

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2012 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan <u>NATIONAL INTERSTATE SAVINGS AND PROFIT SHARING PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>03/30/1989</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>03/30/1989</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>03/30/1989</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>NATIONAL INTERSTATE INSURANCE AGENCY, INC.</u> <u>3250 INTERSTATE DRIVE</u> <u>RICHFIELD, OH 44286-9000</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>34-1607396</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>330-659-8900</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>524210</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>34-1607396</u>	2c Sponsor's telephone number <u>330-659-8900</u>	2d Business code (see instructions) <u>524210</u>	
2b Employer Identification Number (EIN) <u>34-1607396</u>					
2c Sponsor's telephone number <u>330-659-8900</u>					
2d Business code (see instructions) <u>524210</u>					

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature. Signature of plan administrator	<u>08/28/2013</u> Date	<u>PAM MCDERMID</u> Enter name of individual signing as plan administrator
SIGN HERE	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address ☒ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address		3b Administrator's EIN
		3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name		4b EIN 4c PN
5 Total number of participants at the beginning of the plan year		5 586
6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	528
b Retired or separated participants receiving benefits.....	6b	1
c Other retired or separated participants entitled to future benefits.....	6c	82
d Subtotal. Add lines 6a , 6b , and 6c	6d	611
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	611
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	570
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	23
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2T 3D 3H		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2012
		This Form is Open to Public Inspection.

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan <u>NATIONAL INTERSTATE SAVINGS AND PROFIT SHARING PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>NATIONAL INTERSTATE INSURANCE AGENCY, INC.</u>	D Employer Identification Number (EIN) <u>34-1607396</u>

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
SEI TRUST COMPANY

06-1271230

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

HARTFORD RETIREMENT SERVICES, LLC

26-1589907

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 37 38 49 50 59 60 62 63 64 65 72 99	N/A	1950	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

RELIANCE TRUST COMPANY

58-1428634

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
19 25 64 65 71 99	N/A	0	Yes ☒ No ☐	Yes ☐ No ☒	6986	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

MORNINGSTAR ASSOCIATES, LLC

36-4317381

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
49	N/A	0	Yes ☒ No ☐	Yes ☐ No ☒	19	Yes ☐ No ☒

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

UBS FINANCIAL SERVICES INC

13-2638166

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
50 55	N/A	29077	Yes ☒ No ☐	Yes ☐ No ☒	8614	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
HARTFORD RETIREMENT SERVICES, LLC	52 59 60 62 63	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
SEE FEE AND COMPENSATION REPORT 26-1589907		SEE FEE AND COMPENSATION DISCLOSURE REPORT ATTACHMENT
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
RELiance TRUST COMPANY	19 25 64 65 99	6356
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
HARTFORD RETIREMENT SERVICES, LLC 26-1589907		SEE FEE AND COMPENSATION DISCLOSURE REPORT ATTACHMENT
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
MORNINGSTAR ASSOCIATES, LLC	49	19
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
HARTFORD LIFE INSURANCE COMPANY 06-0974148		SEE FEE AND COMPENSATION DISCLOSURE REPORT ATTACHMENT

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
UBS FINANCIAL SERVICES INC.	55	8614
(d) Enter name and EIN (address) of source of indirect compensation		
HARTFORD SECURITIES DISTRIBUTION CO 06-1408044	SEE FEE AND COMPENSATION DISCLOSURE REPORT ATTACHMENT	
(a) Enter service provider name as it appears on line 2		
RELiance TRUST COMPANY	71	630
(d) Enter name and EIN (address) of source of indirect compensation		
SEE FEE AND COMPENSATION REPORT 58-1428634	SEE FEE AND COMPENSATION DISCLOSURE REPORT ATTACHMENT	
(a) Enter service provider name as it appears on line 2		
(d) Enter name and EIN (address) of source of indirect compensation		

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2012 This Form is Open to Public Inspection.
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan <u>NATIONAL INTERSTATE SAVINGS AND PROFIT SHARING PLAN</u>	B Three-digit plan number (PN)	<u>001</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>NATIONAL INTERSTATE INSURANCE AGENCY, INC.</u>	D Employer Identification Number (EIN) <u>34-1607396</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: FIXED FUND

b Name of sponsor of entity listed in (a): SEI TRUST COMPANY

c EIN-PN <u>23-2852249-002</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>1371088</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2012 This Form is Open to Public Inspection
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012		
A Name of plan NATIONAL INTERSTATE SAVINGS AND PROFIT SHARING PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 NATIONAL INTERSTATE INSURANCE AGENCY, INC.	D Employer Identification Number (EIN) 34-1607396	

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	840894	807092
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	462088	485118
(9) Value of interest in common/collective trusts.....	1c(9)	1742286	1371088
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	12631952	15691907
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		649450
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	15677220	19004655

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	15677220	19004655
---	-----------	----------	----------

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	807092	
(B) Participants	2a(1)(B)	1671162	
(C) Others (including rollovers)	2a(1)(C)	291235	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		2769489
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	17326	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		17326
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	316942	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		316942
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	441422	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	439635	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		1787
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	123857	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		123857

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		4874
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		1562272
c Other income.....	2c		29071
d Total income. Add all income amounts in column (b) and enter total.....	2d		4825618

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1465553	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		1465553
f Corrective distributions (see instructions)	2f		1603
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)	31027	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		31027
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1498183

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		3327435
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unqualified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☐ Yes ☒ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: MEADEN & MOORE, LTD.

