



# QUARTERLY STATEMENT

AS OF JUNE 30, 2012

OF THE CONDITION AND AFFAIRS OF THE

## GRANGE LIFE INSURANCE COMPANY

NAIC Group Code 00267 , 00267 NAIC Company Code 71218 Employer's ID Number 31-0739286  
(Current Period) (Prior Period)

Organized under the Laws of Ohio , State of Domicile or Port of Entry Ohio

Country of Domicile United States

Incorporated/Organized 03/05/1968 Commenced Business 07/01/1968

Statutory Home Office 671 South High Street , Columbus, OH 43206-1066  
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office 671 South High Street Columbus, OH 43206-1066 614-445-2900  
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address P.O. Box 1218 , Columbus, OH 43216-1212  
(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 43206-1066 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 Theresa Marie Mason 614-449-5945  
(Name) (Area Code) (Telephone Number) (Extension)

mason@grangeinsurance.com 614-445-2619  
(E-mail Address) (FAX Number)

### OFFICERS

Name	Title	Name	Title
<u>Michelle Renee Benz</u> ,	<u>President</u>	<u>John Paul McCaffrey</u> ,	<u>Treasurer</u>
<u>LaVawn Dee Coleman #</u> ,	<u>Secretary</u>	<u>Actuarial Management Resources</u> ,	<u>Actuary</u>

### OTHER OFFICERS

\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_

### DIRECTORS OR TRUSTEES

<u>DOUGLAS PAUL BUTH</u>	<u>GLENN EUGENE CORLETT</u>	<u>ELWOOD GORDON GEE</u> ,	<u>ROBERT ENLOW HOYT</u>
<u>JOHN PAUL MCCAFFREY</u>	<u>ROBERT JOHN O'BRIEN</u>	<u>MICHAEL VERNE PARROTT</u>	<u>MARY MARNETTE PERRY</u>
<u>MELVIN GEORGE PYE JR</u>	<u>THOMAS SIMRALL STEWART</u>	<u>THOMAS HOWARD WELCH</u>	<u>DAVID CHARLES WETMORE</u>

State of .....Ohio.....

ss

County of .....Franklin.....

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.

Michelle Renee Benz  
President

John Paul McCaffrey  
Treasurer

LaVawn Dee Coleman  
Secretary

a. Is this an original filing? Yes [ X ] No [ ]

b. If no:

1. State the amendment number \_\_\_\_\_

2. Date filed \_\_\_\_\_

3. Number of pages attached \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

**STATEMENT AS OF JUNE 30, 2012 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 .....	255,471,429		255,471,429	238,825,943
2. Stocks:				
2.1 Preferred stocks .....			0	0
2.2 Common stocks .....	781		781	781
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 (\$ .....7,389,125 ), cash equivalents (\$ .....0 ) and short-term investments (\$ .....1,383,435 ) .....	8,772,559		8,772,559	11,880,393
6. Contract loans (including \$ ..... premium notes) .....	9,994,320		9,994,320	9,511,277
7. Derivatives .....			0	0
8. Other invested assets .....	0		0	0
9. Receivables for securities .....			0	1,813
10. Securities lending reinvested collateral assets .....	12,833,641		12,833,641	10,716,522
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	287,072,730	0	287,072,730	270,936,729
13. Title plants less \$ ..... charged off (for Title insurers only) .....			0	0
14. Investment income due and accrued .....	2,719,575		2,719,575	2,614,541
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....			0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....	31,060,657		31,060,657	30,103,045
15.3 Accrued retrospective premiums .....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	4,060,298		4,060,298	6,883,893
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....	718,842		718,842	1,443,046
17. Amounts receivable relating to uninsured plans .....			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	167,522		167,522	188,762
18.2 Net deferred tax asset .....	7,343,461	3,860,897	3,482,564	4,341,949
19. Guaranty funds receivable or on deposit .....			0	0
20. Electronic data processing equipment and software .....	412,260	411,327	933	2,177
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	0
24. Health care (\$ ..... ) and other amounts receivable .....			0	0
25. Aggregate write-ins for other than invested assets .....	1,252,126	1,215,748	36,378	36,378
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	334,807,471	5,487,972	329,319,499	316,550,520
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
28. Total (Lines 26 and 27) .....	334,807,471	5,487,972	329,319,499	316,550,520
<b>DETAILS OF WRITE-INS</b>				
1101. ....			0	0
1102. ....				
1103. ....				
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. Receivable for Agent Loans .....	14,086	14,085	1	0
2502. Interest Maintenance Reserve .....	420,106	420,107	(1)	0
2503. Premium Tax Credits .....	817,934	781,556	36,378	36,378
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) .....	1,252,126	1,215,748	36,378	36,378

STATEMENT AS OF JUNE 30, 2012 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 \$ .....255,311,218 less \$ ..... included in Line 6.3 (including \$ ..... Modco Reserve) .....	255,311,218	245,738,959
2. Aggregate reserve for accident and health contracts (including \$ ..... Modco Reserve) .....	341,380	354,947
3. Liability for deposit-type contracts (including \$ ..... Modco Reserve) .....	729,365	829,726
4. Contract claims:		
4.1 Life .....	3,306,160	2,946,934
4.2 Accident and health .....	37,954	39,773
5. Policyholders' dividends \$ ..... and coupons \$ .....173,383 due and unpaid .....	173,383	0
6. Provision for policyholders' dividends and coupons payable in following calendar year—estimated amounts:		
6.1 Dividends apportioned for payment (including \$ ..... Modco).....	53,470	53,470
6.2 Dividends not yet apportioned (including \$ ..... Modco).....	0	0
6.3 Coupons and similar benefits (including \$ ..... Modco).....	0	0
7. Amount provisionally held for deferred dividend policies not included in Line 6 .....	0	0
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ ..... discount; including \$ ..... accident and health premiums .....	158,138	111,503
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts .....	0	0
9.2 Provision for experience rating refunds, including the liability of \$ ..... accident and health experience rating refunds of which \$ ..... is for medical loss ratio rebate per the Public Health Service Act.....	0	0
9.3 Other amounts payable on reinsurance, including \$ ..... assumed and \$ .....1,605,403 ceded.....	1,605,403	2,134,375
9.4 Interest Maintenance Reserve .....	0	0
10. Commissions to agents due or accrued-life and annuity contracts \$ .....461,828 , accident and health \$ .....0 and deposit-type contract funds \$ .....	461,828	613,111
11. Commissions and expense allowances payable on reinsurance assumed .....	0	0
12. General expenses due or accrued .....	1,074,065	1,000,813
13. Transfers to Separate Accounts due or accrued (net) (including \$ ..... accrued for expense allowances recognized in reserves, net of reinsured allowances) .....	0	0
14. Taxes, licenses and fees due or accrued, excluding federal income taxes .....	1,280,449	1,618,859
15.1 Current federal and foreign income taxes, including \$ ..... on realized capital gains (losses).....	0	0
15.2 Net deferred tax liability .....	0	0
16. Unearned investment income .....	416,569	401,385
17. Amounts withheld or retained by company as agent or trustee .....	0	0
18. Amounts held for agents' account, including \$ ..... agents' credit balances .....	0	0
19. Remittances and items not allocated .....	542,938	103,551
20. Net adjustment in assets and liabilities due to foreign exchange rates .....	0	0
21. Liability for benefits for employees and agents if not included above .....	0	0
22. Borrowed money \$ ..... and interest thereon \$ .....	0	0
23. Dividends to stockholders declared and unpaid .....	0	0
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve .....	1,421,497	1,236,649
24.02 Reinsurance in unauthorized companies .....	0	0
24.03 Funds held under reinsurance treaties with unauthorized reinsurers .....	0	0
24.04 Payable to parent, subsidiaries and affiliates .....	10,036,925	6,184,758
24.05 Drafts outstanding .....	0	0
24.06 Liability for amounts held under uninsured plans .....	0	0
24.07 Funds held under coinsurance .....	0	0
24.08 Derivatives .....	0	0
24.09 Payable for securities .....	112,971	0
24.10 Payable for securities lending.....	12,833,641	10,716,522
24.11 Capital notes \$ ..... and interest thereon \$ .....	0	0
25. Aggregate write-ins for liabilities .....	(1,671)	88,198
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25) .....	289,895,683	274,173,533
27. From Separate Accounts statement .....	0	0
28. Total liabilities (Lines 26 and 27) .....	289,895,683	274,173,533
29. Common capital stock .....	1,893,750	1,893,750
30. Preferred capital stock .....	0	0
31. Aggregate write-ins for other than special surplus funds .....	0	0
32. Surplus notes .....	0	0
33. Gross paid in and contributed surplus .....	7,031,250	7,031,250
34. Aggregate write-ins for special surplus funds .....	0	0
35. Unassigned funds (surplus) .....	30,498,816	33,451,987
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 29 \$ ..... ) .....	0	0
36.2 ..... shares preferred (value included in Line 30 \$ ..... ) .....	0	0
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including \$ ..... in Separate Accounts Statement) .....	37,530,066	40,483,237
38. Totals of Lines 29, 30 and 37 .....	39,423,816	42,376,987
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3) .....	329,319,499	316,550,520
<b>DETAILS OF WRITE-INS</b>		
2501. CHECKS OUTSTANDING.....	(1,671)	88,198
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) .....	(1,671)	88,198
3101. ....	0	0
3102. ....	0	0
3103. ....	0	0
3198. Summary of remaining write-ins for Line 31 from overflow page .....	0	0
3199. Totals (Lines 3101 through 3103 plus 3198) (Line 31 above) .....	0	0
3401. ....	0	0
3402. ....	0	0
3403. ....	0	0
3498. Summary of remaining write-ins for Line 34 from overflow page .....	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above) .....	0	0

