



PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

QUARTERLY STATEMENT

AS OF JUNE 30, 2011
OF THE CONDITION AND AFFAIRS OF THE

GRANGE PROPERTY & CASUALTY INSURANCE COMPANY

NAIC Group Code	00267 (Current Period)	00267 (Prior Period)	NAIC Company Code	11982	Employer's ID Number	42-1610213
Organized under the Laws of	Ohio		State of Domicile or Port of Entry	Ohio		
Country of Domicile	United States					
Incorporated/Organized	04/01/2004		Commenced Business	05/21/2004		
Statutory Home Office	671 South High Street (Street and Number)		Columbus, OH 43206-1014 (City or Town, State and Zip Code)			
Main Administrative Office	671 South High Street (Street and Number)		Columbus, OH 43206-1014 (City or Town, State and Zip Code)		614-445-2900 (Area Code) (Telephone Number)	
Mail Address	671 South High Street, P.O. Box 1218 (Street and Number or P.O. Box)		Columbus, OH 43216-1218 (City or Town, State and Zip Code)			
Primary Location of Books and Records	671 South High Street (Street and Number)		Columbus, OH 43206-1014 (City or Town, State and Zip Code)		614-445-2900 (Area Code) (Telephone Number)	
Internet Web Site Address	www.grangeinsurance.com					
Statutory Statement Contact	David Sidney Ackermann (Name)		614-445-2900 (Area Code) (Telephone Number) (Extension)			
	ackermannd@grangeinsurance.com (E-mail Address)		614-542-3017 (Fax Number)			

OFFICERS

Name	Title	Name	Title
THOMAS HOWARD WELCH	PRESIDENT & CEO	DAVID TRUFANT ROARK	VP & SECRETARY
JOHN PAUL MCCAFFREY	VP & CFO		

OTHER OFFICERS

JOHN CHRISTOPHER MONTGOMERY	VP - INVESTMENTS		
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DIRECTORS OR TRUSTEES

DOUGLAS PAUL BUTH	GLENN EUGENE CORLETT	ELWOOD GORDON GEE	ROBERT ENLOW HOYT #
JOHN PAUL MCCAFFREY #	ROBERT JOHN O'BRIEN	MICHAEL VERNE PARROTT	MARY MARNETTE PERRY
MELVIN GEORGE PYE JR	THOMAS SIMRALL STEWART	PHILIP WAYNE STICHTER	THOMAS HOWARD WELCH
DAVID CHARLES WETMORE			

State of Ohio

County of Franklin ss

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

THOMAS HOWARD WELCH PRESIDENT & CEO	DAVID TRUFANT ROARK VP & SECRETARY	JOHN PAUL MCCAFFREY VP & CFO
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a. Is this an original filing? Yes No

b. If no:

1. State the amendment number
2. Date filed
3. Number of pages attached

Subscribed and sworn to before me this
5th day of August, 2011Teresa J. Burchwell, Notary Public
April 28, 2012

STATEMENT AS OF JUNE 30, 2011 OF THE GRANGE PROPERTY & CASUALTY 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	38,747,828		38,747,828	35,288,358
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks			0	0
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$0), cash equivalents (\$0) and short-term investments (\$2,218,956)	2,218,956		2,218,956	547,574
6. Contract loans (including \$ premium notes)			0	0
7. Derivatives			0	0
8. Other invested assets	0		0	0
9. Receivables for securities	2,063		2,063	2,063
10. Securities lending reinvested collateral assets	909,535		909,535	0
11. Aggregate write-ins for invested assets	0	.0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	41,878,382	.0	41,878,382	35,837,995
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	325,322		325,322	310,814
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	4,005,336	26,623	3,978,713	3,889,119
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$(9,105) earned but unbilled premiums)	(9,392)	(287)	(9,105)	(5,079)
15.3 Accrued retrospective premiums			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers			0	0
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset	763,414	.250,606	.512,808	798,855
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software			0	0
21. Furniture and equipment, including health care delivery assets (\$)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates			0	341,110
24. Health care (\$) and other amounts receivable			0	0
25. Aggregate write-ins for other than invested assets	12,985	.0	12,985	8,296
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	46,976,047	276,942	46,699,105	41,181,110
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	46,976,047	276,942	46,699,105	41,181,110
DETAILS OF WRITE-INS				
1101.			0	0
1102.			0	0
1103.			0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	.0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Equities in Pools	12,985		12,985	8,296
2502.			0	0
2503.			0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	.0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	12,985	0	12,985	8,296

STATEMENT AS OF JUNE 30, 2011 OF THE GRANGE PROPERTY & CASUALTY INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 2,131,083)	7,612,135	8,083,542
2. Reinsurance payable on paid losses and loss adjustment expenses	0	0
3. Loss adjustment expenses	2,329,635	2,436,357
4. Commissions payable, contingent commissions and other similar charges	161,489	242,847
5. Other expenses (excluding taxes, licenses and fees)	532,495	541,910
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	216,074	259,604
7.1 Current federal and foreign income taxes (including \$ 6,788 on realized capital gains (losses))	114,737	853,317
7.2 Net deferred tax liability	0	0
8. Borrowed money \$ and interest thereon \$	0	0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 34,074,100 and including warranty reserves of \$)	8,187,275	8,118,675
10. Advance premium	0	0
11. Dividends declared and unpaid:		
11.1 Stockholders	0	0
11.2 Policyholders	17,641	15,213
12. Ceded reinsurance premiums payable (net of ceding commissions)	0	0
13. Funds held by company under reinsurance treaties	0	0
14. Amounts withheld or retained by company for account of others	0	0
15. Remittances and items not allocated	0	0
16. Provision for reinsurance	0	0
17. Net adjustments in assets and liabilities due to foreign exchange rates	0	0
18. Drafts outstanding	0	0
19. Payable to parent, subsidiaries and affiliates	5,682,220	0
20. Derivatives	0	0
21. Payable for securities	909,535	0
22. Payable for securities lending	0	0
23. Liability for amounts held under uninsured plans	0	0
24. Capital notes \$ and interest thereon \$	0	0
25. Aggregate write-ins for liabilities	0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	25,763,236	20,551,465
27. Protected cell liabilities	0	0
28. Total liabilities (Lines 26 and 27)	25,763,236	20,551,465
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	2,000,000	2,000,000
31. Preferred capital stock	0	0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes	0	0
34. Gross paid in and contributed surplus	13,000,000	13,000,000
35. Unassigned funds (surplus)	5,935,869	5,629,645
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)	0	0
36.2 shares preferred (value included in Line 31 \$)	0	0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	20,935,869	20,629,645
38. Totals (Page 2, Line 28, Col. 3)	46,699,105	41,181,110
DETAILS OF WRITE-INS		
2501.	0	0
2502.	0	0
2503.	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0
2901.	0	0
2902.	0	0
2903.	0	0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201.	0	0
3202.	0	0
3203.	0	0
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

