



QUARTERLY STATEMENT

As of September 30, 2013
of the Condition and Affairs of the

Safe Auto Insurance Company

| | | |
|---|--|--|
| NAIC Group Code..... , (Current Period) (Prior Period) | NAIC Company Code..... 25405 | Employer's ID Number..... 31-1379882 |
| Organized under the Laws of OHIO | State of Domicile or Port of Entry OHIO | Country of Domicile US |
| Incorporated/Organized..... May 28, 1993 | Commenced Business..... August 25, 1993 | |
| Statutory Home Office | 4 Easton Oval..... Columbus OH 43219 (Street and Number) (City or Town, State, Country and Zip Code) | |
| Main Administrative Office | 4 Easton Oval..... Columbus OH (Street and Number) (City or Town, State, Country and Zip Code) | 614-231-0200 (Area Code) (Telephone Number) |
| Mail Address | 4 Easton Oval..... Columbus OH (Street and Number or P. O. Box) (City or Town, State, Country and Zip Code) | |
| Primary Location of Books and Records | 4 Easton Oval..... Columbus OH (Street and Number) (City or Town, State, Country and Zip Code) | 614-231-0200 (Area Code) (Telephone Number) |
| Internet Web Site Address | | |
| Statutory Statement Contact | Melinda Fry (Name) melinda.fry@safeauto.com (E-Mail Address) | 614-944-7701 (Area Code) (Telephone Number) (Extension) 614-559-5357 (Fax Number) |

OFFICERS

| Name | Title | Name | Title |
|------------------|--------------------------------------|----------------------|--------------------------------------|
| 1. Ronald Davies | CEO & President | 2. Mark LeMaster | Secretary & Executive Vice President |
| 3. Greg Sutton | Treasurer & Executive Vice President | 4. Thomas Happensack | Controller & VP |
| OTHER | | | |
| John Kish # | Sr. Vice President | Kristin Watkins | Vice President |
| Evan McKee | Sr. Vice President | Charles Kordes # | Vice President |
| Mike Livermore # | Vice President | | |

DIRECTORS OR TRUSTEES

| | | | |
|---------------|---------------|----------------|-------------|
| Britt Beemer | Charles Bryan | Ari Deshe | Jon Diamond |
| Oded Gur-Arie | Ralph Kaparos | Willy Graves # | |

State of.....
County of.....

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.

| | | |
|---|--|--|
| (Signature) Ronald Davies 1. (Printed Name) CEO & President (Title) | (Signature) Mark LeMaster 2. (Printed Name) Secretary & Executive Vice President (Title) | (Signature) Greg Sutton 3. (Printed Name) Treasurer & Executive Vice President (Title) |
|---|--|--|

| | | |
|--|---|---|
| Subscribed and sworn to before me This _____ day of _____ | a. Is this an original filing? b. If no: 1. State the amendment number 2. Date filed 3. Number of pages attached | Yes [X] No [] _____ _____ _____ |
|--|---|---|