STATEMENT AS OF JUNE 30, 2012 OF THE GRANGE LIFE INSURANCE COMPANY

SUMMARY OF OPERATIONS

	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 contracts	27,384,232	24,766,148	47,664,030
2. Considerations for supplementary contracts with life contingencies	0	0	210,078
3. Net investment income	6,273,720	6,472,797	12,696,411
4. Amortization of Interest Maintenance Reserve (IMR)	45,781	46,142	47,681
5. Separate Accounts net gain from operations excluding unrealized gains or losses	0	0	0
6. Commissions and expense allowances on reinsurance ceded	1,944,698	2,665,381	5,285,702
7. Reserve adjustments on reinsurance ceded	0	0	0
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts	0	0	0
8.2 Charges and fees for deposit-type contracts	0	0	0
8.3 Aggregate write-ins for miscellaneous income	(3,338)	(735)	(2,546)
9. Totals (Lines 1 to 8.3)	35,645,093	33,949,733	65,901,356
10. Death benefits	10,884,247	9,741,287	18,986,788
11. Matured endowments (excluding guaranteed annual pure endowments)	0	0	0
12. Annuity benefits	2,664,815	3,317,004	6,173,954
13. Disability benefits and benefits under accident and health contracts	84,994	113,655	195,629
14. Coupons, guaranteed annual pure endowments and similar benefits	0	0	0
15. Surrender benefits and withdrawals for life contracts	3,396,826	2,962,018	5,791,443
16. Group conversions	0	0	0
17. Interest and adjustments on contract or deposit-type contract funds	0	0	0
18. Payments on supplementary contracts with life contingencies	0	0	0
19. Increase in aggregate reserves for life and accident and health contracts	9,458,332	6,498,325	13,027,679
20. Totals (Lines 10 to 19)	26,489,214	22,632,289	44,175,493
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only)	3,752,997	3,405,547	6,425,371
22. Commissions and expense allowances on reinsurance assumed	99,828	104,199	222,225
23. General insurance expenses	6,936,930	6,497,183	12,519,588
24. Insurance taxes, licenses and fees, excluding federal income taxes	799,189	777,537	1,513,279
25. Increase in loading on deferred and uncollected premiums	(493,528)	(1,402,304)	(2,414,873)
26. Net transfers to or (from) Separate Accounts net of reinsurance	0	0	0
27. Aggregate write-ins for deductions	0	0	0
28. Totals (Lines 20 to 27)	37,584,630	32,014,451	62,441,083
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	(1,939,537)	1,935,282	3,460,273
30. Dividends to policyholders	201,132	157,839	178,222
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	(2,140,669)	1,777,443	3,282,051
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	21,240	480,070	854,727
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)	(2,161,909)	1,297,373	2,427,324
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ 0 (excluding taxes of \$ 0 transferred to the IMR)	0	(63,643)	(226,343)
35. Net income (Line 33 plus Line 34)	(2,161,909)	1,233,730	2,200,981
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
36. Capital and surplus, December 31, prior year	42,376,987	39,806,650	39,806,650
37. Net income (Line 35)	(2,161,909)	1,233,730	2,200,981
38. Change in net unrealized capital gains (losses) less capital gains tax of \$	0	0	0
39. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
40. Change in net deferred income tax	500,084	86,656	340,243
41. Change in nonadmitted assets	(1,106,498)	165,293	155,538
42. Change in liability for reinsurance in unauthorized companies	0	0	0
43. Change in reserve on account of change in valuation basis, (increase) or decrease	0	0	0
44. Change in asset valuation reserve	(184,848)	(54,334)	(126,425)
45. Change in treasury stock	0	0	0
46. Surplus (contributed to) withdrawn from Separate Accounts during period	0	0	0
47. Other changes in surplus in Separate Accounts Statement	0	0	0
48. Change in surplus notes	0	0	0
49. Cumulative effect of changes in accounting principles	0	0	0
50. Capital changes:			
50.1 Paid in	0	0	0
50.2 Transferred from surplus (Stock Dividend)	0	0	0
50.3 Transferred to surplus	0	0	0
51. Surplus adjustment:			
51.1 Paid in	0	0	0
51.2 Transferred to capital (Stock Dividend)	0	0	0
51.3 Transferred from capital	0	0	0
51.4 Change in surplus as a result of reinsurance	0	0	0
52. Dividends to stockholders	0	0	0
53. Aggregate write-ins for gains and losses in surplus	0	0	0
54. Net change in capital and surplus (Lines 37 through 53)	(2,953,171)	1,431,345	2,570,337
55. Capital and surplus, as of statement date (Lines 36 + 54)	39,423,816	41,237,995	42,376,987
<b>DETAILS OF WRITE-INS</b>			
08.301. SERVICE FEES	(3,338)	(735)	(2,546)
08.302.	0	0	0
08.303.	0	0	0
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	0	0	0
08.399. Totals (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)	(3,338)	(735)	(2,546)
2701.	0	0	0
2702.	0	0	0
2703.	0	0	0
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0	0
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)	0	0	0
5301.	0	0	0
5302.	0	0	0
5303.	0	0	0
5398. Summary of remaining write-ins for Line 53 from overflow page	0	0	0
5399. Totals (Lines 5301 through 5303 plus 5398) (Line 53 above)	0	0	0

STATEMENT AS OF JUNE 30, 2012 OF THE GRANGE LIFE INSURANCE COMPANY

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.....	27,690,987	24,955,319	46,730,345
2. Net investment income .....	6,522,335	6,480,426	13,127,123
3. Miscellaneous income .....	1,941,360	2,664,646	5,442,825
4. Total (Lines 1 to 3) .....	36,154,682	34,100,391	65,300,293
5. Benefit and loss related payments .....	14,278,492	19,442,653	37,335,348
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 .....	12,005,385	11,786,279	20,784,950
8. Dividends paid to policyholders .....	27,749	74,814	272,411
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses).....	0	0	0
10. Total (Lines 5 through 9) .....	26,311,626	31,303,746	58,392,709
11. Net cash from operations (Line 4 minus Line 10) .....	9,843,056	2,796,645	6,907,584
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	18,000,930	24,507,438	44,261,076
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 .....	114,784	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	18,115,714	24,507,438	44,261,076
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	34,918,592	30,171,696	55,051,663
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	10,462	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	34,918,592	30,182,158	55,051,663
14. Net increase (or decrease) in contract loans and premium notes .....	483,043	39,121	236,948
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	(17,285,921)	(5,713,841)	(11,027,535)
<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 .....	(100,361)	4,491	189,295
16.5 Dividends to stockholders .....	0	0	0
16.6 Other cash provided (applied).....	4,435,393	455,367	1,481,699
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	4,335,032	459,858	1,670,994
<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) .....	(3,107,833)	(2,457,338)	(2,448,957)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	11,880,393	14,329,350	14,329,350
19.2 End of period (Line 18 plus Line 19.1) .....	8,772,560	11,872,012	11,880,393

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 .....		0	0
2. Ordinary life insurance .....	35,101,917	33,734,319	66,573,477
3. Ordinary individual annuities .....	2,778,797	2,676,308	4,315,609
4. Credit life (group and individual) .....		0	0
5. Group life insurance .....	1,019,829	989,523	2,001,786
6. Group annuities .....		0	0
7. A & H - group .....		0	0
8. A & H - credit (group and individual) .....		0	0
9. A & H - other .....	140,493	154,935	302,770
10. Aggregate of all other lines of business .....	0	0	0
11. Subtotal .....	39,041,036	37,555,085	73,193,642
12. Deposit-type contracts .....		0	0
13. Total	39,041,036	37,555,085	73,193,642
<b>DETAILS OF WRITE-INS</b>			
1001. ....		0	0
1002. ....		0	0
1003. ....		0	0
1098. Summary of remaining write-ins for Line 10 from overflow page .....	0	0	0
1099. Total (Lines 1001 through 1003 plus 1098) (Line 10 above)	0	0	0

## NOTES TO FINANCIAL STATEMENTS

### 1) Summary of Significant Accounting Policies

#### A. Accounting Practices

The accompanying financial statements of Grange Life Insurance Company (Company) have been prepared in conformity with the *Accounting Practices and Procedures Manual* of the National Association of Insurance Commissioners (NAIC) and accounting practices prescribed or permitted by The Ohio Department of Insurance (Department).

Failure of the amounts to add to totals is due to rounding or truncation.

### 2) Accounting Changes and Correction of Errors

No significant change.

### 3) Business Combinations and Goodwill

No significant change.

### 4) Discontinued Operations

No significant change.

### 5) Investments

#### A. Mortgage Loans, including Mezzanine Real Estate Loans

NONE

#### B. Debt Restructuring

NONE

#### C. Reverse Mortgages

NONE

#### 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. All securities during 2012 with a recognized other-than-temporary impairment, disclosed in the aggregate, classified on the basis for the other-than-temporary impairment:  
  
NONE
3. Securities with a recognized other-than-temporary impairment currently held by the Company, where the present value of cash flows expected to be collected is less than the amortized cost basis of securities:  
  
NONE
4. All 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:

#### a. The aggregate amount of unrealized loss:

1. Less than 12 Months	\$	(5,689)
2. 12 Months or Longer	\$	(92)

#### b. The aggregate related fair value of securities with unrealized losses:

1. Less than 12 Months	\$	3,920,998
2. 12 Months or Longer	\$	6,820

5. According to SSAP 43R, loan-backed and structured securities with an unrealized loss position were reviewed according to the pronouncement. 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 held

## NOTES TO FINANCIAL STATEMENTS

with an intent to sell were other-than-temporarily impaired to current fair value. Securities with a present value greater than amortized cost were not other-than-temporarily impaired.

### E. Repurchase Agreements and/or Securities Lending Transactions

No significant change.

### 6) Joint Ventures, Partnerships and Limited Liability Companies

No significant change.

### 7) Investment Income

No significant change.

