



QUARTERLY STATEMENT

AS OF JUNE 30, 2013
OF THE CONDITION AND AFFAIRS OF THE

GRANGE INSURANCE COMPANY OF MICHIGAN

NAIC Group Code	00267	(Current Period)	00267	(Prior Period)	NAIC Company Code	11136	Employer's ID Number	31-1769414
Organized under the Laws of	Ohio				State of Domicile or Port of Entry	Ohio		
Country of Domicile	United States							
Incorporated/Organized	04/23/2001				Commenced Business	07/26/2001		
Statutory Home Office	671 South High Street				Columbus, OH, US 43206-1014			
	(Street and Number)				(City or Town, State, Country and Zip Code)			
Main Administrative Office	671 South High Street				Columbus, OH, US 43206-1014		614-445-2900	
	(Street and Number)				(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Mail Address	671 South High Street, P.O. Box 1218				Columbus, OH, US 43216-1218			
	(Street and Number or P.O. Box)				(City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	671 South High Street				Columbus, OH, US 43206-1014		614-445-2900	
	(Street and Number)				(City or Town, State, Country 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)			
	ackermannnd@grangeinsurance.com				614-449-3757			
	(E-mail Address)				(Fax Number)			

OFFICERS

Name	Title	Name	Title
THOMAS HOWARD WELCH	PRESIDENT & CEO	LAVAWN DEE COLEMAN	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	THOMAS HOWARD WELCH	DAVID CHARLES WETMORE

State ofOhio.....

County ofFranklin.....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	LAVAWN DEE COLEMAN VP & SECRETARY	JOHN PAUL MCCAFFREY VP & CFO
Subscribed and sworn to before me this 9th day of August, 2013		a. Is this an original filing? Yes [X] No []
Teresa J. Burchwell, Notary Public April 28, 2017		b. If no: 1. State the amendment number 2. Date filed 3. Number of pages attached

STATEMENT AS OF JUNE 30, 2013 OF THE GRANGE INSURANCE COMPANY OF MICHIGAN

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1	2	3	
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	49,815,910		49,815,910	48,580,823
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks			0	0
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$0), cash equivalents (\$0) and short-term investments (\$1,034,802)	1,034,802		1,034,802	539,951
6. Contract loans (including \$ premium notes)			0	0
7. Derivatives			0	0
8. Other invested assets	0		0	0
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	50,850,712	0	50,850,712	49,120,774
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	495,893		495,893	457,286
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	5,758,410	41,758	5,716,652	4,876,168
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$2,368 earned but unbilled premiums)	2,408	40	2,368	(5,584)
15.3 Accrued retrospective premiums			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	2,554,200		2,554,200	1,558,812
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset	1,020,043		1,020,043	958,093
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software			0	0
21. Furniture and equipment, including health care delivery assets (\$)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	453,013		453,013	1,542,220
24. Health care (\$) and other amounts receivable			0	0
25. Aggregate write-ins for other than invested assets	13,774	0	13,774	13,110
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	61,148,453	41,798	61,106,655	58,520,879
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	61,148,453	41,798	61,106,655	58,520,879
DETAILS OF WRITE-INS				
1101.			0	0
1102.			0	0
1103.			0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Equities in Pools	13,774		13,774	13,110
2502.			0	0
2503.			0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	13,774	0	13,774	13,110

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$3,044,973)	9,509,931	9,754,440
2. Reinsurance payable on paid losses and loss adjustment expenses		0
3. Loss adjustment expenses	2,994,557	2,920,368
4. Commissions payable, contingent commissions and other similar charges	260,002	355,306
5. Other expenses (excluding taxes, licenses and fees)	848,395	821,374
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	301,145	318,757
7.1 Current federal and foreign income taxes (including \$17,567 on realized capital gains (losses))	695,818	986,919
7.2 Net deferred tax liability		0
8. Borrowed money \$ and interest thereon \$		0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$41,825,908 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act)	11,304,825	10,355,094
10. Advance premium	492,725	0
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders	18,481	22,491
12. Ceded reinsurance premiums payable (net of ceding commissions)		0
13. Funds held by company under reinsurance treaties		0
14. Amounts withheld or retained by company for account of others		0
15. Remittances and items not allocated		0
16. Provision for reinsurance (including \$ certified)		0
17. Net adjustments in assets and liabilities due to foreign exchange rates		0
18. Drafts outstanding		0
19. Payable to parent, subsidiaries and affiliates		0
20. Derivatives		0
21. Payable for securities	264,170	0
22. Payable for securities lending		0
23. Liability for amounts held under uninsured plans		0
24. Capital notes \$ and interest thereon \$		0
25. Aggregate write-ins for liabilities	0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	26,690,049	25,534,749
27. Protected cell liabilities		0
28. Total liabilities (Lines 26 and 27)	26,690,049	25,534,749
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	1,000,000	1,000,000
31. Preferred capital stock		0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes		0
34. Gross paid in and contributed surplus	9,000,000	9,000,000
35. Unassigned funds (surplus)	24,416,606	22,986,130
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		0
36.2 shares preferred (value included in Line 31 \$)		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	34,416,606	32,986,130
38. Totals (Page 2, Line 28, Col. 3)	61,106,655	58,520,879
DETAILS OF WRITE-INS		
2501.		0
2502.		0
2503.		0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0
2901.		0
2902.		0
2903.		0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201.		0
3202.		0
3203.		0
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