ASSETS

| | Current Statement Date | | | 4 |
|--|------------------------|--------------------|-----------------------------------|--|
| | 1 | 2 | 3 | |
| | Assets | Nonadmitted Assets | Net Admitted Assets (Cols. 1 - 2) | December 31 Prior Year Net Admitted Assets |
| 1. Bonds..... | 199,056,994 | | 199,056,994 | 202,961,839 |
| 2. Stocks: | | | | |
| 2.1 Preferred stocks..... | 127,931 | | 127,931 | |
| 2.2 Common stocks..... | 21,171,210 | | 21,171,210 | 23,000,381 |
| 3. Mortgage loans on real estate: | | | | |
| 3.1 First liens..... | 3,500,000 | | 3,500,000 | 3,500,000 |
| 3.2 Other than first liens..... | | | 0 | |
| 4. Real estate: | | | | |
| 4.1 Properties occupied by the company (less \$.....0 encumbrances)..... | 30,410,047 | | 30,410,047 | 32,409,519 |
| 4.2 Properties held for the production of income (less \$.....0 encumbrances)..... | | | 0 | |
| 4.3 Properties held for sale (less \$.....0 encumbrances)..... | 1,392,265 | | 1,392,265 | |
| 5. Cash (\$.....6,677,275), cash equivalents (\$.....0) and short-term investments (\$.....13,943,507)..... | 20,620,782 | | 20,620,782 | 22,199,004 |
| 6. Contract loans (including \$.....0 premium notes)..... | | | 0 | |
| 7. Derivatives..... | | | 0 | |
| 8. Other invested assets..... | 1,418,278 | | 1,418,278 | 1,418,278 |
| 9. Receivables for securities..... | | | 0 | |
| 10. Securities lending reinvested collateral assets..... | | | 0 | |
| 11. Aggregate write-ins for invested assets..... | 0 | 0 | 0 | 0 |
| 12. Subtotals, cash and invested assets (Lines 1 to 11)..... | 277,697,507 | 0 | 277,697,507 | 285,489,021 |
| 13. Title plants less \$.....0 charged off (for Title insurers only)..... | | | 0 | |
| 14. Investment income due and accrued..... | 1,447,444 | | 1,447,444 | 1,774,732 |
| 15. Premiums and considerations: | | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection..... | 14,021,724 | | 14,021,724 | 14,465,369 |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums)..... | 46,020,976 | | 46,020,976 | 41,965,011 |
| 15.3 Accrued retrospective premiums..... | | | 0 | |
| 16. Reinsurance: | | | | |
| 16.1 Amounts recoverable from reinsurers..... | | | 0 | 34,155 |
| 16.2 Funds held by or deposited with reinsured companies..... | | | 0 | |
| 16.3 Other amounts receivable under reinsurance contracts..... | | | 0 | |
| 17. Amounts receivable relating to uninsured plans..... | | | 0 | |
| 18.1 Current federal and foreign income tax recoverable and interest thereon..... | | | 0 | |
| 18.2 Net deferred tax asset..... | 5,241,964 | | 5,241,964 | 6,579,340 |
| 19. Guaranty funds receivable or on deposit..... | | | 0 | |
| 20. Electronic data processing equipment and software..... | 16,981,168 | 14,638,216 | 2,342,952 | 2,001,319 |
| 21. Furniture and equipment, including health care delivery assets (\$.....0)..... | 1,926,446 | 1,926,446 | 0 | |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates..... | | | 0 | |
| 23. Receivables from parent, subsidiaries and affiliates..... | 7,947,612 | | 7,947,612 | 8,516,196 |
| 24. Health care (\$.....0) and other amounts receivable..... | | | 0 | |
| 25. Aggregate write-ins for other than invested assets..... | 12,518,540 | 1,984,791 | 10,533,749 | 9,172,859 |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25)..... | 383,803,381 | 18,549,453 | 365,253,928 | 369,998,002 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts..... | | | 0 | |
| 28. Total (Lines 26 and 27)..... | 383,803,381 | 18,549,453 | 365,253,928 | 369,998,002 |

DETAILS OF WRITE-INS

| | | | | |
|--|------------|-----------|------------|-----------|
| 1101. | | | 0 | |
| 1102. | | | 0 | |
| 1103. | | | 0 | |
| 1198. Summary of remaining write-ins for Line 11 from overflow page..... | 0 | 0 | 0 | 0 |
| 1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)..... | 0 | 0 | 0 | 0 |
| 2501. Corporate owned life insurance..... | 5,279,054 | | 5,279,054 | 4,295,254 |
| 2502. Deferred compensation life insurance..... | 4,457,314 | | 4,457,314 | 3,780,841 |
| 2503. License/maintenance agreements (prepaid)..... | 2,199,993 | 1,611,743 | 588,250 | 746,594 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page..... | 582,179 | 373,048 | 209,131 | 350,170 |
| 2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)..... | 12,518,540 | 1,984,791 | 10,533,749 | 9,172,859 |