(2) EIN: 34-1818258

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
e Was this plan covered by a fidelity bond?	X		25000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
 If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ Yes ☒ No Amount:

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)	5b(3) PN(s)

Part V Trust Information (optional)

6a Name of trust

6b Trust's EIN

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2012 This Form is Open to Public Inspection.
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan <u>NATIONAL INTERSTATE SAVINGS AND PROFIT SHARING PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>NATIONAL INTERSTATE INSURANCE AGENCY, INC.</u>	D Employer Identification Number (EIN) <u>34-1607396</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>06-0974148</u>	
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.	
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☐ N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
--	-----------------------------------	-----------------------------------	-------------------------------	-----------------------------

Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

- a** Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%
- b** Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more
- c** What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

NATIONAL INTERSTATE
SAVINGS AND PROFIT SHARING PLAN

FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT

December 31, 2012

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Independent Auditor's Report

Plan Administrator
National Interstate Savings and Profit Sharing Plan
Richfield, Ohio

Report on the Financial Statements

We have audited the accompanying financial statements of National Interstate Savings and Profit Sharing Plan, which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011, and the related statement of changes in net assets available for benefits for the years ended December 31, 2012 and 2011, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2012 and 2011, and the changes in net assets available for benefits of the Plan as of December 31, 2012 and 2011, in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets held for investment purposes at year end as of December 31, 2012 is presented for the purpose of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Meaden & Moore, Ltd.
Cleveland, Ohio
June 21, 2013

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

National Interstate
Savings and Profit Sharing Plan

	December 31	
	<u>2012</u>	<u>2011</u>
ASSETS		
Receivables:		
Receivable - Employer contributions	\$ 807,092	\$ 840,894
Notes receivable from participants	<u>485,118</u>	<u>462,088</u>
Total Receivables	1,292,210	1,302,982
Investments (at fair value):		
JP Morgan Smart Retirement 2020	1,951,908	-
American Funds Growth Fund of America	1,888,009	1,417,853
MFS Value	1,834,041	539,203
JP Morgan Smart Retirement 2030	1,755,825	-
Thornburg International Value	1,636,633	1,366,151
Oppenheimer Main Street Small Cap	1,567,050	1,296,618
Fixed Fund	1,402,844	1,730,523
Franklin Strategic Income	1,337,726	1,094,815
PIMCO Total Return Fund	848,952	758,720
JP Morgan Smart Retirement 2045	782,591	-
National Interstate Corp Stock Fund	649,450	475,214
JP Morgan Smart Retirement 2010	475,731	-
Victory Special Value	370,183	362,674
JP Morgan Smart Retirement 2025	323,135	-
JP Morgan Smart Retirement 2040	213,585	-
DWS S&P 500 Index Fund	206,675	-
JP Morgan Smart Retirement 2015	113,648	-
JP Morgan Smart Retirement Income	105,628	-
AllianceBernstein Global Bond Fund	92,684	-
JP Morgan Smart Retirement 2035	80,992	-
JP Morgan Smart Retirement 2050	57,527	-
Eaton Vance Income Fund	49,384	-
American CNT Livestrong 2045	-	646,803
Eaton Vance Large Cap Value	-	1,091,359
MFS Conservative Allocation	-	505,053
MFS Lifetime Retirement Income	-	201,027
MFS Lifetime 2010	-	407,244
MFS Lifetime 2020	-	1,209,591
MFS Lifetime 2030	<u>-</u>	<u>1,268,564</u>
Total Investments	<u>17,744,201</u>	<u>14,371,412</u>
Total Assets	19,036,411	15,674,394
LIABILITIES	<u>-</u>	<u>-</u>
Net Assets Reflecting all Investments at Fair Value	19,036,411	15,674,394
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	<u>(31,756)</u>	<u>2,826</u>
Net Assets Available for Benefits	<u>\$ 19,004,655</u>	<u>\$ 15,677,220</u>

See accompanying notes.

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

National Interstate Savings and Profit Sharing Plan

	<u>Year Ended December 31</u>	
	<u>2012</u>	<u>2011</u>
Additions to Net Assets Attributed to:		
Contributions:		
Employer	\$ 807,092	\$ 840,894
Participants	1,671,162	1,551,600
Rollovers	<u>291,235</u>	<u>1,490,045</u>
Total Contributions	2,769,489	3,882,539
Interest income on notes receivable from participants	17,326	17,705
Net unrealized/realized appreciation (depreciation)	<u>2,009,732</u>	<u>(390,735)</u>
Total Additions	4,796,547	3,509,509
Deductions from Net Assets Attributed to:		
Benefits paid to participants	1,467,156	1,251,520
Administrative expenses	<u>1,956</u>	<u>2,100</u>
Total Deductions	<u>1,469,112</u>	<u>1,253,620</u>
Net Increase	3,327,435	2,255,889
Net Assets Available for Benefits:		
Beginning of the Year	<u>15,677,220</u>	<u>13,421,331</u>
End of the Year	<u>\$ 19,004,655</u>	<u>\$ 15,677,220</u>

See accompanying notes.

NOTES TO FINANCIAL STATEMENTS

National Interstate Savings and Profit Sharing Plan

1 Description of Plan

The following description of The National Interstate Savings and Profit Sharing Plan ("Plan") provides only general information. Participants should refer to the Plan document for a complete description of the Plan's provisions.

General:

The Plan, which began March 30, 1989, is a defined contribution plan covering all employees of National Interstate Corporation and its Subsidiaries ("Company") who meet the hour and age requirements. During 2011, the Plan was amended for updates to the Heroes Earnings Assistance and Relief Tax Act of 2008 ("HEART" Act) and the Worker, Retiree and Employer Recovery Act of 2008 ("WRERA" Act).

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

As of January 1, 2012, the Plan added a Roth option which allows participants to make after-tax contributions to their accounts.

