reinsurance Assumed	Paid Dividends	Reinsurance Ceded	Net Written Premiums	Unearned Premiums Dec. 31, Current Year	Unearned Premiums Dec. 31, Prior Year	Premiums Earned (Col 6 + 7 - 8)
Fire & other lines	342,330			77,853	264,477	182,444	168,786	278,175
Assumed reins.					"	"	"	"
Total all lines	342,330	-	-	77,853	264,477	182,444	168,786	278,175

Col. 1 If no breakdown is made enter all under "Fire and other lines".

Col. 2 Direct and written premiums include policy and survey fees minus return premiums. Do not deduct agents' commissions - see instructions.

Col. 5 Include all reinsurance premiums paid plus or minus reinsurance adjustment-see instructions

Col. 6 equals Col. 2 plus Col. 3 minus Col. 4 minus Col. 5

Col. 8 See instructions-State pro-rata method used (50%, monthly, etc.)

Col. 9 equals Col. 6 plus Col. 7 minus Col. 8.

Exhibit 4
Assessment Income and Receivable
(Use only for post paid assessments or premiums)

1	2	3	4	5	6	7	8	9
Line of Business	Date When Assessment is Due	Rate	Amount of Base for Levied Assessment	Amount Levied (Col. 3 Times Col. 4)	Amount Received	Unpaid Balance Dec. 31, Current Year	Unpaid Balance Dec. 31, Prior Year	Net Assessment Income (Col 6 + 7 - 8)
				-				
				-				
Total all lines			-	-	-	-	-	-

Exh 9, Ln 12.
Col 1

Exhibit 5
Paid and Incurred Losses

1	2	3	4	5	6	7	8	9
Line of Business (type of loss)	Losses Paid	Less Salvage and Subrogation	Reinsurance Recovered on Losses Assumed	Reinsurance Recoverable on Losses Paid	Net Losses Paid (Col 2 + 3 minus (4+5))	Net Losses Unpaid Dec. 31, Current Year	Net Losses Unpaid Dec. 31, Prior Year	Losses Incurred (Col 6 + 7 - 8)
Losses paid	33,708		2,565	-	31,143	4,000	5,500	29,643
Assumed reins.					"	"	"	"
Total all lines	33,708	17,106	2,565	-	17,106	53	26,554	(9,355)
					48,249	4,063	32,054	20,288

Exh 9, Ln 13.
Col 1Pg 3, Ln 1,
Col 2Pg 4, Ln 4,
Col 1

2009 Annual Report of the
Rice County Mutual Insurance Company

Exhibit 8
Expenses

Operating Expenses	1 Paid During Year	2 Unpaid Dec 31 Current Year	3 Unpaid Dec 31 Prior Year	4 Incurred Current Year Col 1+2-3
1 Advertising	2,033	-	-	2,033
2 Boards, bureaus and associations	3,771	-	-	3,771
3 Commissions	50,988	1,032	800	51,220
3a Less commissions on reinsurance	(3,612)			(3,612)
3b Less commissions on general agency	-			-
4 Contributions	-			-
5 Conventions, meetings and education	2,203			2,203
6 Directors fees	3,980			3,980
7 Employee benefits	3,317	-	-	3,317
8 Inspection and loss prevention	561	-	-	561
9 Insurance and bonding	4,382	-	-	4,382
10 Interest expense on borrowed money	-			-
11 Legal and auditing	5,620	712	-	6,332
12 Loss adjustment expense	20			20
13 Office equipment and maintenance	-			-
14 Payroll taxes	1,330	375	374	1,331
15 Postage, telephone and exchange	3,776	-	365	3,411
16 Printing and stationery	2,032	-	-	2,032
17 Rent and lease expense	5,400			5,400
18 Salaries	15,600			15,600
19 State taxes and fees	4,218	-	-	4,218
20 Travel and travel items	637	-	-	637
21 Utilities	536	-	50	486
22 Depreciation on furniture and fixtures	74			74
23 Leased office staff	11,400	-	-	11,400
24	-			-
25 Total - Operating Expenses	118,266	2,119	1,589	118,796
Investment Expenses				
26 Interest on real estate encumbrances	-			-
27 Depreciation on real estate	-			-
28 Property tax on real estate	-			-
29 Miscellaneous real estate expenses	-			-
30 Miscellaneous investment expenses	324			324
31 Total Investment Expenses	324	-	-	324
32 Total Expenses	118,590	2,119	1,589	119,120

Pg 12, Exh 11, Pg 3, Ln 2,
Ln 13 Col 1 Pg 3, Ln 2,
Col 2

* Total Operating Expenses Incurred Ln 25, Col 4 to Pg 4, Ln 5, Col 1

** Total Investment Expenses Incurred Ln 31, Col 4 to Exh 1, Ln 9, Col 5

Exhibit 9
Analysis of Assets

	1	2	3	4
	Ledger Assets	Non-Ledger Assets	Assets Not Admitted	Net Admitted Assets (Col 1 + 2 - 3)
1 Cash in company's office	-			-
2 Cash deposited in checking accounts - Schedule A, Total, Col. 6	25,960			25,960
3 Cash deposited at interest - Schedule B, Total, Col. 8	905,733			905,733
4 Guarantee fund certificates - Schedule C, Total, Col. 7	80,000			80,000
5 Bonds (at amortized cost) - Schedule D-Part 1, Total, Col. 8	1,547,067			1,547,067
6 Investment company shares - Schedule E-Part 1, Total, Col. 5	96,021			96,021
7 Common stock - Schedule F-Part 1, Total, Col. 5	1,500			1,500
8 Mortgage loans on real estate - Schedule G, Total, Col. 5	-			-
9 Real estate (cost less accumulated depreciation and encumbrances) Schedule H-Part 1, Total, Col. 7	-			-
10 **Agents' balances on uncollected premiums	6,884			6,884
11 Investment income due and accrued - Exh. 1, Total, Col. 3		13,966		13,966
12 **Unpaid assessments receivable - Exh. 4, Total, Col. 7	-			-
13 Reinsurance recoverable on losses paid - Exh. 5, Total, Col. 5	-			-
14 *Electronic data processing equipment (cost less depreciation)	-			-
15 Funds due from reinsurance (other than losses) - Exh. 7, Total, Col. 4	513			513
16 Federal tax refund receivable	-			-
17 Premium tax refund receivable	113			113
18 Furniture, fixtures and automobiles	37			37
19 Accounts receivable	1,828			1,828
20 Reinsurance premium overpayment	-			-
21 Fire extinguishers	-			-
22 Fire alarms	-			-
23 Prepaid expenses	-			-
24 Totals	2,665,656	13,966	37	2,679,585

Exh 11, Ln 24,
Col 1

Exh 11, Ln 24,
Col 1

* Computers and related equipment which exceeded \$25,000 initial cost.