Safe Auto Insurance Company
LIABILITIES, SURPLUS AND OTHER FUNDS

| | 1 Current Statement Date | 2 December 31 Prior Year |
|---|--------------------------------|--------------------------------|
| 1. Losses (current accident year \$.....64,921,885)..... | 108,977,626 | 106,756,999 |
| 2. Reinsurance payable on paid losses and loss adjustment expenses..... | | |
| 3. Loss adjustment expenses..... | 35,178,650 | 36,909,314 |
| 4. Commissions payable, contingent commissions and other similar charges..... | 8,652 | |
| 5. Other expenses (excluding taxes, licenses and fees)..... | 9,559,285 | 7,893,637 |
| 6. Taxes, licenses and fees (excluding federal and foreign income taxes)..... | 3,492,750 | 4,076,138 |
| 7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses))..... | | |
| 7.2 Net deferred tax liability..... | | |
| 8. Borrowed money \$.....150,000 and interest thereon \$.....0..... | 150,000 | 150,000 |
| 9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$.....0 and including warranty reserves of \$.....0 and accrued accident and health experience rating refunds including \$.....0 for medical loss ratio rebate per the Public Health Service Act..... | 76,464,963 | 71,634,871 |
| 10. Advance premium..... | | |
| 11. Dividends declared and unpaid: | | |
| 11.1 Stockholders..... | | 4,000,000 |
| 11.2 Policyholders..... | | |
| 12. Ceded reinsurance premiums payable (net of ceding commissions)..... | | |
| 13. Funds held by company under reinsurance treaties..... | | |
| 14. Amounts withheld or retained by company for account of others..... | | |
| 15. Remittances and items not allocated..... | 9,896 | |
| 16. Provision for reinsurance (including \$.....0 certified)..... | | |
| 17. Net adjustments in assets and liabilities due to foreign exchange rates..... | | |
| 18. Drafts outstanding..... | | |
| 19. Payable to parent, subsidiaries and affiliates..... | 3,753,461 | 6,256,542 |
| 20. Derivatives..... | | |
| 21. Payable for securities..... | 1,199,375 | 6,015,834 |
| 22. Payable for securities lending..... | | |
| 23. Liability for amounts held under uninsured plans..... | | |
| 24. Capital notes \$.....0 and interest thereon \$.....0..... | | |
| 25. Aggregate write-ins for liabilities..... | 2,311,427 | 6,866,813 |
| 26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)..... | 241,106,085 | 250,560,148 |
| 27. Protected cell liabilities..... | | |
| 28. Total liabilities (Lines 26 and 27)..... | 241,106,085 | 250,560,148 |
| 29. Aggregate write-ins for special surplus funds..... | 0 | 0 |
| 30. Common capital stock..... | 2,500,000 | 2,500,000 |
| 31. Preferred capital stock..... | | |
| 32. Aggregate write-ins for other than special surplus funds..... | 0 | 0 |
| 33. Surplus notes..... | | |
| 34. Gross paid in and contributed surplus..... | 55,400,000 | 51,400,000 |
| 35. Unassigned funds (surplus)..... | 66,247,844 | 65,537,854 |
| 36. Less treasury stock, at cost: | | |
| 36.1 .....0.000 shares common (value included in Line 30 \$.....0)..... | | |
| 36.2 .....0.000 shares preferred (value included in Line 31 \$.....0)..... | | |
| 37. Surplus as regards policyholders (Lines 29 to 35, less 36)..... | 124,147,844 | 119,437,854 |
| 38. Totals (Page 2, Line 28, Col. 3)..... | 365,253,929 | 369,998,002 |

| DETAILS OF WRITE-INS | | |
|--|-----------|-----------|
| 2501. Funds set aside for escheatment..... | 1,909,707 | 1,946,468 |
| 2502. Executive deferred compensation payable..... | | 3,824,410 |
| 2503. Self-insured medical plan..... | | 451,373 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page..... | 401,720 | 644,562 |
| 2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)..... | 2,311,427 | 6,866,813 |
| 2901. Additional admitted deferred tax assets..... | | |
| 2902. | | |
| 2903. | | |
| 2998. Summary of remaining write-ins for Line 29 from overflow page..... | 0 | 0 |
| 2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above)..... | 0 | 0 |
| 3201. | | |
| 3202. | | |
| 3203. | | |
| 3298. Summary of remaining write-ins for Line 32 from overflow page..... | 0 | 0 |
| 3299. Totals (Lines 3201 thru 3203 plus 3298) (Line 32 above)..... | 0 | 0 |