Effective January 1, 2012, the Plan has been amended to no longer allow for premature distribution of rolled over accounts after this date.

Eligibility:

An eligible employee shall become a participant in the Plan as of the first day of the first month coinciding with or next following the date on which the employee who has attained the age of 18 was hired.

Contributions:

Cash or Deferred Option - Participants may elect to contribute to the Plan 1% to 100% of their compensation by the Company on a pre-tax basis and/or Roth contributions, subject to the dollar limit which is set by law.

Participants who are 50 years or older on the last day of the Plan year are eligible to contribute an additional catch-up contribution up to the limit imposed by law. The catch-up limit for 2012 and 2011 was \$5,500.

Employer Contributions - The Company may make discretionary profit sharing contributions. These contributions are allocated to participants who meet the eligibility requirements to share in the contribution for the Plan year. Employees must complete a year of service during the Plan year and be actively employed on the last day of the Plan year to share in this discretionary profit sharing contribution. Employees will have completed a year of service for purposes of receiving a discretionary profit sharing contribution if they are credited with at least 1,000 hours of service during a Plan year.

The contribution is an amount equal to a specified percentage of employees' compensation as determined by the Company. The Company made contributions of \$807,092 and \$840,894 for the years ended 2012 and 2011, respectively.

Rollover contributions from other plans are also accepted provided certain specified conditions are met.

Contributions are subject to limitations on annual additions and other limitations imposed by the Internal Revenue Code as defined in the Plan agreement.

NOTES TO FINANCIAL STATEMENTS

National Interstate Savings and Profit Sharing Plan

1 Description of Plan, Continued

Participants' Accounts:

401(k) Accounts - Each participant's account is credited with the participant's elective contributions, employer discretionary contributions, earnings and losses thereon.

Vesting:

All participants are 100% vested in elective deferrals and rollover contributions made to the Plan. Participants become 100% vested in Company contributions made prior to December 31, 2006, after five years of service and contributions made subsequent to December 31, 2006, after three years of service.

Forfeitures:

Forfeited non-vested accounts totaled \$35,190 and \$8,935 as of December 31, 2012 and 2011, respectively. The Company utilizes forfeiture amounts to pay Plan administrative expenses and reduce employer contributions.

Notes Receivable from Participants:

Loans are permitted under certain circumstances and are subject to limitations. The minimum loan amount is \$1,000 and only two loans can be outstanding at any time. The maximum loan amount is equal to the lesser of 50% of their vested balance or \$50,000 in accordance with the Department of Labor's regulations. Loans are repaid over a period not to exceed five years with exceptions for the purchase of a primary residence.

The loans are secured by the balance in the participant's account and bear interest. The Administrator determines a reasonable rate of interest, which is currently prime plus 1%. Principal and interest are paid ratably through payroll deductions.

Other Plan Provisions:

Normal retirement age is 65; however, a participant may elect early retirement on or after age 55. The Plan also provides for early payment of benefits after reaching age 59-1/2.

Payment of Benefits:

Upon termination of service by reason of retirement, death or total and permanent disability, a participant receives a lump sum amount equal to the vested value of his or her account unless another form of payment is elected.

Hardship Withdrawals:

Hardship withdrawals are permitted in accordance with Internal Revenue Service guidelines.

Investment Options:

Upon enrollment in the Plan, a participant may direct his or her contributions in any of the investment options offered by the Plan.

NOTES TO FINANCIAL STATEMENTS

National Interstate Savings and Profit Sharing Plan

2 Summary of Significant Accounting Policies

Basis of Accounting:

The Plan's transactions are reported on the accrual basis of accounting. Registered investment companies and common collective trusts are reported at fair market value as of the balance sheet date. Fair market values represent quoted market prices or, if quoted market prices are not available, estimated fair values as determined by a registered broker or investment banker. The fair value of the common collective trust, or investment contracts, are calculated by discounting the related cash flows based on current yields of similar instruments with comparable durations. Participant transactions (purchases and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the investment adviser reserves the right to temporarily delay from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner. Loans are valued at cost, which approximates fair value.

As described in Financial Accounting Standards Board Staff Position ASC-962, Reporting of Investment Contracts Held by Health and Welfare Benefit Plans and Defined Contribution Pension Plans, investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. As required by the FSP, the Statements of Net Assets Available for Benefits presents the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.

Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions to net assets during the reporting period. Actual results could differ from those estimates.

Administrative Fees:

Substantially all administrative fees are paid by the Company.

Plan Termination:

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts. Upon full termination of the Plan, the Employer shall direct the distribution of the assets of the Trust Fund to participants in a manner which is consistent with and satisfies the Distribution of Benefits provision of the Plan. Distributions to a participant shall be made in cash or through the purchase of irrevocable nontransferable deferred commitments from an insurer.

NOTES TO FINANCIAL STATEMENTS

National Interstate Savings and Profit Sharing Plan

2 Summary of Significant Accounting Policies, Continued

Risks and Uncertainties:

The Plan's investments include investments in registered investment companies and a common collective trust that have varying degrees of risk, such as interest rate, credit and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the Statement of Net Assets Available for Plan Benefits.

Reclassifications:

Certain prior year amounts have been reclassified to conform with the current year's presentation.

Subsequent Events:

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Events or transactions occurring subsequent to December 31, 2012, and prior to June 21, 2013 have been evaluated for potential recognition or disclosure herein.