STATEMENT AS OF JUNE 30, 2011 OF THE GRANGE PROPERTY & CASUALTY INSURANCE COMPANY

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 45,170,329)	43,929,145	40,658,498	84,366,097
1.2 Assumed (written \$ 10,601,134)	10,505,830	11,231,878	22,432,941
1.3 Ceded (written \$ 45,239,984)	43,972,096	40,661,132	84,390,414
1.4 Net (written \$ 10,531,479)	10,462,879	11,229,244	22,408,624
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 6,869,003):			
2.1 Direct	38,533,547	34,230,913	66,010,192
2.2 Assumed	6,905,572	7,023,583	13,753,415
2.3 Ceded	38,583,744	34,249,605	66,062,679
2.4 Net	6,855,375	7,004,891	13,700,928
3. Loss adjustment expenses incurred	1,118,162	1,217,636	2,377,236
4. Other underwriting expenses incurred	3,436,694	3,689,588	7,115,408
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	11,410,231	11,912,115	23,193,572
7. Net income of protected cells		0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(947,352)	(682,871)	(784,948)
INVESTMENT INCOME			
9. Net investment income earned	519,207	512,890	939,360
10. Net realized capital gains (losses) less capital gains tax of \$ 6,788	12,607	87,194	445,987
11. Net investment gain (loss) (Lines 9 + 10)	531,814	600,084	1,385,347
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 885 amount charged off \$ 84,777)	(83,892)	(96,700)	(204,282)
13. Finance and service charges not included in premiums	1,183,002	1,281,947	2,549,696
14. Aggregate write-ins for miscellaneous income	9,476	11,370	21,973
15. Total other income (Lines 12 through 14)	1,108,586	1,196,617	2,367,387
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	693,048	1,113,830	2,967,786
17. Dividends to policyholders	31,967	32,942	64,713
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	661,081	1,080,888	2,903,073
19. Federal and foreign income taxes incurred	107,949	297,730	613,170
20. Net income (Line 18 minus Line 19)(to Line 22)	553,132	783,158	2,289,903
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	20,629,645	18,549,432	18,549,432
22. Net income (from Line 20)	553,132	783,158	2,289,903
23. Net transfers (to) from Protected Cell accounts		0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 12,732	23,645	182	(56,667)
25. Change in net unrealized foreign exchange capital gain (loss)		0	0
26. Change in net deferred income tax	(22,709)	(28,213)	(152,165)
27. Change in nonadmitted assets	(247,844)	(53,496)	(858)
28. Change in provision for reinsurance		0	0
29. Change in surplus notes		0	0
30. Surplus (contributed to) withdrawn from protected cells		0	0
31. Cumulative effect of changes in accounting principles		0	0
32. Capital changes:			
32.1 Paid in		0	0
32.2 Transferred from surplus (Stock Dividend)		0	0
32.3 Transferred to surplus		0	0
33. Surplus adjustments:			
33.1 Paid in		0	0
33.2 Transferred to capital (Stock Dividend)		0	0
33.3 Transferred from capital		0	0
34. Net remittances from or (to) Home Office		0	0
35. Dividends to stockholders		0	0
36. Change in treasury stock		0	0
37. Aggregate write-ins for gains and losses in surplus	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37)	306,224	701,631	2,080,213
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	20,935,869	19,251,063	20,629,645
DETAILS OF WRITE-INS			
0501.		0	0
0502.		0	0
0503.		0	0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0
1401. Miscellaneous Income	9,476	11,370	21,973
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	9,476	11,370	21,973
3701.		0	0
3702.		0	0
3703.		0	0
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	0	0	0