### 8) Derivative Instruments

NONE

### 9) Income Taxes

A. The components of the net deferred tax assets at June 30, 2012 and December 31, 2011 are as follows:

	06/30/2012	12/31/2011
Gross Deferred Tax Assets	\$ 7,568,920	\$ 7,010,752
Gross Deferred Tax Liabilities	225,459	167,377
Net Deferred Tax Asset (Liability)	7,343,461	6,843,375
Nonadmitted Deferred Tax Assets	3,860,896	2,501,427
Admitted Deferred Tax Asset	3,482,565	4,341,948
Decrease (Increase) in Deferred Tax Assets Nonadmitted	\$ 1,359,469	\$ (550,863)

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

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

	06/30/2012	12/31/2011
Current Income Tax Expense	\$ 21,240	\$ 663,398
Tax on Capital Gains/(Losses)		-
Prior Year Under Accrual (Over Accrual)	-	(361,626)
Federal Income Taxes Incurred	\$ 21,240	\$ 301,772

### 10) Information Concerning Parent, Subsidiaries, Affiliates, and Other Related Parties

No significant change.

### 11) Debt

NONE

### 12) Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

No significant change.

### 13) Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

No significant change.

### 14) Contingencies

No significant change.

### 15) Leases

No significant change.

### 16) Information About Financial Instruments With Off-Balance Sheet Risk And Financial Instruments With Concentrations of Credit Risk

NONE

### 17) Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. Transfers of Receivables Reported as Sales

## NOTES TO FINANCIAL STATEMENTS

NONE

B. Transfer and Servicing of Financial Assets

No significant change.

C. Wash Sales

NONE

**18) Gain or Loss to the Reporting Entity from Uninsured 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. For assets and liabilities that are measured and reported at fair value in the statement of financial position after initial recognition, the valuation techniques and the inputs used to develop those measurements and for fair value measurements in the statement of financial position determined using significant unobservable inputs (Level 3), the effect of the measurements on earnings (or changes in net assets) for the period.

(1) Fair Value Measurement at Reporting Date

NONE

(2) Fair Value Measurements in (Level 3) of the Fair Value

NONE

- (3) The reporting entity's policy is to recognize transfers in and out as of the end of the reporting period.

- (4) As of June 30, 2012, 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 thru 5 are reported at amortized cost. Securities with a rating of NAIC of 6 are measured and reported at the lower of amortized cost or fair value on the statement of financial position. As of June 30, 2012, the Company did not have any bonds rated NAIC-6 and therefore did not report any securities at fair value.

- (5) NONE

B. Not Required

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (CV)
Bonds	278,919,746	255,471,431	14,627,421	264,292,325	0	0
Common Stock	781	781	0	0	0	781
Perpetual Preferred	0	0	0	0	0	0
Mortgage Loans	0	0	7.2	0	0	0

**NOTES TO FINANCIAL STATEMENTS**

C. Aggregate Fair Value of financial instruments and level of Fair Value hierarchy as of 6/30/12.

D. Not Practical To Estimate Fair Value

Type of Financial Instrument	Carrying Value	Effective Interest Rate	Maturity Date	Explanation
Bonds				
Common Stock	781	N/A	N/A	Stock represents ownership of an insurance agency values at original cost and reported as a subsidiary of the entity.
Perpetual Preferred				
Mortgage Loans				

**21) Other Items**

No significant change.

**22) Events Subsequent**

Type I-Recognized Subsequent Events: NONE

Type II-Nonrecognized Subsequent Events: NONE

**23) Reinsurance**

The Company is in the first steps of changing the reinsurance structure and is currently using a pool of 3 reinsurers for YRT mortality coverage. The YRT reinsurance pool is used to cede mortality risk above the retention limit of \$200,000 and is comprised of Canada Life (50% of pool), GenRe (30%) and Hannover Re (20%). Additional financial reinsurance is planned late fourth quarter 2012.

**24) Retrospectively Rated Contracts & Contracts Subject to Redetermination**

NONE

**25) Change in Incurred Losses and Loss Adjustment Expenses**

NONE

**26) Intercompany Pooling Arrangements**

NONE

**27) Structured Settlements**

NONE

**28) Health Care Receivables**

NONE

**29) Participating Policies**

No significant change.

**30) Premium Deficiency Reserves**

## NOTES TO FINANCIAL STATEMENTS

NONE

**31) Reserves for Life Contracts and Annuity Contracts**

No significant change.

**32) Analysis of Annuity Actuarial Reserves and Deposit Type Liabilities by Withdrawal Characteristics**

No significant change.

**33) Premium and Annuity Considerations Deferred and Uncollected**

No significant change.

**34) Separate Accounts**

NONE

**35) Loss/Claim Adjustment Expenses**

NONE

**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?  
.....
- 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 [ ] No [ ] NA [X]
- 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 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 FDIC	6 SEC

**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  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

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

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

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

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

14.2 If yes, please complete the following:

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....	\$ .....	\$ .....
14.22 Preferred Stock .....	\$ .....	\$ .....
14.23 Common Stock .....	\$ .....781	\$ .....781
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).....	\$ .....781	\$ .....781
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

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.

**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 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*?

Yes [X] 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.....	111 Polaris Pkwy, Columbus, OH 43240.....

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 [X]

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
109627.....	Caywood-Schoff Capital Management, LLC.....	4250 Executive Square, Suite 400, La Jolla, CA 92037.....

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

Yes [X] No [ ]

17.2 If no, list exceptions:

.....

**GENERAL INTERROGATORIES**  
**PART 2 - LIFE & HEALTH**

	1 Amount
1. Report the statement value of mortgage loans at the end of this reporting period for the following categories:	
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 .....	\$ .....0
1.2 Long-Term Mortgages in Good Standing with Restructured Terms	
1.21 Total Mortgages in Good Standing with Restructured Terms.....	\$ .....0
1.3 Long-Term Mortgage 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.....	\$ .....0
1.4 Long-Term Mortgage 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.....	\$ .....0
1.5 Total Mortgage Loans (Lines 1.14 + 1.21 + 1.34 + 1.44) (Page 2, Column 3, Lines 3.1 + 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 .....	\$ .....0
2. Operating Percentages:	
2.1 A&H loss percent .....	.....0.0 %
2.2 A&H cost containment percent .....	.....0.0 %
2.3 A&H expense percent excluding cost containment expenses.....	.....0.0 %
3.1 Do you act as a custodian for health savings accounts?.....	Yes [ ] No [X]
3.2 If yes, please provide the amount of custodial funds held as of the reporting date.....	\$ .....0
3.3 Do you act as an administrator for health savings accounts?.....	Yes [ ] No [X]
3.4 If yes, please provide the balance of the funds administered as of the reporting date.....	\$ .....



STATEMENT AS OF JUNE 30, 2012 OF THE GRANGE LIFE INSURANCE COMPANY

**SCHEDULE T – PREMIUMS AND ANNUITY CONSIDERATIONS**

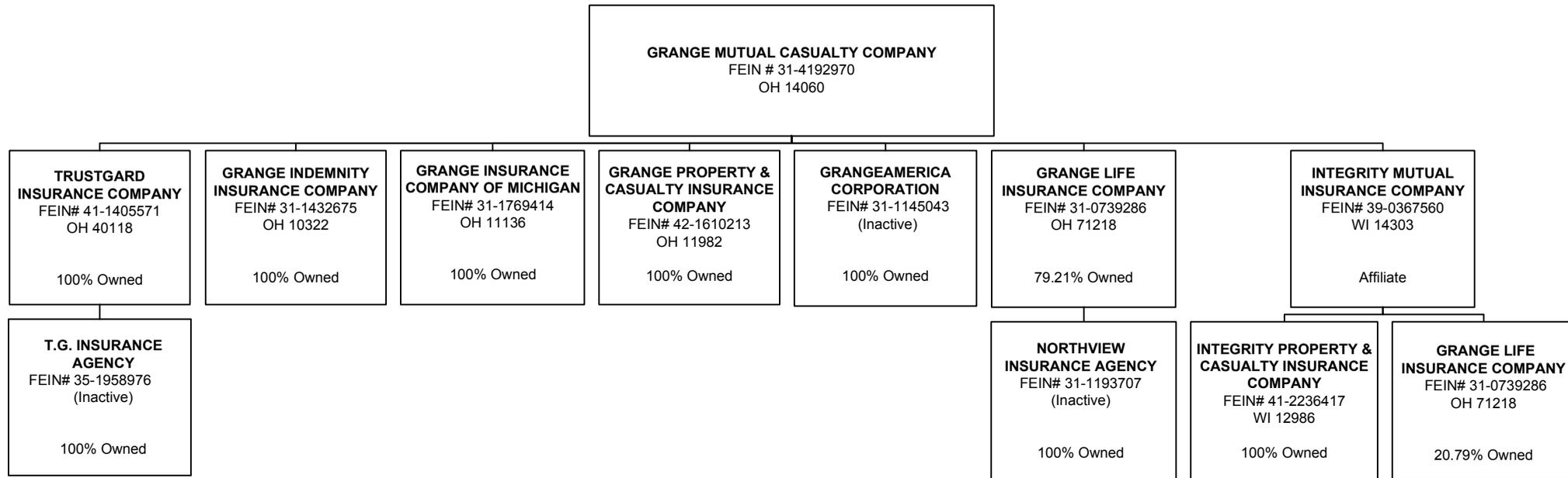
Current Year To Date - Allocated by States and Territories