Safe Auto Insurance Company
STATEMENT OF INCOME

| | 1 Current Year to Date | 2 Prior Year to Date | 3 Prior Year Ended December 31 |
|--|------------------------------|----------------------------|--------------------------------------|
| UNDERWRITING INCOME | | | |
| 1. Premiums earned: | | | |
| 1.1 Direct..... (written \$.....221,678,481)..... |216,848,390 |214,570,919 |283,964,750 |
| 1.2 Assumed..... (written \$.....0)..... | ..... | ..... | ..... |
| 1.3 Ceded..... (written \$.....60,901)..... |60,901 |139,408 |177,515 |
| 1.4 Net..... (written \$.....221,617,580)..... |216,787,489 |214,431,511 |283,787,235 |
| DEDUCTIONS: | | | |
| 2. Losses incurred (current accident year \$.....143,510,696): | | | |
| 2.1 Direct..... |139,662,769 |138,013,707 |195,119,688 |
| 2.2 Assumed..... | ..... | ..... | ..... |
| 2.3 Ceded..... | ..... | .....1,472,203 |1,438,904 |
| 2.4 Net..... |139,662,769 |136,541,504 |193,680,784 |
| 3. Loss adjustment expenses incurred..... |22,384,568 |28,370,315 |40,950,437 |
| 4. Other underwriting expenses incurred..... |76,357,074 |96,493,732 |123,842,960 |
| 5. Aggregate write-ins for underwriting deductions..... |0 |0 |0 |
| 6. Total underwriting deductions (Lines 2 through 5)..... |238,404,411 |261,405,551 |358,474,181 |
| 7. Net income of protected cells..... | ..... | ..... | ..... |
| 8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)..... |(21,616,922) |(46,974,040) |(74,686,946) |
| INVESTMENT INCOME | | | |
| 9. Net investment income earned..... |5,225,632 |6,284,398 |8,300,531 |
| 10. Net realized capital gains (losses) less capital gains tax of \$.....0..... |37,194 |1,664,188 |2,868,731 |
| 11. Net investment gain (loss) (Lines 9 + 10)..... |5,262,826 |7,948,586 |11,169,262 |
| OTHER INCOME | | | |
| 12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....2,354,265)..... |(2,354,265) |(2,182,642) |(3,010,270) |
| 13. Finance and service charges not included in premiums..... |20,807,188 |21,380,562 |28,479,319 |
| 14. Aggregate write-ins for miscellaneous income..... |2,187,546 |1,813,134 |2,492,352 |
| 15. Total other income (Lines 12 through 14)..... |20,640,469 |21,011,054 |27,961,401 |
| 16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)..... |4,286,373 |(18,014,400) |(35,556,283) |
| 17. Dividends to policyholders..... | ..... | ..... | ..... |
| 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)..... |4,286,373 |(18,014,400) |(35,556,283) |
| 19. Federal and foreign income taxes incurred..... | ..... | .....(7,372,302) |(9,478,265) |
| 20. Net income (Line 18 minus Line 19) (to Line 22)..... |4,286,373 |(10,642,098) |(26,078,018) |
| CAPITAL AND SURPLUS ACCOUNT | | | |
| 21. Surplus as regards policyholders, December 31 prior year..... |119,437,853 |139,569,316 |139,569,322 |
