

Pages amended to correct Prior Year to Date information.



QUARTERLY STATEMENT

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

GRANGE INDEMNITY INSURANCE COMPANY

NAIC Group Code	00267	(Current Period)	00267	(Prior Period)	NAIC Company Code	10322	Employer's ID Number	31-1432675
Organized under the Laws of	Ohio				State of Domicile or Port of Entry	Ohio		
Country of Domicile	United States							
Incorporated/Organized	03/10/1995				Commenced Business	08/03/1995		
Statutory Home Office	671 South High Street				Columbus, OH 43206-1014			
	(Street and Number)				(City or Town, State and Zip Code)			
Main Administrative Office	671 South High Street				Columbus, OH 43206-1014		614-445-2900	
	(Street and Number)				(City or Town, State and Zip Code)		(Area Code) (Telephone Number)	
Mail Address	671 South High Street, P.O. Box 1218				Columbus, OH 43216-1218			
	(Street and Number or P.O. Box)				(City or Town, State and Zip Code)			
Primary Location of Books and Records	671 South High Street				Columbus, OH 43206-1014		614-445-2900	
	(Street and Number)				(City or Town, State and Zip Code)		(Area Code) (Telephone Number)	
Internet Web Site Address	www.grangeinsurance.com							
Statutory Statement Contact	David Sidney Ackermann				614-445-2900			
	(Name)				(Area Code) (Telephone Number) (Extension)			
	ackermannD@grangeinsurance.com				614-542-3017			
	(E-mail Address)				(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
Subscribed and sworn to before me this 18th day of January, 2012		a. Is this an original filing? Yes [ ] No [X]
Teresa J. Burchwell, Notary Public April 28, 2012		b. If no: 1. State the amendment number 1 2. Date filed 01/18/2012 3. Number of pages attached 4

STATEMENT OF INCOME

	1	2	3
	Current Year	Prior Year	Prior Year Ended
	to Date	to Date	December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 29,830,350 )	28,894,940	33,196,787	43,539,672
1.2 Assumed (written \$ 31,508,659 )	31,425,349	33,761,073	44,819,245
1.3 Ceded (written \$ 29,831,909 )	28,894,487	33,196,787	43,541,676
1.4 Net (written \$ 31,507,100 )	31,425,802	33,761,073	44,817,241
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 19,111,970 ):			
2.1 Direct	15,381,445	21,312,130	26,590,143
2.2 Assumed	19,115,215	20,901,815	27,409,679
2.3 Ceded	15,382,894	21,312,130	26,597,971
2.4 Net	19,113,766	20,901,815	27,401,851
3. Loss adjustment expenses incurred	3,347,839	3,656,436	4,754,473
4. Other underwriting expenses incurred	10,098,198	10,973,098	14,230,815
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	32,559,803	35,531,349	46,387,139
7. Net income of protected cells		0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(1,134,001)	(1,770,276)	(1,569,898)
INVESTMENT INCOME			
9. Net investment income earned	1,855,494	1,682,180	2,196,288
10. Net realized capital gains (losses) less capital gains tax of \$ (24,124)	(44,802)	61,153	(8,186)
11. Net investment gain (loss) (Lines 9 + 10)	1,810,692	1,743,333	2,188,102
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 2,977 amount charged off \$ (254,528) )	(251,551)	(292,660)	(408,564)
13. Finance and service charges not included in premiums	1,194,908	1,593,010	2,021,576
14. Aggregate write-ins for miscellaneous income	83,546	94,805	120,223
15. Total other income (Lines 12 through 14)	1,026,903	1,395,155	1,733,235
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	1,703,594	1,368,212	2,351,439
17. Dividends to policyholders	96,327	100,865	129,426
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)	1,607,267	1,267,347	2,222,013
19. Federal and foreign income taxes incurred	322,247	267,601	377,127
20. Net income (Line 18 minus Line 19)(to Line 22)	1,285,020	999,746	1,844,886
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	36,153,732	34,426,418	34,426,418
22. Net income (from Line 20)	1,285,020	999,746	1,844,886
23. Net transfers (to) from Protected Cell accounts		0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$		0	0
25. Change in net unrealized foreign exchange capital gain (loss)		0	0
26. Change in net deferred income tax	(77,630)	(18,131)	(144,025)
27. Change in nonadmitted assets	(1,266,745)	9,481	26,453
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)	(59,355)	991,096	1,727,314
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	36,094,377	35,417,514	36,153,732
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	83,546	94,805	120,223
1402.		0	0
1403.		0	0
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)	83,546	94,805	120,223
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

