



LIFE AND ACCIDENT AND HEALTH COMPANIES —ASSOCIATION EDITION

## QUARTERLY STATEMENT

**AS OF MARCH 31, 2002**  
OF THE CONDITION AND AFFAIRS OF THE

# Grange Life Insurance Company

NAIC Group Code	0267 (Current Period)	0267 (Prior Period)	NAIC Company Code	71218	Employer's ID Number	31-0739286
Organized under the Laws of		Ohio	State of Domicile or Port of Entry		Ohio	
Country of Domicile		United States of America				
Incorporated		03/05/1968	Commenced Business		07/01/1968	
Statutory Home Office		650 South Front Street (Street and Number)			Columbus, OH 43206-1014 (City or Town, State and Zip Code)	
Main Administrative Office		650 South Front Street (Street and Number)			614-445-2900 (Area Code) (Telephone Number)	
		Columbus, OH 43206-1014 (City or Town, State and Zip Code)				
Mail Address		650 South Front Street, P.O. Box 1218 (Street and Number or P.O. Box)			Columbus, OH 43216-1212 (City or Town, State and Zip Code)	
Primary Location of Books and Records		650 South Front Street (Street and Number)			614-445-2820 (Area Code) (Telephone Number)	
		Columbus, OH 43206-1014 (City or Town, State and Zip Code)				
Internet Website Address		www.grangeinsurance.com				
Statement Contact		Richard Paul McKinley (Name)			614-445-2820 (Area Code) (Telephone Number) (Extension)	
		mckinleyd@grangeinsurance.com (E-mail Address)			614-445-2619 (FAX Number)	
Policyowner Relations Contact		650 South Front Street (Street and Number)			614-445-2900 (Area Code) (Telephone Number) (Extension)	
		Columbus, OH 43206-1014 (City or Town, State and Zip Code)				

## OFFICERS

President Thomas Howard Welch CFO & Vice President Randall Joseph Montelone  
Secretary & Vice President David Trufant Roark Actuary Actuarial Management Resources

## VICE PRESIDENTS

## **DIRECTORS OR TRUSTEES**

EDWIN LOWELL BILLMAN	ANTHONY ALFONSO COLAO JR	ROBERT JOHN O'BRIEN
MICHAEL VERNE PARROTT	MELVIN GEORGE PYE JR	JAMES LAWRENCE SETTERLIN
THOMAS SIMRALL STEWART	PHILIP WAYNE STICHTER	PHILIP HUGH URBAN
DAVID CHARLES WETMORE	RANDALL JOSEPH MONTELONE	

State of ..... Ohio ..... } ss  
County of ..... Pickaway ..... }

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

Subscribed and sworn to before me this

1 day of May, 2002

Linda K. Lindsey  
Administrative Assistant  
May 28, 2003

STATEMENT AS OF MARCH 31, 2002 OF THE GRANGE LIFE INSURANCE COMPANY

**ASSETS**

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	115,117,589		115,117,589	112,515,157
2. Stocks:				
2.1 Preferred stocks .....				
2.2 Common stocks .....	715,329		715,329	762,939
3. Mortgage loans on real estate:				
3.1 First liens .....				
3.2 Other than first liens .....				
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....				
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....				
4.3 Properties held for sale (less \$ ..... encumbrances) .....				
5. Policy loans .....	6,908,262		6,908,262	6,802,006
6. Premium notes, including \$ ..... for first year premiums .....				
7. Cash (\$ ..... 4,369,522 ) and short -term investments (\$ ..... ) .....	4,369,522		4,369,522	4,184,004
8. Other invested assets .....				
9. Receivable for securities .....				
10. Aggregate write-ins for invested assets .....				
11. Subtotals, cash and invested assets (Lines 1 to 10) .....	127,110,702		127,110,702	124,264,106
12. Reinsurance ceded:				
12.1 Amounts recoverable from reinsurers .....	1,526,295		1,526,295	458,000
12.2 Commissions and expense allowances due .....				
12.3 Experience rating and other refunds due .....				
12.4 Other amounts receivable under reinsurance contracts .....				
13. Electronic data processing equipment and software .....	92,761		92,761	101,739
14. Federal and foreign income tax recoverable and interest thereon (including \$ ..... 713,207 net deferred tax asset) .....	2,580,846	1,867,639	713,207	789,126
15. Guaranty funds receivable or on deposit .....				
16. Life insurance premiums and annuity considerations deferred and uncollected on in force business (less premiums on reinsurance ceded and less \$ ..... 246,051 loading) .....	6,947,908		6,947,908	6,185,941
17. Accident and health premiums due and unpaid .....	6,500		6,500	6,500
18. Investment income due and accrued .....	1,649,779		1,649,779	1,819,089
19. Net adjustment in assets and liabilities due to foreign exchange rates .....				
20. Receivable from parent, subsidiaries and affiliates .....				
21. Amounts receivable relating to uninsured accident and health plans .....				
22. Amounts due from agents .....				
23. Other assets nonadmitted .....	180,227	180,227		
24. Aggregate write-ins for other than invested assets .....	44,744		44,744	12,727
25. Total assets excluding Separate Accounts business (Lines 11 to 24) .....	140,139,762	2,047,866	138,091,896	133,637,228
26. From Separate Accounts Statement .....				
27. Total (Lines 25 and 26) .....	140,139,762	2,047,866	138,091,896	133,637,228
<b>DETAILS OF WRITE-INS</b>				
1001. ....				
1002. ....				
1003. ....				
1098. Summary of remaining write-ins for Line 10 from overflow page .....				
1099. Totals (Lines 1001 thru 1003 plus 1098)(Line 10 above) .....				
2401. Miscellaneous Receivables .....	44,744		44,744	12,727
2402. ....				
2403. ....				
2498. Summary of remaining write-ins for Line 24 from overflow page .....				
2499. Totals (Lines 2401 thru 2403 plus 2498)(Line 24 above) .....	44,744		44,744	12,727