States, Etc.	1	Direct Business Only					7
		Life Contracts		4	5	6	
		2	3				
Active Status	Life Insurance Premiums	Annuity Considerations	Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Other Considerations	Total Columns 2 Through 5	Deposit - Type Contracts	
1. Alabama	AL	55,475				55,475	
2. Alaska	AK	3,689				3,689	
3. Arizona	AZ	59,144				59,144	
4. Arkansas	AR	21,113				21,113	
5. California	CA	51,453		474		51,928	
6. Colorado	CO	24,451				24,451	
7. Connecticut	CT	9,519				9,519	
8. Delaware	DE	1,446				1,446	
9. District of Columbia	DC	810				810	
10. Florida	FL	287,419	6,300	2,244		295,963	
11. Georgia	GA	L 3,065,949	95,300	14,725		3,175,974	
12. Hawaii	HI	2,952				2,952	
13. Idaho	ID	4,113				4,113	
14. Illinois	IL	L 1,254,311	100,736	3,420		1,358,468	
15. Indiana	IN	L 2,690,757	42,392	5,642		2,738,790	
16. Iowa	IA	L 68,315				68,315	
17. Kansas	KS	L 11,056				11,056	
18. Kentucky	KY	L 4,341,363	164,552	28,852		4,534,767	
19. Louisiana	LA	15,168				15,168	
20. Maine	ME	2,530				2,530	
21. Maryland	MD	18,856				18,856	
22. Massachusetts	MA	4,984				4,984	
23. Michigan	MI	L 1,659,808	75,229	2,319		1,737,355	
24. Minnesota	MN	L 158,275	675			158,950	
25. Mississippi	MS	52,867				52,867	
26. Missouri	MO	L 56,068				56,068	
27. Montana	MT	4,256				4,256	
28. Nebraska	NE	1,473				1,473	
29. Nevada	NV	14,132				14,132	
30. New Hampshire	NH	3,198				3,198	
31. New Jersey	NJ	10,892				10,892	
32. New Mexico	NM	3,866				3,866	
33. New York	NY	22,074				22,074	
34. North Carolina	NC	99,275		671		99,946	
35. North Dakota	ND	1,133				1,133	
36. Ohio	OH	L 16,643,178	2,143,213	66,684		18,853,075	
37. Oklahoma	OK	9,690				9,690	
38. Oregon	OR	7,305				7,305	
39. Pennsylvania	PA	L 365,411				365,411	
40. Rhode Island	RI	716				716	
41. South Carolina	SC	L 338,146	600			338,746	
42. South Dakota	SD	3,598				3,598	
43. Tennessee	TN	L 3,895,809	138,441	14,609		4,048,860	
44. Texas	TX	78,614				78,614	
45. Utah	UT	8,278				8,278	
46. Vermont	VT	2,324		234		2,558	
47. Virginia	VA	L 160,802	3,600	504		164,906	
48. Washington	WA	9,695				9,695	
49. West Virginia	WV	60,203	4,708	114		65,026	
50. Wisconsin	WI	L 444,809	3,050			447,859	
51. Wyoming	WY	2,423				2,423	
52. American Samoa	AS					0	
53. Guam	GU					0	
54. Puerto Rico	PR	794				794	
55. US Virgin Islands	VI	167				167	
56. Northern Mariana Islands	MP					0	
57. Canada	CN	6,960				6,960	
58. Aggregate Other Alien	OT	XXX 632	0	0	0	632	0
59. Subtotal	(a) 15	36,121,746	2,778,797	140,493	0	39,041,036	0
90. Reporting entity contributions for employee benefit plans	XXX					0	
91. Dividends or refunds applied to purchase paid-up additions and annuities	XXX					0	
92. Dividends or refunds applied to shorten endowment or premium paying period	XXX					0	
93. Premium or annuity considerations waived under disability or other contract provisions	XXX					0	
94. Aggregate other amounts not allocable by State	XXX	0	0	0	0	0	0
95. Totals (Direct Business)	XXX	36,121,746	2,778,797	140,493	0	39,041,036	0
96. Plus Reinsurance Assumed	XXX	1,707,948				1,707,948	
97. Totals (All Business)	XXX	37,829,694	2,778,797	140,493	0	40,748,984	0
98. Less Reinsurance Ceded	XXX	14,331,722		68,622		14,400,344	
99. Totals (All Business) less Reinsurance Ceded	XXX	23,497,972	2,778,797	71,871	0	26,348,640	0
<b>DETAILS OF WRITE-INS</b>							
5801. Army Post	XXX	272				272	
5802. United Kingdom	XXX	360				360	
5803.	XXX						
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0
5899. Total (Lines 5801 through 5803 + 5898) (Line 58 above)	XXX	632	0	0	0	632	0
9401.	XXX					0	
9402.	XXX					0	
9403.	XXX					0	
9498. Summary of remaining write-ins for Line 94 from overflow page	XXX	0	0	0	0	0	0
9499. Total (Lines 9401 through 9403 + 9498) (Line 94 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.

**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**

**PART 1 – ORGANIZATIONAL CHART**



STATEMENT AS OF JUNE 30, 2012 OF THE GRANGE LIFE INSURANCE COMPANY

**SCHEDULE Y**  
**PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name of Parent Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/ Person(s)	*
00267	GRANGE MUTUAL CASUALTY GROUP	14060	31-4192970				GRANGE MUTUAL CASUALTY COMPANY	.OH	UDP	GRANGE MUTUAL CASUALTY COMPANY	BOARD		GRANGE MUTUAL CASUALTY COMPANY	
00267	GRANGE MUTUAL CASUALTY GROUP	71218	31-0739286				GRANGE LIFE INSURANCE COMPANY	.OH	.OTH	GRANGE MUTUAL CASUALTY COMPANY	OWNERSHIP	79.2	GRANGE MUTUAL CASUALTY COMPANY	1
00267	GRANGE MUTUAL CASUALTY GROUP	71218	31-0739286				GRANGE LIFE INSURANCE COMPANY	.OH	.OTH	INTEGRITY MUTUAL INSURANCE COMPANY	OWNERSHIP	20.8	GRANGE MUTUAL CASUALTY COMPANY	1
00267	GRANGE MUTUAL CASUALTY GROUP	40118	41-1405571				TRUSTGARD INSURANCE COMPANY	.OH	.IA	GRANGE MUTUAL CASUALTY COMPANY	OWNERSHIP	100.0	GRANGE MUTUAL CASUALTY COMPANY	
00267	GRANGE MUTUAL CASUALTY GROUP	10322	31-1432675				GRANGE INDEMNITY INSURANCE COMPANY	.OH	.IA	GRANGE MUTUAL CASUALTY COMPANY	OWNERSHIP	100.0	GRANGE MUTUAL CASUALTY COMPANY	
00267	GRANGE MUTUAL CASUALTY GROUP	11136	31-1769414				GRANGE INSURANCE COMPANY OF MICHIGAN	.OH	.IA	GRANGE MUTUAL CASUALTY COMPANY	OWNERSHIP	100.0	GRANGE MUTUAL CASUALTY COMPANY	
00267	GRANGE MUTUAL CASUALTY GROUP	14303	39-0367560				INTEGRITY MUTUAL INSURANCE COMPANY	.WI	UDP	GRANGE MUTUAL CASUALTY COMPANY	BOARD		GRANGE MUTUAL CASUALTY COMPANY	
00267	GRANGE MUTUAL CASUALTY GROUP	11982	42-1610213				GRANGE PROPERTY & CASUALTY INSURANCE COMPANY	.OH	.IA	GRANGE MUTUAL CASUALTY COMPANY	OWNERSHIP	100.0	GRANGE MUTUAL CASUALTY COMPANY	
00267	GRANGE MUTUAL CASUALTY GROUP	12986	41-2236417				INTEGRITY PROPERTY & CASUALTY INSURANCE COMPANY	.WI	.IA	INTEGRITY MUTUAL INSURANCE COMPANY	OWNERSHIP	100.0	GRANGE MUTUAL CASUALTY COMPANY	
		00000	31-1145043				GRANGEAMERICA	.OH	.NIA	GRANGE MUTUAL CASUALTY COMPANY	OWNERSHIP	100.0	GRANGE MUTUAL CASUALTY COMPANY	
		00000	31-1193707				NORTHVIEW INSURANCE AGENCY	.OH	.DS	GRANGE LIFE INSURANCE COMPANY	OWNERSHIP	100.0	GRANGE MUTUAL CASUALTY COMPANY	
		00000	35-1958976				T.G. INSURANCE AGENCY	.OH	.NIA	TRUSTGARD INSURANCE COMPANY	OWNERSHIP	100.0	GRANGE MUTUAL CASUALTY COMPANY	

13

Asterisk	Explanation
1	Reporting Entity

# 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 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.

	<u>RESPONSE</u>
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	.....NO.....
2. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	.....NO.....
3. Will the Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC?	.....NO.....
4. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC?	.....NO.....
5. Will the Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI be filed with the state of domicile and electronically with the NAIC?	.....NO.....
6. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Average Market Value) be filed with the state of domicile and electronically with the NAIC?	.....NO.....
7. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Market Value) be filed with the state of domicile and electronically with the NAIC?	.....NO.....

**Explanation:**

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.

**Bar Code:**



STATEMENT AS OF JUNE 30, 2012 OF THE GRANGE LIFE INSURANCE COMPANY

7.



**OVERFLOW PAGE FOR WRITE-INS**

---

**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

NONE

**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 .....	238,826,724	228,501,933
2. Cost of bonds and stocks acquired .....	34,918,592	55,051,663
3. Accrual of discount .....	118,087	313,906
4. Unrealized valuation increase (decrease) .....	0	0
5. Total gain (loss) on disposals .....	66,288	109,069
6. Deduct consideration for bonds and stocks disposed of .....	18,000,929	44,261,076
7. Deduct amortization of premium .....	456,552	784,325
8. Total foreign exchange change in book/adjusted carrying value .....	0	0
9. Deduct current year's other than temporary impairment recognized .....	0	104,446
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	255,472,210	238,826,724
11. Deduct total nonadmitted amounts .....	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	255,472,210	238,826,724

STATEMENT AS OF JUNE 30, 2012 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 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
<b>BONDS</b>								
1. Class 1 (a).....	213,392,911	14,059,545	12,826,338	(1,042,714)	213,392,911	213,583,404	.0	209,217,013
2. Class 2 (a).....	25,017,011	7,130,434	32,346	1,184,479	25,017,011	33,299,578	.0	24,390,360
3. Class 3 (a).....	5,315,595	1,821,374	589,599	(48,233)	5,315,595	6,499,137	.0	4,139,035
4. Class 4 (a).....	3,130,486	1,078,526	480,090	(256,177)	3,130,486	3,472,744	.0	3,037,869
5. Class 5 (a).....	47,459		47,394	(65)	47,459	.0	.0	72,248
6. Class 6 (a).....	0				0	0	0	0
7. Total Bonds	246,903,461	24,089,879	13,975,767	(162,710)	246,903,461	256,854,863	0	240,856,525
<b>PREFERRED STOCK</b>								
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	246,903,461	24,089,879	13,975,767	(162,710)	246,903,461	256,854,863	0	240,856,525