STATEMENT 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 \$ 55,579,732)	52,741,702	51,076,557	103,972,458
1.2 Assumed (written \$ 14,474,043)	13,523,914	12,756,609	25,925,163
1.3 Ceded (written \$ 55,616,949)	52,778,521	51,088,799	104,030,581
1.4 Net (written \$ 14,436,826)	13,487,095	12,744,367	25,867,040
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 6,903,060):			
2.1 Direct	94,239,265	112,954,781	102,146,207
2.2 Assumed	6,941,483	7,795,454	15,044,777
2.3 Ceded	94,252,610	112,963,384	102,184,714
2.4 Net	6,928,138	7,786,851	15,006,270
3. Loss adjustment expenses incurred	1,590,040	1,350,591	2,843,925
4. Other underwriting expenses incurred	4,630,872	4,182,808	8,329,867
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	13,149,050	13,320,250	26,180,062
7. Net income of protected cells		0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	338,045	(575,883)	(313,022)
INVESTMENT INCOME			
9. Net investment income earned	838,653	803,149	1,632,681
10. Net realized capital gains (losses) less capital gains tax of \$ 17,567	32,625	15,550	87,827
11. Net investment gain (loss) (Lines 9 + 10)	871,278	818,699	1,720,508
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 1,467 amount charged off \$ 65,304)	(63,837)	(60,816)	(125,849)
13. Finance and service charges not included in premiums	922,470	1,041,449	2,073,577
14. Aggregate write-ins for miscellaneous income	19,275	11,820	26,420
15. Total other income (Lines 12 through 14)	877,908	992,453	1,974,148
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	2,087,231	1,235,269	3,381,634
17. Dividends to policyholders	33,003	36,439	78,719
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)	2,054,228	1,198,830	3,302,915
19. Federal and foreign income taxes incurred	678,251	384,416	939,627
20. Net income (Line 18 minus Line 19)(to Line 22)	1,375,977	814,414	2,363,288
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	32,986,130	30,631,948	30,631,948
22. Net income (from Line 20)	1,375,977	814,414	2,363,288
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	61,950	53,669	(18,756)
27. Change in nonadmitted assets	(7,451)	2,732	9,650
28. Change in provision for reinsurance	0	0	0
29. Change in surplus notes	0	0	0
30. Surplus (contributed to) withdrawn from protected cells	0	0	0
31. Cumulative effect of changes in accounting principles	0	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)	1,430,476	870,815	2,354,182
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	34,416,606	31,502,763	32,986,130
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.	19,275	11,820	26,420
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)	19,275	11,820	26,420
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
Cash from Operations			
1. Premiums collected net of reinsurance.....	14,073,664	13,030,072	26,168,755
2. Net investment income	1,015,705	969,736	1,943,611
3. Miscellaneous income	877,908	992,453	1,974,148
4. Total (Lines 1 to 3)	15,967,277	14,992,261	30,086,514
5. Benefit and loss related payments	8,168,035	6,829,288	14,031,206
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	6,232,618	5,575,771	10,808,159
8. Dividends paid to policyholders	37,013	36,814	75,570
9. Federal and foreign income taxes paid (recovered) net of \$17,567 tax on capital gains (losses).....	986,919	964,203	964,203
10. Total (Lines 5 through 9)	15,424,584	13,406,076	25,879,138
11. Net cash from operations (Line 4 minus Line 10)	542,692	1,586,185	4,207,376
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	3,630,517	4,536,911	8,803,550
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	264,170	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	3,894,687	4,536,911	8,803,550
13. Cost of investments acquired (long-term only):			
13.1 Bonds	5,031,070	6,585,907	13,486,144
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)	5,031,070	6,585,907	13,486,144
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)	(1,136,383)	(2,048,996)	(4,682,594)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0	0
16.5 Dividends to stockholders	0	0	0
16.6 Other cash provided (applied).....	1,088,541	198,044	58,540
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	1,088,541	198,044	58,540
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	494,850	(264,767)	(416,678)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	539,951	956,629	956,629
19.2 End of period (Line 18 plus Line 19.1)	1,034,802	691,862	539,951

STATEMENT AS OF JUNE 30, 2013 OF THE
GRANGE INSURANCE COMPANY OF MICHIGAN

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNT POLICIES

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

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

NO CHANGE

3. BUSINESS COMBINATIONS AND GOODWILL

NONE

4. DISCONTINUED OPERATIONS

NO CHANGE

5. INVESTMENTS

D. Loan-Backed Securities

- 1) Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities were obtained from Hub Data and Bloomberg. These assumptions are consistent with the current interest rate and economic environment.
- 2) NONE
- 3) NONE
- 4) Impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):
- a.

Aggregate Amount of Unrealized Losses:

1	Less than 12 Months	(85,673)
2	Greater than 12 Months	0

b.

The Aggregate Related Fair Value of Securities with Unrealized Losses:

1	Less than 12 Months	3,964,357
2	Greater than 12 Months	0

5. According to SSAP 43R, loan-backed and structured securities with an unrealized loss position were reviewed according to the pronouncement that became effective on September 30, 2009. The best estimate of future cash flows using the appropriate discount rate was calculated for each affected security, with other-than-temporary impairments realized to the extent that present value was less than amortized cost. Securities with a present value greater than amortized cost were not other-than-temporarily impaired.