**STATEMENT AS OF MARCH 31, 2002 OF THE GRANGE LIFE INSURANCE COMPANY**

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Statement Date	2 December 31 Prior Year
1. Aggregate reserve for Life contracts \$ ..... 111,426,173 less \$ ..... included in Line 6.3 (including \$ ..... Modco Reserve) .....	111,426,173	108,326,031
2. Aggregate reserve for accident and health contracts (including \$ ..... Modco Reserve) .....	394,589	394,589
3. Liability for deposit-type contracts (including \$ ..... Modco Reserve) .....	576,089	436,809
4. Contract claims:		
4.1 Life .....	1,663,000	1,707,310
4.2 Accident and health .....	55,000	55,000
5. Policyholders' dividends \$ ..... 191,889 and coupons \$ ..... due and unpaid .....	191,889	191,889
6. Provision for policyholders' dividends and coupons payable in following calendar year—estimated amounts:		
6.1 Dividends apportioned for payment to (including \$ ..... Modco Reserve) .....	53,987	53,987
6.2 Dividends not yet apportioned (including \$ ..... Modco Reserve) .....	.....	.....
6.3 Coupons and similar benefits (including \$ ..... Modco Reserve) .....	.....	.....
7. Amount provisionally held for deferred dividend policies not included in Line 6 .....	.....	.....
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ discount; including \$ ..... accident and health premiums .....	115,810	58,441
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts .....	.....	.....
9.2 Provision for experience rating refunds, including \$ ..... accident and health experience rating refunds .....	.....	.....
9.3 Other amounts payable on reinsurance including \$ ..... assumed and \$ ..... ceded .....	367,072	290,890
10. Commissions to agents due or accrued—life and annuity contracts \$ ..... 308,784 accident and health \$ ..... 2,880 and deposit-type contract funds \$ ..... .....	311,664	267,293
11. Commissions and expense allowances payable on reinsurance assumed .....	499,692	862,588
12. General expenses due or accrued .....	.....	.....
13. Transfers to Separate Accounts due or accrued (net) (Including \$ ..... accrued for expense allowances recognized in reserves) .....	.....	.....
14. Taxes, licenses and fees due or accrued, excluding federal income taxes .....	443,377	348,328
15. Federal and foreign income taxes, including \$ ..... 52,057 on realized capital gains (losses) (including \$ ..... net deferred tax liability) .....	716,272	384,944
16. Unearned investment income .....	286,458	267,659
17. Amounts withheld or retained by company as agent or trustee .....	.....	.....
18. Amounts held for agents' account, including \$ ..... agents' credit balances .....	.....	.....
19. Remittances and items not allocated .....	424,063	163,038
20. Net adjustment in assets and liabilities due to foreign exchange rates .....	.....	.....
21. Liability for benefits for employees and agents if not included above .....	.....	.....
22. Borrowed money \$ ..... and interest thereon \$ .....	.....	.....
23. Dividends to stockholders declared and unpaid .....	.....	.....
24. Miscellaneous liabilities:		
24.1 Asset valuation reserve .....	440,581	440,581
24.2 Reinsurance in unauthorized companies .....	.....	.....
24.3 Funds held under reinsurance treaties with unauthorized reinsurers .....	.....	.....
24.4 Payable to parent, subsidiaries and affiliates .....	1,910,584	1,598,700
24.5 Drafts outstanding .....	.....	.....
24.6 Liability for amounts held under uninsured accident and health plans .....	.....	.....
24.7 Funds held under coinsurance .....	.....	.....
24.8 Payable for securities .....	.....	.....
24.9 Capital notes \$ ..... and interest thereon \$ .....	25,818	21,876
25. Aggregate write-ins for liabilities .....	119,902,118	115,869,953
26. Total Liabilities excluding Separate Accounts business (Lines 1 to 25) .....	.....	.....
27. From Separate Accounts Statement .....	.....	.....
28. Total Liabilities (Lines 26 and 27) .....	119,902,118	115,869,953
29. Common capital stock .....	1,500,000	1,500,000
30. Preferred capital stock .....	.....	.....
31. Aggregate write-ins for other than special surplus funds .....	.....	.....
32. Surplus notes .....	.....	.....
33. Gross paid in and contributed surplus .....	600,000	600,000
34. Aggregate write-ins for special surplus funds .....	.....	.....
35. Unassigned funds (surplus) .....	16,089,778	15,667,274
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 29 \$ ..... ) .....	.....	.....
36.2 ..... shares preferred (value included in Line 30 \$ ..... ) .....	.....	.....
37. Surplus (total Lines 31 + 32 + 33 + 34 + 35 - 36) (Including \$ ..... in Separate Accounts Statement) .....	16,689,778	16,267,274
38. Totals of Lines 29, 30 and 37 .....	18,189,778	17,767,274
39. Totals of Lines 28 and 38 .....	138,091,896	133,637,227
<b>DETAILS OF WRITE-INS</b>		
2501. Checks Outstanding .....	25,818	21,876
2502. .....	.....	.....
2503. .....	.....	.....
2598. Summary of remaining write-ins for Line 25 from overflow page .....	.....	.....
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....	25,818	21,876
3101. .....	.....	.....
3102. .....	.....	.....
3103. .....	.....	.....
3198. Summary of remaining write-ins for Line 31 from overflow page .....	.....	.....
3199. Totals (Lines 3101 thru 3103 plus 3198)(Line 31 above) .....	.....	.....
3401. .....	.....	.....
3402. .....	.....	.....
3403. .....	.....	.....
3498. Summary of remaining write-ins for Line 34 from overflow page .....	.....	.....
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above) .....	.....	.....

**STATEMENT AS OF MARCH 31, 2002 OF THE GRANGE LIFE INSURANCE COMPANY**

**SUMMARY OF OPERATIONS**

(Excluding Unrealized Capital Gains and Losses)

	1 Current Year To Date	2 Prior Year Year to Date	3 Prior Year Ended December 31
1. Premiums and annuity considerations for life and accident and health policies and contracts .....	7,354,484	6,740,693	26,928,020
2. Considerations for supplementary contracts with life contingencies .....	792,916	663,694	
3. Net investment income .....	2,038,141	1,997,867	8,061,501
4. Amortization of Interest Maintenance Reserve (IMR) .....	20,495	17,594	64,608
5. Separate Accounts net gain from operations excluding unrealized gains or losses .....			
6. Commissions and expense allowances on reinsurance ceded .....	1,003,912	805,589	3,686,800
7. Reserve adjustments on reinsurance ceded .....			
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts .....			
8.2 Charges and fees for deposit-type contracts .....	14,756	13,876	54,505
8.3 Aggregate write-ins for miscellaneous income .....			
9. Totals (Lines 1 to 8.3) .....	11,224,704	9,575,619	39,459,128
10. Death benefits .....	2,007,756	1,842,726	8,752,849
11. Matured endowments (excluding guaranteed annual pure endowments) .....			
12. Annuity benefits .....	940,644	343,725	2,032,782
13. Disability benefits and benefits under accident and health contracts .....	168,802	124,476	279,600
14. Coupons, guaranteed annual pure endowments and similar benefits .....			
15. Surrender benefits and withdrawals for life contracts .....	997,796	1,028,179	3,689,834
16. Group conversions .....			
17. Interest and adjustments on contract or deposit-type contract funds .....			
18. Payments on supplementary contracts with life contingencies .....			
19. Increase in aggregate reserves for life and accident and health contracts .....	3,160,532	3,291,902	11,762,782
20. Totals (Lines 10 to 19) .....	7,275,530	6,631,008	26,517,847
21. Commissions on premiums, annuity considerations, and deposit-type contract funds(direct business only) .....	1,289,806	932,995	4,681,077
22. Commissions and expense allowances on reinsurance assumed .....			
23. General insurance expenses .....	1,998,476	1,584,727	7,141,002
24. Insurance taxes, licenses and fees, excluding federal income taxes .....	288,307	161,091	637,955
25. Increase in loading on deferred and uncollected premiums .....	(396,796)	93,130	(27,451)
26. Net transfers to or (from) Separate Accounts .....			
27. Aggregate write-ins for deductions .....			
28. Totals (Lines 20 to 27) .....	10,455,323	9,402,951	38,950,430
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28) .....	769,381	172,668	508,698
30. Dividends to policyholders .....	63,889	66,956	265,692
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30) .....	705,492	105,712	243,006
32. Federal and foreign income taxes incurred (excluding tax on capital gains) .....	279,271	34,943	239,444
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32) .....	426,221	70,769	3,562
34. Net realized capital gains or (losses) less capital gains tax of \$ ..... (excluding taxes of \$ ..... transferred to the IMR) .....			
35. Net income (Line 33 plus Line 34) .....	426,221	70,769	3,562
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
36. Capital and surplus, December 31, prior year .....	17,767,278	17,298,958	17,298,959
37. Net income (Line 35) .....	426,221	70,769	3,562
38. Change in net unrealized capital gains (losses) .....	72,213	(115,119)	(193,255)
39. Change in net unrealized foreign exchange capital gain (loss) .....			
40. Change in net deferred income tax .....	(75,917)	786,000	2,416,286
41. Change in non-admitted assets and related items .....	(6,500)	0	(1,616,152)
42. Change in liability for reinsurance in unauthorized companies .....			
43. Change in reserve on account of change in valuation basis, (increase) or decrease .....			
44. Change in asset valuation reserve .....	6,483		(142,122)
45. Change in treasury stock .....			
46. Surplus (contributed to) withdrawn from Separate Accounts during period .....			
47. Other changes in surplus in Separate Accounts Statement .....			
48. Change in surplus notes .....			
49. Cumulative effect of changes in accounting principles .....			
50. Capital changes:			
50.1 Paid in .....			
50.2 Transferred from surplus (Stock Dividend) .....			
50.3 Transferred to surplus .....			
51. Surplus adjustment:			
51.1 Paid in .....			
51.2 Transferred to capital (Stock Dividend) .....			
51.3 Transferred from capital .....			
51.4 Change in surplus as a result of reinsurance .....			
52. Dividends to stockholders .....			
53. Aggregate write-ins for gains and losses in surplus .....			
54. Net change in capital and surplus for the year (Lines 37 through 53) .....	422,500	741,650	468,319
55. Capital and surplus, as of statement date (Lines 36 + 54) .....	18,189,778	18,040,608	17,767,278
<b>DETAILS OF WRITE-INS</b>			
08.301. Service Fees .....	14,756	13,876	54,505
08.302. .....			
08.303. .....			
08.398. Summary of remaining write-ins for Line 8.3 from overflow page .....			
08.399. TOTALS (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above) .....	14,756	13,876	54,505
2701. .....			
2702. .....			
2703. .....			
2798. Summary of remaining write-ins for Line 27 from overflow page .....			
2799. Totals (Lines 2701 thru 2703 plus 2798)(Line 27 above) .....			
5301. .....			
5302. .....			
5303. .....			
5398. Summary of remaining write-ins for Line 53 from overflow page .....			
5399. Totals (Lines 5301 thru 5303 plus 5398)(Line 53 above) .....			