** Agents' balances, uncollected premiums, and assessments over 90 days past due should be shown under Col. 3, Assets Not Admitted

Pg 2, Ln 23,
Col 1

Exhibit 10
Analysis of Non-Admitted Assets

	1 December 31, Prior Year	2 December 31, Current year	3 Change for Year Col 1 Less Col. 2
1 Deposits in suspended depositories, less estimated amounts recoverable			
2 Agents' balances or uncollected premium/assessments over 90 days past due	-	-	-
3 Bills receivable, past due, taken for premium/assessments			
4 Furniture, fixtures, and automobiles	111	37	74
5 Fire extinguishers			
6 Fire alarms			
7 Prepaid expenses			
8 EDP equipment			
9* Agency			
10			
11			
12 Investment company shares			
13 Assurance partners bank stock			
14 Bonds in default			
15			
16 Totals (including net unrealized gains and losses on invested assets)	111	37	74
	Exh 10, Col 2, Prior Year	Exh 9, Col 3	
17 Total of items in Col. 3 relating to invested asset write-in items (To Exh. 2, Col 4)			-
18 Non-admitted assets (Ln. 16 minus Ln. 17) (To Pg 4, Ln 20, Col. 1)			74

*Itemize all other non-admitted assets including unrealized gains and losses on invested assets

Exhibit 11
Reconciliation of Ledger Assets

Increase in Ledger Assets

1	Net written premiums-Exh. 3, Col. 6	264,477
2	Assessment income received-Exh. 4, Col. 6	-
3	From sale or maturity of ledger assets-Exh. 2, Ln. 8, Col. 1	10,211
4	Investment income received-Exh. 1, Ln. 8, Col. 1 and 2	116,297
5	Amounts withheld for the account of others	-
6	Borrowed money repaid [gross]	-
7	Funds payable on reinsurance	644
8	Federal taxes paid	-
9	Rounding	2
10		
11	Total (Items 1-10)	391,631

Decrease in Ledger Assets

12	Net losses paid-Exh. 5, Col. 6	48,249
13	Expense paid-Exh. 8, Ln. 32, Col. 1	118,590
14	From sale or maturity of ledger assets-Exh. 2, Ln. 8, Col. 2	-
15	Amounts withheld for account of others	264
16	Borrowed money [gross]	-
17	Funds payable on reinsurance	-
18	Federal taxes paid	-
19	Rounding	-
20		
21	Total (Items 12-20)	167,103

Reconciliation Between Years

22	Total ledger assets at December 31 of prior year (Exh. 9, Ln. 22, Col. 1, Prior Year)	2,441,128
23	Increase or decrease in ledger assets during the year (Ln. 11 minus Ln. 21)	224,528
24	Total ledger assets at December 31 of current year (Exh. 9, Ln. 24, Col. 1)	2,665,656

Schedule A
Cash Deposited in Checking Accounts

1	2	3	4	5	6
Name of Financial Institution (followed by address)	Actual Balance on Bank Statement December 31	Deduct Checks Outstanding	Other Adjustment* Add	Other Adjustment* Deduct	Net Balance Per Books December 31
1 Wells Fargo Bank PO Box 69, Fairbault MN 55021-0089	30,180	4,220			25,960
2					-
3					-
4					-
5					-
6					-

^{**}Because each adjustment is based on data from a different year, the data cannot be directly compared.

Exh 9, Ln 2,
Col 1

Schedule B
Cash Deposited at Interest
 Showing all banks, trust companies, savings and loan associations, etc., in which deposits were maintained by the Company
 at any time during the year and the balances, if any, on December 31 of the current year

1	2	3	4	5	6	7	8	9	10
Name of Financial Institution (followed by address)	Certificate or Acct #	*Type Account	Interest Rate	**Interest Payable	Date of Issue	Date of Maturity	Book Value December 31	Interest Amount Received During Year	Interest Amount Due and Accrued December 31
1 Americana Community Bank PO Box 218 Medford MN 55049-0218	17148-02	CD	2.850	Mat.	04/15/08	03/15/09			392
2 Americana Community Bank PO Box 218 Medford MN 55049-0218	17183-02	CD	2.650	S	05/01/08	04/01/09			275
3 Americana Community Bank PO Box 218 Medford MN 55049-0218	17228-02	CD	2.790	S	06/09/08	05/09/09			234
4 Americana Community Bank PO Box 218 Medford MN 55049-0218	17644-02	CD	2.110	Mat.	05/11/09	01/11/10	20,000		271
5 Americana Community Bank PO Box 218 Medford MN 55049-0218	17555-02	CD	2.750	Q	03/16/09	05/16/10	15,000		311
6 Americana Community Bank PO Box 218 Medford MN 55049-0218	17576-02	CD	2.750	CA	04/02/09	06/02/10	25,000		345
7 Americana Community Bank PO Box 218 Medford MN 55049-0218	17111-02	CD	2.900	CA	04/02/08	04/02/11	20,580		580
8 Community Resource Bank 1605 Heritage Drive Northfield MN 55057	45114	CD	3.300	S	07/03/08	11/03/09			1,103
9 Community Resource Bank 1605 Heritage Drive Northfield MN 55057	45245	CD	3.300	S	07/20/08	11/20/09			3,309
10 Community Resource Bank 1605 Heritage Drive Northfield MN 55057	48410	CD	2.000	S	11/03/09	06/03/11	25,000		79
11 Community Resource Bank 1605 Heritage Drive Northfield MN 55057	48534	CD	2.000	S	11/20/09	06/20/11	75,000		168
12 Currie State Bank 141 Mill Street Currie MN 56123	17049	CD	2.350	CQ	07/26/09	07/26/10	5,520	191	23
13 Currie State Bank 141 Mill Street Currie MN 56123	17679	CD	2.350	CQ	07/28/09	07/28/10	20,923	724	86
14 Currie State Bank 141 Mill Street Currie MN 56123	17030	CD	5.200	Q	06/26/07	06/26/11	25,000	1,300	18

Schedule B
Cash Deposited at Interest

Showing all banks, trust companies, savings and loan associations, etc., in which deposits were maintained by the Company at any time during the year and the balances, if any, on December 31 of the current year.