(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 \$ 1,383,434 ; NAIC 2 \$ ;  
NAIC 3 \$ ; NAIC 4 \$ ; NAIC 5 \$ ; NAIC 6 \$

S102

**SCHEDULE DA - PART 1**

## Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	1,383,434	XXX	1,383,434	495	

**SCHEDULE DA - VERIFICATION**

## Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	2,030,583	3,296,736
2. Cost of short-term investments acquired .....	4,659,677	9,748,672
3. Accrual of discount .....		.0
4. Unrealized valuation increase (decrease).....		.0
5. Total gain (loss) on disposals .....		.0
6. Deduct consideration received on disposals .....	5,306,825	11,014,825
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).....	1,383,435	2,030,583
11. Deduct total nonadmitted amounts.....		.0
12. Statement value at end of current period (Line 10 minus Line 11)	1,383,435	2,030,583

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, 2012 OF THE GRANGE LIFE INSURANCE COMPANY

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Governments</b>									
3136FT-5N-5	FNMA Call 1.250% 03/22/27		04/02/2012	FTN Financial		1,000,000	1,000,000	382	1
3136FT-6P-9	FNMA Call 2.000% 03/29/32		04/24/2012	Raymond James & Associates		999,500	1,000,000	1,500	1
3136G0-EV-9	FNMA Call 1.000% 04/30/32		05/01/2012	Raymond James & Associates		999,500	1,000,000	56	1
3136G0-KM-2	FNMA Call 1.000% 06/14/32		06/05/2012	Stifel Nicolaus & Co		1,000,000	1,000,000		1
3136G0-PV-7	FNMA Call 1.000% 06/28/27		06/19/2012	FTN Financial		999,844	1,000,000		1
<b>0599999 - Bonds - U.S. Governments</b>						4,998,844	5,000,000	1,938	XXX
<b>Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>									
199491-S2-8	Columbus, OH BAB 5.420% 06/01/30		04/12/2012	Huntington Investment Co		560,580	500,000	10,238	1FE
<b>2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>						560,580	500,000	10,238	XXX
<b>Bonds - U.S. Special Revenue</b>									
3128P7-S2-0	FG C91437 3.500% 04/01/32		04/16/2012	Maxwell Simon Inc.		1,048,156	997,057	1,260	1
3136A6-AW-4	FNR 2012-52 NB 3.500% 12/25/39		04/26/2012	Stifel Nicolaus & Co.		1,054,732	996,830		1
3137AN-QF-5	FHR 4036 PA 2.750% 04/15/41		04/18/2012	Stifel Nicolaus & Co.		1,031,133	1,000,000	2,215	1
3137AN-VV-4	FHR 4031 LB 3.000% 01/15/31		04/17/2012	Sterne, Agee & Leach		263,340	263,340	636	1
3137AN-VY-8	FHR 4031 LE 2.000% 10/15/29		04/17/2012	Sterne, Agee & Leach		1,358,832	1,338,545	2,157	1
31418A-E9-5	FN MA1059 3.500% 05/01/32		05/30/2012	Stephens Inc.		1,051,210	993,172	1,159	1
31418A-EB-0	FN MA1029 3.500% 04/01/32		04/16/2012	Maxwell Simon Inc.		1,044,629	993,554	1,256	1
38378C-RT-6	GNR 2012-13 E6 2.000% 10/20/40		06/20/2012	Sterne, Agee & Leach		992,445	981,252	1,308	1
<b>3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Government and Their Political Subdivisions</b>						7,844,476	7,563,750	9,991	XXX
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>									
00508X-AE-4	Actuant Corp 144A-Call 5.625% 06/15/22		04/02/2012	Wells Fargo Bk		45,000	45,000		3FE
030700-AN-1	Ameristar Casinos Inc Call 7.500% 04/1		05/23/2012	Merrill Lynch		15,638	15,000	138	4FE
03077J-AB-6	Amerigas Finance LLC Call 7.000% 05/20		06/20/2012	Jefferies		91,800	90,000	613	3FE
035287-AD-3	Anixter Inc NC 5.625% 05/01/19		04/25/2012	Wells Fargo Bk		50,000	50,000		3FE
05329W-AK-8	Auto Nation Inc NC 5.500% 02/01/20		04/12/2012	Wells Fargo Bk		25,375	25,000	290	3FE
053773-AF-4	Avis Budget Car Rental Call 7.750% 05/		04/20/2012	Mitsubishi UFJ Securities		30,863	30,000	1,033	4FE
122014-AJ-2	Burlington Resources Inc NC 6.875% 02/		06/12/2012	Sterne, Agee & Leach		655,645	500,000	11,458	1FE
1248EP-AS-2	CCO Holdings Call 7.000% 01/15/19		04/02/2012	Morgan Stanley		26,625	25,000	389	3FE
12543D-AF-7	Community Health Systems Call 8.875% 0		05/17/2012	BNP Paribas Securities		51,375	50,000	1,565	4FE
125581-GM-4	CIT Group Inc NC 5.000% 05/15/17		05/01/2012	Merrill Lynch		35,000	35,000		4FE
156700-AS-5	Centurytel Inc NC 5.800% 03/15/22		06/29/2012	Various		135,668	135,000	1,962	2FE
165167-CH-8	Chesapeake Energy Call 6.775% 03/15/19		04/02/2012	J P Morgan Securities		24,813	25,000	231	3FE
17121E-AD-9	Chrysler Group Call 8.250% 06/15/21		04/25/2012	Merrill Lynch		25,551	25,000	773	4FE
17453B-AW-1	Frontier Communications NC 7.125% 03/1		06/28/2012	Various		121,406	120,000	2,526	3FE
205887-AX-0	ConAgra Inc. NC 8.250% 09/15/30		05/22/2012	Raymond James & Associates		1,001,363	750,000	12,031	2FE
20854P-AD-1	CONSOL Energy Inc. Call 8.000% 04/01/1		06/21/2012	J P Morgan Securities		46,450	45,000	844	4FE
21036P-AH-1	Constellation Brands Inc NC 6.000% 05		04/10/2012	Merrill Lynch		20,000	20,000		3FE
219350-AH-8	Corning Inc. NC 6.850% 03/01/29		06/20/2012	Sterne, Agee & Leach		1,199,590	1,000,000	21,692	2FE
22282E-AE-2	Covanta Holdings Corp Call 6.375% 10/0		04/25/2012	RBC Capital Markets		15,413	15,000	109	3FE
25470X-AG-0	Dish DBS Corp 144A-NC 5.875% 07/15/22		05/09/2012	Various		89,888	90,000		3FE
256677-AA-3	Dollar General Corp NC 4.125% 07/15/17		06/27/2012	Citigroup Global Markets		30,000	30,000		3FE
256882-AC-5	Dolphin Subsidiary II 144A-Call 7.250%		06/29/2012	Various		133,613	120,000	982	3FE
29977H-AC-4	Everest Acquisition LLC 144A-Call 6.87		04/10/2012	Citigroup Global Markets		10,000	10,000		3FE
35671D-AU-9	Freeport-McMoran Cooper - B Call 3.550		04/09/2012	Mesirow Financial		485,725	500,000	2,909	2FE
37045X-AB-2	General Motors Finl Co Call 6.750% 06/		04/16/2012	DBAB		26,750	25,000	647	3FE
373298-BR-8	Georgia-Pac NC 7.750% 11/15/29		06/25/2012	National Financial Services		1,543,685	1,181,000	10,932	2FE
421933-AH-5	Health Mgmt Associates Inc. NC 6.125%		04/17/2012	Jefferies		42,050	40,000	34	3FE
423074-AF-0	HJ Heinz Co NC 6.375% 07/15/28		04/17/2012	Sterne, Agee & Leach		609,350	500,000	8,411	2FE
428040-CG-2	Hertz Corp. Call 7.375% 01/15/21		04/04/2012	Barclays Capital		26,625	25,000	435	4FE
428040-CK-3	Hertz Corp. 144A-Call 6.750% 04/15/19		04/17/2012	Bank of New York		93,038	90,000	84	3FE
428236-BV-4	Hewlett Packard NC 4.650% 12/09/21		05/23/2012	Sterne, Agee & Leach		708,701	700,000	15,371	1FE
45974V-B8-0	Intl Lease Finance Corp NC 6.625% 11/1		05/18/2012	DBAB		113,850	110,000	162	3FE
462613-AG-5	Ipalco Enterprises Inc NC 5.000% 05/01		04/27/2012	Morgan Stanley		104,869	105,000	15	3FE
46284P-AH-7	Iron Mountain Inc Call 8.750% 07/15/18		04/10/2012	Bond Desk Trading		57,412	55,000	1,176	4FE
489399-AC-9	Kennedy Willson Inc Call 8.750% 04/01/1		04/25/2012	Stifel Nicolaus & Co		10,450	10,000	70	4FE
49456A-AA-1	Kinder Morgan Fin Co 144A-NC 6.000% 01		05/23/2012	Various		83,750	80,000	1,420	3FE
52736R-BB-7	Levi Strauss & Co. Call 7.625% 05/15/2		05/01/2012	Wells Fargo Bk		16,163	15,000	537	4FE
52989L-AF-6	Libbey Glass Inc 144A-Call 6.875% 05/1		06/07/2012	Stifel Nicolaus & Co		30,250	30,000	138	4FE