| 22. Net income (from Line 20)..... |4,286,373 |(10,642,098) |(26,078,018) |
| 23. Net transfers (to) from Protected Cell accounts..... | ..... | ..... | ..... |
| 24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0..... |1,293,521 |761,221 |574,454 |
| 25. Change in net unrealized foreign exchange capital gain (loss)..... | ..... | ..... | ..... |
| 26. Change in net deferred income tax..... |(640,864) |525,621 |(4,161,514) |
| 27. Change in nonadmitted assets..... |(4,229,039) |(730,245) |(466,390) |
| 28. Change in provision for reinsurance..... | ..... | ..... | ..... |
| 29. Change in surplus notes..... | ..... | ..... | ..... |
| 30. Surplus (contributed to) withdrawn from protected cells..... | ..... | ..... | ..... |
| 31. Cumulative effect of changes in accounting principles..... | ..... | ..... | ..... |
| 32. Capital changes: | | | |
| 32.1 Paid in..... | ..... | ..... | ..... |
| 32.2 Transferred from surplus (Stock Dividend)..... | ..... | ..... | ..... |
| 32.3 Transferred to surplus..... | ..... | ..... | ..... |
| 33. Surplus adjustments: | | | |
| 33.1 Paid in..... |4,000,000 | ..... | .....10,000,000 |
| 33.2 Transferred to capital (Stock Dividend)..... | ..... | ..... | ..... |
| 33.3 Transferred from capital..... | ..... | ..... | ..... |
| 34. Net remittances from or (to) Home Office..... | ..... | ..... | ..... |
| 35. Dividends to stockholders..... | ..... | ..... | ..... |
| 36. Change in treasury stock..... | ..... | ..... | ..... |
| 37. Aggregate write-ins for gains and losses in surplus..... |0 |0 |0 |
| 38. Change in surplus as regards policyholders (Lines 22 through 37)..... |4,709,991 |(10,085,501) |(20,131,468) |
| 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)..... |124,147,844 |129,483,815 |119,437,853 |
| DETAILS OF WRITE-INS | | | |
| 0501. .... | ..... | ..... | ..... |
| 0502. .... | ..... | ..... | ..... |
| 0503. .... | ..... | ..... | ..... |
| 0598. Summary of remaining write-ins for Line 5 from overflow page..... |0 |0 |0 |
| 0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)..... |0 |0 |0 |
| 1401. Miscellaneous income..... |2,187,546 |1,813,134 |2,492,352 |
| 1402. .... | ..... | ..... | ..... |
| 1403. .... | ..... | ..... | ..... |
| 1498. Summary of remaining write-ins for Line 14 from overflow page..... |0 |0 |0 |
| 1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)..... |2,187,546 |1,813,134 |2,492,352 |
| 3701. Additional admitted deferred tax assets..... | ..... | ..... | ..... |
| 3702. Reclassification of additional admitted deferred tax assets to special surplus funds..... | ..... | ..... | ..... |
| 3703. .... | ..... | ..... | ..... |
| 3798. Summary of remaining write-ins for Line 37 from overflow page..... |0 |0 |0 |
| 3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above)..... |0 |0 |0 |