STATEMENT AS OF JUNE 30, 2011 OF THE GRANGE PROPERTY & CASUALTY INSURANCE COMPANY

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance.....	10,448,673	11,356,491	22,348,460
2. Net investment income.....	529,449	545,880	1,007,607
3. Miscellaneous income.....	1,108,586	1,196,617	2,367,387
4. Total (Lines 1 to 3).....	12,086,708	13,098,988	25,723,454
5. Benefit and loss related payments.....	7,326,781	6,838,586	13,608,431
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	4,795,881	4,988,227	9,441,590
8. Dividends paid to policyholders.....	.29,539	.37,307	.66,613
9. Federal and foreign income taxes paid (recovered) net of \$ 6,788 tax on capital gains (losses).....	853,317	643,259	643,259
10. Total (Lines 5 through 9).....	13,005,518	12,507,379	23,759,893
11. Net cash from operations (Line 4 minus Line 10).....	(918,810)	591,609	1,963,561
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	4,028,330	5,303,557	13,559,082
12.2 Stocks.....	0	0	0
12.3 Mortgage loans.....	0	0	0
12.4 Real estate.....	0	0	0
12.5 Other invested assets.....	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	0	0	0
12.7 Miscellaneous proceeds.....	0	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	4,028,330	5,303,557	13,559,082
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	7,456,778	5,742,178	15,811,638
13.2 Stocks.....	0	0	0
13.3 Mortgage loans.....	0	0	0
13.4 Real estate.....	0	0	0
13.5 Other invested assets.....	0	0	0
13.6 Miscellaneous applications.....	0	2,063	2,063
13.7 Total investments acquired (Lines 13.1 to 13.6).....	7,456,778	5,744,241	15,813,701
14. Net increase (or decrease) in contract loans and premium notes.....	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	(3,428,448)	(440,684)	(2,254,619)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds.....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	0	0	0
16.5 Dividends to stockholders.....	0	0	0
16.6 Other cash provided (applied).....	6,018,640	504,184	280,641
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	6,018,640	504,184	280,641
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....	1,671,382	.655,109	(10,417)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	547,574	.557,991	.557,991
19.2 End of period (Line 18 plus Line 19.1).....	2,218,956	1,213,100	547,574

**STATEMENT AS OF JUNE 30, 2011 OF THE
GRANGE PROPERTY & CASUALTY INSURANCE COMPANY**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNT POLICIES

A. The Company prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by the State of Ohio. The State of Ohio requires that insurance companies domiciled in the State prepare their statutory basis financial statements in accordance with the NAIC Accounting Practices and Procedures manual subject to any deviations prescribed or permitted by the State of Ohio insurance commissioner. The Company does not employ accounting practices that depart from the NAIC Accounting Practices and Procedures Manual.

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

NO CHANGE

3. BUSINESS COMBINATIONS AND GOODWILL

NONE

4. DISCONTINUED OPERATIONS

NO CHANGE

5. INVESTMENTS

D. LOAN-BACKED SECURITIES

1) Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities were obtained from Hub Data and Bloomberg. These assumptions are consistent with the current interest rate and economic environment.

2) NONE

3)

CUSIP	(1) OTTI	(2) Book/Adjusted Carrying Value Amortized Cost Before Current Period	(3) Present Value of Projected Cash Flows	(4) Recognized Other-Than- Temporary Impairment for the Current Period	(5) Amortized Cost After Other- Than Temporary Impairment	(6) Fair Value at end of Current Period	(7) Date of Financial Statement – End of Period
NONE							

4) As impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains:

a.

Aggregate Amount of Unrealized Losses:

1 Less than 12 Months	(160,260)
2 Greater than 12 Months	0

b.

The Aggregate Related Fair Value of Securities with Unrealized Losses:

1 Less than 12 Months	7,815,340
2 Greater than 12 Months	0

According to SSAP 43R, loan-backed and structured securities with an unrealized loss position were reviewed according to the pronouncement that became effective on 9/30/09. The best estimate of future cash flows using the appropriate discount rate was calculated for each affected security, with other-than-temporary impairments realized to the extent that present value was less than amortized cost. Securities with a present value greater than amortized cost were not other-than-temporarily impaired.

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

NO CHANGE

7. INVESTMENT INCOME

NO CHANGE

8. DERIVATIVE INSTRUMENTS

NONE

9. FEDERAL INCOME

A. The components of the net deferred tax assets at June 30, 2011 and December 31, 2010 are as follows:

	6/30/2011	12/31/2010
Gross Deferred Tax Assets	\$ 806,015	\$ 859,264
Gross Deferred Tax Liabilities	42,601	60,409
Net Deferred Tax Asset (Liability)	763,414	798,855
Nonadmitted Deferred Tax Assets	250,606	-
Admitted Deferred Tax Asset	512,808	798,855
(Increase) Decrease in Deferred Tax Assets Nonadmitted	\$ (250,606)	\$ -

B. The Company has no deferred tax liabilities that are not recognized

C. Current income taxes incurred consist of the following major components:

	6/30/2011	12/31/2010
Current Income Tax Expense	\$ 107,950	\$ 679,622
Tax on Capital Gains/(Losses)	6,788	240,147
Prior Year Under Accrual (Over Accrual)	-	(66,452)
Federal Income Taxes Incurred	\$ 114,738	\$ 853,317

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

NO CHANGE

**STATEMENT AS OF JUNE 30, 2011 OF THE
GRANGE PROPERTY & CASUALTY INSURANCE COMPANY**

NOTES TO FINANCIAL STATEMENTS

11. DEBT
NONE

12. RETIREMENT PLANS, DEFERRED COMPENSATION, AND POSTRETIREMENT BENEFIT PLANS
NO CHANGE

13. CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUSAI-REORGANIZATIONS
NO CHANGE

14. CONTINGENCIES
NO CHANGE

15. LEASES
NO CHANGE

16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATION OF CREDIT RISK.

NONE

17. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES
NONE

18. GAINS OR LOSS TO THE REPORTING ENTITY FROM UNINSURED A&H PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS.
NONE

19. DIRECT PREMIUM WRITTEN / PRODUCED BY MANAGING GENERAL AGENTS / THIRD PARTY ADMINISTRATORS
NONE

20. FAIR VALUE MEASUREMENTS

A. All assets and liabilities of The Company are measured and reported at cost or amortized cost in accordance with footnote 1 above.
1. NONE
2. NONE
3. The Company's policy is to recognize transfers in and out as of the end of the reporting period.
4. As of December 31, 2010, the reported fair value of the entity's investments categorized within Level 2 and Level 3 of the fair value hierarchy are as follows: According to statutory accounting rules, fixed income securities with a rating of NAIC 1 or 2 are reported at amortized cost. Securities with a rating of NAIC 3 thru 6, or non-investment grade ratings, are measured and reported at the lower of amortized cost or fair value on the statement of financial position. As of June 30, 2011, the Company did not have any bonds rated NAIC 3 thru 6, and therefore did not report any securities at fair value.