**STATEMENT AS OF MARCH 31, 2002 OF THE GRANGE LIFE INSURANCE COMPANY**

**CASH FLOW**

	1 Current Year To Date	2 Prior Year Ended December 31
<b>Cash from Operations</b>		
1. Premiums and annuity considerations for life and accident and health contracts .....	7,046,681	25,802,853
2. Charges and fees for deposit-type contracts .....	792,916	663,694
3. Considerations for supplementary contracts with life contingencies .....	2,184,698	8,071,638
4. Net investment income .....	1,003,912	3,686,800
5. Commissions and expense allowances on reinsurance ceded .....	14,756	54,505
6. Fees associated with investment management, administration and contract guarantees from Separate Accounts .....	11,042,963	38,279,490
7. Aggregate write-ins for miscellaneous income .....	3,041,470	8,919,645
8. Total (Lines 1 to 7) .....	940,644	2,032,782
9. Death Benefits .....	168,802	279,600
10. Matured endowments .....	997,796	3,689,834
11. Annuity Benefits .....	2,237,768	7,188,732
12. Disability benefits and benefits under accident and health contracts .....	193,259	594,114
13. Coupons, guaranteed annual pure endowments and similar benefits .....	8,825,174	27,372,417
14. Surrender benefits and withdrawals for life contracts .....	51,079	250,664
15. Group conversions .....	0	653,555
16. Interest and adjustments on contract or deposit-type contract funds .....	8,876,253	28,276,636
17. Payments on supplementary contracts with life contingencies .....	2,166,710	10,002,854
<b>Cash from Investments</b>		
30. Proceeds from investments sold, matured or repaid:		
30.1 Bonds .....	11,182,275	20,721,432
30.2 Stocks .....	54,273	
30.3 Mortgage loans .....		
30.4 Real estate .....		
30.5 Other invested assets .....		
30.6 Net gains or (losses) on cash and short-term investments .....		
30.7 Miscellaneous proceeds .....		
30.8 Total investment proceeds (Lines 30.1 to 30.7) .....	11,236,548	20,721,432
31. Net tax on capital gains (losses) .....	0	14,499
32. Total (Line 30.8 minus Line 31) .....	11,236,548	20,706,933
33. Cost of investments acquired (long-term only):		
33.1 Bonds .....	13,661,355	31,012,803
33.2 Stocks .....		9,898
33.3 Mortgage loans .....		
33.4 Real estate .....		
33.5 Other invested assets .....		
33.6 Miscellaneous applications .....		
33.7 Total investments acquired (Lines 33.1 to 33.6) .....	13,661,355	31,022,701
34. Net increase (or decrease) in policy loans and premium notes .....	106,256	511,290
35. Net cash from investments (Line 32 minus Line 33.7 minus Line 34) .....	(2,531,063)	(10,827,058)
<b>Cash from Financing and Miscellaneous Sources</b>		
36. Cash provided:		
36.1 Surplus notes, capital and surplus paid in .....		
36.2 Borrowed money \$ ..... less amounts repaid \$ .....		
36.3 Capital notes \$ ..... less amounts repaid \$ .....		
36.4 Deposits on deposit-type contract funds and other liabilities without life or disability contingencies .....		
36.5 Other cash provided .....	581,887	61,381
36.6 Total (Lines 36.1 to 36.5) .....	581,887	61,381
37. Cash applied:		
37.1 Dividends to stockholders paid .....		
37.2 Interest on indebtedness .....		
37.3 Withdrawals on deposit-type contract funds and other liabilities without life or disability contingencies .....		2,267
37.4 Other applications (net) .....	32,017	194,228
37.5 Total (Lines 37.1 to 37.4) .....	32,017	196,495
38. Net cash from financing and miscellaneous sources (Line 36.6 minus Line 37.5) .....	549,870	(135,114)
<b>RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS</b>		
39. Net change in cash and short-term investments (Line 29, plus Line 35, plus Line 38) .....	185,517	(959,318)
40. Cash and short-term investments:		
40.1 Beginning of year .....	4,184,005	5,143,323
40.2 End of period (Line 39 plus Line 40.1) .....	4,369,522	4,184,005
<b>DETAILS OF WRITE-INS</b>		
0701. Service Fees .....	14,756	54,505
0702. .....		
0703. .....		
0798. Summary of remaining write-ins for Line 7 from overflow page .....		
0799. TOTALS (Lines 0701 thru 0703 plus 0798) (Line 7 above) .....	14,756	54,505
2401. .....		
2402. .....		
2403. .....		
2498. Summary of remaining write-ins for Line 24 from overflow page .....		
2499. TOTALS (Lines 2401 thru 2403 plus 2498) (Line 24 above) .....		

STATEMENT AS OF MARCH 31, 2002 OF THE GRANGE LIFE INSURANCE COMPANY

**EXHIBIT 1**

**DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS**

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1. Industrial Life .....			
2. Ordinary Life Insurance .....	7,770,779	6,722,611	28,766,196
3. Ordinary Individual Annuities .....	1,150,513	1,081,941	4,004,657
4. Credit Life (Group & Individual) .....			
5. Group Life Insurance .....	313,768	288,831	1,199,307
6. Group Annuities .....			
7. A & H - Group .....			
8. A & H - Credit (Group & Individual) .....			
9. A & H - Other .....	145,349	145,737	555,953
10. Aggregate of All Other Lines of Business .....			
11. Subtotal .....	9,380,409	8,239,120	34,526,113
12. Deposit-Type Contracts .....			
13. Total	9,380,409	8,239,120	34,526,113
<b>DETAILS OF WRITE-INS</b>			
1001. ....			
1002. ....			
1003. ....			
1098. Summary of remaining write-ins for Line 10 from overflow page .....			
1099. Totals (Lines 1001 thru 1003 plus 1098)(Line 10 above)			

## NOTES TO FINANCIAL STATEMENTS

No events subsequent to the most recent annual statement or audited financial statements, have occurred which have a material impact on the company for this reporting period other than the update of the SSAP's.