1	2	3	4	5	6	7	8	9	10
Name of Financial Institution (followed by address)	Certificate or Acct. #	*Type Account	Interest Rate	**Interest Payable	Date of Issue	Date of Maturity	Book Value December 31	Interest Amount Received During Year	Interest Amount Due and Accrued December 31
15 First United Bank 430 NW 4th Street, PO Box 217 Faribault MN 55021-0217	10005280	CD	2.250	CA	10/15/09	10/15/11	18,687	924	89
16 First United Bank 430 NW 4th Street, PO Box 217 Faribault MN 55021-0217	601498	MM	V	M	XXXXXX	XXXXXX	31,762	309	-
17 Friendsen Bank & Trust PO Box 250 Dundas MN 55029-0250	603000227	CD	2.060	Q	06/21/09	12/21/10	10,000	320	6
18 Hometown Credit Union PO Box 217 Austin MN 55912-0217	13323	CD	2.960	CM	02/10/09	02/10/10	495	12	-
19 Hometown Credit Union PO Box 217 Austin MN 55912-0217	12047	CD	3.400	M	02/11/08	02/11/10	20,000	680	-
20 Hometown Credit Union PO Box 217 Austin MN 55912-0217	12083	CD	3.400	M	02/19/08	08/19/10	25,000	850	-
21 Hometown Credit Union PO Box 217 Austin MN 55912-0217	13839	CD	2.470	M	07/01/09	10/01/10	16,000	198	-
22 Hometown Credit Union PO Box 217 Austin MN 55912-0217	10362	CD	3.490	Q	12/14/08	12/14/10	8,000	279	-
23 Hometown Credit Union PO Box 217 Austin MN 55912-0217	7756	CD	4.360	S	01/22/08	12/22/10	25,000	1,090	-
24 Hometown Credit Union PO Box 217 Austin MN 55912-0217	7630	CD	3.150	S	02/10/09	02/10/11	20,000	666	-
25 Hometown Credit Union PO Box 217 Austin MN 55912-0217	82536	Savings	V	M	XXXXXX	XXXXXX	1,989	-	-
26 Lake Country Community Bank 2100 N Grant Street Faribault MN 55021	1579	CD	4.250	CA	01/14/08	01/14/09	-	639	-
27 Lake Country Community Bank PO Box 188 Mornstown MN 55022-0188	15522	CD	5.480	CA	05/11/09	05/11/09	-	915	-
28 Lake Country Community Bank PO Box 188 Mornstown MN 55022-0188	1693	CD	3.000	CA	05/11/09	01/11/11	30,000	-	577

Schedule B
Cash Deposited at Interest
 Showing all banks, trust companies, savings and loan associations, etc., in which deposits were maintained by the Company
 at any time during the year and the balances, if any, on December 31 of the current year.

1	2	3	4	5	6	7	8	9	10
Name of Financial Institution (followed by address)	Certificate or Acct. #	*Type Account	Interest Rate	**Interest Payable	Date of Issue	Date of Maturity	Book Value December 31	Interest Amount Received During Year	Interest Amount Due and Accrued December 31
29 Lake County Community Bank 2100 N Grant Street, Faribault MN 55021	1669	CD	3.750	A	01/14/09	01/14/10	25,000	-	904
30 Lake County Community Bank PO Box 188 Morristown MN 55052-0188	1595	CD	3.750	A	02/11/08	02/11/10	10,000	376	332
31 Lake County Community Bank 2100 N Grant Street, Faribault MN 55021	1606	CD	3.750	CA	02/25/08	02/25/10	44,113	1,599	1,400
32 Lake County Community Bank PO Box 188 Morristown MN 55052-0188	1641	CD	2.350	CS	06/06/09	06/06/10	35,700	700	57
33 Premier Bank 417 4th Street, NW, Faribault MN 55021	3302776937	CD	2.750	S	01/15/09	01/15/10	15,000	541	191
34 Premier Bank 417 4th Street, NW, Faribault MN 55021	3021512501	CD	3.400	S	12/29/08	12/29/10	30,000	1,020	6
35 Reliance Bank 2300 NW 30th Street, Faribault MN 55021	40444	CD	3.500	S	05/07/08	11/07/09	-	700	-
36 Reliance Bank 2300 NW 30th Street, Faribault MN 55021	40603	CD	4.000	CA	07/18/08	01/18/10	26,000	1,000	473
37 Reliance Bank 2300 NW 30th Street, Faribault MN 55021	40736	CD	4,000	CA	08/29/08	02/28/10	10,399	399	141
38 Reliance Bank 2300 NW 30th Street, Faribault MN 55021	41391	CD	2,490	CA	11/07/09	05/09/11	35,000	-	129
39 State Bank of Faribault 428 Central Avenue, Faribault MN 55021	7250614	CD	4,500	CA	01/27/05	02/27/09	-	561	-
40 State Bank of Faribault 428 Central Avenue, Faribault MN 55021	7260687	CD	4,100	CA	02/03/06	05/03/09	-	837	-
41 State Bank of Faribault 428 Central Avenue, Faribault MN 55021	7293410	CD	3,850	S	11/06/08	01/06/11	35,000	1,348	203
42 State Bank of Faribault 428 Central Avenue, Faribault MN 55021	7293631	CD	3,850	S	11/09/08	01/09/11	25,000	963	137

Schedule B
Cash Deposited at Interest
 Showing all banks, trust companies, savings and loan associations, etc. in which deposits were maintained by the Company at any time during the year and the balances, if any, on December 31 of the current year.

1	2	3	4	5	6	7	8	9	10
Name of Financial Institution (followed by address)	Certificate or Acct #	*Type Account	Interest Rate	**Interest Payable	Date of Issue	Date of Maturity	Book Value December 31	Interest Amount Received During Year	Interest Amount Due and Accrued December 31
43 State Bank of Faribault	7294743	CD	3.850	S	11/28/08	01/28/11	38,000	1,463	132
44 428 Central Avenue, Faribault MN 55021	7300662	CD	2.220	CA	05/04/09	05/04/11	17,093	-	251
45 State Bank of Faribault	7291434	CD	3.500	S	08/21/08	11/21/11	10,000	350	127
46 State Bank of Faribault	70148272000	CD	3.150	Q	09/19/08	12/19/11	15,000	525	16
47 State Bank of Faribault	7292266	CD	3.500	Q	09/29/08	12/29/11	10,000	350	2
48 State Bank of Faribault	7297211	CD	2.650	S	12/19/08	03/19/12	10,000	265	9
49 State Bank of Faribault	7299206	CD	2.650	CA	03/02/09	06/02/12	11,972	-	264
50 State Bank of Faribault	10001220	CD	2.220	CA	12/01/09	12/01/11	25,000	-	46
51 United Prairie Bank	51200001536	CD	5.220	M	09/04/06	02/04/09	-	340	-
52 United Prairie Bank	51200001624	CD	3.050	S	02/04/09	02/04/11	38,500	582	479
53							-	-	-
54							-	-	-
55							-	-	-
56							-	-	-
Totals							905,733	29,565	7,249
* Type S= Savings, M=Money Market, CD=Certificate of Deposit							<i>Exh 1, Ln 1, Col 1</i>	<i>Exh 1, Ln 1, Col 1</i>	<i>Exh 1, Ln 1, Col 3</i>
** Payable M=Monthly, Q=Quarterly, S=Semi-Annual, A=Annual									

Does the Company have excess private deposit insurance for balances exceeding FDIC limit? (Y/N) No

Schedule C**Guarantee Fund Certificates**

Showing all guarantee fund certificates owned by the Company at any time during the year and the balances, if any, on December 31 of the current year.