21. OTHER ITEMS
NO CHANGE

22. EVENTS SUBSEQUENT

NO CHANGE

23. REINSURANCE
NO CHANGE

24. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION
NONE

25. CHANGES IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

LOSSES AND LAE	6/30/2011	2010
BALANCE JANUARY 1	14,071,219	13,632,300
LESS REINSURANCE RECOVERABLES	<u>3,551,320</u>	<u>3,191,645</u>
NET BALANCE JANUARY 1	<u>10,519,899</u>	<u>10,440,655</u>
 INCURRED RELATED TO:		
CURRENT YEAR	8,313,286	16,999,137
PRIOR YEAR	<u>(339,748)</u>	<u>(920,975)</u>
TOTAL INCURRED	<u>7,973,537</u>	<u>16,078,162</u>
 PAID RELATED TO:		
CURRENT YEAR	5,530,002	11,067,418
PRIOR YEAR	<u>3,021,665</u>	<u>4,931,500</u>
TOTAL PAID	<u>8,551,667</u>	<u>15,998,917</u>
NET BALANCE AT DECEMBER 31	9,941,770	10,519,899
PLUS REINSURANCE RECOVERABLES	<u>5,015,299</u>	<u>3,551,320</u>
BALANCE AT DECEMBER 31	<u>14,957,069</u>	<u>14,071,219</u>

26. INTERCOMPANY POOLING AGREEMENTS
NO CHANGE

27. STRUCTURED SETTLEMENTS
NO CHANGE.

28. HEALTH CARE RECEIVABLES
NONE

**STATEMENT AS OF JUNE 30, 2011 OF THE
GRANGE PROPERTY & CASUALTY INSURANCE COMPANY**

NOTES TO FINANCIAL STATEMENTS

- 29. PARTICIPATING POLICIES
NONE
- 30. PREMIUM DEFICIENCY RESERVES
NO CHANGE
- 31. HIGH DEDUCTIBLES
NONE
- 32. DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES OR UNPAID LOSS ADJUSTMENT EXPENSES
NONE
- 33. ASBESTOS/ENVIRONMENTAL RESERVES
NONE
- 34. SUBSCRIBER SAVINGS ACCOUNTS
NOT APPLICABLE
- 35. MULTIPLE PERIL CROP INSURANCE
NONE
- 36. FINANCIAL GUARANTY INSURANCE
NONE
- 37. CATASTROPHIC PLANNING
NO CHANGE

STATEMENT AS OF JUNE 30, 2011 OF THE GRANGE PROPERTY & CASUALTY INSURANCE COMPANY

GENERAL INTERROGATORIES

**PART 1 - COMMON INTERROGATORIES
GENERAL**

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

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

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

2.2 If yes, date of change: 01/01/3000

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

If yes, complete the Schedule Y - Part 1 - organizational chart.

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

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

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

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

If yes, attach an explanation.

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2009

6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2009

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 10/25/2010

6.4 By what department or departments?

Ohio.....

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

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

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

7.2 If yes, give full information:

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

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

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

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

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC

STATEMENT AS OF JUNE 30, 2011 OF THE GRANGE PROPERTY & CASUALTY INSURANCE COMPANY**GENERAL INTERROGATORIES**

9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []

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

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

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

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

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

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

FINANCIAL

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

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 0

INVESTMENT

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

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

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

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

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

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$	\$
14.22 Preferred Stock	\$	\$
14.23 Common Stock	\$	\$
14.24 Short-Term Investments	\$	\$
14.25 Mortgage Loans on Real Estate	\$	\$
14.26 All Other	\$	\$
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	\$0	\$0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$	\$

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

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

If no, attach a description with this statement.

STATEMENT AS OF JUNE 30, 2011 OF THE GRANGE PROPERTY & CASUALTY INSURANCE COMPANY**GENERAL INTERROGATORIES**

16. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, F - Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*?

Yes No

16.1 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
JP Morgan Chase Bank, N.A.....	1111 Polaris Parkway, Columbus, OH 43240.....
Federal Home Loan Bank of Cincinnati.....	221 E. 4th St., 1000 Atrium 2, Cincinnati, OH 45202.....

16.2 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)
.....

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?

Yes No

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

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

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

1 Central Registration Depository	2 Name(s)	3 Address
.....

17.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed?

Yes No

17.2 If no, list exceptions:

.....

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? Yes [] No [X]
 If yes, attach an explanation.

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

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

4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 Discount Rate	TOTAL DISCOUNT			DISCOUNT TAKEN DURING PERIOD			
			4 Unpaid Losses	5 Unpaid LAE	6 IBNR	7 TOTAL	8 Unpaid Losses	9 Unpaid LAE	10 IBNR
TOTAL			0	0	0	0	0	0	0