3 Recent Accounting Pronouncements

In May 2011, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2011-04, "Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and International Financial Reporting Standards." ASU 2011-04 was issued to provide a consistent definition of fair value and ensure that the fair value measurement and disclosure requirements are similar between U.S. GAAP and International Financial Reporting Standards. ASU 2011-04 changes certain fair value measurement principles and enhances the disclosure requirements particularly for Level 3 fair value measurements. This pronouncement was effective for reporting periods beginning on or after December 15, 2011, with early adoption prohibited. The new guidance required prospective application. The adoption of this pronouncement did not have a material impact on the Plan's financial statements.

4 Tax Status

The Plan sponsor has obtained an opinion letter dated December 1, 2011 in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. Though the Plan has been amended, the Plan Administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, they believe that the Plan was qualified and the related trust was tax-exempt as of the financial statement date.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more-likely-than-not would not be sustained upon examination by the Internal Revenue Service. The Plan Administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2012, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTES TO FINANCIAL STATEMENTS

National Interstate Savings and Profit Sharing Plan

4 Tax Status, Continued

The Plan Administrator believes it is no longer subject to income tax examinations prior to 2009.

5 Investments

The Plan's funds are invested in the various registered investment companies and a common collective trust through Hartford Retirement Services. Investments which constitute more than 5% of the Plan's net assets are:

	2012	2011
JP Morgan Smart Retirement 2020	\$ 1,951,908	N/A
American Funds Growth Fund of America	\$ 1,888,009	\$ 1,417,853
MFS Value	\$ 1,834,041	N/A
JP Morgan Smart Retirement 2030	\$ 1,755,825	N/A
Thornburg International Value	\$ 1,636,633	\$ 1,366,151
Oppenheimer Main Street Small Cap	\$ 1,567,050	\$ 1,296,618
Fixed Fund	\$ 1,402,844	\$ 1,730,523
Franklin Strategic Income	\$ 1,337,726	\$ 1,094,815
MFS Lifetime 2030	N/A	\$ 1,268,564
MFS Lifetime 2020	N/A	\$ 1,209,591
Eaton Vance Large Cap Value	N/A	\$ 1,091,359

Net appreciation (depreciation) in the fair value of investments for the years ended December 31 is as follows:

	2012	2011
Mutual Funds	\$ 1,879,276	\$ (457,891)
Company Stock Fund	125,645	65,263
Common Collective Trust	4,811	1,893
Appreciation/(Depreciation)	\$ 2,009,732	\$ (390,735)

6 Party-in-Interest Transactions

Certain Plan investments in 2012 and 2011 are registered investment companies managed by Reliance Trust Company and common stock of the Plan sponsor. Therefore, these transactions qualify as party-in-interest. Usual and customary fees were paid by the mutual fund for the investment management and administrative services.

7 Investment Contract with Insurance Company

The Plan entered into benefit-responsive contracts with Hartford Retirement Services. Hartford Retirement Services maintain the contributions in a general account. The account represents contributions and reinvested income, less any withdrawals, plus accrued interest because the investments have fully benefit-responsive features. For example, participants may ordinarily direct the withdrawal or transfer of all or a portion of their investments at contract value. However, withdrawals influenced by Company-initiated events, such as in connection with the sale of a business, may result in a distribution other than at contract value.

NOTES TO FINANCIAL STATEMENTS

National Interstate Savings and Profit Sharing Plan

7 **Investment Contract with Insurance Company, Continued**

As described in Note 2, because the contract is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the MFS Fixed Fund. Contract value, as reported by Hartford Retirement Services, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The crediting interest rate is based on a formula agreed upon with the issuer. In 2012 and 2011, the crediting interest rate with Hartford Retirement for the common collective trust was a rate not less than 0%, respectively. The interest rate is reviewed periodically for resetting.

Certain events limit the ability of the Plan to transact at contract value with the issuer. The Plan Administrator does not believe that the occurrence of any such value event that would limit the Plan's ability to transact at contract value with participants is probable.

The average yield and crediting interest rate of the contract with Hartford Retirement Services was 1.09% and 1.72% during the year ended December 31, 2012, and 1.66% and 1.17% during the year ended December 31, 2011.

	Fixed Fund		
	Investments at Fair Value	Adjustment to Contract Value	Investments at Contract Value
2012	\$ 1,402,844	\$ (31,756)	\$ 1,371,088
2011	\$ 1,730,523	\$ 2,826	\$ 1,733,349

8 **Fair Value Measurements**

The Company must determine the appropriate level in the fair value hierarchy for each applicable fair value measurement. The fair value hierarchy prioritizes the inputs, which refer broadly to assumptions market participants would use in pricing an asset or liability into three levels. It gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The level in the fair value hierarchy within which a fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The Plan uses data from outside sources, including nationally recognized pricing services in establishing fair value.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical securities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted prices within Level 1 that are observable for the security, either directly or indirectly. Level 2 inputs include quoted prices for similar securities in active markets, quoted prices for identical or similar securities that are not active and observable inputs other than quoted prices, such as interest rate and yield curves. Level 3 inputs are unobservable inputs for the asset or liability. The Company uses the market approach valuation technique for all investments.

NOTES TO FINANCIAL STATEMENTS

National Interstate Savings and Profit Sharing Plan

8 Fair Value Measurements, Continued

Level 1 consists of mutual funds that are registered investment companies and whose fair values are based on net asset values ("NAV's") that are readily and regularly available in an active market and a company common stock fund whose fair value is based on quoted prices of the Company's common stock, which is readily and regularly available in an active market. Level 2 consists of a common collective trust whose fair value is based on quoted prices in both markets that are active and not active. There are no Level 3 investments at December 31, 2012 and 2011. The following table presents the financial instruments carried at fair value, on a recurring basis, as of December 31, 2012, by valuation hierarchy (as described previously).