1	2	3	4	5	6	7	8	9
Name of Issuing Financial Institution	Certificate #	Interest Rate	**Interest Payable	Date of Issue	Date of Maturity or Redemption	Book value December 31	Interest Amount Received During Year	Interest Amount Due and Accrued December 31
1 RAM Mutual Insurance Company	57	V	A	11/24/82	XXXXXXX	10,000	600	
2 RAM Mutual Insurance Company	1025	V	A	06/24/96	XXXXXXX	10,000	600	
3 RAM Mutual Insurance Company	1060	V	A	02/09/98	XXXXXXX	10,000	600	
4 RAM Mutual Insurance Company	2013	V	A	07/01/02	XXXXXXX	20,000	845	
5 RAM Mutual Insurance Company	2080	V	A	04/17/03	XXXXXXX	30,000	1,268	
6								
7								
8								
9								
10								
11								
12								
13								
14								
Totals						80,000	3,913	-

** Payable M=Monthly, Q=Quarterly, S=Semester, A=Annual
 Exh 9, Ln 4, Exh 1, Ln 2, Exh 1, Ln 2,
 Col 1 Col 1 Col 1 Col 3

Schedule D-Part 1
Showing all Bonds Owned December 31 of the Current Year

Description (complete and accurate)	# ID	Cusip Type	Interest Rate	Interest Payable	Date of Purchase	Date of Maturity	Book Amortized Value	Par Value	Market Value	Actual Cost	***	Interest Amount Received	Interest Accrued Dec 31 Current Year	Increase by Adjustment in Book Value During Year	Decrease by Adjustment in Book Value During Year
1 UnitedHealth Group Inc 6% 11/15/17	91324PBC5	C	6.000	S	06/15/09	11/15/17	20,036	20,000	20,648	20,036	490	153	-	-	3
2 Citigroup Inc 6 125% 1/12/17	172987EM9	C	6 125	S	09/10/09	1/12/17	19,982	20,000	20,160	19,982	225	136	-	-	-
3 Citigroup Inc 6 125% 5/15/18	172987ESS	C	6 125	S	09/10/09	05/15/18	29,961	30,000	30,162	29,961	306	235	2	-	-
4 Merrill Lynch & Co 6 5/8% 7/15/18	500188JF6	C	6 500	S	07/21/09	07/15/18	9,796	10,000	10,452	9,796	(27)	300	7	-	-
5 Household Finance Notes	44181EYR3	C	6 000	M	10/23/05	10/15/23	18,000	18,000	16,792	18,000	1,080	48	-	-	-
6 SLM Corporation Step Up	76490UKZ1	C	4 500	S	01/31/05	06/15/24	55,000	55,000	31,115	55,000	2,943	152	-	-	-
7 GE Capital Corporation	369686RGL4	C	5 000	M	06/26/03	07/15/28	30,000	30,000	26,441	30,000	1,500	67	-	-	-
8 Bank of America	08050XNU3	C	5 800	S	12/19/03	12/15/28	20,000	20,000	18,048	20,000	1,160	52	-	-	-
9 JP Morgan Chase & Co 6% 5/11/29	46627BAM3	C	6 000	Q	06/17/09	05/01/29	13,033	14,000	13,188	13,033	301	140	12	-	-
10 Prudential Fin Inc 6% 2/15/32	74432AB82	C	6 000	S	02/20/07	02/15/32	10,000	10,000	9,346	10,000	600	227	-	-	-
11 Genworth Global Fund 6 25% 6/15/33	37248JBK7	C	6 250	S	06/09/08	06/15/33	40,000	40,000	36,656	40,000	2,500	111	-	-	-
12 Merrill Lynch Co	59018YTM3	C	6 050	S	12/17/09	06/01/34	20,408	21,000	18,851	20,408	(74)	106	-	-	-
13 Wellpoint Inc 9 95% 12/15/34	94973VAH0	C	9 950	S	11/19/09	12/15/34	19,903	20,000	18,956	19,903	73	53	-	-	-
14 Loews Corp 6% 2/1/35	5040424AP3	C	6 000	S	10/07/09	02/01/35	29,506	30,000	28,726	29,506	(382)	750	3	-	-
15 Kinder Morgan Energy 5.8% 3/15/35	4845650AT3	C	5,800	S	10/21/09	03/15/35	28,807	30,000	27,795	28,807	(198)	512	4	-	-
16 Newmont USA LTD 5 875% 4/1/35	651639AEB	C	5,875	S	11/16/09	04/01/35	28,850	30,000	28,441	28,850	(233)	441	2	-	-
17 Valero Energy Corp 6 625% 6/15/37	91913YAL4	C	6 625	S	09/24/09	06/15/37	18,626	20,000	18,767	18,626	278	59	5	-	-
18 JP Morgan Chase & Co 6 25% 11/15/31	46627BFB2	C	6 250	M	01/27/09	11/15/31	9,633	10,000	9,497	9,633	547	28	1	-	-
19 Capital One BK VA 4 75% 1/28/12	14041AUG2	CD	4 750	S	11/28/07	1/28/12	45,000	45,000	47,607	45,000	2,138	193	-	-	-
20 Suntrust BK 2% 1/17/17	66787GAD4	CD	5,200	S	08/26/09	01/17/17	22,732	24,000	22,657	22,732	(153)	569	50	-	-

Schedule D-Part 1
Showing all Bonds Owned December 31 of the Current Year

Description (complete and accurate)	*CUSIP # ID	** Type	Interest Rate	*** Interest Payable	Date of Purchase	Date of Maturity	Book Amenitized Value	Par Value	Market Value	Actual Cost	***** Interest Amount Received	Interest Accrued Dec 31 Current Year	Increase by Adjustment in Book Value During Year	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
21 FNMA 5% 6/18/24	31398AYB2	G	5.000	S	08/05/09	06/18/24	19,967	20,000	19,575	19,967	367	36	1	-
22 TVA 4 7% 7/15/33	880581DV1	G	4.700	S	07/15/09	07/15/33	19,029	20,000	18,194	19,029	(1)	433	6	-
23 FNMA Group 2459	31360CWU2	M	8.500	M	05/18/87	06/01/15	4	4	5	4	1	-	-	-
24 GNMA 223455	36218JEA8	M	9.500	M	12/14/87	11/15/17	418	418	418	418	42	3	-	-
25 FNR 2003-113 KA 4.5%	3139312P0	M	4.500	M	06/08/09	11/25/18	23,083	22,512	23,348	23,083	504	84	57	-
26 FHLMC REMIC 1096E	3129053J9	M	7.000	M	06/09/93	06/15/21	561	561	561	561	44	2	-	-
27 FHLMC 90 181 E	312904AJ9	M	6.784	M	10/29/93	08/15/21	122	122	123	122	10	-	-	-
28 FHRL 1122G	312906V56	M	7.000	M	06/30/93	08/15/21	212	211	227	212	18	1	-	-
29 GNMA 2005-55 AC 5%	38374LZY0	M	5.000	M	09/22/08	06/20/31	15,676	15,535	15,676	15,535	1,029	24	-	10
30 FHLMC 2647NN	313946DQ3	M	5.000	M	07/12/03	10/15/32	19,000	19,000	18,790	19,000	1,454	42	-	-
31 Cliccorp 03-5 1A7 5.5%	172973PH6	M	5.500	M	05/20/08	04/25/33	12,408	13,880	13,639	12,408	1,377	13	78	-
32 FHLMC 2632JU	31395VCC3	M	5.000	M	05/28/03	06/15/33	8,000	8,000	7,940	8,000	617	18	-	-
33 FHLMC 2661 6% 7/15/33	31394GVG5	M	6.000	M	06/25/08	07/15/33	20,000	20,000	20,000	20,000	1,200	53	-	-
34 GNMA 03-70-MD	33374BE90	M	5.500	M	08/21/03	07/20/33	53,557	54,000	55,652	53,557	2,970	91	32	-
35 Bank of America 03-6 1A14	05948XQN4	M	5.500	M	09/25/07	08/25/33	12,439	14,000	10,013	12,439	770	13	112	-
36 CVWALT 04-28 RA3	18268GFA4	M	5.500	M	11/24/04	08/25/33	35,000	35,000	25,991	35,000	1,925	32	-	-
37 FHFSI 2003-7 1A9	32051DA36	M	5.250	M	09/30/03	09/25/33	29,525	30,000	28,322	29,525	1,575	131	25	-
38 First Horizon 03-8 1A7	320510F23	M	5.000	M	07/16/03	10/25/33	30,000	30,000	26,551	30,000	1,575	26	-	-
39 Banc of America 04-1 1A6 5.5%	05948XV57	M	5.500	M	12/28/07	02/25/34	14,984	17,057	17,102	14,984	538	16	147	-
40 GNR 2004-26D	38874F3H5	M	5.250	M	08/26/04	04/16/34	31,155	31,155	31,217	31,155	1,666	139	30	-