5. Operating Percentages:

5.1 A&H loss percent %

5.2 A&H cost containment percent %

5.3 A&H expense percent excluding cost containment expenses %

6.1 Do you act as a custodian for health savings accounts? Yes [] No [X]

6.2 If yes, please provide the amount of custodial funds held as of the reporting date \$ _____

6.3 Do you act as an administrator for health savings accounts? Yes [] No [X]

6.4 If yes, please provide the balance of the funds administered as of the reporting date \$ _____

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

STATEMENT AS OF JUNE 30, 2011 OF THE GRANGE PROPERTY & CASUALTY INSURANCE COMPANY

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
1. Alabama	AL.	N.	0	0	0	0	0
2. Alaska	AK.	N.	0	0	0	0	0
3. Arizona	AZ.	N.	0	0	0	0	0
4. Arkansas	AR.	N.	0	0	0	0	0
5. California	CA.	N.	0	0	0	0	0
6. Colorado	CO.	N.	0	0	0	0	0
7. Connecticut	CT.	N.	0	0	0	0	0
8. Delaware	DE.	N.	0	0	0	0	0
9. District of Columbia	DC.	N.	0	0	0	0	0
10. Florida	FL.	N.	0	0	0	0	0
11. Georgia	GA.	L	9,603,107	10,600,143	5,626,801	5,676,734	5,230,112
12. Hawaii	HI.	N.	0	0	0	0	0
13. Idaho	ID.	N.	0	0	0	0	0
14. Illinois	IL.	N.	0	0	0	0	0
15. Indiana	IN.	L	0	0	0	0	0
16. Iowa	IA.	L	0	0	0	0	0
17. Kansas	KS.	N.	0	0	0	0	0
18. Kentucky	KY.	L	14,014,477	16,189,645	10,196,202	9,327,520	10,140,477
19. Louisiana	LA.	N.	0	0	0	0	0
20. Maine	ME.	N.	0	0	0	0	0
21. Maryland	MD.	N.	0	0	0	0	0
22. Massachusetts	MA.	N.	0	0	0	0	0
23. Michigan	MI.	N.	0	0	0	0	0
24. Minnesota	MN.	N.	0	0	0	0	0
25. Mississippi	MS.	N.	0	0	0	0	0
26. Missouri	MO.	N.	0	0	0	0	0
27. Montana	MT.	N.	0	0	0	0	0
28. Nebraska	NE.	N.	0	0	0	0	0
29. Nevada	NV.	N.	0	0	0	0	0
30. New Hampshire	NH.	N.	0	0	0	0	0
31. New Jersey	NJ.	N.	0	0	0	0	0
32. New Mexico	NM.	N.	0	0	0	0	0
33. New York	NY.	N.	0	0	0	0	0
34. North Carolina	NC.	N.	0	0	0	0	0
35. North Dakota	ND.	N.	0	0	0	0	0
36. Ohio	OH.	L	21,552,745	17,616,535	21,312,426	13,698,220	8,512,171
37. Oklahoma	OK.	N.	0	0	0	0	0
38. Oregon	OR.	N.	0	0	0	0	0
39. Pennsylvania	PA.	N.	0	0	0	0	0
40. Rhode Island	RI.	N.	0	0	0	0	0
41. South Carolina	SC.	N.	0	0	0	0	0
42. South Dakota	SD.	N.	0	0	0	0	0
43. Tennessee	TN.	L	0	0	0	0	0
44. Texas	TX.	N.	0	0	0	0	0
45. Utah	UT.	N.	0	0	0	0	0
46. Vermont	VT.	N.	0	0	0	0	0
47. Virginia	VA.	N.	0	0	0	0	0
48. Washington	WA.	N.	0	0	0	0	0
49. West Virginia	WV.	N.	0	0	0	0	0
50. Wisconsin	WI.	N.	0	0	0	0	0
51. Wyoming	WY.	N.	0	0	0	0	0
52. American Samoa	AS.	N.	0	0	0	0	0
53. Guam	GU.	N.	0	0	0	0	0
54. Puerto Rico	PR.	N.	0	0	0	0	0
55. U.S. Virgin Islands	VI.	N.	0	0	0	0	0
56. Northern Mariana Islands	MP.	N.	0	0	0	0	0
57. Canada	CN.	N.	0	0	0	0	0
58. Aggregate Other Alien	OT.	XXX	0	0	0	0	0
59. Totals	(a)	6	45,170,329	44,406,323	37,135,429	28,702,474	23,882,760
DETAILS OF WRITE-INS							
5801.		XXX		0	0	0	0
5802.		XXX		0	0	0	0
5803.		XXX		0	0	0	0
5898. Summary of remaining write-ins for Line 58 from overflow page		XXX	0	0	0	0	0
5899. TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)		XXX	0	0	0	0	0

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

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

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

NONE

STATEMENT AS OF JUNE 30, 2011 OF THE GRANGE PROPERTY & CASUALTY INSURANCE COMPANY

PART 1 - LOSS EXPERIENCE

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire			0.0	0.0
2. Allied lines			0.0	0.0
3. Farmowners multiple peril			0.0	0.0
4. Homeowners multiple peril	18,359,924	23,829,888	129.8	121.5
5. Commercial multiple peril			0.0	0.0
6. Mortgage guaranty			0.0	0.0
8. Ocean marine			0.0	0.0
9. Inland marine	676,763	363,715	53.7	39.8
10. Financial guaranty			0.0	0.0
11.1 Medical professional liability -occurrence			0.0	0.0
11.2 Medical professional liability -claims made			0.0	0.0
12. Earthquake	137,866		0.0	0.0
13. Group accident and health			0.0	0.0
14. Credit accident and health			0.0	0.0
15. Other accident and health			0.0	0.0
16. Workers' compensation			0.0	0.0
17.1 Other liability occurrence	556,881	20,048	3.6	9.1
17.2 Other liability-claims made			0.0	0.0
17.3 Excess Workers' Compensation			0.0	0.0
18.1 Products liability-occurrence			0.0	0.0
18.2 Products liability-claims made			0.0	0.0
19.1,19.2 Private passenger auto liability	15,612,773	9,576,573	61.3	73.6
19.3,19.4 Commercial auto liability			0.0	0.0
21. Auto physical damage	8,584,938	4,743,323	55.3	55.9
22. Aircraft (all perils)			0.0	0.0
23. Fidelity			0.0	0.0
24. Surety			0.0	0.0
26. Burglary and theft			0.0	0.0
27. Boiler and machinery			0.0	0.0
28. Credit			0.0	0.0
29. International			0.0	0.0
30. Warranty			0.0	0.0
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0.0	0.0
TOTALS	43,929,145	38,533,547	87.7	84.2
DETAILS OF WRITE-INS				
3401.			0.0	0.0
3402.			0.0	0.0
3403.			0.0	0.0
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date	1 Current Quarter
1. Fire	0		0	0
2. Allied lines	0		0	0
3. Farmowners multiple peril	0		0	0
4. Homeowners multiple peril	10,739,531	19,917,745	16,304,258	0
5. Commercial multiple peril	0		0	0
6. Mortgage guaranty	0		0	0
8. Ocean marine	0		0	0
9. Inland marine	441,007	762,434	674,617	0
10. Financial guaranty	0		0	0
11.1 Medical professional liability-occurrence	0		0	0
11.2 Medical professional liability-claims made	0		0	0
12. Earthquake	85,293	149,474	133,315	0
13. Group accident and health	0		0	0
14. Credit accident and health	0		0	0
15. Other accident and health	0		0	0
16. Workers' compensation	0		0	0
17.1 Other liability occurrence	306,350	582,291	504,346	0
17.2 Other liability-claims made	0		0	0
17.3 Excess Workers' Compensation	0		0	0
18.1 Products liability-occurrence	0		0	0
18.2 Products liability-claims made	0		0	0
19.1,19.2 Private passenger auto liability	7,646,296	15,379,240	17,408,460	0
19.3,19.4 Commercial auto liability	0		0	0
21. Auto physical damage	4,030,107	8,379,145	9,381,327	0
22. Aircraft (all perils)	0		0	0
23. Fidelity	0		0	0
24. Surety	0		0	0
26. Burglary and theft	0		0	0
27. Boiler and machinery	0		0	0
28. Credit	0		0	0
29. International	0		0	0
30. Warranty	0		0	0
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0	0
TOTALS	23,248,584	45,170,329	44,406,323	0
DETAILS OF WRITE-INS				
3401.			0	0
3402.			0	0
3403.			0	0
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0	0