### 9. Income Taxes

The components of the net deferred tax asset / (liability) at March 31, 2002 are as follows:

1. Total of all deferred tax assets (admitted and nonadmitted)	\$2,580,846
2. Total of all deferred tax liabilities	\$ 56,526
3. Deferred tax assets nonadmitted in accordance with SSAP No.10 Income Taxes	\$1,811,113
4. Increase (decrease) in deferred tax assets nonadmitted	\$ (75,917)

**STATEMENT AS OF MARCH 31, 2002 OF THE GRANGE LIFE INSURANCE COMPANY****GENERAL INTERROGATORIES**

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted.)

**PART 1 - COMMON INTERROGATORIES  
GENERAL**

1.1 Did the reporting entity implement any significant accounting policy changes which would require disclosure in the Notes to the Financial Statements? .....  Yes  No

1.2 If yes, explain:

.....

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

2.2 If yes, has the report been filed with the domiciliary state? .....  Yes  No

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

3.2 If yes, date of change: .....  
If not previously filed, furnish herewith a certified copy of the instrument as amended.

4. Have there been any substantial changes in the organizational chart since the prior quarter end? .....  Yes  No

If yes, attach an organizational chart.

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

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

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

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

If yes, attach an explanation.

7.1 State as of what date the latest financial examination of the reporting entity was made or is being made. ..... 12/31/1998

7.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. ..... 12/31/1998

7.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). ..... 10/30/2000

7.4 By what department or departments?

.....

8.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.) .....  Yes  No

8.2 If yes, give full information:

.....

**STATEMENT AS OF MARCH 31, 2002 OF THE GRANGE LIFE INSURANCE COMPANY**

**GENERAL INTERROGATORIES**

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted.)

**INVESTMENT**

9.1 Has there been any change in the reporting entity's own preferred or common stock? ..... Yes [ ] No [X]  
 9.2 If yes, explain:  
 \_\_\_\_\_

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

10.2 If yes, give full and complete information relating thereto:  
 \_\_\_\_\_

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

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

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

13.2 If yes, please complete the following:

	1 Prior Year-End Statement Value	2 Current Quarter Statement Value
13.21 Bonds .....	\$ .....	\$ .....
13.22 Preferred Stock .....	\$ .....	\$ .....
13.23 Common Stock .....	\$ .....	\$ .....
13.24 Short-term Investments .....	\$ .....	\$ .....
13.25 Mortgages, Loans or Real Estate .....	\$ .....	\$ .....
13.26 All Other .....	\$ .....	\$ .....
13.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 13.21 to 13.26) .....	\$ .....	\$ .....
13.28 Total Investment in Parent included in Lines 13.21 to 13.26 above .....	\$ .....	\$ .....
13.29 Receivable from Parent not included in Lines 13.21 to 13.26 above .....	\$ .....	\$ .....

14.1 Does the reporting entity have any hedging transactions reported on Schedule DB? ..... Yes [ ] No [X]

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

If no, attach a description with this statement.

15. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 - General, Section IV.H - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? ..... Yes [X] No [ ]

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

1 Name of Custodian(s)	2 Custodian Address
Bank One Trust Co. NA .....	1111 Polaris Parkway Columbus, OH 43240 .....

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

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

15.3 Have there been any changes, including name changes in the custodian(s) identified in 15.1 during the current year? ..... Yes [ ] No [X]

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

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

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

1 Central Registration Depository	2 Name(s)	3 Address

**STATEMENT AS OF MARCH 31, 2002 OF THE GRANGE LIFE INSURANCE COMPANY**

**GENERAL INTERROGATORIES (continued)**

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted.)

**PART 2 - LIFE & HEALTH**

1.	Report the statement value of mortgage loans at the end of this reporting period for the following categories:	1 Amount
1.1	Long-Term Mortgages In Good Standing	
1.11	Farm Mortgages .....	\$ ..... 0
1.12	Residential Mortgages .....	\$ ..... 0
1.13	Commercial Mortgages .....	\$ ..... 0
1.14	Total Mortgages in Good Standing .....	\$ _____
1.2	Long-Term Mortgages In Good Standing with Restructured Terms	
1.21	Total Mortgages in Good Standing .....	\$ ..... 0
1.3	Long-Term Mortgages Loans Upon which Interest is Overdue more than Three Months	
1.31	Farm Mortgages .....	\$ ..... 0
1.32	Residential Mortgages .....	\$ ..... 0
1.33	Commercial Mortgages .....	\$ ..... 0
1.34	Total Mortgages with Interest Overdue more than Three Months.....	\$ _____
1.4	Long-Term Mortgages Loans in Process of Foreclosure	
1.41	Farm Mortgages .....	\$ ..... 0
1.42	Residential Mortgages .....	\$ ..... 0
1.43	Commercial Mortgages .....	\$ ..... 0
1.44	Total Mortgages in Process of Foreclosure.....	\$ _____
1.5	Total Mortgage Loans (Lines 1.14 + 1.21 + 1.34 + 1.44) (Page 2, Col. 3, Lines 3.1 plus 3.2).....	\$ ..... 0
1.6	Long-Term Mortgages Foreclosed, Properties Transferred to Real Estate in Current Quarter	
1.61	Farm Mortgages .....	\$ ..... 0
1.62	Residential Mortgages .....	\$ ..... 0
1.63	Commercial Mortgages .....	\$ ..... 0
1.64	Total Mortgages Foreclosed and Transferred to Real Estate .....	\$ _____

**SCHEDULE A - VERIFICATION**

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period .....				
2. Increase (decrease) by adjustment .....				
3. Cost of acquired .....				
4. Cost of additions to and permanent improvements .....				
5. Total profit (loss) on sales .....				
6. Increase (decrease) by foreign exchange adjustment .....				
7. Amount received on sales .....				
8. Book/adjusted carrying value at end of current period .....				
9. Total valuation allowance .....				
10. Subtotal (Lines 8 plus 9) .....				
11. Total nonadmitted amounts .....				
12. Statement value, current period (Page 2, real estate lines, current period)				

**SCHEDULE B - VERIFICATION**

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/recorded investment excluding accrued interest on mortgages owned, beginning of period .....				
2. Amount loaned during period:				
2.1. Actual cost at time of acquisitions .....				
2.2. Additional investment made after acquisitions .....				
3. Accrual of discount and mortgage interest points and commitment fees .....				
4. Increase (decrease) by adjustment .....				
5. Total profit (loss) on sale .....				
6. Amounts paid on account or in full during the period .....				
7. Amortization of premium .....				
8. Increase (decrease) by foreign exchange adjustment .....				
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period .....				
10. Total valuation allowance .....				
11. Subtotal (Lines 9 plus 10) .....				
12. Total nonadmitted amounts .....				
13. Statement value of mortgages owned at end of current period				

**SCHEDULE BA - VERIFICATION**

Other Invested Assets Included in Schedule BA

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/adjusted carrying value of long-term invested assets owned, beginning of period .....				
2. Cost of acquisitions during period:				
2.1. Actual cost at time of acquisitions .....				
2.2. Additional investment made after acquisitions .....				
3. Accrual of discount .....				
4. Increase (decrease) by adjustment .....				
5. Total profit (loss) on sale .....				
6. Amounts paid on account or in full during the period .....				
7. Amortization of premium .....				
8. Increase (decrease) by foreign exchange adjustment .....				
9. Book/adjusted carrying value of long-term invested assets at end of current period .....				
10. Total valuation allowance .....				
11. Subtotal (Lines 9 plus 10) .....				
12. Total nonadmitted amounts .....				
13. Statement value of long-term invested assets at end of current period				