Schedule D-Part 1
Showing all Bonds Owned December 31 of the Current Year

Description (complete and accurate)	*Cusip # ID	** Type	Interest Rate	*** Interest Payable	Date of Purchase	Date of Maturity	Book Amortized Value	Par Value	Market Value	Actual Cost	***** Interest Amount Received	Interest Accrued Dec 31 Current Year	Increase by Adjustment in Book Value During Year	Decrease by Adjustment in Book Value During Year	
41 FNR 2004-21 JH	31393XQZ3	M	5.500	M	12/29/05	04/25/34	27,599	27,759	28,048	27,569	1,527	127	10	-	-
42 CWHL 2004-5 2A17	999222GK2	M	5.250	M	04/30/04	04/25/34	24,720	25,000	23,686	24,720	1,313	109	20	-	-
43 Countywide 04-4A9	12669FRL9	M	5.500	M	04/01/04	05/25/34	20,000	20,000	17,528	20,000	1,100	18	-	-	-
44 FNR 2004-50	999222HA3	M	5.250	M	07/30/04	07/25/34	25,000	25,000	24,991	25,000	1,375	115	-	-	-
45 CWALT 04-16 CB 4A3	12667FMC6	M	6.000	M	07/02/04	08/25/34	50,000	50,000	36,286	50,000	3,000	50	-	-	-
46 FHLMC 2857X	31395FTV4	M	5.500	M	10/05/04	09/15/34	9,649	9,649	9,421	9,649	531	24	-	-	-
47 FHLMC 2878 BB	31395GTH5	M	5.500	M	10/29/04	09/15/34	15,000	15,000	14,655	15,000	825	37	-	-	-
48 GNMA 2004-87 BC 4.5%	38324JMC7	M	4.500	M	01/27/09	10/20/34	20,000	19,912	20,000	19,912	753	28	-	-	-
49 FHLMC 2882 TB 5.25%	31395JKE2	M	5.250	M	04/10/08	11/15/34	17,554	18,513	18,567	17,554	1,233	43	69	-	-
50 GNMA 05-13 BG	383174KUK7	M	5.000	M	05/27/05	02/20/35	34,925	35,000	35,192	34,935	1,750	53	10	-	-
51 WAMU 2005-3 1A5	9993365C3	M	5.500	M	04/19/05	05/25/35	20,000	20,000	14,012	20,000	1,100	18	-	-	-
52 FHLMC 3120 DD	31396HAX7	M	5.750	M	02/21/06	07/15/35	5,000	5,000	4,856	5,000	288	13	-	-	-
53 FHR 3007 GW	31395WEM5	M	5.500	M	12/22/06	07/15/35	15,258	15,258	15,479	15,258	1,128	70	-	-	-
54 GNMA 05-5 DC	383374XL0	M	5.000	M	07/19/05	07/20/35	17,000	17,000	16,753	17,000	850	26	-	-	-
55 CS 1st Boston 05-3 3A2	225458JX7	M	5.500	M	03/17/05	07/25/35	20,000	20,000	18,773	20,000	1,100	18	-	-	-
56 Banc of America 2005-6 2A 5%	05946XN41	M	5.500	M	06/26/07	10/25/35	20,633	22,381	18,395	20,633	1,409	21	124	-	-
57 CWSL 2005-46 CB A-3	12667G6V8	M	5.500	M	08/26/05	10/25/35	52,970	55,000	27,049	52,970	3,025	50	145	-	-
58 CWSL 2005-53 T2 2A3	12668AKR5	M	5.500	M	09/26/05	11/25/35	20,000	20,000	10,070	20,000	1,100	18	-	-	-
59 CWSL 2005-53 T2 2A4	12668AKS3	M	5.500	M	10/27/05	11/25/35	10,000	10,000	4,615	10,000	550	9	-	-	-
60 CWSL 2005-64CB 1A3	12668AZN8	M	6.000	M	12/23/05	11/25/35	26,000	26,000	14,026	26,000	1,560	30	-	-	-

Schedule D-Part 1
Showing all Bonds Owned December 31 of the Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Description (complete and accurate)	*CUSIP # ID	** Type	*** Interest Rate	Interest Payable	Date of Purchase	Date of Maturity	Book Amortized Value	Par Value	Market Value	Actual Cost	Interest Amount Received	*** Interest Amount Received	Interest Accrued Dec 31 Current Year	Increase by Adjustment in Book Value During Year
61 FNMA 06-991 HA	313961AFT	M	6,000	M	09/27/06	12/25/35	20,000	20,000	19,656	20,000	1,200	20	-	-
62 Banc of America 2005-8 4A10.5 75%	05646X2F9	M	5,750	M	11/01/07	01/25/36	18,222	19,124	10,613	18,222	1,190	18	47	-
63 Credit Suisse 06-1 4A5	225470VU4	M	5,500	M	01/25/06	02/25/36	31,397	33,000	26,371	31,397	1,815	30	72	-
64 BOAMIS 06-2 2A22	05949QBD6	M	6,000	M	03/20/06	03/25/36	15,000	15,000	7,481	15,000	900	15	-	-
65 CWSL 06-J2 1A4	126594H43	M	5,500	M	04/20/06	04/25/36	54,577	57,000	52,132	54,577	3,420	57	127	-
66 FHLMC 3158 CC	31396NNWE2	M	6,000	M	05/16/06	05/15/36	20,000	20,000	19,672	20,000	1,200	53	-	-
67 FHLMC 3176 GG	3139673F8	M	6,250	M	01/06/06	06/15/36	14,000	14,000	13,916	14,000	932	39	-	-
68 CWSL 06-24 CBA3	021467AC1	M	6,000	M	10/31/06	06/25/36	25,000	25,000	9,468	25,000	1,500	25	-	-
69 FHR 3290 5 75% B/15/36	31397FQ62	M	5,750	M	04/12/07	08/15/36	8,050	8,050	7,953	8,050	1,247	39	-	-
70 FNMA 06-113 CC	31396LY79	M	5,750	M	11/30/06	12/25/36	10,000	10,000	9,773	10,000	575	10	-	-
71 First Horizon 06-4 1A17	32052UAS2	M	6,000	M	01/23/07	02/25/37	20,000	20,000	12,749	20,000	1,200	20	-	-
72 Banc of America 06-5 CB3 5%	05950BAC8	M	6,000	M	05/22/07	06/25/46	25,000	25,000	7,404	25,000	1,500	25	-	-
73														-
74														-
75														-
76														-
77														-
78														-
79														-
80														-
Totals														
	1,547,067		1,571,900		1,357,010		1,547,067		73,351		6,717		1,198	13