E04

STATEMENT AS OF JUNE 30, 2012 OF THE GRANGE LIFE 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)
532716-AN-7	Limited Inc. NC 7.600% 07/15/37		05/23/2012	Merrill Lynch		15,075	15,000	424	3FE
546347-AG-0	Louisiana Pacific Corp 144A-Call 7.500		05/10/2012	Various		25,394	25,000		4FE
574599-BH-8	Masco Corporation NC 5.950% 03/15/22		04/09/2012	Jefferies		24,969	25,000	124	3FE
582848-AA-5	Mead Prods 144A-Call 6.750% 04/30/20		04/24/2012	Various		108,419	105,000	20	4FE
651290-AJ-7	Newfield Exploration Co. Call 6.625% 0		05/10/2012	First Union Capital		102,500	100,000	552	3FE
651639-AN-6	Newmont Mining Corp Holding Co Call 3		04/19/2012	Huntington Investment Co		493,800	500,000	2,236	2FE
690768-BF-2	Owens Illinois Inc NC 7.800% 05/15/18		04/27/2012	First Union Capital		50,513	45,000	1,628	3FE
71645W-AR-2	Petrobras Intl Finance NC 5.375% 01/27		04/18/2012	National Financial Services		1,088,220	1,000,000	12,840	2FE
726505-AK-6	Plains Exploration & Prod Call 6.625%		04/23/2012	BNP Paribas Securities		46,913	45,000	1,449	4FE
726505-AM-2	Plains Exploration & Prod Call 6.125%		05/09/2012	Various		90,688	90,000	159	4FE
737446-AA-2	Post Holdings Inc 144A-Call 7.375% 02/		05/02/2012	Credit Suisse First Boston		31,500	30,000	578	4FE
747262-AG-8	QVC Inc 144A 5.125% 07/02/22		06/27/2012	Barclays Capital		25,000	25,000		2FE
75886A-AD-0	Regency Energy Partners 144A-Call 9.37		05/18/2012	RBC Capital Markets		87,600	80,000	3,583	3FE
75886A-AE-8	Regency Energy Partners Call 6.875% 12		04/10/2012	J P Morgan Securities		26,375	25,000	630	3FE
78401F-AC-1	SBA Telecommunications Call 8.000% 08/		05/30/2012	Barclays Capital		26,750	25,000	606	4FE
785583-AF-2	Sabine Pass Lng NC 7.500% 11/30/16		04/17/2012	Credit Suisse First Boston		26,938	25,000	729	4FE
79546V-AJ-5	Sally Holdings Call 5.750% 06/01/22		05/30/2012	Various		70,125	70,000	26	3FE
796038-AA-5	Samson Investment Company 144A-Call 9		06/20/2012	DBAB		25,438	25,000	928	4FE
817565-BU-7	Service Corp International NC 8.000% 1		05/23/2012	Jefferies		27,875	25,000	78	3FE
857555-AP-1	Stater Brothers Holdings Call 7.750% 0		04/12/2012	Wells Fargo Bk		81,900	80,000	34	4FE
87612B-AB-8	Targa Resources Partners Call 8.250% 0		06/12/2012	DBAB		52,000	50,000	1,879	3FE
87612B-AH-5	Targa Resources Partners Call 6.875% 0		04/23/2012	Barclays Capital		26,000	25,000	406	3FE
87612B-AJ-1	Targa Resources Partners 144A-Call 6.3		06/19/2012	DBAB		30,150	30,000	754	3FE
88033G-BP-4	Tenet Healthcare Corporation NC 6.250%		04/20/2012	Morgan Stanley		62,400	60,000	1,604	3FE
90321N-AA-0	UR Financing Escow Corp 144A-Call 5.75		04/19/2012	Barclays Capital		56,650	55,000	395	3FE
983130-AS-4	Wynn Las Vegas 144A-Call 5.375% 03/15/		06/21/2012	Citigroup Global Markets		49,500	50,000	776	3FE
98919U-AA-5	Zayo Escrow corp 144A-Call 8.125% 01/0		06/14/2012	Morgan Stanley		5,000	5,000		4FE
644535-AD-8	New Gold Inc 144A-Call 7.000% 04/15/20	A	04/02/2012	J P Morgan Securities		10,000	10,000		4FE
45824T-AK-1	Intelsat Jackson Hldg 144A-Call 7.250%	F	04/12/2012	Bank of New York		15,263	15,000	33	4FE
552081-AH-4	Lyondellbasell Ind 144A-Call 5.750% 04	F	04/12/2012	Citigroup Global Markets		94,288	95,000	121	3FE
<b>3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)</b>						<b>10,710,979</b>	<b>9,471,000</b>	<b>131,573</b>	<b>XXX</b>
<b>8399997 - Subtotals- Bonds - Part 3</b>						<b>24,114,879</b>	<b>22,534,750</b>	<b>153,739</b>	<b>XXX</b>
<b>8399999 - Subtotals - Bonds</b>						<b>24,114,879</b>	<b>22,534,750</b>	<b>153,739</b>	<b>XXX</b>
<b>9999999 Totals</b>						<b>24,114,879</b>	<b>XXX</b>	<b>153,739</b>	<b>XXX</b>

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

E04.1

STATEMENT AS OF JUNE 30, 2012 OF THE GRANGE LIFE INSURANCE COMPANY

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Governments</b>																					
31398A-AT-9...	FNMA 30NC5 1X - Call 6.000% 04/30/37		04/30/2012	Call	100,000	1,500,000	1,500,000	1,504,950	1,500,369		(369)		(369)		1,500,000			0	45,000	04/30/2012	1
36202D-5P-2...	GNMA II 3554 4.500% 05/20/34		06/01/2012	Paydown		92,782	92,782	93,477	93,458		(676)		(676)		92,782			0	1,759	05/20/2034	1
36204D-5J-4...	GNMA Pool 367249 6.500% 12/15/23		06/01/2012	Paydown		18,788	18,788	19,669	19,515		(726)		(726)		18,788			0	593	12/15/2023	1
36205G-AD-3...	GNMA Pool 389804 5.000% 01/15/33		06/01/2012	Paydown		30,378	30,378	30,435	30,426		(48)		(48)		30,378			0	567	01/15/2033	1
<b>0599999 - Bonds - U.S. Governments</b>						1,641,948	1,641,948	1,648,532	1,643,768	0	(1,820)	0	(1,820)	0	1,641,948	0	0	0	47,920	XXX	XXX
<b>Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions</b>																					
31281B-MU-1...	FG N31271 4.500% 01/01/36		06/01/2012	Paydown		38,630	38,630	39,076	39,061		(432)		(432)		38,630			0	723	01/01/2036	1
31281B-TW-0...	FG N31465 5.000% 11/01/37		06/01/2012	Paydown		77,843	77,843	79,752	79,735		(1,892)		(1,892)		77,843			0	1,650	11/01/2037	1
31288M-BV-0...	FHLMC Pool 60052 6.500% 04/01/14		06/01/2012	Paydown		11,523	11,523	11,927	11,607		(84)		(84)		11,523			0	268	04/01/2014	1
3128K9-QY-3...	FGLMC Pool A48571 6.000% 05/01/36		06/01/2012	Paydown		37,839	37,839	37,816	37,814		26		26		37,839			0	1,015	05/01/2036	1
3128KJ-CZ-3...	FGLMC Pool A55488 5.500% 12/01/36		06/01/2012	Paydown		95,187	95,187	94,800	94,806		381		381		95,187			0	2,085	12/01/2036	1
3128KJ-WA-6...	FGLMC Pool A56041 5.500% 01/01/37		06/01/2012	Paydown		23,745	23,745	23,593	23,595		150		150		23,745			0	537	01/01/2037	1
3128MJ-BW-9...	FGLMC Pool G08052 5.500% 04/01/35		06/01/2012	Paydown		68,689	68,689	68,356	68,362		327		327		68,689			0	1,563	04/01/2035	1
3128MM-KX-0...	FG C91437 3.500% 05/01/24		06/01/2012	Paydown		115,938	115,938	122,568	122,313		(6,375)		(6,375)		115,938			0	2,120	05/01/2024	1
3128P7-S2-0...	FGLMC Pool #C01286 04/01/32		06/01/2012	Paydown		3,675	3,675	3,864			(188)		(188)		3,675			0	11	04/01/2032	1
31292H-NB-6...	6.000% 01/01/32 FG E02730 4.000%		06/01/2012	Paydown		6,374	6,374	6,285	6,290		84		84		6,374			0	161	01/01/2032	1
31294M-A7-6...	10/01/25 FHLMC Pool #C30473		06/01/2012	Paydown		137,669	137,669	143,219	143,031		(5,362)		(5,362)		137,669			0	2,186	10/01/2025	1
31335H-Q2-2...	6.500% 08/01/21 FHR 2141 E NAS FGLMC 7.0		06/01/2012	Paydown		2,989	2,989	3,031	3,017		(29)		(29)		2,989			0	78	08/01/2021	1
3133TK-67-9...	6.800% 04/15 FNR 2012-52 NB 3.500%		06/01/2012	Paydown		3,316	3,316	3,370	3,330		(14)		(14)		3,316			0	91	04/15/2029	1
3136A6-AW-4...	12/25/39 FNMA Pool 253478 8.000%		06/01/2012	Paydown		3,484	3,484	3,686			(202)		(202)		3,484			0	10	12/25/2039	1
31371J-Q7-2...	09/01/20 FNMA Pool 253543 7.000%		06/01/2012	Paydown		802	802	812	809		(7)		(7)		802			0	30	09/01/2020	1
31371J-S8-8...	11/01/20 FNMA Pool 254477 5.500%		06/01/2012	Paydown		367	367	363	364		3		3		367			0	11	11/01/2020	1
31371K-UA-7...	10/01/32 FNMA Pool 254915 4.500%		06/01/2012	Paydown		30,858	30,858	30,509	30,516		343		343		30,858			0	702	10/01/2032	1
31371L-DU-0...	09/01/23 FNMA Pool 255029 5.000%		06/01/2012	Paydown		23,018	23,018	22,385	22,465		553		553		23,018			0	426	09/01/2023	1
31371L-HE-2...	12/01/23 FNMA Pool 255042 4.500%		06/01/2012	Paydown		18,199	18,199	18,165	18,161		38		38		18,199			0	366	12/01/2023	1
31371L-HT-9...	11/01/23 FN 256676 5.500%		06/01/2012	Paydown		20,581	20,581	20,028	20,097		484		484		20,581			0	371	11/01/2023	1
31371N-CM-5...	04/01/27 FN 257126 5.500%		06/01/2012	Paydown		124,282	124,282	133,098	132,939		(8,657)		(8,657)		124,282			0	2,802	04/01/2027	1
31371N-SQ-9...	02/01/23 FHR 3753 AS 3.500%		06/01/2012	Paydown		47,021	47,021	50,930	50,756		(3,735)		(3,735)		47,021			0	980	02/01/2023	1
3137A3-JW-0...	11/15/25 FHR 3762 GM 3.500%		06/01/2012	Paydown		154,834	154,834	159,745	159,090		(4,256)		(4,256)		154,834			0	2,215	11/15/2025	1
3137A3-PN-3...	08/15/28 FHR 3786 WA 4.000%		06/01/2012	Paydown		67,183	67,183	69,280	68,424		(1,241)		(1,241)		67,183			0	966	08/15/2028	1
3137A5-WW-0...	12/15/28 FHR 3844 DA 4.500%		06/01/2012	Paydown		55,171	55,171	56,707	56,216		(1,045)		(1,045)		55,171			0	912	12/15/2028	1
3137A8-XZ-6...	10/15/39 FHR 3947 BC 2.500%		06/01/2012	Paydown		62,633	62,633	66,812	65,922		(3,289)		(3,289)		62,633			0	1,173	10/15/2039	1
3137AG-CA-6...	10/15/26		06/01/2012	Paydown		10,683	10,683	11,049			(366)		(366)		10,683			0	45	10/15/2026	1