STATEMENT AS OF MARCH 31, 2002 OF THE GRANGE LIFE INSURANCE COMPANY

**SCHEDULE D - PART 1B**

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

	1 Statement Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Statement Value End of First Quarter	6 Statement Value End of Second Quarter	7 Statement Value End of Third Quarter	8 Statement Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1	97,991,114	13,661,355	11,033,542	(2,940,964)	97,677,963			97,991,114
2. Class 2	12,325,679			1,916,646	14,242,325			12,325,679
3. Class 3	1,248,364			750,559	1,998,923			1,248,364
4. Class 4				248,378	248,378			
5. Class 5								
6. Class 6	950,000				950,000			950,000
7. Total Bonds	112,515,157	13,661,355	11,033,542	(25,381)	115,117,589			112,515,157
<b>PREFERRED STOCK</b>								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds and Preferred Stock	112,515,157	13,661,355	11,033,542	(25,381)	115,117,589			112,515,157

Schedule DA - Part 1  
**NONE**

Schedule DA - Part 2  
**NONE**

Schedule DB - Part F - Section 1  
**NONE**

Schedule DB - Part F - Section 2  
**NONE**

Schedule S  
**NONE**

**STATEMENT AS OF MARCH 31, 2002 OF THE GRANGE LIFE INSURANCE COMPANY**

**SCHEDULE T—PREMIUMS AND ANNUITY CONSIDERATIONS**

During Current Year to Date - Allocated by States and Territories

States, Etc.	Is Insurer Licensed? (Yes or No)	Direct Business Only			6	
		Life Contracts		4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees		
		2	3 Life Insurance Premiums			
1. Alabama .....	AL .....		9,899	.600		
2. Alaska .....	AK .....		548			
3. Arizona .....	AZ .....		8,079			
4. Arkansas .....	AR .....		5,274			
5. California .....	CA .....		11,854			
6. Colorado .....	CO .....		3,202		.97	
7. Connecticut .....	CT .....		1,636			
8. Delaware .....	DE .....		1,158			
9. District of Columbia .....	DC .....		.379			
10. Florida .....	FL .....		60,820		3,294	
11. Georgia .....	GA .....	Yes	670,493	1,550	33,186	
12. Hawaii .....	HI .....		.170			
13. Idaho .....	ID .....		.229			
14. Illinois .....	IL .....	Yes	108,786		1,688	
15. Indiana .....	IN .....	Yes	606,425	.81,029	10,310	
16. Iowa .....	IA .....	Yes	.1,760			
17. Kansas .....	KS .....	Yes	.2,537			
18. Kentucky .....	KY .....	Yes	974,988	.171,719	21,087	
19. Louisiana .....	LA .....		.3,224			
20. Maine .....	ME .....		.250			
21. Maryland .....	MD .....		.4,309			
22. Massachusetts .....	MA .....		.1,064			
23. Michigan .....	MI .....	Yes	.19,799	.1,900		
24. Minnesota .....	MN .....		.4,315			
25. Mississippi .....	MS .....		.11,453	.19,678		
26. Missouri .....	MO .....	Yes	.6,300			
27. Montana .....	MT .....		.1,231			
28. Nebraska .....	NE .....		.613			
29. Nevada .....	NV .....		.1,199			
30. New Hampshire .....	NH .....		.477			
31. New Jersey .....	NJ .....		.2,401			
32. New Mexico .....	NM .....		.908		.99	
33. New York .....	NY .....		.3,332			
34. North Carolina .....	NC .....		.9,772			
35. North Dakota .....	ND .....					
36. Ohio .....	OH .....	Yes	4,341,919	.831,254	.58,430	
37. Oklahoma .....	OK .....		.3,684			
38. Oregon .....	OR .....		.506			
39. Pennsylvania .....	PA .....	Yes	.12,374			
40. Rhode Island .....	RI .....					
41. South Carolina .....	SC .....		.10,783			
42. South Dakota .....	SD .....		.1,037			
43. Tennessee .....	TN .....	Yes	.1,137,898	.42,055	.17,077	
44. Texas .....	TX .....		.13,194		.81	
45. Utah .....	UT .....		.959			
46. Vermont .....	VT .....		.997			
47. Virginia .....	VA .....		.10,199			
48. Washington .....	WA .....		.1,322			
49. West Virginia .....	WV .....		.6,541	.728		
50. Wisconsin .....	WI .....	Yes	.4,228			
51. Wyoming .....	WY .....		.22			
52. American Samoa .....	AS .....					
53. Guam .....	GU .....					
54. Puerto Rico .....	PR .....					
55. US Virgin Islands .....	VI .....					
56. Canada .....	CN .....					
57. Aggregate Other Alien .....	OT .....	XXX				
58. Subtotal .....		(a) 12	8,084,547	1,150,513	.145,349	
90. Reporting entity contributions for employee benefit plans .....		XXX				
91. Dividends or refunds applied to purchase paid-up additions and annuities .....		XXX				
92. Dividends or refunds applied to shorten endowment or premium paying period .....		XXX				
93. Premium or annuity considerations waived under disability or other contract provisions .....		XXX				
94. Aggregate of other amounts not allocable by State .....		XXX				
95. Totals (Direct Business) .....		XXX	8,084,547	1,150,513	.145,349	
96. Plus Reinsurance Assumed .....		XXX				
97. Totals (All Business) .....		XXX	8,084,547	1,150,513	.145,349	
98. Less Reinsurance Ceded .....		XXX	.2,249,579		.84,149	
99. Totals (All Business) less Reinsurance Ceded .....		XXX	5,834,968	1,150,513	.61,200	
<b>DETAILS OF WRITE-INS</b>						
5701 .....		XXX				
5702 .....		XXX				
5703 .....		XXX				
5798. Summary of remaining write-ins for Line 57 from overflow page .....		XXX				
5799. Totals (Lines 5701 thru 5703 plus 5798)(Line 57 above) .....		XXX				
9401 .....		XXX				
9402 .....		XXX				
9403 .....		XXX				
9498. Summary of remaining write-ins for Line 94 from overflow page .....		XXX				
9499. Totals (Lines 9401 thru 9403 plus 9498)(Line 94 above) .....		XXX				

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

STATEMENT AS OF MARCH 31, 2002 OF THE GRANGE LIFE INSURANCE COMPANY

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**  
**PART 1 - ORGANIZATIONAL CHART**

FEI NO.	STATE OF DOMICILE	NAIC CODE		
<u>PARENT COMPANY:</u>				
31-4192970	OHIO	14060	*GRANGE MUTUAL CASUALTY COMPANY	
<u>SUBSIDIARY COMPANIES:</u>				
31-0739286	OHIO	71218	*GRANGE LIFE INSURANCE COMPANY	100% OWNED
41-1405571	OHIO	40118	*TRUSTGARD INSURANCE COMPANY	100% OWNED
31-1432675	OHIO	10322	*GRANGE INDEMNITY INSURANCE COMPANY	100% OWNED
31-1769414	MICHIGAN	11136	*GRANGE INSURANCE COMPANY OF MICHIGAN	100% OWNED
31-1651402	OHIO	N/A	THE GRANGE BANK	100% OWNED

\* INSURER

## STATEMENT AS OF MARCH 31, 2002 OF THE GRANGE LIFE INSURANCE COMPANY

# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

---

### RESPONSES

1. Will the SVO Compliance Certification be filed with this statement? ..... Yes.....
2. Will the Trusteed Surplus Statement be filed with the State of Domicile and the NAIC with this statement? ..... No.....