STATEMENT AS OF JUNE 30, 2011 OF THE GRANGE PROPERTY & CASUALTY INSURANCE COMPANY

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

Years in Which Losses Occurred	1 Prior Year-End Known Case Loss and LAE Reserves	2 Prior Year-End IBNR Loss and LAE Reserves	3 Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	4 2011 Loss and LAE Payments on Claims Reported as of Prior Year-End	5 2011 Loss and LAE Payments on Claims Unreported as of Prior Year-End	6 Total 2011 Loss and LAE Payments (Cols. 4 + 5)	7 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened and Open as of Prior Year End	8 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	9 Q.S. Date IBNR Loss and LAE Reserves	10 Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	11 Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	12 Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	13 Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)	
1. 2008 + Prior	1,409	.945	2,354	529	.35	.564	.975	.11	.768	1,754	.95	.(131)	.(36)	
2. 2009	1,069	1,166	2,234	513	42	.555	.714	.17	.838	1,570	.159	.(268)	.(109)	
3. Subtotals 2009 + prior	2,478	2,110	4,588	1,042	.77	1,119	1,690	.28	1,607	3,324	.253	.(398)	.(145)	
4. 2010	2,809	3,123	5,932	1,561	.342	1,903	1,706	.127	2,002	3,834	.458	.(653)	.(195)	
5. Subtotals 2010 + prior	5,286	5,233	10,520	2,602	.419	3,022	3,396	.155	3,608	7,158	.712	.(1,051)	.(340)	
6. 2011	XXX	XXX	XXX	XXX	5,530	5,530	XXX	1,627	1,157	2,783	XXX	XXX	XXX	
7. Totals	5,286	5,233	10,520	2,602	5,949	8,552	3,396	1,781	4,765	9,942	712	(1,051)	(340)	
Prior Year-End Surplus As Regards Policy-holders											Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7	
8. Surplus As Regards Policy-holders	20,630										1.	13.5	2.	(20.1)
											Col. 13, Line 7 Line 8		3.	(3.2)
											4.			(1.6)

STATEMENT AS OF JUNE 30, 2011 OF THE GRANGE PROPERTY & CASUALTY 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 on "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

Response

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

Explanation:

- 1.
- 2.
- 3.
- 4.

Bar Code:

1. 
1 1 9 8 2 2 0 1 1 4 9 0 0 0 0 0 2
2. 
1 1 9 8 2 2 0 1 1 4 5 5 0 0 0 0 0 2
3. 
1 1 9 8 2 2 0 1 1 3 6 5 0 0 0 0 0 2
4. 
1 1 9 8 2 2 0 1 1 5 0 5 0 0 0 0 0 2

OVERFLOW PAGE FOR WRITE-INS

STATEMENT AS OF JUNE 30, 2011 OF THE GRANGE PROPERTY & CASUALTY INSURANCE COMPANY

SCHEDULE A – VERIFICATION

Real Estate	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....	0	0
2.2 Additional investment made after acquisition.....	0	0
3. Current year change in encumbrances.....	0	0
4. Total gain (loss) on disposals.....	0	0
5. Deduct amounts received on disposals.....	0	0
6. Total foreign exchange change in book/adjusted carrying value.....	0	0
7. Deduct current year's other than temporary impairment recognized.....	0	0
8. Deduct current year's depreciation.....	0	0
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8).....	0	0
10. Deduct total nonadmitted amounts.....	0	0
11. Statement value at end of current period (Line 9 minus Line 10).....	0	0

NONE

SCHEDULE B – VERIFICATION

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

SCHEDULE BA – VERIFICATION

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

NONE

SCHEDULE D – VERIFICATION

Bonds and Stocks	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	35,288,358	32,475,243
2. Cost of bonds and stocks acquired.....	7,456,778	15,811,638
3. Accrual of discount.....	77,258	78,214
4. Unrealized valuation increase (decrease).....	36,377	(67,181)
5. Total gain (loss) on disposals.....	19,395	747,780
6. Deduct consideration for bonds and stocks disposed of.....	4,028,330	13,559,082
7. Deduct amortization of premium.....	102,008	116,608
8. Total foreign exchange change in book/adjusted carrying value.....	0	0
9. Deduct current year's other than temporary impairment recognized.....	0	61,646
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	38,747,828	35,288,358
11. Deduct total nonadmitted amounts.....	0	0
12. Statement value at end of current period (Line 10 minus Line 11).....	38,747,828	35,288,358