E. Repurchase Agreements and/or Securities Lending Transactions

- b) Collateral Received
None

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

NO CHANGE

7. INVESTMENT INCOME

NO CHANGE

8. DERIVATIVE INSTRUMENTS

NONE

9. FEDERAL INCOME TAXES

- A. The components of the net deferred tax assets at June 30, 2013 and December 31, 2012 are as follows:

	March 31, 2013	December 31, 2012
Gross Deferred Tax Assets	\$ 1,122,691	\$ 1,058,480
Gross Deferred Tax Liabilities	102,648	100,387
Net Deferred Tax Asset (Liability)	1,020,043	958,093
Nonadmitted Deferred Tax Assets	-	-
Admitted Deferred Tax Asset	1,020,043	958,093
(Increase) Decrease in Deferred Tax Assets Nonadmitted	\$ -	\$ 8,918

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

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

	June 30, 2013	December 31, 2012
Current Income Tax Expense	\$ 678,251	\$ 939,468
Tax on Capital Gains/(Losses)	17,567	47,292
Prior Year Under Accrual (Over Accrual)	-	159
Federal Income Taxes Incurred	\$ 695,818	\$ 986,919

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

NO CHANGE

11. DEBT

NONE

12. RETIREMENT PLANS, DEFERRED COMPENSATION, AND POSTRETIREMENT BENEFIT PLANS

No Pension, Postretirement or Postemployment and Compensated Absence Benefit Plans

STATEMENT AS OF JUNE 30, 2013 OF THE
GRANGE INSURANCE COMPANY OF MICHIGAN

NOTES TO FINANCIAL STATEMENTS

13. CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUSAI-REORGANIZATIONS
NO CHANGE
14. CONTINGENCIES
NO CHANGE
15. LEASES
NO CHANGE
16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH
CONCENTRATION OF CREDIT RISK.
NONE
17. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

B. Transfer and Servicing of Financial Assets

2. For all servicing assets and servicing liabilities:

b) None

4. For securitizations, asset-backed financing arrangements and similar transfers accounted for as sales when the transferor has continuing involvement (as defined in the Accounting Practices and Procedures Manual) with the transferred financial assets:

a) None

b) None

C. Wash Sales
None
18. GAINS OR LOSS TO THE REPORTING ENTITY FROM UNINSURED A&H PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED
PLANS.
NONE
19. DIRECT PREMIUM WRITTEN / PRODUCED BY MANAGING GENERAL AGENTS / THIRD PARTY ADMINISTRATORS
NONE
20. FAIR VALUE MEASUREMENTS

A.

1. NONE

2. NONE

3. The Company’s policy is to recognize transfers in and out as of the end of the reporting period.

4. As of March 31, 2013, the reported fair value of the entity's investments categorized within Level 2 and Level 3 of the fair value hierarchy are as follows:

According to statutory accounting rules, fixed income securities with a rating of NAIC 1 or 2 are reported at amortized cost. Securities with a rating of NAIC 3 thru 6, or non-investment grade ratings, are measured and reported at the lower of amortized cost or fair value on the statement of financial position. As of March 31, 2013, the Company did not have any bonds rated NAIC 3 thru 6, and therefore did not report any securities at fair value.

B. Not Required

C.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (CV)
Bonds	51,899,729	49,815,910	7,243,816	44,655,914	0	0
Common Stock	0	0	0	0	0	0
Perpetual Preferred	0	0	0	0	0	0
Mortgage Loans	0	0	0	0	0	0
Money Market	1,034,802	1,034,802	1,034,802	0	0	0
Total	52,934,531	50,850,712	8,278,617	44,655,914	0	0

D. NONE
21. OTHER ITEMS
NO CHANGE
22. EVENTS SUBSEQUENT
NO CHANGE
23. REINSURANCE
NO CHANGE
24. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION
NONE

STATEMENT AS OF JUNE 30, 2013 OF THE
GRANGE INSURANCE COMPANY OF MICHIGAN

NOTES TO FINANCIAL STATEMENTS

25. CHANGES IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

Reserves for incurred losses and loss adjustment expenses attributable to insured events of prior years has increased (decreased) by \$(0.159) million from \$20.059 million in 2012 to \$19.900 million in 2013 as a result of re-estimation of unpaid losses and loss adjustment expenses principally on private passenger auto liability and homeowners lines of insurance. This increase (decrease) is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims. Included in this increase (decrease), the Company experienced \$0 million of unfavorable (favorable) prior year loss development on retrospectively rated policies. However, since the business to which it relates is subject to premium adjustments, there was no significant impact on surplus.

LOSSES AND LAE	June 30, 2013	December 31, 2012
BALANCE JANUARY 1	20,058,574	19,166,249
LESS REINSURANCE RECOVERABLES	7,383,766	6,475,547
NET BALANCE JANUARY 1	12,674,808	12,690,702
INCURRED RELATED TO:		
CURRENT YEAR	8,677,243	18,937,369
PRIOR YEAR	(159,065)	(1,087,174)
TOTAL INCURRED	8,518,178	17,850,195
PAID RELATED TO:		
CURRENT YEAR	4,236,226	12,442,333
PRIOR YEAR	4,452,272	5,423,756
TOTAL PAID	8,688,498	17,866,089
NET BALANCE AT DECEMBER 31	12,504,488	12,674,808
PLUS REINSURANCE RECOVERABLES	8,926,438	7,383,766
BALANCE AT DECEMBER 31	21,430,926	20,058,574

26. INTERCOMPANY POOLING AGREEMENTS

NO CHANGE

27. STRUCTURED SETTLEMENTS

NO CHANGE.