December 31, 2012			
	Level 1	Level 2	Total
Investments:			
Mutual funds:			
Target date funds	\$ 5,754,942	\$ -	\$ 5,754,942
Balanced funds	105,628	-	105,628
Growth funds	7,502,591	-	7,502,591
Fixed income funds	2,328,746	-	2,328,746
Total mutual funds	15,691,907	-	15,691,907
Company stock fund	649,450	-	649,450
Common collective trust	-	1,402,844	1,402,844
Total investments	<u>\$ 16,341,357</u>	<u>\$ 1,402,844</u>	<u>\$ 17,744,201</u>

The following table presents the financial instruments carried at fair value, on a recurring basis, as of December 31, 2011, by valuation hierarchy (as described previously).

December 31, 2011			
	Level 1	Level 2	Total
Investments:			
Mutual funds:			
Target date funds	\$ 3,532,202	\$ -	\$ 3,532,202
Balanced funds	706,080	-	706,080
Growth funds	6,073,858	-	6,073,858
Fixed income funds	1,853,535	-	1,853,535
Total mutual funds	12,165,675	-	12,165,675
Company stock fund	475,214	-	475,214
Common collective trust	-	1,730,523	1,730,523
Total investments	<u>\$ 12,640,889</u>	<u>\$ 1,730,523</u>	<u>\$ 14,371,412</u>

The Company uses the end of the reporting period as its policy for determining transfers into and out of each level. There were no transfers between Level 1 and Level 2 during the years ended December 31, 2012 and 2011.

9 Subsequent Events

As of January 1, 2013, Massachusetts Mutual Life Insurance Company (together, with its affiliates, "MassMutual") acquired the Hartford's Retirement Plans business.

SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES AT END OF YEAR

Form 5500, Schedule H, Part IV, Line 4i

National Interstate
Savings and Profit Sharing Plan

34-1607396

Plan Number 001

December 31, 2012

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment, including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
*	JP Morgan Smart Retirement 2020	Registered Investment Company	N/A	\$ 1,951,908
*	American Funds Growth Fund of America - R3	Registered Investment Company	N/A	1,888,009
*	MFS Value	Registered Investment Company	N/A	1,834,041
*	JP Morgan Smart Retirement 2030	Registered Investment Company	N/A	1,755,825
*	Thornburg International Value	Registered Investment Company	N/A	1,636,633
*	Oppenheimer Main Street Small Cap	Registered Investment Company	N/A	1,567,050
*^^	Fixed Fund	Common Collective Trust	N/A	1,371,088
*	Franklin Strategic Income	Registered Investment Company	N/A	1,337,726
*	PIMCO Total Return Fund	Registered Investment Company	N/A	848,952
*	JP Morgan Smart Retirement 2045	Registered Investment Company	N/A	782,591
*	National Interstate Corporation Stock Fund	Common Stock	N/A	649,450
*	JP Morgan Smart Retirement 2010	Registered Investment Company	N/A	475,731
*	Victory Special Value	Registered Investment Company	N/A	370,183
*	JP Morgan Smart Retirement 2025	Registered Investment Company	N/A	323,135
*	JP Morgan Smart Retirement 2040	Registered Investment Company	N/A	213,585
*	DWS S&P 500 Index Fund	Registered Investment Company	N/A	206,675
*	JP Morgan Smart Retirement 2015	Registered Investment Company	N/A	113,648
*	JP Morgan Smart Retirement Income	Registered Investment Company	N/A	105,628
*	AllianceBernstein Global Bond Fund	Registered Investment Company	N/A	92,684
*	JP Morgan Smart Retirement 2035	Registered Investment Company	N/A	80,992
*	JP Morgan Smart Retirement 2050	Registered Investment Company	N/A	57,527
*	Eaton Vance Income Fund	Registered Investment Company	N/A	<u>49,384</u>
		Subtotal investments		17,712,445
*	Participant Loans	(interest at 3.25% to 9.25% at various maturity dates)	N/A	<u>485,118</u>
				<u>\$ 18,197,563</u>
*	Party-in-interest to the Plan.			
^^	Amount reported at contract value.			

Effective January 1, 2013 - Role of MassMutual

Massachusetts Mutual Life Insurance Company (together, with its affiliates, "MassMutual") acquired The Hartford's Retirement Plans business effective January 1, 2013. In connection with the acquisition, MassMutual has been appointed to provide all administrative services necessary to support the Administrative Services Agreement for your plan. In this role, MassMutual receives all charges, fees and compensation payable to The Hartford for the services provided to your plan under the packaged retirement services programs. Additionally, MassMutual and its affiliates are responsible for marketing and selling the retirement plan services programs and paying compensation to Financial Intermediaries for sales and marketing activities related to the retirement plan services programs.

For Form 5500 Schedule C reporting purposes, all Direct Compensation items (e.g., fees distributed from participant accounts) plus certain Indirect Compensation items (e.g., sales commissions) are reported on a Plan Year basis, and all remaining Indirect Compensation items (e.g., revenue sharing) are reported on a Calendar Year basis. As a result, if your 2012 Plan Year is an off-calendar year Plan Year (e.g., July 1, 2012 - June 30, 2013) certain of your Plan's Schedule C information may list multiple entities as payors or payees of Direct and Indirect Compensation.

Massachusetts Mutual Life Insurance Company: EIN 04-1590850

MassMutual Retirement Services, LLC (formerly Hartford Retirement Services, LLC): EIN 26-1589907

Hartford Life Insurance Company: EIN 06-0974148

Hartford Securities Distribution Company, Inc.: EIN 06-1408044

Fee and Compensation Disclosure Report

This document is intended to assist a plan administrator (“you”) in completing the Form 5500 Schedule C¹ by identifying different types of compensation paid with respect to the Hartford product utilized by your plan.