#### Explanations:

#### Bar Codes:

Trusteed Surplus Statement (Document Identifier 490) here:



**OVERFLOW PAGE FOR WRITE-INS**

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STATEMENT AS OF MARCH 31, 2002 OF THE GRANGE LIFE INSURANCE COMPANY

**SCHEDULE A - PART 2**

Showing all Real Estate ACQUIRED During the Current Quarter

1 Description of Property	Location		4 Date Acquired	5 Name of Vendor	6 Actual Cost	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Expended for Additions and Permanent Improvements
	2 City	3 State						
9999999 - Totals								

**SCHEDULE A - PART 3**

Showing all Real Estate SOLD during the Current Quarter, including Payments during the Final Year on "Sales under Contract"

1 Description of Property	Location		4 Disposal Date	5 Name of Purchaser	6 Actual Cost	7 Increase (Decrease) by Adjustment	8 Increase (Decrease) by Foreign Exchange Adjustment	9 Expended for Additions, Permanent Improvements and Changes in Encumbrances	10 Book/Adjusted Carrying Value Less Encumbrances	11 Amounts Received	12 Foreign Exchange Profit (Loss) on Sale	13 Realized Profit (Loss) on Sale	14 Total Profit (Loss) on Sale	15 Gross Income Earned Less Interest Incurred on Encumbrances	16 Taxes, Repairs and Expenses Incurred
	2 City	3 State													
9999999 Totals															

E01

STATEMENT AS OF MARCH 31, 2002 OF THE GRANGE LIFE INSURANCE COMPANY

**SCHEDULE B - PART 1**

Showing all Mortgage Loans ACQUIRED during the Current Quarter

1 Loan Number	Location		4 Loan Type	5 Date Acquired	6 Rate of Interest	7 Book Value/Recorded Investment Excluding Accrued Interest	8 Increase (Decrease) by Adjustment	9 Increase (Decrease) by Foreign Exchange Adjustment	10 Value of Land and Buildings	11 Date of Last Appraisal or Valuation
	2 City	3 State								
9999999 Totals										XXX

**SCHEDULE B - PART 2**

Showing all Mortgage Loans SOLD, transferred or paid in full during the Current Quarter

1 Loan Number	Location		4 Loan Type	5 Date Acquired	6 Book Value/Recorded Investment Excluding Accrued Interest Prior Year	7 Increase (Decrease) by Adjustment	8 Increase (Decrease) by Foreign Exchange Adjustment	9 Book Value/Recorded Investment Excluding Accrued Interest at Disposition	10 Consideration Received	11 Foreign Exchange Profit (Loss) on Sale	12 Realized Profit (Loss) on Sale	13 Total Profit (Loss) on Sale
	2 City	3 State										
9999999 Totals												

E02

**STATEMENT AS OF MARCH 31, 2002 OF THE GRANGE LIFE INSURANCE COMPANY**

## **SCHEDULE BA - PART 1**

**Showing Other Long-Term Invested Assets ACQUIRED during the Current Quarter**

## SCHEDULE BA - PART 2

**Showing Other Long-Term Invested Assets SOLD, transferred or paid in full during the Current Quarter**

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**STATEMENT AS OF MARCH 31, 2002 OF THE GRANGE LIFE INSURANCE COMPANY**

**SCHEDULE D - PART 3**

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

1 CUSIP Identification	2 Description	3 Date Acquired	4 Name of Vendor	5 Number of Shares of Stock	6 Actual Cost	7 Par Value	8 Paid for Accrued Interest and Dividends	9 NAIC Designation (a)
<b>BONDS</b>								
US Governments								
United States								
31292H-NB-6.....	FGLMC Pool C01286 6.000% 01/01/32.....	01/29/2002.....	Baird, Robert W. & Company.....		1,473,474	1,494,254	2,989	1
Total United States						1,473,474	1,494,254	2,989 XXX
0399996 - Bonds - U.S. Government					1,473,474	1,494,254	2,989	XXX
0399999 - Total - Bonds - U.S. Government					1,473,474	1,494,254	2,989	XXX
Special Revenue & Assessment								
United States								
76110V-GP-7.....	Residential Funding 7.063% 07/25/26 Mtg Sec. 2001-H13 A17.....	03/12/2002.....	Baird, Robert W. & Company.....		918,281	900,000	2,471	1PE
Total United States						918,281	900,000	2,471 XXX
3199996 - Bonds - Special Revenues - United States					918,281	900,000	2,471	XXX
3199999 - Total - Bonds - Special Revenue					918,281	900,000	2,471	XXX
Public Utilities (unaffiliated)								
United States								
209111-DJ-9.....	Consolidated Edison NC 7.500% 09/01/10.....	03/21/2002.....	DBAB.....		1,069,540	1,000,000	.5,208	1PE
362320-AW-3.....	GTE Corp. Call 7.900% 02/01/27.....	03/04/2002.....	DBAB.....		1,045,000	1,000,000	7,900	1PE
Total United States						2,114,540	2,000,000	13,108 XXX
3899996 - Bonds - Public Utilities - United States						2,114,540	2,000,000	13,108 XXX
3899999 - Total - Bonds - Public Utilities						2,114,540	2,000,000	13,108 XXX
Industrial & Miscellaneous								
United States								
.05576H-AA-3.....	BT Instl Cap Trust B 7.750% 12/01/26 144A - Call.....	03/11/2002.....	DBAB.....		2,008,420	2,000,000	44,347	1PE
.066048-AA-7.....	Bankamerica Capital II 8.000% 12/15/26 Call.....	03/05/2002.....	DBAB.....		1,060,000	1,000,000	18,444	1PE
.257867-AG-6.....	Donnelly, RR & Sons 6.625% 04/15/29 Inc NC.....	01/16/2002.....	DBAB.....		1,951,740	2,000,000	35,701	1PE
.319963-AF-1.....	First Data Corp. NC 5.625% 11/01/11.....	02/21/2002.....	Bear Stearns.....		988,250	1,000,000	16,875	1PE
.518439-AA-2.....	Estee Lauder Cos Inc 6.000% 01/15/12 NC.....	02/27/2002.....	Raymond James & Associates.....		1,014,690	1,000,000	.9,000	1PE
.718154-CF-2.....	Phillip Morris 7.750% 01/15/27 Companies Inc NC.....	01/17/2002.....	DBAB.....		1,072,790	1,000,000	1,722	1PE
.960402-AS-4.....	Westinghouse Electric 7.875% 09/01/23 NC.....	03/21/2002.....	DBAB.....		1,055,691	1,000,000	5,470	1PE
Total United States						9,151,581	9,000,000	131,559 XXX
4599996 - Bonds - Industrial and Misc - United States						9,151,581	9,000,000	131,559 XXX
4599999 - Total - Bonds - Industrial, Misc.						9,151,581	9,000,000	131,559 XXX
6099997 - Total - Bonds - Part 3						13,657,876	13,394,254	150,127 XXX
6099998 - Total - Bonds - Part 5						3,479	3,528	7 XXX
6099999 - Total - Bonds						13,661,355	13,397,782	150,134 XXX
6599999 - Total - Preferred Stocks						XXX		XXX
7099999 - Total - Common Stocks						XXX		XXX
7199999 - Total - Preferred and Common Stocks						XXX		XXX
7299999 - Totals						13,661,355	XXX	150,134 XXX