28. HEALTH CARE RECEIVABLES

NONE

29. PARTICIPATING POLICIES

NONE

30. PREMIUM DEFICIENCY RESERVES

NO CHANGE

31. HIGH DEDUCTIBLES

NONE

32. DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES OR UNPAID LOSS ADJUSTMENT EXPENSES

NONE

33. ASBESTOS/ENVIRONMENTAL RESERVES

NONE

34. SUBSCRIBER SAVINGS ACCOUNTS

NOT APPLICABLE

35. MULTIPLE PERIL CROP INSURANCE

NONE

36. FINANCIAL GUARANTY INSURANCE

No Financial Guaranty Insurance

37. CATASTROPHIC PLANNING

NO CHANGE

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 ☒
- 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 ☒
- 2.2

If yes, date of change:

01/01/3000
- 3.1

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes ☐ No ☐
- 3.2

If the response to 3.1 is yes, provide a brief description of those changes.
.....
- 4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒
- 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	2	3
Name of Entity	NAIC Company Code	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?
If yes, attach an explanation.

Yes ☐ No ☒ NA ☐
- 6.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2009
- 6.2

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

12/31/2009
- 6.3

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

10/25/2010
- 6.4

By what department or departments?
Ohio.....
- 6.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes ☐ No ☐ NA ☒
- 6.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes ☒ No ☐ NA ☐
- 7.1

Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes ☐ No ☒
- 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 ☒
- 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 ☒
- 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	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	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?
(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.

Yes [X] No []

9.11

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

9.2

Has the code of ethics for senior managers been amended?

Yes [] No [X]

9.21

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

9.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [] No [X]

9.31

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

FINANCIAL

10.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?.....

Yes [X] No []

10.2

If yes, indicate any amounts receivable from parent included in the Page 2 amount:.....\$453,013

INVESTMENT

11.1

Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes [] No [X]

11.2

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

12.

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

13.

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

14.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes [] No [X]

14.2

If yes, please complete the following:

	1	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	\$	\$
14.24 Short-Term Investments	\$	\$
14.25 Mortgage Loans on Real Estate	\$	\$
14.26 All Other	\$	\$
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$0	\$0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$	\$

15.1

Has the reporting entity entered into any hedging transactions reported on Schedule DB?

Yes [] No [X]

15.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

Yes [] No []

If no, attach a description with this statement.

GENERAL INTERROGATORIES

- 16 For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

16.3 Total payable for securities lending reported on the liability page
- \$0

\$0

\$0

17. 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 []

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

1	2
Name of Custodian(s)	Custodian Address
JP Morgan Chase Bank, N.A.....	1111 Polaris Parkway, Columbus, OH 43240.....

- 17.2 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	2	3
Name(s)	Location(s)	Complete Explanation(s)

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?

Yes [] No [X]

- 17.4 If yes, give full and complete information relating thereto:

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

- 17.5 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	2	3
Central Registration Depository	Name(s)	Address

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

Yes [X] No []

- 18.2 If no, list exceptions:
-

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

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

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes [] No [X]

3.2 If yes, give full and complete information thereto.
.....

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

4.2 If yes, complete the following schedule:

			TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
1	2	3	4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Discount Rate	Unpaid Losses	Unpaid LAE	IBNR	TOTAL	Unpaid Losses	Unpaid LAE	IBNR	TOTAL
TOTAL			0	0	0	0	0	0	0	0

5. Operating Percentages:

5.1 A&H loss percent %
5.2 A&H cost containment percent %
5.3 A&H expense percent excluding cost containment expenses %

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

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

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

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

STATEMENT AS OF JUNE 30, 2013 OF THE GRANGE INSURANCE COMPANY OF MICHIGAN

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

[illegible]