* CUSIP # obtained from broker

**Type C=Corporate, CD=Broker CD (e Tradable CD's), G=Municipal, City, State or Federal Bond, M=Mortgage Backed Bond

*** Payable M=Monthly, Q=Quarterly, S=Semi-Annual, A=Annual, CS=Compound Semi-Annual

**** Gross amount of interest received during year less amount paid for accrual

Exh 9,
 Ln 5,
 Col 1

Exh 1,
 Ln 3,
 Col 1

Exh 1,
 Ln 3,
 Col 2

Exh 1,
 Ln 3,
 Col 3

Schedule D- Part 2
Showing all Bonds Sold, Redeemed, or Otherwise Disposed of During the Year

1	2	3	4	5	6	7	8	9	10	11	12
Description (complete and accurate)	Cusip # ID	Name of Purchaser	Disposal Date	Consideration Received	Book Value at Disposal Date	Par Value	Increase by Adjustment in Book Value During Year	Decrease by Adjustment in Book Value During Year	Profit on Disposal	Loss on Disposal	Interest Received During Year
1 FHLMC 3133 LA	31396JTA7	Felli & Co	04/15/09	3,452	3,452						- 40
2 FHLMC 3217 DD	31397AS87	Felli & Co	06/15/09	15,000	15,000						- 450
3 FHLMC 2810 KK	31395AJJ5	Felli & Co	07/15/09	15,000	15,000						- 450
4 FHLMC CMO 1240-M	312809EZ3	Felli & Co	08/15/09	100	100						- 2
5 Target Corp 7% 1/15/38	87612EAU0	Felli & Co	08/25/09	11,224	9,695	10,000			1,529		- 307
6 Travelers Cos Inc 6 25% 6/15/37	B9417EAD1	Felli & Co	09/10/09	52,185	48,800	49,000			3,385		- 2,287
7 Target Corp 6 35% 11/7/32	87612EAR2	Felli & Co	09/24/09	10,470	9,587	10,000			863		- 279
8 Goldman Sachs 5 95% 1/15/27	38141GES9	Felli & Co	10/21/09	37,225	34,750	39,000			2,475		- 2,972
9 Wells Fargo Co 5 625% 12/1/117	949746NX5	Felli & Co	11/16/09	31,142	29,209	30,000			1,933		- 834
10											-
11											-
12											-
13											-
14											-
15											-
16											-
17											-
18											-
19											-
20											-
Totals				175,798	165,583	171,552	-	-	10,205	-	7,631

Exh 1, Ln 1;
Col 2

Exh 1, Ln 3;
Col 2

Exh 2, Ln 1;
Col 1

Exh 2, Ln 3;
Col 1

Exh 1, Ln 1;
Col 2

Exh 2, Ln 1;
Col 1

Schedule E-Part 1
Showing all Investment Company Shares Owned December 31 of the Current Year

1 Description (complete and accurate)	2 Cusip # ID	3 Number of Shares	4 Year First Acquired	5 *Actual Cost	6 Rate Per Share Used to Obtain Market Value	7 Market Value	8 Statement Value (lower of cost or market)	9 Dividends/ Amount Received During Year	10 Dividends/ Declared But Unpaid at December 31
1 UBS Government Securities Port	749999AA6	73,645	21	01/01/95	73,645	1.00	73,645		111
2 Prime Fund - Capital Reserves	390521102	11,402	89	06/01/08	11,403	1.00	11,403		45
3 FTL Unit 1910 Corp Inv Port - Ser 5	30276A382	11,00		02/24/09	10,973	1,041.07	11,452	10,973	466
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
Totals				96,021		96,500	96,021	652	
				<i>Exh 9, Ln 6,</i>		<i>Exh 9, Ln 6,</i>	<i>Exh 1, Ln 4,</i>	<i>Exh 1, Ln 4,</i>	
				<i>Col 1</i>		<i>Col 1</i>	<i>Col 1</i>	<i>Col 3</i>	

* Investment company shares shall not exceed 20 percent of the Company's surplus.

Exh 9, Ln 6,
Col 4

Exh 1, Ln 4,
Col 3

Schedule E-Part 2
Showing all Investment Company Shares Sold, Redeemed, or Otherwise Disposed of During the Year

1 Description (complete and accurate)	2	3	4	5	6	7	8	9	10
1 Capital Gain Distribution	Cusip # ID	Name of Purchaser	Disposal Date	Number of Shares	Consideration Received	Actual Cost	Profit on Disposal	Loss on Disposal	Dividends Received During Year
2	749999AA6	UBS Financial	12/31/09	6	6	-	6	-	-
3									-
4									-
5									-
6									-
7									-
8									-
9									-
10									-
11									-
12									-
13									-
14									-
15									-
16									-
17									-
18									-
19									-
20									-
Totals				6	-	6	6	-	-

Exh 2, Ln 5,
Col 1
Exh 2, Ln 5,
Col 2
Exh 1, Ln 4,
Col 1

Schedule F-Part 1
Showing all Common Stock Owned December 31 of the Current Year

Col 1	Col 2	Col 3
Col 4	Col 5	Col 6

Schedule F-Part 2
Showing all Common Stock Sold, Redeemed, or Otherwise Disposed of During the Year

1 Description (complete and accurate)	2 Cusip # ID	3 Name of Purchaser	4 Disposal Date	5 Number of Shares	6 Consideration Received	7 Actual Cost	8 Profit on Disposal	9 Loss on Disposal	10 Dividends Received During Year
1 None									
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
Totals									

Exh 2, Ln 6, Exh 2, Ln 6, Exh 1, Ln 5,
Col 1 Col 2 Col 1

Mortgage Loans Owned December 31 of the Current Year and all Mortgage Loans Made, Increased, Discharged, Reduced, or Disposed of During the Year

Schedule G

*Gross amount of interest received during year less amount paid for accrual

Schedule H-Part 1
Real Estate Owned December 31 of the Current Year

		1	2	3	4	5	6	7	8
Description of Property (include location and year acquired)		Actual Cost	Amount of Encumbrances	Improvements to Home Office	Current year Depreciation	Accumulated Depreciation	Book Value Dec. 31 Prior Year Col 7	Book Value Dec. 31 Current Year (Col 1 - 2 + 3) - 5	Rental Income Received
1	None								
2									
3									
4									
5									
6									
7									
8									
9									
10									
Totals									