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance.....	30,833,035	34,158,702	44,696,916
2. Net investment income .....	1,857,765	1,567,155	2,125,129
3. Miscellaneous income .....	1,026,903	1,395,155	1,733,235
4. Total (Lines 1 to 3) .....	33,717,703	37,121,012	48,555,280
5. Benefit and loss related payments .....	19,907,169	20,630,649	27,216,862
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 .....	13,962,458	14,897,777	18,883,177
8. Dividends paid to policyholders .....	87,702	103,100	133,227
9. Federal and foreign income taxes paid (recovered) net of \$ ..... (24,124) tax on capital gains (losses).....	372,719	333,527	333,526
10. Total (Lines 5 through 9) .....	34,330,048	35,965,053	46,566,792
11. Net cash from operations (Line 4 minus Line 10) .....	(612,345)	1,155,959	1,988,488
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	11,925,169	16,725,924	21,115,509
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 .....	5,228,645	1,295,748	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	17,153,814	18,021,672	21,115,509
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	11,619,158	17,759,493	23,049,885
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	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	11,619,158	17,759,493	23,049,885
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) .....	5,534,656	262,179	(1,934,376)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds .....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0	0
16.5 Dividends to stockholders .....	0	0	0
16.6 Other cash provided (applied).....	284,363	636,036	533,027
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	284,363	636,036	533,027
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	5,206,674	2,054,174	587,139
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	1,456,517	869,378	869,378
19.2 End of period (Line 18 plus Line 19.1) .....	6,663,191	2,923,552	1,456,517

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories								
States, etc.	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid		
		2	3	4	5	6	7	
	Active Status	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	Current Year To Date	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	872,728	1,134,095	277,052	713,265	763,572	502,891
12. Hawaii	HI	N	0	0	0	0	0	0
13. Idaho	ID	N	0	0	0	0	0	0
14. Illinois	IL	L	4,240,823	4,233,218	1,390,708	1,424,056	2,698,883	1,829,340
15. Indiana	IN	L	8,574,756	9,165,272	5,033,079	4,618,509	3,215,638	3,841,355
16. Iowa	IA	L	0	0	0	0	0	0
17. Kansas	KS	L	0	0	0	0	0	0
18. Kentucky	KY	L	4,240,999	7,168,152	3,957,463	7,105,177	2,958,695	5,404,109
19. Louisiana	LA	N	0	0	0	0	0	0
20. Maine	ME	N	0	0	0	0	0	0
21. Maryland	MD	N	0	0	0	0	0	0
22. Massachusetts	MA	N	0	0	0	0	0	0
23. Michigan	MI	N	0	0	0	0	0	0
24. Minnesota	MN	L	0	0	0	0	0	0
25. Mississippi	MS	N	0	0	0	0	0	0
26. Missouri	MO	L	0	0	0	0	0	0
27. Montana	MT	N	0	0	0	0	0	0
28. Nebraska	NE	N	0	0	0	0	0	0
29. Nevada	NV	N	0	0	0	0	0	0
30. New Hampshire	NH	N	0	0	0	0	0	0
31. New Jersey	NJ	N	0	0	0	0	0	0
32. New Mexico	NM	N	0	0	0	0	0	0
33. New York	NY	N	0	0	0	0	0	0
34. North Carolina	NC	N	0	0	0	0	0	0
35. North Dakota	ND	N	0	0	0	0	0	0
36. Ohio	OH	L	8,569,509	10,399,561	4,377,014	5,748,715	4,703,474	4,725,195
37. Oklahoma	OK	N	0	0	0	0	0	0
38. Oregon	OR	N	0	0	0	0	0	0
39. Pennsylvania	PA	L	1,318,001	552,331	463,661	181,026	276,037	245,530
40. Rhode Island	RI	N	0	0	0	0	0	0
41. South Carolina	SC	N	0	0	0	0	0	0
42. South Dakota	SD	N	0	0	0	0	0	0
43. Tennessee	TN	L	2,013,534	1,635,267	915,689	599,957	536,209	643,748
44. Texas	TX	N	0	0	0	0	0	0
45. Utah	UT	N	0	0	0	0	0	0
46. Vermont	VT	N	0	0	0	0	0	0
47. Virginia	VA	N	0	0	0	0	0	0
48. Washington	WA	N	0	0	0	0	0	0
49. West Virginia	WV	N	0	0	0	0	0	0
50. Wisconsin	WI	L	0	0	0	0	0	0
51. Wyoming	WY	N	0	0	0	0	0	0
52. American Samoa	AS	N	0	0	0	0	0	0
53. Guam	GU	N	0	0	0	0	0	0
54. Puerto Rico	PR	N	0	0	0	0	0	0
55. U.S. Virgin Islands	VI	N	0	0	0	0	0	0
56. Northern Mariana Islands	MP	N	0	0	0	0	0	0
57. Canada	CN	N	0	0	0	0	0	0
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0	0
59. Totals	(a) 12	29,830,350	34,287,896	16,414,666	20,390,705	15,152,508	17,192,168	
DETAILS OF WRITE-INS								
5801.	XXX	0	0	0	0	0	0	
5802.	XXX	0	0	0	0	0	0	
5803.	XXX	0	0	0	0	0	0	
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	
5899. TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX	0	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.