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

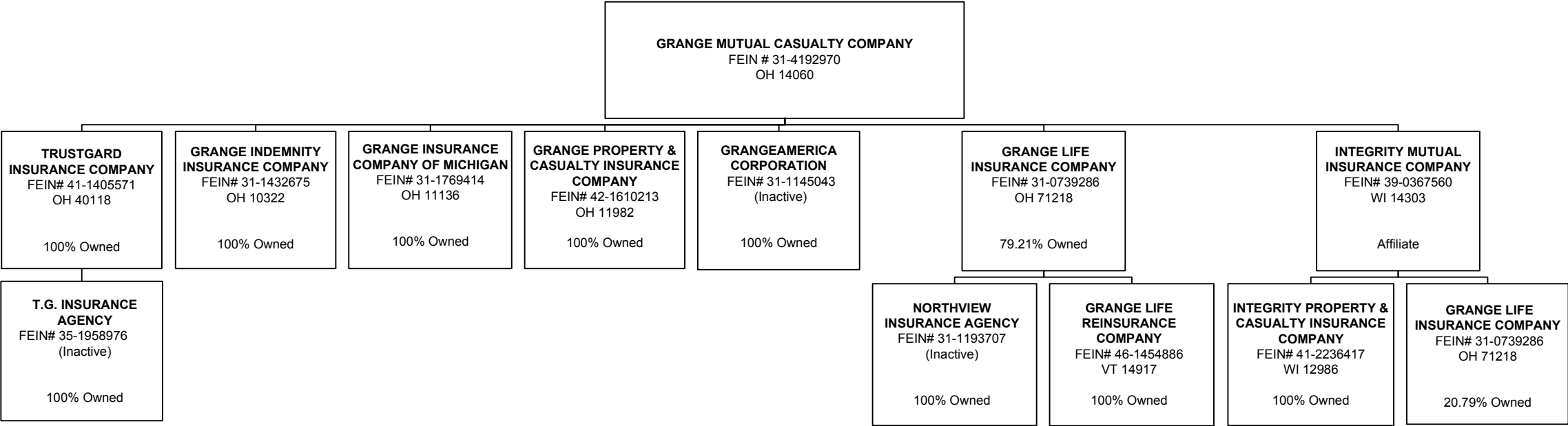
Current Year to Date - Allocated by States and Territories							
States, etc.	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2	3	4	5	6	7
	Active Status	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date
1. Alabama	AL..N		0		0		0
2. Alaska	AK..N		0		0		0
3. Arizona	AZ..N		0		0		0
4. Arkansas	AR..N		0		0		0
5. California	CA..N		0		0		0
6. Colorado	CO..N		0		0		0
7. Connecticut	CT..N		0		0		0
8. Delaware	DE..N		0		0		0
9. Dist. Columbia	DC..N		0		0		0
10. Florida	FL..N		0		0		0
11. Georgia	GA..N		0		0		0
12. Hawaii	HI..N		0		0		0
13. Idaho	ID..N		0		0		0
14. Illinois	IL..N		0		0		0
15. Indiana	IN..N		0		0		0
16. Iowa	IA..N		0		0		0
17. Kansas	KS..N		0		0		0
18. Kentucky	KY..N		0		0		0
19. Louisiana	LA..N		0		0		0
20. Maine	ME..N		0		0		0
21. Maryland	MD..N		0		0		0
22. Massachusetts	MA..N		0		0		0
23. Michigan	MI..L	55,579,732	52,646,993	31,410,002	28,057,803	356,453,293	330,713,295
24. Minnesota	MN..N		0		0		0
25. Mississippi	MS..N		0		0		0
26. Missouri	MO..N		0		0		0
27. Montana	MT..N		0		0		0
28. Nebraska	NE..N		0		0		0
29. Nevada	NV..N		0		0		0
30. New Hampshire	NH..N		0		0		0
31. New Jersey	NJ..N		0		0		0
32. New Mexico	NM..N		0		0		0
33. New York	NY..N		0		0		0
34. No. Carolina	NC..N		0		0		0
35. No. Dakota	ND..N		0		0		0
36. Ohio	OH..L		0		0		0
37. Oklahoma	OK..N		0		0		0
38. Oregon	OR..N		0		0		0
39. Pennsylvania	PA..N		0		0		0
40. Rhode Island	RI..N		0		0		0
41. So. Carolina	SC..N		0		0		0
42. So. Dakota	SD..N		0		0		0
43. Tennessee	TN..N		0		0		0
44. Texas	TX..N		0		0		0
45. Utah	UT..N		0		0		0
46. Vermont	VT..N		0		0		0
47. Virginia	VA..N		0		0		0
48. Washington	WA..N		0		0		0
49. West Virginia	WV..N		0		0		0
50. Wisconsin	WI..N		0		0		0
51. Wyoming	WY..N		0		0		0
52. American Samoa	AS..N		0		0		0
53. Guam	GU..N		0		0		0
54. Puerto Rico	PR..N		0		0		0
55. U.S. Virgin Islands	VI..N		0		0		0
56. Northern Mariana Islands	MP..N		0		0		0
57. Canada	CAN..N		0		0		0
58. Aggregate Other Alien	OT..XXX	0	0	0	0	0	0
59. Totals	(a) 2	55,579,732	52,646,993	31,410,002	28,057,803	356,453,293	330,713,295
DETAILS OF WRITE-INS							
58001.	XXX						
58002.	XXX						
58003.	XXX						
58998. Summary of remaining write-ins for Line 58 from overflow page.	XXX	0	0	0	0	0	0
58999. TOTALS (Lines 58001 through 58003 plus 58998) (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.