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

**STATEMENT AS OF MARCH 31, 2002 OF THE GRANGE LIFE INSURANCE COMPANY**

**SCHEDULE D - PART 4**

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

1 CUSIP Identifi- cation	2 Description	3 Disposal Date	4 Name of Purchaser	5 Number of Shares of Stock	6 Consideration	7 Par Value	8 Actual Cost	9 Book/Adjusted Carrying Value at Disposal Date	10 Increase (Decrease) by Adjustment	11 Increase (Decrease) by Foreign Exchange Adjustment	12 Foreign Exchange Gain (Loss) on Disposal	13 Realized Gain (Loss) on Disposal	14 Total Gain (Loss) on Disposal	15 Interest on Bonds Received During Year	16 Dividends on Stocks Received During Year	17 NAIC Designa- tion (a)
<b>BONDS</b>																
US Governments																
United States																
36204S-ZD-1...	GNMA Pool 378840 PL 8.250% 09/15/24.	01/01/2002	Paydown.			1,120	1,120	1,111	1,120	8					8	
36204S-ZD-1...	GNMA Pool 378840 PL 8.250% 09/15/24.	02/01/2002	Paydown.			1,127	1,127	1,119	1,127	8					16	
36204S-ZD-1...	GNMA Pool 378840 PL 8.250% 09/15/24.	03/01/2002	Paydown.			1,135	1,135	1,127	1,135	8					23	
	GNMA Pool 397814 PL - 8.250%	06/15/20														
36205Q-3X-5...	241 (F)	01/01/2002	Paydown.			1,639	1,639	1,667	1,639	(26)					11	
	GNMA Pool 397814 PL - 8.250%	06/15/20														
36205Q-3X-5...	241 (F)	02/01/2002	Paydown.			1,651	1,651	1,679	1,651	(26)					23	
	GNMA Pool 397814 PL - 8.250%	06/15/20														
36205Q-3X-5...	241 (F)	03/01/2002	Paydown.			1,663	1,663	1,692	1,663	(26)					34	
362200-SX-6...	GNMA Pool 293134 9.000% 09/15/05.	01/01/2002	Paydown.			285	285	283	285	2					2	1PE
362200-SX-6...	GNMA Pool 293134 9.000% 09/15/05.	02/01/2002	Paydown.			287	287	285	287	2					4	1PE
362200-SX-6...	GNMA Pool 293134 9.000% 09/15/05.	03/01/2002	Paydown.			290	290	287	290	2					7	1PE
36223D-CX-2...	GNMA Pool 304386 PL 7.625% 05/15/32.	01/01/2002	Paydown.			986	986	992	986	(5)					6	1PE
36223D-CX-2...	GNMA Pool 304386 PL 7.625% 05/15/32.	02/01/2002	Paydown.			993	993	998	993	(5)					13	1PE
36223D-CX-2...	GNMA Pool 304386 PL 7.625% 05/15/32.	03/01/2002	Paydown.			999	999	1,005	999	(5)					19	1PE
	Total United States					12,175	12,175	12,245	12,175	(63)	0	0	0	0	166	XXX
0399996 - Bonds - U.S. Government						12,175	12,175	12,245	12,175	(63)	0	0	0	0	166	XXX
0399999 - Bonds - U.S. Governments						12,175	12,175	12,245	12,175	(63)	0	0	0	0	166	XXX
Special Revenue & Assessment																
United States																
31335H-Q2-2...	FHLMC Pool #C90473 6.500% 08/01/21.	01/01/2002	Paydown.			34,612	34,612	35,110	34,612	(492)					187	1PE
31335H-Q2-2...	FHLMC Pool #C90473 6.500% 08/01/21.	02/01/2002	Paydown.			22,173	22,173	22,492	22,173	(315)					240	1PE
31335H-Q2-2...	FHLMC Pool #C90473 6.500% 08/01/21.	03/01/2002	Paydown.			18,801	18,801	19,071	18,801	(267)					306	1PE
3133T2-3F-5...	12/25/08.	01/01/2002	Paydown.			34,851	34,851	34,546	34,851	201					189	1PE
	FHG 25 B SEQ GNJ0 6.5 6.500%															
3133T2-3F-5...	12/25/08.	02/01/2002	Paydown.			26,136	26,136	25,907	26,136	150					283	1PE
3133T2-3F-5...	12/25/08.	03/01/2002	Paydown.			26,258	26,258	26,028	26,258	151					427	1PE
	FHR 2141 E NAS FGLMC 6.600%	04/15/29														
3133TK-G7-9...	7.0.	01/01/2002	Paydown.			1,109	1,109	1,127	1,109	(13)					6	1PE
	FHR 2141 E NAS FGLMC 6.600%	04/15/29														
3133TK-G7-9...	7.0.	02/01/2002	Paydown.			1,116	1,116	1,134	1,116	(13)					12	1PE
	FHR 2141 E NAS FGLMC 6.600%	04/15/29														
3133TK-G7-9...	7.0.	03/01/2002	Paydown.			1,120	1,120	1,139	1,120	(13)					18	1PE
	FNR G93-3 H PAC(11) 7.000% 03/25/21															
31358T-KN-8...	GNSF 8.0.	01/01/2002	Paydown.			43,778	43,778	43,422	43,778	225					255	1PE
	FNR G93-3 H PAC(11) 7.000% 03/25/21															
31358T-KN-8...	GNSF 8.0.	02/01/2002	Paydown.			48,966	48,966	48,568	48,966	252					571	1PE
	FNR G93-3 H PAC(11) 7.000% 03/25/21															
31358T-KN-8...	GNSF 8.0.	03/01/2002	Paydown.			46,550	46,550	46,172	46,550	239					815	1PE
	FNMA Pool 253478 8.000% 09/01/20.	01/01/2002	Paydown.			49,739	49,739	50,361	49,739	(627)					332	1PE
31371J-07-2...	FNMA Pool 253478 8.000% 09/01/20.	02/01/2002	Paydown.			45,646	45,646	46,217	45,646	(576)					609	1PE