Exh 9, Ln 9,
Col 1

Exh 1, Ln 7,
Col 1

Schedule H-Part 2
Real Estate Sold or Otherwise Disposed of During the Year

1	2	3	4	5	6	7	8
Description of Property (include location and year acquired)		Disposal Date	Name of Purchaser	Book Value at Date of Sale, Less Encumbrances	Amount Received	Profit on Sale	Loss on Sale
1	None						
2							
3							
4							
5							
6							
7							
8							
9							
Totals							

Totals

Exh 2,	Exh 2,	Exh 1,
Ln 4,	Ln 4,	Ln 7,
Col 1	Col 2	Col 1

Schedule I

All salaries and other emoluments paid to directors, officers, employees of the Company and independent attorneys, accountants, adjusters, inspectors and consultants during the current year

1	2	3	4	5	6	7	8	9	10	11	12
Title	Name of Payee	Member of Company? Yes or No	Salary	Fringe Benefits	Commission	Loss Adjustment	Loss Prevention (inspection)	Director or Policy Fee Paid or Retained	All Other (footnote)*	Ref. #	Total
1 President	Howard Schonenfeld	Yes						870			870
2 Vice-President	Orville Wegner	Yes						350			350
3 Secretary	Allen Ross	- Yes						1,020			1,020
4 Treasurer	Donald O'Neil	Yes			2,781			1,020			3,801
5 Total Officers					2,781			3,260			6,041
6 Director	Jeff La Canne	Yes						300			300
7 Director	Robert Heine	Yes						420			420
8 Director											
9 Director											
10 Director											
11 Director											
12 Director											
13 Director											
14 Director											
15 Total Directors					-		29,725	-	157	720	5,400
16 Manager	Donald O'Neil	Yes	15,600	3,317		20	336		637	3	19,910
17 Employee											
18 Employee											
19 Employee											
20 Employee											
21 Employee											
22 Agent	Heine Agency										
23 Agent											
24 Agent											
25 Agent											
26 Agent	Overflow Page										
27 Total Employees and Agents			15,600	3,317		18,482	68		12,037		49,850
28 Legal	Willenbring & Dahl										
29 Accounting	Overflow Page										
30 Auditing	Jim Barto CPA, PA										
31 Adjusting	Overflow Page										
32 Inspecting	Overflow Page										
33 Consulting											
34 Total for Independent Services									5,620		5,620
35 Total Lines 5, 15, 27, and 34											97,523

FOOTNOTES (reference #)

(1) Auditing & Accounting

(2) Legal

(3) Travel

(4) Rent

(5) Leased Employee

(6)

(7)

(8)

(9)

(10)

(11)

(12)

2009 Annual Statement of the

Rice County Mutual Insurance Company

Management Ratios						
	1	2	3	4	5	6
	Current Year	Prior Year	Next Prior Year	Next Prior Year	Next Prior Year	Next Prior Year
Gross Written Premium Ratio						
1	342,330	406,369	436,955	433,379	445,076	433,307
Gross written premium (Exh 3, Col 2, plus 3) divided by policyholder's surplus (Pg 3, Ln 17)	2,503,363	2,240,825	2,090,253	1,898,640	1,700,816	1,585,033
equals the gross written premium ratio of	13.7%	18.1%	20.9%	22.8%	26.2%	27.3%
Net Written Premium Ratio						
2	264,477	333,505	350,045	339,013	349,685	338,774
Net written premiums (Exh 3, Col 6) divided by policyholder's surplus (Pg 3, Ln 17)	2,503,363	2,240,825	2,090,253	1,898,640	1,700,816	1,585,033
equals the net written premium ratio of	10.6%	14.9%	16.7%	17.9%	20.6%	21.4%
Gross Loss Ratio						
3	50,814	181,008	149,137	126,124	186,221	113,618
Gross losses paid (Exh 5, Col 2 plus 3) divided by gross written premiums (Exh 3, Col 2 plus 3)	342,330	406,369	436,955	433,379	445,076	433,307
equals the gross loss ratio of	14.8%	44.5%	34.1%	29.1%	41.8%	26.2%
Net Loss Ratio						
4	48,249	162,554	149,137	126,124	175,702	113,618
Net losses paid (Exh 5, Col 6) divided by net written premiums (Exh 3, Col 6)	264,477	333,505	350,045	339,013	349,685	338,774
equals the net loss ratio of	18.2%	48.7%	42.6%	37.2%	50.2%	33.5%
Operating Expense Ratio						
5	118,266	121,180	126,856	141,721	131,745	124,052
Operating expenses paid (Exh 8, Ln 25, Col 1) divided by gross written premiums (Exh 3, Col 2 plus 3)	342,330	406,369	436,955	433,379	445,076	433,307
equals the operating expense ratio of	34.5%	29.8%	29.0%	32.7%	29.6%	28.6%
Investment Yield						
6	113,162	115,540	112,683	101,157	80,539	64,247
Investment income earned (Exh 1, Ln 10, Col 5) divided by the sum of admitted assets (Pg 2, Ln 1 thru 9) Col 1	2,656,281	2,430,940	2,262,827	2,073,491	1,913,895	1,796,019
equals the investment yield of	4.3%	4.8%	5.0%	4.9%	4.2%	3.6%
Change in Surplus Ratio						
7	2,503,363	2,240,825	2,090,253	1,898,640	1,700,816	1,589,084
Stated surplus current year (Pg 3, Ln 17, Col 1) less stated surplus prior year (Pg 3, Ln 17, Col 2)	2,240,825	2,090,253	1,898,639	1,700,814	1,589,084	1,427,996
equals the change in surplus current year (Pg 4, Ln 25, Col 1)	262,538	150,572	191,614	197,826	111,732	161,088
divided by stated surplus prior year (from above)	2,240,825	2,090,253	1,898,639	1,700,814	1,589,084	1,427,996
equals the change in surplus ratio of	11.7%	7.2%	10.1%	11.6%	7.0%	11.3%