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

PART 1 – ORGANIZATIONAL CHART



12

12

1212

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	387,735	43,685	11.3	69.5
2.	Allied lines	233,847	2,074	0.9	49.2
3.	Farmowners multiple peril	205,825	11,142	5.4	20.2
4.	Homeowners multiple peril	13,153,060	10,510,426	79.9	55.9
5.	Commercial multiple peril	4,190,703	6,307,459	150.5	58.8
6.	Mortgage guaranty			0.0	0.0
8.	Ocean marine			0.0	0.0
9.	Inland marine	340,837	185,974	54.6	50.1
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	3,770		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	964,926	630,497	65.3	62.7
17.1	Other liability occurrence	397,542	20,845	5.2	8.6
17.2	Other liability-claims made	149	23	15.4	18.1
17.3	Excess Workers' Compensation			0.0	0.0
18.1	Products liability-occurrence	56	(86)	(153.6)	34.7
18.2	Products liability-claims made			0.0	0.0
19.1,19.2	Private passenger auto liability	19,100,424	68,827,897	360.3	477.4
19.3,19.4	Commercial auto liability	2,465,662	787,063	31.9	50.7
21.	Auto physical damage	11,296,947	6,912,267	61.2	64.3
22.	Aircraft (all perils)			0.0	0.0
23.	Fidelity			0.0	0.0
24.	Surety			0.0	0.0
26.	Burglary and theft	219	(1)	(0.5)	2.3
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	52,741,702	94,239,265	178.7	221.1
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	188,859	377,916	367,284
2.	Allied lines	113,506	224,003	214,510
3.	Farmowners multiple peril	156,823	216,725	176,629
4.	Homeowners multiple peril	7,082,595	12,679,697	12,216,882
5.	Commercial multiple peril	2,755,372	5,390,059	4,290,219
6.	Mortgage guaranty	0		0
8.	Ocean marine	0		0
9.	Inland marine	188,189	321,382	345,081
10.	Financial guaranty	0		0
11.1	Medical professional liability-occurrence	0		0
11.2	Medical professional liability-claims made	0		0
12.	Earthquake	1,627	3,139	2,702
13.	Group accident and health	0		0
14.	Credit accident and health	0		0
15.	Other accident and health	0		0
16.	Workers' compensation	336,112	913,681	1,229,922
17.1	Other liability occurrence	196,603	429,944	442,160
17.2	Other liability-claims made	0		0
17.3	Excess Workers' Compensation	0		0
18.1	Products liability-occurrence	5	(190)	(297)
18.2	Products liability-claims made	0		0
19.1,19.2	Private passenger auto liability	9,877,377	19,010,705	19,865,072
19.3,19.4	Commercial auto liability	2,106,171	3,919,161	2,008,995
21.	Auto physical damage	6,292,949	12,093,410	11,487,734
22.	Aircraft (all perils)	0		0
23.	Fidelity	0		0
24.	Surety	0		0
26.	Burglary and theft	100	100	100
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	29,296,288	55,579,732	52,646,993
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

STATEMENT AS OF JUNE 30, 2013 OF THE GRANGE INSURANCE COMPANY OF MICHIGAN

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2013 Loss and LAE Payments on Claims Reported as of Prior Year-End	2013 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2013 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols.7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2010 + Prior	2,142	1,209	3,352	1,254	144	1,398	1,497	134	322	1,953	609	(610)	(1)
2. 2011	1,564	1,264	2,828	536	51	587	1,169	23	988	2,180	141	(203)	(62)
3. Subtotals 2011 + prior	3,706	2,474	6,180	1,790	195	1,984	2,666	157	1,309	4,133	749	(812)	(63)
4. 2012	2,965	3,530	6,495	1,615	416	2,031	1,797	131	2,440	4,368	447	(544)	(96)
5. Subtotals 2012 + prior	6,671	6,004	12,675	3,404	611	4,015	4,463	288	3,749	8,501	1,197	(1,356)	(159)
6. 2013	XXX	XXX	XXX	XXX	4,673	4,673	XXX	1,878	2,126	4,004	XXX	XXX	XXX
7. Totals	6,671	6,004	12,675	3,404	5,284	8,688	4,463	2,166	5,875	12,504	1,197	(1,356)	(159)
8. Prior Year-End Surplus As Regards Policy-holders	32,986										Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1. 17.9	2. (22.6)	3. (1.3)
											Col. 13, Line 7 Line 8		
											4. (0.5)		

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.

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

Explanation:

- 1.
- 2.
- 3.

Bar Code:

1.



11136201349000002

2.



11136201345500002

3.



11136201336500002

OVERFLOW PAGE FOR WRITE-INS

SCHEDULE A – VERIFICATION

Real Estate

	1	2
	Year To Date	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
2.2 Additional investment made after acquisition .....		.0
3. Current year change in encumbrances .....		.0
4. Total gain (loss) on disposals .....		.0
5. Deduct amounts received on disposals .....		.0
6. Total foreign exchange change in book/adjusted carrying value .....		.0
7. Deduct current year's other than temporary impairment recognized .....		.0
8. Deduct current year's depreciation .....		.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

SCHEDULE B – VERIFICATION

Mortgage Loans

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

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year To Date	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
2.2 Additional investment made after acquisition .....		.0
3. Capitalized deferred interest and other .....		.0
4. Accrual of discount .....		.0
5. Unrealized valuation increase (decrease) .....		.0
6. Total gain (loss) on disposals .....		.0
7. Deduct amounts received on disposals .....		.0
8. Deduct amortization of premium and depreciation .....		.0
9. Total foreign exchange change in book/adjusted carrying value .....		.0
10. Deduct current year's other than temporary impairment recognized .....		.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

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	48,580,823	44,139,395
2. Cost of bonds and stocks acquired	5,031,070	13,486,144
3. Accrual of discount	6,924	45,639
4. Unrealized valuation increase (decrease) .....		.0
5. Total gain (loss) on disposals	50,192	135,119
6. Deduct consideration for bonds and stocks disposed of	3,630,517	8,803,550
7. Deduct amortization of premium	222,583	421,924
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)	49,815,909	48,580,823
11. Deduct total nonadmitted amounts .....	.0	.0
12. Statement value at end of current period (Line 10 minus Line 11)	49,815,909	48,580,823