STATEMENT AS OF JUNE 30, 2011 OF THE GRANGE PROPERTY & CASUALTY 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 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a).....	39,819,308	2,235,278	3,646,315	59,764	39,819,308	38,468,035	0	33,812,256
2. Class 2 (a).....	2,292,144	257,030		(50,424)	2,292,144	2,498,750	0	2,023,677
3. Class 3 (a).....	0				0	0	0	0
4. Class 4 (a).....	0				0	0	0	0
5. Class 5 (a).....	0				0	0	0	0
6. Class 6 (a).....	0				0	0	0	0
7. Total Bonds.....	42,111,452	2,492,308	3,646,315	9,340	42,111,452	40,966,785	0	35,835,933
PREFERRED STOCK								
8. Class 1.....	0				0	0	0	0
9. Class 2.....	0				0	0	0	0
10. Class 3.....	0				0	0	0	0
11. Class 4.....	0				0	0	0	0
12. Class 5.....	0				0	0	0	0
13. Class 6.....	0				0	0	0	0
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock.....	42,111,452	2,492,308	3,646,315	9,340	42,111,452	40,966,785	0	35,835,933

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$ 2,218,956 ; NAIC 2 \$;

NAIC 3 \$; NAIC 4 \$; NAIC 5 \$; NAIC 6 \$

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SCHEDULE DA - PART 1

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999	2,218,956	XXX	2,218,956	150	0

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	547,575	557,991
2. Cost of short-term investments acquired	7,017,746	4,525,479
3. Accrual of discount		0
4. Unrealized valuation increase (decrease).....		0
5. Total gain (loss) on disposals		0
6. Deduct consideration received on disposals	5,346,364	4,535,895
7. Deduct amortization of premium.....		0
8. Total foreign exchange change in book/adjusted carrying value.....		0
9. Deduct current year's other than temporary impairment recognized.....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	2,218,957	547,575
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	2,218,957	547,575

Schedule DB - Part A - Verification

NONE

Schedule DB - Part B - Verification

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

NONE

Schedule E - Verification

NONE

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

Schedule BA - Part 2

NONE

Schedule BA - Part 3
NONE

STATEMENT AS OF JUNE 30, 2011 OF THE GRANGE PROPERTY & CASUALTY INSURANCE COMPANY

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator ^(a)
Bonds - U.S. Political Subdivisions of States, Territories and Possessions									
172252-G6-9.....	Cincinnati, OH Call 5.250% 06/01/24.....		04/04/2011.....	Piper Jaffray.....		271,340	250,000	4,594	1FE
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						271,340	250,000	4,594	XXX
Bonds - U.S. Special Revenue									
313970-WZ-7.....	FNR 2011-15 VB 4.000% 09/25/29.....		04/06/2011.....	Stifel Nicolaus & Co.....		233,457	250,000	278	1
31397S-ZF-4.....	FNR 2011-42 VA 4.500% 06/25/22.....		04/21/2011.....	Stifel Nicolaus & Co.....		264,648	250,000	.875	1
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Government and Their Political Subdivisions						498,105	500,000	1,153	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)									
696429-AC-3.....	Pall Corp NC 5.000% 06/15/20.....		04/15/2011.....	National Financial Services.....		257,030	250,000	.4,340	2FE
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						257,030	250,000	4,340	XXX
8399997 - Subtotals- Bonds - Part 3						1,026,475	1,000,000	10,087	XXX
8399999 - Subtotals - Bonds						1,026,475	1,000,000	10,087	XXX
9999999 Totals						1,026,475	XXX	10,087	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0