General Interrogatories

1 (a) Have any amendments been made to the Company's Articles of Incorporation or Bylaws during the past year?	No
(b) If so, have all amendments been filed with the Commissioner of Commerce?	<u>N/A</u>
(c) What date were the amendments filed?	<u>N/A</u>
2 (a) Does the company issue the Easy to Read Minnesota Standard Township Mutual Insurance Policy?	Yes
If NO, state type of policy issued	<u>N/A</u>
(b) Are all policy forms which are used by the Company on file with the Commissioner of Commerce?	Yes
(c) Does your Company write a combination policy with any other company?	Yes
If YES, state names of companies and types of policies	<u>North Star & RAM Mutual-Farmowners & Package Policies</u> <u>Spring Valley Mutual-Farmowners & Package Policies</u> <u>Packaging companies cover the perils that the mutual</u> <u>cannot by statutes insure</u>
(d) Is this business done through a separate agency?	Yes
(e) Name the agency	<u>Rice County Insurance Agency</u>
(f) Does your Company own the general agency?	No
3 Total number of counties in which the Company is authorized to do business?	8
List counties in <u>alphabetical order</u>	<u>Dakota</u> <u>Dodge</u> <u>Goodhue</u> <u>Le Sueur</u> <u>Rice</u> <u>Scott</u> <u>Steele</u> <u>Waseca</u>
4 Total number of townships in which the Company is authorized to do business?	123
5 (a) How many members on the Board of Directors?	5
(b) How many Board of Director's meetings during the year?	6
(c) What is the average attendance?	5
6 Has Company established an annual policy for disclosure to its Board of any interest or affiliation on the part of its officers, directors, or responsible employees which is in conflict or likely to conflict with their official duties? (Y/N)	Yes
How is such disclosure made?	<u>Meetings every two months</u>
7 (a) Has any officer, director, or employee filed a loss claim with the Company during the year?	Yes
If so, give name, amount, and date paid	<u>Jeff La Canne on 4/23/09 \$883.30</u>
(b) During the current year, did any officer, director, or employee receive directly or indirectly any compensation in addition to their regular compensation on account of any reinsurance transactions of the Company?	No
If YES, please explain	<u>N/A</u>
8 (a) Are members notified in advance of the time and place of annual and special meetings?	Yes
Number of days advance notice given?	20
How are members notified?	<u>Newspaper, policy info, radio</u>
(b) Is the date of the annual meeting prescribed in the Articles of Incorporation or Bylaws?	Yes
Insurance policy?	Yes
Other?	No
Specify	<u>N/A</u>
(c) Are members informed of vacancies on the Board of Directors?	Yes
How?	<u>Newspaper</u>
(d) Are members informed of vacancies on the Board before nominations are closed?	Yes
If NO, when are they notified?	<u>N/A</u>
(e) Number of policyholders attending the last annual meeting?	38
(f) Does the Company provide an annual financial report to the policyholders?	Yes
If YES, attach a copy	
(g) Has each member been given a copy of the Company's current Articles of Incorporation and Bylaws?	No
If YES, how?	<u>N/A</u>
9 Are the funds of any other company intermingled with the funds of the Company? (ie checking account, etc)	No
If YES, Explain in detail	<u>N/A</u>

General Interrogatories (continued)

10 Date of the last independent audit?	12/31/08
Name of accounting firm	Jim Barta CPA
Address of firm	PO Box 1879 Mankato, MN 56002-1879
Name of individual in charge of audit	Jim Barta CPA
11 Are those with access to Company funds bonded?	
Secretary?	Yes
Treasurer?	No
Other employees?	Yes
Amount?	40,000
Name of security?	Western Surety
12 Is the Company a member of a state association?	
If YES, state the name	Yes
Is the Company a member of a national association?	
If YES, state the name	Yes
13 Are all applications and records stored in a fire retardant safe/files in the home office?	
If NO, how are they safeguarded?	N/A
Do you keep a duplicate set of important Company records stored off premises?	No
14 (a) For what terms are policies written?	One year renewed 3 years
(b) Premium payment installments	
Annual?	Yes
Semi-Annual?	Yes
Quarterly?	Yes
Other?	No
15 Are risks inspected?	
If YES, by whom?	Manager & Reinsurer
How often?	New risks when necessary-Others Random
16 By whom are losses adjusted?	Manager & Independent when necessary
17 Does the Company carry liability (E&O/D&O) insurance on its directors?	Yes
Officers?	Yes
Employees?	Yes
Name of insurer	NAMIC Insurance Company
18 (a) Has any officer or director of the Company received any commission, fee, or other thing of value in connection with any investment or loan made by the Company during the year of this statement?	No
If YES, give the particulars	N/A
(b) Has the Company made any personal loan to any director, officer, agent, or employee?	No
If YES, give the particulars	N/A
19 Have any dividends been declared during the year?	No
If YES, give basis for the distribution	N/A
20 Any newly appointed agents during this year?	No
If YES, list names and addresses	N/A
Are all agents licensed?	
If NOT, explain	Yes
21 How are agents compensated?	
Commission rate or rates	Commissions 15% yearly and renewals 20% on new business

Number of Policyholders / Insurance in Force

1 December 31 of Prior year	Number of policyholders	645	Insurance in Force	254,646,027
2 Net addition or deduction for the year	Number of policyholders	4	Insurance in Force	2,802,781
3 December 31 of Current year	Number of policyholders	649	Insurance in Force	257,448,808

2009 Annual Statement of the

Rice County Mutual Insurance Company

General Interrogatories (continued)

Overflow write in page

Page Number	Line Number	Description and details
27	7	Director and Employee Losses

28	20	Any newly appointed agents during this year

25 Name	21 Employees	Salary	Fr Ben	Commiss	Loss Adj	Loss Prev	Fees	Other	Ref	Total
										-
										-
										-
										-
Totals		-	-	-	-	-	-	-		-

25 Name	26 Agents	Salary	Fr Ben	Commiss	Loss Adj	Loss Prev	Fees	Other	Ref	Total
Jordan Agency				218						218
Truax and Associates				2,983						2,983
House of Insurance				2,075						2,075
Tupy Agency				1,902						1,902
Faribo Agency				1,312						1,312
GMI-Ritter Agency				1,713						1,713
Flicek Agency		6,387			68					6,455
Butler Agency			475							475
Lawrence Bohmbach				987						987
Heartman Agency				153						153
Miller Hartwig Agency				277						277
										-
										-
										-
										-
										-
										-
Totals		-	-	18,482	-	68	-	-		18,550

25 Name	31 & 32 Consulting and Adjusting	Salary	Fr Ben	Commiss	Loss Adj	Loss Prev	Fees	Other	Ref	Total
										-
										-
										-
										-
Totals		-	-	-	-	-	-	-		-

Overflow write-ins

2009 Annual Statement Supplement (To Be Filed with Annual Statement)

Company Name Rice County Mutual Insurance Company

1. 2009 Homeowners direct written premium: \$ 51,000
2009 Homeowners direct losses paid: \$ 596
2009 Homeowners direct loss ratio: 1.17%

2. 2009 City of the Second Class direct written premium: \$ 0
2009 City of the Second Class direct losses paid: \$ 0
2009 City of the Second Class direct loss ratio: 0.00%

Jim Barta CPA, P.A.

401 Sherman St. PO Box 1879 N. Mankato MN 56002-1879
Phone 507-625-4245 FAX 507-625-9290

To the Board of Directors and Policyholders:

I have compiled the statutory statements of admitted assets, liabilities and policyholders' surplus of Rice County Mutual Insurance Company (the Company) as of December 31, 2009 and 2008, and the related statutory statements of income and the schedules of operating and investment expenses, for the years then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

The Company's financial statements were prepared in conformity with the accounting practices prescribed or permitted by the Minnesota Department of Commerce which is a comprehensive basis of accounting other than generally accepted accounting principles. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on a statutory basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The accompanying 2008 financial statements were compiled from financial statements that did not omit substantially all of the disclosures ordinarily included in financial statements prepared on a statutory basis of accounting and that were previously audited, as indicated in the unqualified report dated October 5, 2009.


Jim Barta CPA PA

January 24, 2010