STATEMENT AS OF JUNE 30, 2013 OF THE GRANGE INSURANCE COMPANY OF MICHIGAN

SCHEDULE D - PART 1B

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

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a).....	44,294,217	2,858,475	2,073,720	606,109	44,294,217	45,685,082	0	43,404,727
2. Class 2 (a).....	5,700,269	200,342	511,265	(223,715)	5,700,269	5,165,631	0	5,716,048
3. Class 3 (a).....	0				0	0	0	0
4. Class 4 (a).....	0				0	0	0	0
5. Class 5 (a).....	0				0	0	0	0
6. Class 6 (a).....	0				0	0	0	0
7. Total Bonds	49,994,486	3,058,817	2,584,985	382,394	49,994,486	50,850,712	0	49,120,775
PREFERRED STOCK								
8. Class 1	0				0	0	0	0
9. Class 2	0				0	0	0	0
10. Class 3	0				0	0	0	0
11. Class 4	0				0	0	0	0
12. Class 5	0				0	0	0	0
13. Class 6	0				0	0	0	0
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	49,994,486	3,058,817	2,584,985	382,394	49,994,486	50,850,712	0	49,120,775

(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 \$1,034,802 ; NAIC 2 \$;
NAIC 3 \$; NAIC 4 \$; NAIC 5 \$; NAIC 6 \$

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	1,034,802	XXX	1,034,802	81	0

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.....	539,950	956,629
2. Cost of short-term investments acquired	842,507	4,520,939
3. Accrual of discount		0
4. Unrealized valuation increase (decrease).....		0
5. Total gain (loss) on disposals		0
6. Deduct consideration received on disposals	347,656	4,937,618
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).....	1,034,801	539,950
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	1,034,801	539,950

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

E04

[illegible]

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

STATEMENT AS OF JUNE 30, 2013 OF THE GRANGE INSURANCE COMPANY OF MICHIGAN

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	F o r e i g n	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)	
Bonds - U.S. Governments																						
38374F-W6-7	GNR 2004-21 PC 5.000% 04/20/33		06/01/2013	Paydown		48,950	48,950	48,293	48,681		270	270		48,950				0	1,026	04/20/2033	1FE	
38378C-RT-6	GNR 2012-13 EG 2.000% 10/20/40		06/01/2013	Paydown		10,957	10,957	11,082	11,052		(95)	(95)		10,957				0	92	10/20/2040	1FE	
38378D-VT-9	GNR 2012-36 MA 3.000% 06/20/39		06/01/2013	Paydown		7,438	7,438	7,916	7,842		(405)	(405)		7,438				0	94	06/20/2039	1FE	
0599999 - Bonds - U.S. Governments						67,345	67,345	67,291	67,575	0	(230)	0	(230)	0	67,345	0	0	0	0	1,211	XXX	XXX
Bonds - U.S. States, Territories and Possessions																						
93974B-GG-1	Washington State Call 5.000% 07/01/24		04/11/2013	Huntington Investment Co.		274,880	250,000	266,633	257,270		(812)		(812)	256,458			18,422	18,422	9,896	07/01/2024	1FE	
1799999 - Bonds - U.S. States, Territories and Possessions						274,880	250,000	266,633	257,270	0	(812)	0	(812)	0	256,458	0	18,422	18,422	9,896	XXX	XXX	
Bonds - U.S. Political Subdivisions of States, Territories and Possessions																						
199491-XS-5	Columbus, OH GO Unltd Call 5.000% 12/1		04/16/2013	Huntington Investment Co.		289,750	250,000	266,805	258,045		(561)		(561)	257,485			32,265	32,265	4,306	12/15/2022	1FE	
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						289,750	250,000	266,805	258,045	0	(561)	0	(561)	0	257,485	0	32,265	32,265	4,306	XXX	XXX	
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																						
3128P7-RY-1	FG C91403 3.500% 03/01/32		06/01/2013	Paydown		23,400	23,400	25,192	25,164		(1,764)	(1,764)		23,400			0	343	03/01/2032	1FE		
31292H-NB-6	FGLMC Pool #C01286 6.000% 01/01/32		06/01/2013	Paydown		1,898	1,898	1,872	1,874		25	25		1,898			0	48	01/01/2032	1FE		
312962-QG-1	FG B10455 5.000% 10/01/18		06/01/2013	Paydown		97,299	97,299	104,353	103,354		(6,055)	(6,055)		97,299			0	2,163	10/01/2018	1FE		
313380-SV-5	FHLB Call 1.000% 08/09/22		05/09/2013	Call	100.0000	500,000	500,000	500,000	500,000		0	0		500,000			0	3,750	08/09/2022	1FE		
313660-KW-0	FNMA Call 2.000% 05/24/32		05/24/2013	Call	100.0000	500,000	500,000	500,000	500,000		0	0		500,000			0	5,000	05/24/2032	1FE		
3137A5-WW-0	FHR 3786 WA 4.000% 12/15/28		06/01/2013	Paydown		68,096	68,096	69,993	68,803		(706)	(706)		68,096			0	1,140	12/15/2028	1FE		
3137AG-CA-6	FHR 3947 BC 2.500% 10/15/26		06/01/2013	Paydown		14,548	14,548	15,046	14,847		(299)	(299)		14,548			0	147	10/15/2026	1FE		
3137AN-JP-1	FHR 4013 WY 3.602% 11/15/40		06/01/2013	Paydown		15,971	15,971	16,420	16,382		(411)	(411)		15,971			0	247	11/15/2040	1FE		
3138M8-CJ-0	FN AP4572 3.000% 09/01/27		06/01/2013	Paydown		16,164	16,164	17,255	17,238		(1,074)	(1,074)		16,164			0	202	09/01/2027	1FE		
31392E-SX-9	FNR 2002-59 B 5.500% 09/25/17		06/01/2013	Paydown		4,737	4,737	4,821	4,744		(7)	(7)		4,737			0	107	09/25/2017	1FE		
31392W-UQ-1	FHR 2510 NM 5.000% 03/15/32		06/01/2013	Paydown		9,623	9,623	9,853	9,623		0	0		9,623			0	199	03/15/2032	1FE		
31393A-GG-6	FNR 2003-28 GA 4.000% 10/25/32		06/01/2013	Paydown		1,970	1,970	1,959	1,964		.6	.6		1,970			0	32	10/25/2032	1FE		
31394L-PM-8	FHR 2698 BA 5.000% 11/15/32		06/01/2013	Paydown		2,440	2,440	2,434	2,435		.5	.5		2,440			0	53	11/15/2032	1FE		
31397S-ZF-4	FNR 2011-42 VA 4.500% 06/25/22		06/01/2013	Paydown		4,808	4,808	5,089	4,854		(46)	(46)		4,808			0	90	06/25/2022	1FE		
31398S-SG-9	FNR 2010-136 BA 3.500% 12/25/30		06/01/2013	Paydown		14,677	14,677	15,194	15,017		(341)	(341)		14,677			0	212	12/25/2030	1FE		
31403D-GZ-6	FNMA Pool 745516 5.500% 05/01/36		06/01/2013	Paydown		6,261	6,261	6,253	6,253		.8	.8		6,261			0	144	05/01/2036	1FE		
31418A-KN-7	FN MA1200 3.000% 10/01/32		06/01/2013	Paydown		14,458	14,458	15,384	15,372		(915)	(915)		14,458			0	185	10/01/2032	1FE		
31419F-EB-8	FN AE4629 4.000% 10/01/40		06/01/2013	Paydown		47,346	47,346	49,654	49,609		(2,264)	(2,264)		47,346			0	725	10/01/2040	1FE		
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						1,343,695	1,343,695	1,360,772	1,357,532	0	(13,837)	0	(13,837)	0	1,343,695	0	0	0	14,787	XXX	XXX	
Bonds - Industrial and Miscellaneous (Unaffiliated)																						
055630-AA-8	Bank of New York 144A - Callable 7.780% 06/14/2013		06/14/2013	Call	101.5560	507,780	500,000	525,000	518,965		(11,185)	(11,185)		507,780			0	20,855	12/01/2026	2FE		
126650-BQ-2	CVS Corp. PT-NC 6.943% 01/10/30		06/10/2013	Redemption	100.0000	3,485	3,485	3,555	3,546		(61)	(61)		3,485			0	101	12/10/2029	2FE		
26854P-AA-4	EJM Airport LLC NC 6.271% 05/15/20		05/15/2013	Redemption	100.0000	27,826	27,826	30,608	30,010		(2,184)	(2,184)		27,826			0	872	05/15/2020	1		