EO5

STATEMENT AS OF JUNE 30, 2012 OF THE GRANGE LIFE INSURANCE COMPANY

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
3137AN-QF-5	FHR 4036 PA 2.750% 04/15/41		06/01/2012	Paydown		6,776	6,776	6,987			(211)		(211)		6,776			0	24	04/15/2041	1
3137AN-VY-8	FHR 4031 LE 2.000% 10/15/29		06/01/2012	Paydown		18,210	18,210	18,486			(276)		(276)		18,210			0	39	10/15/2029	1
3138A8-XA-9	FN AH6972 3.500%		06/01/2012	Paydown		81,272	81,272	83,329			(1,997)		(1,997)		81,272			0	1,165	02/01/2026	1
31392E-SX-9	FNR 2002-59 B 5.500% 09/25/17		06/01/2012	Paydown		11,116	11,116	11,314			(29)		(29)		11,116			0	255	09/25/2017	1
31392W-U0-1	FHR 2510 NM 5.000% 03/15/32		06/01/2012	Paydown		48,053	48,053	49,358			(68)		(68)		48,053			0	998	03/15/2032	1
31393A-G6-6	FNR 2003-28 GA 4.000% 10/25/32		06/01/2012	Paydown		25,141	25,141	24,741			138		138		25,141			0	410	10/25/2032	1
31393B-QC-2	FNR 2003-37 OD 5.000% 05/25/32		06/01/2012	Paydown		164,709	164,709	163,628			638		638		164,709			0	3,359	05/25/2032	1
31393J-HC-5	FHR 2553 GB 5.000% 01/15/18		06/01/2012	Paydown		154,880	154,880	154,269			372		372		154,880			0	3,152	01/15/2018	1
31393N-M8-9	FHR 2590 TU 5.000% 08/15/31		04/01/2012	Paydown		1,371	1,371	1,356			4		4		1,371			0	23	08/15/2031	1
31393Q-JL-7	FHR 2619 PE 5.500% 11/15/31		06/01/2012	Paydown		245,697	245,697	245,697					0		245,697			0	5,591	11/15/2031	1
31393V-MQ-1	FHR 2628 AB 4.500% 06/15/18		06/01/2012	Paydown		60,561	60,561	58,934			459		459		60,561			0	1,161	06/15/2018	1
31394B-UA-0	FNR 2004-90 YB 4.000% 07/25/32		06/01/2012	Paydown		87,413	87,413	84,490			482		482		87,413			0	1,451	07/25/2032	1
31394B-W4-2	FNR 2004-95 EA 4.500% 08/25/33		06/01/2012	Paydown		282,021	282,021	292,773			(5,129)		(5,129)		282,021			0	6,044	08/25/2033	1
31394C-V7-4	FNR 2005-35 V6 5.000% 04/25/16		06/01/2012	Paydown		30,853	30,853	30,602			122		122		30,853			0	643	04/25/2016	1
31394H-AY-7	FHR 2669 D6 4.500% 11/15/32		06/01/2012	Paydown		104,317	104,317	94,798			1,850		1,850		104,317			0	1,936	11/15/2032	1
31394P-RU-9	FHR 2744 TU 5.500% 05/15/32		06/01/2012	Paydown		68,117	68,117	66,223			646		646		68,117			0	1,570	05/15/2032	1
31394X-WZ-5	FHR 2799 ME 5.000% 08/15/32		06/01/2012	Paydown		125,645	125,645	124,801			440		440		125,645			0	2,565	08/15/2032	1
31395A-C8-6	FHR 2806 AC 5.000% 01/15/33		06/01/2012	Paydown		21,827	21,827	21,749			48		48		21,827			0	486	01/15/2033	1
31395E-YP-6	FHR 2835 HB 5.500% 08/15/24		06/01/2012	Paydown		83,831	83,831	87,132			(1,679)		(1,679)		83,831			0	1,905	08/15/2024	1
31395K-HC-0	FHR 2904 PC 5.500% 05/15/31		06/01/2012	Paydown		284,502	284,502	287,347			384		384		284,502			0	6,882	05/15/2031	1
31396F-LE-1	FHR 3072 VG 5.000% 11/15/16		04/01/2012	Paydown		52,508	52,508	52,147			116		116		52,508			0	875	11/15/2016	1FE
31396J-2L-8	FHR 3127 CY 5.500% 03/15/26		06/01/2012	Paydown		80,086	80,086	83,290			(1,616)		(1,616)		80,086			0	1,821	03/15/2026	1
31397L-D0-9	FNR 2008-24 AV 5.000% 03/25/19		06/01/2012	Paydown		42,624	42,624	42,624					0		42,624			0	889	03/25/2019	1
31397S-ZF-4	FNR 2011-42 VA 4.500% 06/25/22		06/01/2012	Paydown		9,193	9,193	9,731			(346)		(346)		9,193			0	172	06/25/2022	1
31397U-GT-0	FNR 2011-49 CA 3.500% 12/25/28		06/01/2012	Paydown		39,061	39,061	39,769			(604)		(604)		39,061			0	557	12/25/2028	1
31402A-D6-0	FNMA Pool 722925 5.000% 07/01/23		06/01/2012	Paydown		6,366	6,366	6,450			(75)		(75)		6,366			0	137	07/01/2023	1
31402R-JV-2	FNMA Pool 735676 5.000% 07/01/35		06/01/2012	Paydown		84,894	84,894	87,918			(2,925)		(2,925)		84,894			0	1,771	07/01/2035	1
31403D-BW-8	FNMA Pool 745353 5.500% 03/01/36		06/01/2012	Paydown		87,017	87,017	84,651			2,309		2,309		87,017			0	1,971	03/01/2036	1
31403D-GZ-6	FNMA Pool 745516 5.500% 05/01/36		06/01/2012	Paydown		61,455	61,455	61,378			83		83		61,455			0	1,425	05/01/2036	1
31403D-TG-4	FNMA Pool 745851 6.000% 09/01/36		06/01/2012	Paydown		46,576	46,576	46,998			(409)		(409)		46,576			0	1,182	09/01/2036	1
31404A-GX-6	FNMA Pool 762614 5.000% 12/01/23		06/01/2012	Paydown		10,697	10,697	10,837			(98)		(98)		10,697			0	223	12/01/2023	1
31404S-GD-1	FN 78996 5.000% 04/01/34		06/01/2012	Paydown		75,202	75,202	78,093			(2,803)		(2,803)		75,202			0	1,482	04/01/2034	1
31407U-E0-6	FNMA Pool 840843 5.500% 12/01/35		06/01/2012	Paydown		154,486	154,486	151,783			2,657		2,657		154,486			0	3,712	12/01/2035	1