As permitted under the Schedule C rules, compensation is disclosed in the attached report as an actual dollar amount, an estimate or a formula or rate.

- Where an actual dollar amount of compensation is disclosed, no further notation regarding compensation calculations is generally provided.
- Where an estimate of the compensation amount is disclosed, we have used a reasonable method to arrive at the estimate and we have described the method used to arrive at the estimated amount.
- Where a formula or rate is provided to report compensation, we have used a reasonable method to arrive at the estimate and we have described the method used to arrive at the estimated amount. This formula or rate may be disclosed to describe the compensation to which it applies under the Schedule C rules. Alternatively, for purposes of Schedule C disclosure or in connection with your fiduciary review of the compensation paid with respect to the services, products and investment options utilized by the plan, you may calculate and disclose an actual or estimated dollar amount by multiplying the rate by the total assets to which it applies.

Please note that, unless otherwise indicated in the descriptions contained in this report, direct compensation is presented on a plan year basis 01/01/2012 - 12/31/2012 and indirect compensation is presented on a calendar year basis ending 12/31/2012.

This report includes compensation actually paid to or by the Hartford within the indicated plan year as part of your Hartford product. *(Note: If the plan year period or plan year end indicated in this Schedule C reporting package is incorrect, please notify your Hartford customer service representative immediately).* This report does not include amounts deducted from plan assets and paid to third parties (other than Hartford). In addition, the report does not include compensation related to investments held by the plan that are not serviced on our recordkeeping system. You should contact your other service providers for reportable compensation information. You may also receive information on the compensation reported here from other service providers as is described below.

Please note that we have provided suggested service codes with respect to services provided through our Hartford product. Please review all Schedule C and other Form 5500 materials with your experienced benefits counsel and other professionals to determine the most appropriate codes for your plan. In addition, please note that because plans with fewer than 100 participants (as of the beginning of the plan year) are generally not required to file Schedule C, you should refer to the instructions provided by the IRS for Schedule C and/or review the applicability of Schedule C to your plan with your experienced tax/benefits counsel, to determine whether it is necessary for the plan to report the information contemplated by this report.

Please contact your Hartford Service Team should you require additional information regarding the compensation paid to or by Hartford with respect to your plan.

Information provided in this document and related materials we provide are not intended to be and shall not be deemed tax advice, tax form preparation services, legal advice, advice to plans regarding compliance with ERISA reporting compliance, or accounting or other professional services. As described above, the information contained in this report may not cover all of the compensation received by the plan’s service providers. We strongly encourage you to review all Schedule C and other Form 5500 materials with experienced benefits counsel and other professionals.

¹ Please refer to the Schedule C of the Form 5500 and its instructions (available at: <http://www.dol.gov/ebsa/5500main.html>), and please confer with experienced benefits counsel and other professionals, to determine the applicability of Schedule C to your plan.

FORM 5500 SCHEDULE C REPORT
SCHEDULE C, LINE 2(h) AND LINE 3(e) FORMULA DESCRIPTION
NATIONAL INTERSTATE SAV. & P/S PLAN (110523420)
EIN #: 34-1607395

Please note that, unless otherwise indicated in the descriptions contained in this report, direct compensation is presented on a plan year basis 01/01/2012 - 12/31/2012 and indirect compensation is presented on a calendar year basis ending 12/31/2012.

For use with lines 2(h), 3(c), 3(d), 3(e)

Total Direct Compensation Paid **\$31,027.17**

The total amount identified above reflects all fees deducted from plan assets at the plan administrator's direction for the plan year. Service providers which have received portions of these direct fees are listed below, along with the amount of fees they received. Please note that if there is a discrepancy between the total direct fees reported above and the sum of the direct fees reported below, you should contact your other service providers or your plan records to identify the recipient(s) of the fees and any other information relevant to your Schedule C filing.

Recipient: Hartford Retirement Services, LLC EIN: 26-1589907

Service Codes: 15, 37, 38, 49, 59, 60, 62, 63, 64, 65, 72, 99, 50 (if direct compensation amount reflected below)

Direct Compensation **\$1,950.00**

The total amount identified above reflects fees deducted from plan assets at the plan administrator's direction for the 2012 plan year for the above named recipient. Please review other service providers, below, to determine whether direct fees were also paid to them. Also, please review your records to determine whether other service providers may have received any compensation not reported below (e.g., a reimbursement paid to any plan fiduciary, your employee benefits counsel, or a plan auditor).

Note: Due to system accounting protocols (including 'cash basis' accounting), amounts reported as Direct Compensation and amounts reported as paid to Hartford Retirement Services, LLC are the net result of aggregating direct compensation after the effects of adjustments processed in 2012, some of which may have pertained to prior years.

Please review the detailed breakdown at the end of the report for further information.

Indirect Compensation

Float compensation	Payor: Reliance Trust Company	EIN: 58-1428634	\$7.54
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This is an estimate based on the average annual rate of float compensation (0.01% for 2012) earned on certain processing bank accounts for the 2012 calendar year multiplied by an estimate of the assets related to uncashed checks*. This estimate does not include float earned for any other reason (e.g., if amounts remitted to The Hartford cannot be immediately invested because they are not in good order). Please review or request a copy of the current float disclosure for more information about the other circumstances in which float is earned.

* A complete listing of distribution checks that remain outstanding for your plan is available on the Retirement Plan Access web site under the Standard Reports section (Report R03998-Outstanding Distribution Checks). Uncashed check assets will continue to remain in a float-earning bank account until such time direction is received from the Plan Sponsor. The Plan Sponsor should consult with their tax advisor or benefits counsel to determine if assets attributable to uncashed checks should be included on the Form 5500 filing.