SCHEDULE D - PART 4

[illegible]

E05.1

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

Schedule DB - Part D - Section 2

NONE

SCHEDULE DL - PART 1
SECURITIES LENDING COLLATERAL ASSETS

9999999 Totals	0	0	xxx
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1. Total activity for the year to date	Fair Value \$	Book/Adjusted Carrying Value	\$
2. Average balance for the year to date	Fair Value \$	Book/Adjusted Carrying Value	\$
3. Reinvested securities lending collateral assets book/adjusted carrying value included in this schedule by NAIC designation:			
NAIC 1 \$	NAIC 2 \$	NAIC 3 \$	NAIC 4 \$
			NAIC 5 \$
			NAIC 6 \$

SCHEDULE DL - PART 2
SECURITIES LENDING COLLATERAL ASSETS

[illegible]

General Interrogatories:

General Interrogatories:			
1. Total activity for the year to date.....	Fair Value \$	Book/Adjusted Carrying Value	\$
2. Average balance for the year to date.....	Fair Value \$	Book/Adjusted Carrying Value	\$

Schedule E - Part 1

NONE

Schedule E - Part 2

NONE



SUPPLEMENT FOR THE QUARTER ENDING JUNE 30, 2013 OF THE GRANGE INSURANCE COMPANY OF MICHIGAN

DIRECTOR AND OFFICER INSURANCE COVERAGE SUPPLEMENT

NAIC Group Code00267

Year To Date For The Period Ended 2013

NAIC Company Code11136

If the reporting entity writes any director and officer (D&O) business, please provide the following:

1. Monoline Policies

1 Direct Written Premium	2 Direct Earned Premium	3 Direct Losses Incurred
\$0	\$149	\$23

2. Commercial Multiple Peril (CMP) Packaged Policies

- 2.1 Does the reporting entity provide D&O liability coverage as part of a CMP packaged policy?

Yes [] No [X]
- 2.2 Can the direct premium earned for D&O liability coverage provided as part of a CMP packaged policy be quantified or estimated?

Yes [] No [X]
- 2.3 If the answer to question 2.2 is yes, provide the quantified or estimated direct premium earned amount for D&O liability coverage in CMP packaged policies

2.31 Amount quantified:

\$

2.32 Amount estimated using reasonable assumptions:

\$
- 2.4 If the answer to question 2.1 is yes, provide direct losses incurred (losses paid plus change in case reserves) for the D&O liability coverage provided in CMP packaged policies.

\$