E05 1

STATEMENT AS OF JUNE 30, 2012 OF THE GRANGE LIFE INSURANCE COMPANY

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
31409X-GG-8	FNMA Pool 881399 6.000% 05/01/36		06/01/2012	Paydown		77,944	77,944	77,567	77,568		376		376		77,944			.0	1,912	05/01/2036	1
31411B-GM-9	FNMA Pool 903004 5.500% 12/01/36		06/01/2012	Paydown		11,938	11,938	11,869	11,869		69		69		11,938			.0	299	12/01/2036	1
31411J-3H-7	FNMA Pool 909900 5.500% 03/01/37		06/01/2012	Paydown		50,101	50,101	49,608	49,615		487		487		50,101			.0	1,172	03/01/2037	1
31416B-4A-3	FN 995517 5.500% 01/01/24		06/01/2012	Paydown		66,047	66,047	71,403	71,265		(5,218)		(5,218)		66,047			.0	1,514	01/01/2024	1
31417U-XS-9	FN AC7888 4.000% 03/01/25		06/01/2012	Paydown		53,514	53,514	56,240	56,110		(2,595)		(2,595)		53,514			.0	983	03/01/2025	1
31417Y-2J-5	FN MA0776 4.500% 06/01/31		06/01/2012	Paydown		99,792	99,792	105,156	105,104		(5,312)		(5,312)		99,792			.0	1,887	06/01/2031	1
31417Y-3N-5	FN MA0804 4.000% 07/01/31		06/01/2012	Paydown		57,871	57,871	59,589	59,550		(1,679)		(1,679)		57,871			.0	951	07/01/2031	1
31417Y-TV-9	FN MA0563 4.000% 11/01/30		06/01/2012	Paydown		87,854	87,854	90,600	90,505		(2,651)		(2,651)		87,854			.0	1,429	11/01/2030	1
31417Y-W5-2	FN MA0667 4.000% 10/01/30		06/01/2012	Paydown		141,119	141,119	140,899	140,894		225		225		141,119			.0	2,294	10/01/2030	1
31418A-EB-0	FN MA1029 3.500% 04/01/32		06/01/2012	Paydown		3,793	3,793	3,988		(195)		(195)		3,793			.0	11	04/01/2032	1	
38373T-Z2-4	GNR 2002-15 PC 5.500% 11/20/31		06/01/2012	Paydown		16,600	16,600	15,914	16,475		125		125		16,600			.0	381	11/20/2031	1
38374E-DF-1	GNR 2003-102 MU 4.250% 01/20/33		06/01/2012	Paydown		15,439	15,439	15,425	15,408		31		31		15,439			.0	261	01/20/2033	1
38374E-ZM-2	GNR 2003-116 JD 5.000% 11/20/32		06/01/2012	Paydown		295,019	295,019	291,193	292,985		2,034		2,034		295,019			.0	6,393	11/20/2032	1
38374F-W6-7	GNR 2004-21 PC 5.000% 04/20/33		06/01/2012	Paydown		133,353	133,353	131,561	132,391		962		962		133,353			.0	2,750	04/20/2033	1
38377T-2L-4	GNR 2011-23 GQ 4.500% 02/20/26		06/20/2012	Sterne, Agee & Leach		722,217	689,056	721,437	715,432		(3,132)		(3,132)		712,299		9,918	9,918	9,918	02/20/2026	1
38377T-2L-4	GNR 2011-23 GQ 4.500% 02/20/26		06/01/2012	Paydown		86,129	86,129	90,176	89,425		(3,297)		(3,297)		86,129			.0	1,584	02/20/2026	1
<b>3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions</b>						5,817,740	5,784,579	5,877,532	5,821,835	0	(62,073)	0	(62,073)	0	5,807,822	0	9,918	9,918	120,767	XXX	XXX
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>																					
00130H-BR-5	AES Corporation 144A-NC 7.375% 07/01/2		06/29/2012	Various		72,725	65,000	65,594	65,580		(20)		(20)		65,560		7,165	7,165	3,143	07/01/2021	3FE
001546-AL-4	AK Steel Corp Call 7.625% 05/15/20		05/21/2012	Various		71,050	75,000	75,049		3		3		75,052		(4,002)	(4,002)	2,979	05/15/2020	4FE	
00508X-AE-4	Actuant Corp 144A-Call 5.625% 06/15/22		04/02/2012	First Union Capital		45,394	45,000	45,000		0		0		45,000		394	394	394	06/15/2022	3FE	
02406P-AK-6	American Axle & Manufacturing NC 7.750%		04/05/2012	Credit Suisse First Boston		26,688	25,000	24,425	24,428		18		18		24,446		2,242	2,242	850	11/15/2019	4FE
032511-AY-3	Anadarko Petroleum Corp NC 6.450% 09/1		05/16/2012	Morgan Stanley		28,789	25,000	24,119	24,138		5		5		24,143		4,646	4,646	699	09/15/2036	2FE
05568Y-AA-6	BNSF Railway NC 5.996% 04/01/24		04/01/2012	Redemption	100.0000	45,717	45,717	45,717	45,717		0		0		45,717		0	0	1,371	04/01/2024	1FE
126650-BQ-2	CVS Corp. PT-NC 6.943% 01/10/30		06/10/2012	Redemption	100.0000	3,252	3,252	3,317	3,312		(59)		(59)		3,252		0	0	94	12/10/2029	2FE
165167-CH-8	Chesapeake Energy Call 6.775% 03/15/19		05/17/2012	Various		104,619	110,000	109,375		12		12		109,387		(4,768)	(4,768)	1,537	03/15/2019	3FE	
17121E-AD-9	Chrysler Group Call 8.250% 06/15/21		06/11/2012	Various		44,918	45,000	45,788		(3)		(3)		45,785		(867)	(867)	1,822	06/15/2021	4FE	
20854P-AF-6	CONSOL Energy Inc. 144A-Call 8.250% 04		05/15/2012	Credit Suisse First Boston		47,363	45,000	48,006	47,659		(122)		(122)		47,537		(174)	(174)	2,341	04/01/2015	4FE
21036P-AH-1	Constellation Brands Inc NC 6.000% 05		06/29/2012	Credit Suisse First Boston		21,200	20,000	20,000		0		0		20,000		1,200	1,200	260	05/01/2022	3FE	
292757-AB-7	Energysolutions Inc Call 10.750% 08/15/		06/11/2012	Jefferies		43,200	45,000	47,806	47,537		(143)		(143)		47,394		(4,194)	(4,194)	4,018	08/15/2014	5FE
29382R-AD-9	Entravision Communication Call 8.750%		04/25/2012	Barclays Capital		15,975	15,000	15,113	15,097		(5)		(5)		15,092		883	883	981	08/01/2017	4FE
31409J-SF-8	FNMA Pool 872718 6.000% 06/01/36		06/01/2012	Paydown		2,776	2,776	2,756	2,757		19		19		2,776		0	0	70	06/01/2036	1
345397-VM-2	Ford Motor Credit Company NC 8.125% 01		06/27/2012	Various		147,034	120,000	138,554	50,992		(591)		(591)		137,830		9,204	9,204	6,446	01/15/2020	3FE

E052

STATEMENT AS OF JUNE 30, 2012 OF THE GRANGE LIFE INSURANCE COMPANY

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
428040-CG-2	Hertz Corp. Call 7.375% 01/15/21		06/04/2012	DBAB		25,875	25,000	26,625			(25)		(25)		26,600		(725)	(725)	727	06/01/2011	4FE
459745-GF-6	International Lease Finance NC 8.250%		06/05/2012	DBAB		16,500	15,000	15,300	15,279		(9)		(9)		15,269		1,231	1,231	595	12/15/2020	3FE
466112-AF-6	JBS USA LLC 144A-Call 7.250% 06/01/21		04/18/2012	Various		71,888	75,000	71,413	71,515		77		77		71,592		296	296	2,106	06/01/2021	3FE
67021B-AC-3	NII Capital Corp Call 8.875% 12/15/19		06/21/2012	Various		74,238	75,000	74,675	74,731		6		6		74,737		(500)	(500)	2,812	12/15/2019	4FE
726505-AH-3	Plains Exploration & Prod Call 8.625%		05/09/2012	Merrill Lynch		22,200	20,000	19,692	19,744		9		9		19,753		2,447	2,447	1,001	10/15/2019	4FE
75886A-AD-0	Regency Energy Partners 144A-Call 9.37		05/09/2012	Call 109.3750		9,844	9,000	9,788	9,588		255		255		9,844			0	370	06/01/2013	3FE
78108A-AA-2	RSC Equipment Rental Inc 144A-Call 10.0		04/30/2012	Call 116.1510		46,460	40,000	41,657	41,507		4,953		4,953		46,460			0	3,167	07/15/2013	4FE
78401F-AD-9	SBA Telecommunications Call 8.250% 08/SLM Corp NC 7.250%		04/13/2012	Call 108.2500		17,320	16,000	16,556	16,518		802		802		17,320			0	873	08/15/2014	4FE
78442F-EL-8	SLM Corp NC 6.000%		06/18/2012	Various		90,550	90,000	91,237			(26)		(26)		91,211		(661)	(661)	2,011	01/25/2022	2FE
78442F-EM-6	01/25/17		06/04/2012	Keybanc Capital Markets		4,931	5,000	4,947			3		3		4,950		(19)	(19)	108	01/25/2017	2FE
796038-AA-5	Samson Investment Company 144A-Call 9		05/17/2012	Various		40,350	40,000	40,909			(48)		(48)		40,861		(511)	(511)	1,114	02/15/2016	4FE
86183P-AE-2	Stoneridge Inc 144A-Call 9.500% 10/15/14		05/16/2012	Broadpoint Capital		26,375	25,000	26,813	26,664		(59)		(59)		26,604		(229)	(229)	1,425	10/15/2014	4FE
87612B-AJ-1	Targa Resources Partners 144A-Call 6.3		06/28/2012	J P Morgan Securities		29,963	30,000	30,150			0		0		30,150		(188)	(188)	813	05/15/2017	3FE
644535-AD-8	New Gold Inc 144A-Call 7.000% 04/15/20	A	04/03/2012	RBC Capital Markets		10,225	10,000	10,000			0		0		10,000		225	225	8	04/15/2020	4FE
002447-AA-8	Awac Aviation Capital Lt 144A-Call 7.0	R	04/15/2012	Redemption 100.0000		3,600	3,600	3,623	3,619		(19)		(19)		3,600			0	125	10/15/2016	3FE
256853-AA-0	Dolphin Energy LTD 144A-NC 5.888% 06/1	R	06/15/2012	Redemption 100.0000		21,250	21,250	21,303	21,292		(42)		(42)		21,250			0	626	06/15/2019	1FE
<b>3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)</b>						1,232,266	1,186,595	1,215,306	627,673	0	4,989	0	4,989	0	1,219,171	0	13,095	13,095	44,489	XXX	XXX
<b>8399997 - Subtotals - Bonds - Part 4</b>						8,691,954	8,613,123	8,741,370	8,093,276	0	(58,903)	0	(58,903)	0	8,668,942	0	23,013	23,013	213,175	XXX	XXX
<b>8399999 - Subtotals - Bonds</b>						8,691,954	8,613,123	8,741,370	8,093,276	0	(58,903)	0	(58,903)	0	8,668,942	0	23,013	23,013	213,175	XXX	XXX
<b>9999999 Totals</b>						8,691,954	XXX	8,741,370	8,093,276	0	(58,903)	0	(58,903)	0	8,668,942	0	23,013	23,013	213,175	XXX	XXX

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

E05.3

Schedule DB - Part A - Section 1

**NONE**

Schedule DB - Part B - Section 1

**NONE**

Schedule DB - Part D

**NONE**







STATEMENT AS OF JUNE 30, 2012 OF THE GRANGE LIFE INSURANCE COMPANY

**SCHEDULE E - PART 2 - CASH EQUIVALENTS**

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
<b>NONE</b>							
8699999 Total Cash Equivalents					0	0	0

E12