Non Monetary Compensation

Please note that items of nonmonetary compensation need to be reported for Schedule A or C (Form 5500) purposes if they exceed certain *de minimus* amounts. Transactions generating nonmonetary compensation may include gifts, gratuities, or certain types of in-kind benefits. Hartford's Code of Ethics and Business Conduct generally restricts Hartford employees from giving to or receiving gifts from customers and/or business partners having a value of over \$100, in any individual situation, without prior approval. However, it is possible that one or more of your service providers for the calendar year, including Hartford, engaged in transactions generating nonmonetary compensation. Information concerning reportable transactions undertaken between or among non-Hartford parties may not be available to The Hartford.

Please consult with your legal or tax advisors if you have any questions.

Compensation paid with respect to Funds

<i>Investment Option Name</i>	<i>EIN</i>	<i>Rate of Fees and Payments Received By Hartford with Respect to the Fund*</i> <i>(rates as of 12/31/2012)</i>	<i>Total Fund Annual Operating Expenses (Fund Expense Ratio) (as of 12/31/2012)</i>
ALLIANCEBER GLOBAL BOND FUND-A	13-4064930	0.55% x assets	0.95%
AMERICAN CNT LIVESTRONG 2045-A	43-0821857	0.60% x assets	1.23%
AMERICAN FNDS GRWTH FD OF AM-R3	52-0792143	0.65% x assets	0.98%
DWS S & P 500 INDEX FUND-A	13-3241232	0.35% x assets	0.71%
EATON VANCE INC FD OF BOSTON-A	13-2706484	0.55% x assets	1.02%
EATON VANCE LARGE CAP VALUE FD-A	04-6039283	0.55% x assets	0.98%
FIXED FUND	23-2177800	0.90% x assets	1.49%
FRANKLIN STRATEGIC INCOME FUND-A	13-3151768	0.35% x assets plus \$16/participant	0.91%
JPMORGAN SMARTRETIREMENT 2010-A	33-1043149	0.55% x assets	1.17%
JPMORGAN SMARTRETIREMENT 2015-A	33-1043149	0.55% x assets	1.20%
JPMORGAN SMARTRETIREMENT 2020-A	33-1043149	0.55% x assets	1.24%
JPMORGAN SMARTRETIREMENT 2025-A	33-1043149	0.55% x assets	1.28%
JPMORGAN SMARTRETIREMENT 2030-A	33-1043149	0.55% x assets	1.32%
JPMORGAN SMARTRETIREMENT 2035-A	33-1043149	0.55% x assets	1.36%
JPMORGAN SMARTRETIREMENT 2040-A	33-1043149	0.55% x assets	1.39%
JPMORGAN SMARTRETIREMENT 2045-A	33-1043149	0.55% x assets	1.41%
JPMORGAN SMARTRETIREMENT 2050-A	33-1043149	0.55% x assets	1.43%
JPMORGAN SMARTRETIREMENT INC-A	33-1043149	0.55% x assets	1.15%
MFS CONSERVATIVE ALLOCATION-R3	04-3158862	0.63% x assets	1.03%
MFS LIFETIME 2010 FUND-R3	04-3158862	0.63% x assets	1.30%
MFS LIFETIME 2020 FUND-R3	04-3158862	0.63% x assets	1.21%
MFS LIFETIME 2030 FUND-R3	04-3158862	0.63% x assets	1.37%
MFS LIFETIME RETIREMT INCOME-R3	04-3158862	0.63% x assets	1.13%
MFS VALUE FUND-R3	04-3158862	0.63% x assets	0.96%
NATIONAL INTERSTATE CORP STK FND	NA ¹	0.63% x assets	0.00%
OPPENHEIMER MAIN ST SM &MD CAP-A	84-1501338	0.55% x assets	1.24%
PIMCO TOTAL RETURN FUND-A	33-0629048	0.40% x assets	0.85%
THORNBURG INTERNATIONAL VALUE R4	06-1158764	0.45% x assets plus \$16/participant	1.41%
VICTORY SPECIAL VALUE FUND-A	31-6364605	0.45% x assets plus \$16/participant	1.28%

¹ At the time this report was generated this information was not available.

The list includes any investment option held by the plan on at least one month end during the 2012 calendar year. To arrive at an estimate of

the dollar amount that Hartford received from each fund, multiply the rate of fees received from each fund by your plan's year-end balance (or if the fund was liquidated prior to year end, the balance on the liquidation date) and, if applicable, the per participant fee by the number of participants in the fund at year end (or the liquidation date if earlier). This will be an estimate because your plan's balance and number of participants will vary over the course of the year, so the year-end balance and number of participants may be higher or lower than the daily balance. In addition, these fees are calculated on a daily basis.

* Please note that Hartford Retirement Services, LLC's affiliate, Hartford Securities Distribution Company, Inc., receives the sales compensation (12b-1 fees) portion of this amount. After compensating the plan's broker-dealer firm, if applicable, any residual amount is paid to Hartford Retirement Services, LLC.

Recipient: UBS FINANCIAL SERVICES INC EIN: 13-2638166

Service Codes:

Please contact your Service Provider for the list of applicable services performed and Service Codes.

Direct Compensation

\$0.00

Our records indicate that this recipient did not receive any Direct Compensation. Please review your records to determine whether this service provider may have received any compensation not reported.

Indirect Compensation

* Sales commission	Payor: Hartford Securities Distribution Company, Inc.	EIN: 06-1408044	\$8,613.58
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* Sales Commissions are reported on a Plan Year basis.