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 .....			0.0	0.0
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 .....			0.0	0.0
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 .....			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 .....			0.0	0.0
17.2	Other liability-claims made .....			0.0	0.0
17.3	Excess Workers' Compensation .....			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 .....	13,047,223	6,749,518	51.7	78.3
19.3,19.4	Commercial auto liability .....	7,363,399	3,294,163	44.7	38.8
21.	Auto physical damage .....	8,484,318	5,337,764	62.9	56.0
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
35.	TOTALS .....	28,894,940	15,381,445	53.2	64.2
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.	Fire .....	0		0
2.	Allied lines .....	0		0
3.	Farmowners multiple peril .....	0		0
4.	Homeowners multiple peril .....	0		0
5.	Commercial multiple peril .....	0		0
6.	Mortgage guaranty .....	0		0
8.	Ocean marine .....	0		0
9.	Inland marine .....	0		0
10.	Financial guaranty .....	0		0
11.1	Medical professional liability-occurrence .....	0		0
11.2	Medical professional liability-claims made .....	0		0
12.	Earthquake .....	0		0
13.	Group accident and health .....	0		0
14.	Credit accident and health .....	0		0
15.	Other accident and health .....	0		0
16.	Workers' compensation .....	0		0
17.1	Other liability occurrence .....	0		0
17.2	Other liability-claims made .....	0		0
17.3	Excess Workers' Compensation .....	0		
18.1	Products liability-occurrence .....	0		0
18.2	Products liability-claims made .....	0		0
19.1,19.2	Private passenger auto liability .....	3,821,980	12,742,674	16,978,011
19.3,19.4	Commercial auto liability .....	2,378,763	8,341,565	7,353,318
21.	Auto physical damage .....	2,729,509	8,746,111	9,956,567
22.	Aircraft (all perils) .....	0		0
23.	Fidelity .....	0		0
24.	Surety .....	0		0
26.	Burglary and theft .....	0		0
27.	Boiler and machinery .....	0		0
28.	Credit .....	0		0
29.	International .....	0		0
30.	Warranty .....	0		0
31.	Reinsurance - Nonproportional Assumed Property .....	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Liability .....	XXX	XXX	XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines .....	XXX	XXX	XXX
34.	Aggregate write-ins for other lines of business .....	0	0	0
35.	TOTALS .....	8,930,252	29,830,350	34,287,896
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
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34) .....	0	0	0