STATEMENT AS OF JUNE 30, 2011 OF THE GRANGE PROPERTY & CASUALTY INSURANCE COMPANY

SCHEDULE D - PART 4

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

1 CUSIP Identifi- cation	2 Description	3 For- eign	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/Stock Dividends Received During Year	21 Maturity Date	22 NAIC Design- ation or Market Indicator (a)			
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B.A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B.A.C.V.										
Bonds - U.S. Governments																								
313370-XX-1...	FHLB Call 1.00% 09/23/25...		06/23/2011..	Call 100.0000.....		.500,000	.500,000	.500,000	.500,494			(494)		(494)						0	.3,750	09/23/2025..	.1	
313371-ZM-1...	FHLB Call 1.00% 12/28/15...		06/28/2011..	Call 100.0000.....		.500,000	.500,000	.500,000	.500,000					0						0	.2,500	12/28/2015..	.1	
313372-R5-5...	FHLB Call 2.00% 02/25/26...		05/25/2011..	Call 100.0000.....		1,000,000	1,000,000	999,250				750		750						0	.5,000	02/25/2026..	.1	
3136FP-N4-5...	FNMA Call 2.00% 12/30/25...		06/30/2011..	Call 100.0000.....		.500,000	.500,000	.500,000	.500,000				0						0	.2,500	12/30/2025..	.1		
0599999 - Bonds - U.S. Governments						2,500,000	2,500,000	2,499,250	1,500,494	0	256	0	256	0	2,500,000	0	0	0	0	0	13,750	XXX	XXX	
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																								
312962-QG-1...	FG B10455 5.000% 10/01/18...		06/01/2011..	Paydown.....		66,057	66,057	70,846				(4,789)		(4,789)							0	.558	10/01/2018..	.1
31371M-VC-8...	FNMA Pool 256311 6.000% 07/01/26...		06/01/2011..	Paydown.....		52,660	52,660	52,479	52,478			183		183						0	.1,280	07/01/2026..	.1	
3137A3-PN-3...	FHR 3762 GM 3.500% 08/15/28...		06/01/2011..	Paydown.....		7,624	7,624	7,862	7,857			(233)		(233)						0	.112	05/15/2020..	.1	
3137A5-WW-0...	FHR 3788 WA 4.000% 12/15/28...		06/01/2011..	Paydown.....		22,685	22,685	23,317				(632)		(632)						0	.154	08/15/2020..	.1	
31393N-M8-9...	FHR 2590 TU 5.000% 08/15/31...		06/01/2011..	Paydown.....		37,951	37,951	36,628	37,522			429		429					0	.799	08/15/2031..	.1		
31393V-G0-8...	FHR 2626 EM 4.500% 06/15/18...		06/01/2011..	Paydown.....		7,812	7,812	8,430	8,384			(573)		(573)					0	.176	03/15/2018..	.1		
31394P-AC-7...	FHR 2731 DM 5.000% 08/15/29...		06/01/2011..	Paydown.....		73,392	73,392	73,312	73,254			138		138					0	.1,516	08/15/2029..	.1		
31397S-ZF-4...	FNR 2011-42 VA 4.500% 06/25/22...		06/01/2011..	Paydown.....		2,935	2,935	3,107				(172)		(172)					0	.17	.03/25/2019..	.1		
31398L-NU-8...	FHR 3606 A 4.000% 07/15/23...		06/01/2011..	Paydown.....		29,352	29,352	30,805	30,685			(1,333)		(1,333)					0	.495	03/15/2017..	.1		
31402C-4H-2...	FNMA Pool 725424 5.500% 04/01/34...		06/01/2011..	Paydown.....		15,834	15,834	15,666	15,668			165		165					0	.354	04/01/2034..	.1		
31403B-4M-2...	FNMA Pool 744328 5.000% 09/01/33...		06/01/2011..	Paydown.....		18,402	18,402	17,675	17,693			709		709					0	.371	09/01/2033..	.1		
31403D-GZ-6...	FNMA Pool 745516 5.500% 05/01/36...		06/01/2011..	Paydown.....		6,442	6,442	6,434	6,434			9		9					0	.144	05/01/2036..	.1		
38377T-2L-4...	GIR 2011-23 GG 4.500% 02/20/26...		06/01/2011..	Paydown.....		17,988	17,988	18,834				(845)		(845)					0	.121	03/20/2025..	.1		
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						359,135	359,135	365,394	249,976	0	(6,945)	0	(6,945)	0	359,135	0	0	0	0	0	6,096	XXX	XXX	
Bonds - Industrial and Miscellaneous (Unaffiliated)																								
07325N-CB-6...	Bayview Financial 2005-D AF4 5.500% 12...		05/02/2011..	Stifel Nicolaus & Co.,		200,000	250,000	220,000	226,601			905		905						(27,506)	(27,506)	.5,882	12/28/2035..	.12*
256853-AA-0...	5.888% 06/15/19...		06/15/2011..	Redemption 100.0000,		7,860	7,860	7,880	7,877			(17)		(17)					0	.231	.06/15/2019..	.1FE		
362341-AR-0...	GSA Home Equity Trust 2005-7 AF5 4.61...		06/21/2011..	Stifel Nicolaus & Co.,		170,531	200,624	165,131	165,131			0		165,131						.5,400	.5,400	.5,215	05/25/2035..	.12*
362341-AR-0...	GSA Home Equity Trust 2005-7 AF5 4.61...		06/01/2011..	Paydown.....		6,596	6,596	5,429	5,429			1,167		1,167					0	.130	.05/25/2035..	.12*		
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						384,987	465,080	398,440	405,039	0	2,054	0	2,054	0	407,093	0	(22,107)	(22,107)	(22,107)	(22,107)	11,458	XXX	XXX	
8399997 - Subtotals - Bonds - Part 4						3,244,122	3,324,215	3,263,084	2,155,509	0	(4,634)	0	(4,634)	0	3,266,228	0	(22,107)	(22,107)	(22,107)	(22,107)	31,304	XXX	XXX	
8399999 - Subtotals - Bonds						3,244,122	3,324,215	3,263,084	2,155,509	0	(4,634)	0	(4,634)	0	3,266,228	0	(22,107)	(22,107)	(22,107)	(22,107)	31,304	XXX	XXX	
9999999 Totals																								
(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues																								

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part D

NONE

STATEMENT AS OF JUNE 30, 2011 OF THE GRANGE PROPERTY & CASUALTY INSURANCE COMPANY

**SCHEDULE DL - PART 1
SECURITIES LENDING COLLATERAL ASSETS**

Reinvested Collateral Assets Owned Current Statement Date

General Interrogatory:

1. Total activity for the year to date Fair Value \$ 909,535 Book/Adjusted Carrying Value \$ 909,535
 2. Average balance for the year to date Fair Value \$ 407,963 Book/Adjusted Carrying Value \$ 407,963
 3. Reinvested securities lending collateral assets book/adjusted carrying value included in this schedule by NAIC designation:
 NAIC 1 \$ 724,265 NAIC 2 \$ 185,270 NAIC 3 \$ NAIC 4 \$ NAIC 5 \$ NAIC 6 \$

STATEMENT AS OF JUNE 30, 2011 OF THE GRANGE PROPERTY & CASUALTY INSURANCE COMPANY

SCHEDULE DL - PART 2

SECURITIES LENDING COLLATERAL ASSETS

Reinvested Collateral Assets Owned Current Statement Date

General Interrogatory:

1. Total activity for the year to date..... Fair Value \$ Book/Adjusted Carrying Value \$
 2. Average balance for the year to date Fair Value \$ Book/Adjusted Carrying Value \$
 3. Grand Total Schedule DL Part 1 and Part 2 Fair Value \$ 909,535 Book/Adjusted Carrying Value \$ 909,535

Schedule E - Part 1
NONE

Schedule E - Part 2
NONE