Non Monetary Compensation

Please note that items of nonmonetary compensation need to be reported for Schedule A or C (Form 5500) purposes if they exceed certain *de minimus* amounts. Transactions generating nonmonetary compensation may include gifts, gratuities, or certain types of in-kind benefits. Hartford's Code of Ethics and Business Conduct generally restricts Hartford employees from giving to or receiving gifts from customers and/or business partners having a value of over \$100, in any individual situation, without prior approval. However, it is possible that one or more of your service providers for the 2012 calendar year, including Hartford, engaged in transactions generating nonmonetary compensation. Information concerning reportable transactions undertaken between or among non-Hartford parties may not be available to The Hartford.

Please consult with your legal or tax advisors if you have any questions.

Recipient: Other EIN: 99-9999999

Service Codes:

Please contact your Service Provider for the list of applicable services performed and Service Codes.

Direct Compensation

\$29,077.17

The total amount identified above reflects fees deducted from plan assets at the plan administrator's direction for the 2012 plan year for the above named recipient.

Note: Due to system accounting protocols (including 'cash basis' accounting), amounts reported as Direct Compensation are the net result of aggregating direct compensation after the effects of adjustments processed in 2012, some of which may have pertained to prior years.

Please review the detailed breakdown at the end of the report for further information.

Indirect Compensation

\$0.00

Our records indicate that this recipient did not receive any Indirect Compensation. Please review your records to determine whether this service provider may have received any compensation not reported.

Recipient: Morningstar Associates, LLC EIN: 36-4317381

Service Code: 49

Indirect Compensation

"Managed by You" services fee Payor: Hartford Life Insurance Company EIN: 06-0974148 **\$18.61**

This is an estimate determined by dividing a flat annual fee paid to Morningstar by the number of plans to whom this feature is made available.

Recipient: Reliance Trust Company EIN: 58-1428634

Indirect Compensation

Custodial/Trust service fee **\$1,855.55**

Service Codes: 19, 25, 99

Payors: Hartford Life Insurance Company EIN: 06-0974148
 Hartford Retirement Services, LLC EIN: 26-1589907

This is an estimate based on multiplying actual 2012 month end assets by 0.005%/12 and then summing the results.

Custodial share accounting/stock unitization service fee **\$4,500.00**

Service Codes: 19, 64, 65, 99

Payors: Hartford Life Insurance Company EIN: 06-0974148
 Hartford Retirement Services, LLC EIN: 26-1589907

Brokerage commission

Service Code: 71

<i>Payor</i>	<i>EIN</i>	<i>Amount</i>
ASSENT LLC STN SOFT DOLLAR COMMISSION	74-3086513	\$172.35
CITATION GROUP/BCC CLRG	13-5674085	\$193.20
JONESTRADING INSTITUTIONAL SERVICES LLC	51-0484896	\$264.40

Direct Revenue Detail

Recipient: *Hartford Retirement Services, LLC*

<u>Fee Description</u>	<u>Dollar Amount</u>
Loan Set-up Fee	\$1,950.00
Total Direct Revenue:	\$1,950.00

Recipient: *Other*

<u>Fee Description</u>	<u>Dollar Amount</u>
ERISA Spending Account: Outside Fee	\$29,077.17
Total Direct Revenue:	\$29,077.17

Grand Total Direct Fees:	\$31,027.17
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SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES AT END OF YEAR

Form 5500, Schedule H, Part IV, Line 4i

National Interstate
Savings and Profit Sharing Plan

34-1607396

Plan Number 001

December 31, 2012

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment, including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
*	JP Morgan Smart Retirement 2020	Registered Investment Company	N/A	\$ 1,951,908
*	American Funds Growth Fund of America - R3	Registered Investment Company	N/A	1,888,009
*	MFS Value	Registered Investment Company	N/A	1,834,041
*	JP Morgan Smart Retirement 2030	Registered Investment Company	N/A	1,755,825
*	Thornburg International Value	Registered Investment Company	N/A	1,636,633
*	Oppenheimer Main Street Small Cap	Registered Investment Company	N/A	1,567,050
*^^	Fixed Fund	Common Collective Trust	N/A	1,371,088
*	Franklin Strategic Income	Registered Investment Company	N/A	1,337,726
*	PIMCO Total Return Fund	Registered Investment Company	N/A	848,952
*	JP Morgan Smart Retirement 2045	Registered Investment Company	N/A	782,591
*	National Interstate Corporation Stock Fund	Common Stock	N/A	649,450
*	JP Morgan Smart Retirement 2010	Registered Investment Company	N/A	475,731
*	Victory Special Value	Registered Investment Company	N/A	370,183
*	JP Morgan Smart Retirement 2025	Registered Investment Company	N/A	323,135
*	JP Morgan Smart Retirement 2040	Registered Investment Company	N/A	213,585
*	DWS S&P 500 Index Fund	Registered Investment Company	N/A	206,675
*	JP Morgan Smart Retirement 2015	Registered Investment Company	N/A	113,648
*	JP Morgan Smart Retirement Income	Registered Investment Company	N/A	105,628
*	AllianceBernstein Global Bond Fund	Registered Investment Company	N/A	92,684
*	JP Morgan Smart Retirement 2035	Registered Investment Company	N/A	80,992
*	JP Morgan Smart Retirement 2050	Registered Investment Company	N/A	57,527
*	Eaton Vance Income Fund	Registered Investment Company	N/A	<u>49,384</u>
		Subtotal investments		17,712,445
*	Participant Loans	(interest at 3.25% to 9.25% at various maturity dates)	N/A	<u>485,118</u>
				<u>\$ 18,197,563</u>
*	Party-in-interest to the Plan.			
^^	Amount reported at contract value.			