STATEMENT AS OF MARCH 31, 2002 OF THE GRANGE LIFE INSURANCE COMPANY

**SCHEDULE D - PART 4**

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

1 CUSIP Identifi- cation	2 Description	3 Disposal Date	4 Name of Purchaser	5 Number of Shares of Stock	6 Consideration	7 Par Value	8 Actual Cost	9 Book/Adjusted Carrying Value at Disposal Date	10 Increase (Decrease) by Adjustment	11 Increase (Decrease) by Foreign Exchange Adjustment	12 Foreign Exchange Gain (Loss) on Disposal	13 Realized Gain (Loss) on Disposal	14 Total Gain (Loss) on Disposal	15 Interest on Bonds Received During Year	16 Dividends on Stocks Received During Year	17 NAIC Designa- tion (a)
31371J-07-2	FNMA Pool 253478 8.000% 09/01/20.	03/01/2002	Paydown.		29,629	29,629	30,000	29,629	(374)			0	0	0	.593	1PE
31371J-S8-8	FNMA Pool 253543 7.000% 11/01/20.	01/01/2002	Paydown.		84,946	84,946	84,123	84,946	.815			0	0	0	.496	1PE
31371J-S8-8	FNMA Pool 253543 7.000% 11/01/20.	02/01/2002	Paydown.		66,970	66,970	66,321	66,970	.643			0	0	0	.781	1PE
31371J-S8-8	FNMA Pool 253543 7.000% 11/01/20.	03/01/2002	Paydown.		30,336	30,336	30,042	30,336	.291			0	0	0	.531	1PE
	Total United States				612,736	612,736	611,780	612,736	.277	0	0	0	0	0	6,651	XXX
319996 - Bonds - Special Revenues - United States					612,736	612,736	611,780	612,736	.277	0	0	0	0	0	6,651	XXX
319999 - Bonds - Special Revenues					612,736	612,736	611,780	612,736	.277	0	0	0	0	0	6,651	XXX
Public Utilities (unaffiliated)																
United States																
209111-CA-9...	Consolidated Edison 6.375% 04/01/03.	03/21/2002	DBAB.		1,028,750	1,000,000	.894,290	983,208	.3,594			45,542	45,542	.30,990		1PE
	Idaho Power Corp 8.750% 03/15/27				1,041,880	1,000,000	.1,101,440	1,041,880	(3,193)						.43,750	
451380-AV-1...	Callable.....	03/15/2002	Call 104.1880			2,070,630	2,000,000	1,995,730	2,025,088	.401	0	0	45,542	45,542	.74,740	XXX
	Total United States				2,070,630	2,000,000	1,995,730	2,025,088	.401	0	0	45,542	45,542	.74,740	XXX	
389996 - Bonds - Public Utilities - United States					2,070,630	2,000,000	1,995,730	2,025,088	.401	0	0	45,542	45,542	.74,740	XXX	
389999 - Bonds - Public Utilities					2,070,630	2,000,000	1,995,730	2,025,088	.401	0	0	45,542	45,542	.74,740	XXX	
Industrial & Miscellaneous																
United States																
066050-BS-3...	BankAmerica Corp. 7.750% 07/15/02	03/05/2002	DBAB.		1,018,670	1,000,000	.1,010,640	1,000,618	(313)			.18,052	.18,052	.50,160		1PE
066365-DC-8...	Bankers Trust NY Corp 7.250% 10/15/11	03/11/2002	DBAB.		1,036,900	1,000,000	.1,052,050	1,041,033	(602)			(4,133)	(4,133)	.30,007		1PE
066365-DQ-7...	Bankers Trust NY Corp 7.150% 08/14/12	03/11/2002	DBAB.		1,002,500	1,000,000	.974,930	979,936	.251			22,564	22,564	.41,708		1PE
451380-AV-1...	Callable.....				1,012,500	1,000,000	.1,000,000	1,000,000				.12,500	.12,500	.9,208		1PE
126410-FR-5...	Equipment.....	01/16/2002	DBAB.		1,011,220	1,000,000	.1,004,556	1,003,247	(.66)			7,973	7,973	.25,500		1PE
16161A-BS-6...	Chase Manhattan 6.375% 04/01/08	02/20/2002	Bear Stearns.													
	Corporation NC															
	Federal Express 1997-1 7.500% 01/15/18															
31331F-AU-5...	A PT Certificates.....	01/16/2002	Redemption 100.0000		38,221	38,221	.38,221	.38,221							.1,433	1PE
37033L-CU-8...	General Mills Call 8.600% 06/15/22	01/22/2002	DBAB.		1,018,750	1,000,000	.1,030,000	1,018,304	(3,051)			.446	.446	.31,056		1PE
46625H-AE-0...	JP Morgan Chase NC 6.250% 01/15/06	02/20/2002	Bear Stearns.		1,025,160	1,000,000	.1,001,390	1,000,678	(.23)			24,482	24,482	.38,194		
60935B-BG-3...	The Money Store Home 7.625% 12/15/27	01/01/2002	Paydown.		20,175	20,175	20,844	20,175	(.74)						.128	1PE
60935B-BG-3...	The Money Store Home 7.625% 12/15/27	02/01/2002	Paydown.		4,674	4,674	4,829	4,674	(.17)						.59	1PE
60935B-BG-3...	Eq 1996-C A15.....	03/01/2002	Paydown.													
60935B-BG-3...	Eq 1996-C A15.....	04/01/2002	Paydown.													
60935B-BG-3...	Eq 1996-C A15.....	05/01/2002	Paydown.													
638585-AA-7...	Nationsbank Corp. 8.125% 06/15/02	01/17/2002	DBAB.		1,022,650	1,000,000	.1,020,920	1,001,343	(207)			21,308	21,308	.8,576		1PE
69348R-JR-8...	Securities Corp. 1999-4 4A1 PNC Mortgage 6.500% 05/25/29	01/01/2002	Paydown.		100,969	100,969	.100,874	.100,969	.125						.547	1PE
69348R-JR-8...	PNC Mortgage 6.500% 05/25/29															
69348R-JR-8...	Securities Corp. 1999-4 4A1 PNC Mortgage 6.500% 05/25/29	02/01/2002	Paydown.		90,286	90,286	.90,202	.90,286	.112						.978	1PE
69348R-JR-8...	PNC Mortgage 6.500% 05/25/29															
69348R-JR-8...	Securities Corp. 1999-4 4A1 Southern Pacific 6.740% 01/25/28	03/01/2002	Paydown.		.45,202	.45,202	.45,159	.45,202	.56						.735	1PE
843590-CH-1...	Southern Pacific 6.740% 01/25/28															
843590-CH-1...	Secured Asset 1997-4 A6.....	01/01/2002	Paydown.		8,735	8,735	8,843	8,735	(.28)						.49	1PE
843590-CH-1...	Southern Pacific 6.740% 01/25/28	02/01/2002	Paydown.		15,691	15,691	.15,885	.15,691	(.51)						.176	1PE
843590-CH-1...	Secured Asset 1997-4 A6.....	03/01/2002	Paydown.		10,263	10,263	.10,387	.10,262	(.30)						.173	1PE
	Total United States				8,483,206	8,334,856	.8,430,392	.8,380,014	(3,920)	0	0	103,192	103,192	.238,699		XXX
459996 - Bonds - Industrial and Misc - United States					8,483,206	8,334,856	.8,430,392	.8,380,014	(3,920)	0	0	103,192	103,192	.238,699		XXX
459999 - Bonds - Industrial and Miscellaneous					8,483,206	8,334,856	.8,430,392	.8,380,014	(3,920)	0	0	103,192	103,192	.238,699		XXX
609997 - Bonds - Part 4					11,178,747	10,959,767	.11,050,147	.11,030,013	(3,305)	0	0	148,734	148,734	.320,256		XXX
609998 - Bonds - Part 5					3,528	3,528	.3,479	.3,528	.49						.18	XXX
609999 - Total - Bonds					11,182,275	10,963,295	.11,053,626	.11,033,541	(3,256)	0	0	148,734	148,734	.320,274		XXX

**STATEMENT AS OF MARCH 31, 2002 OF THE GRANGE LIFE INSURANCE COMPANY**

## **SCHEDULE D - PART 4**

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

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

(a) For all common stock bearing the NASC designation "S" provide the number of such issues.

E05.2

Schedule DB - Part A - Section 1

**NONE**

Schedule DB - Part B - Section 1

**NONE**

Schedule DB - Part C - Section 1

**NONE**

Schedule DB - Part D - Section 1

**NONE**

**STATEMENT AS OF MARCH 31, 2002 OF THE GRANGE LIFE INSURANCE COMPANY**

## **SCHEDULE E - PART 1 - CASH**

Month End Depository Balances							8	
1	2	3	4	Book Balance at End of Each Month During Current Quarter				
				5	6	7		
Depository	Depository	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	
Bank One Ohio Trust Company	PO Box 710634 Columbus, OH 43271-0634	1.970	10,109		2,574,992	3,137,249	1,139,885	
Provident National Bank	Wilmington, DE 19885-9628	1.890	149		.30,830	.30,881	.30,925	
Huntington National Bank	Columbus, Ohio				3,290,096	3,191,141	3,198,712	
0199998	Deposits in ..... depositories which do not exceed the allowable limit in any one depository (See Instructions) - Open Depositories	XXX					XXX	
0199999	Totals - Open Depositories	XXX	10,258	0	5,895,918	6,359,271	4,369,522	
0399999	Total Cash on Deposit	XXX	10,258	0	5,895,918	6,359,271	4,369,522	
0499999	Cash in Company's Office	XXX	XXX	XXX			XXX	
0599999	Total Cash	XXX	10,258	0	5,895,918	6,359,271	4,369,522	