Safe Auto Insurance Company
CASH FLOW

| | 1 Current Year to Date | 2 Prior Year To Date | 3 Prior Year Ended December 31 |
|---|------------------------------|----------------------------|--------------------------------------|
| CASH FROM OPERATIONS | | | |
| 1. Premiums collected net of reinsurance..... | 218,005,261 | 214,877,080 | 282,819,274 |
| 2. Net investment income..... | 7,266,979 | 8,196,968 | 10,802,494 |
| 3. Miscellaneous income..... | 20,640,469 | 21,011,054 | 27,961,401 |
| 4. Total (Lines 1 through 3)..... | 245,912,709 | 244,085,102 | 321,583,169 |
| 5. Benefit and loss related payments..... | 137,407,987 | 139,781,777 | 184,658,731 |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts..... | | | |
| 7. Commissions, expenses paid and aggregate write-ins for deductions..... | 99,381,394 | 126,526,990 | 163,192,176 |
| 8. Dividends paid to policyholders..... | | | |
| 9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)..... | | (6,911,328) | (8,403,858) |
| 10. Total (Lines 5 through 9)..... | 236,789,381 | 259,397,439 | 339,447,049 |
| 11. Net cash from operations (Line 4 minus Line 10)..... | 9,123,328 | (15,312,338) | (17,863,880) |
| CASH FROM INVESTMENTS | | | |
| 12. Proceeds from investments sold, matured or repaid: | | | |
| 12.1 Bonds..... | 78,512,076 | 80,853,007 | 131,521,242 |
| 12.2 Stocks..... | 5,691,140 | 369,347 | 369,347 |
| 12.3 Mortgage loans..... | | | |
| 12.4 Real estate..... | | | |
| 12.5 Other invested assets..... | | | |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments..... | | | 89 |
| 12.7 Miscellaneous proceeds..... | | 3,596,656 | 7,516,032 |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7)..... | 84,203,216 | 84,819,010 | 139,406,710 |
| 13. Cost of investments acquired (long-term only): | | | |
| 13.1 Bonds..... | 75,577,405 | 60,203,911 | 101,718,733 |
| 13.2 Stocks..... | 2,099,345 | 598,662 | 687,289 |
| 13.3 Mortgage loans..... | | 165,489 | 165,489 |
| 13.4 Real estate..... | | | 15,120 |
| 13.5 Other invested assets..... | | | |
| 13.6 Miscellaneous applications..... | 4,816,459 | | |
| 13.7 Total investments acquired (Lines 13.1 to 13.6)..... | 82,493,209 | 60,968,062 | 102,586,631 |
| 14. Net increase (decrease) in contract loans and premium notes..... | | | |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)..... | 1,710,007 | 23,850,948 | 36,820,079 |
| CASH FROM FINANCING AND MISCELLANEOUS SOURCES | | | |
| 16. Cash provided (applied): | | | |
| 16.1 Surplus notes, capital notes..... | | | |
| 16.2 Capital and paid in surplus, less treasury stock..... | 4,000,000 | | 10,000,000 |
| 16.3 Borrowed funds..... | | | |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities..... | | | |
| 16.5 Dividends to stockholders..... | 4,000,000 | 20,000,000 | 30,000,000 |
| 16.6 Other cash provided (applied)..... | (12,411,561) | 2,008,311 | (887,742) |
| 17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)..... | (12,411,561) | (17,991,689) | (20,887,742) |
| RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS | | | |
| 18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)..... | (1,578,226) | (9,453,079) | (1,931,543) |
| 19. Cash, cash equivalents and short-term investments: | | | |
| 19.1 Beginning of year..... | 22,199,008 | 24,130,552 | 24,130,552 |
| 19.2 End of period (Line 18 plus Line 19.1)..... | 20,620,783 | 14,677,473 | 22,199,008 |

Note: Supplemental disclosures of cash flow information for non-cash transactions:

| | | | |
|---------------|-------|-------|-------|
| 20.0001 | | | |
|---------------|-------|-------|-------|

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Practices

1. The accompanying financial statements of Safe Auto Insurance Company ("the Company") have been prepared on the basis of accounting practices prescribed or permitted by the Insurance Department of the State of Ohio. The Insurance Department of the State of Ohio recognizes only statutory accounting practices prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company, and for determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures manual (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Ohio.

| | September 30, 2013 | September 30, 2012 |
|----------------------------------|-----------------------|------------------------|
| (1) Net income Ohio basis | 4,286,373 | (10,642,098) |
| (2) State prescribed practices | 0 | 0 |
| (3) State permitted practices | 0 | 0 |
| (4) Net income, NAIC SAP | <u>\$ 4,286,373</u> | <u>\$ (10,642,098)</u> |
| (5) Statutory surplus Ohio basis | 124,147,844 | 129,483,815 |
| (6) State prescribed practices | 0 | 0 |
| (7) State permitted practices | 0 | 0 |
| (8) Statutory surplus, NAIC SAP | <u>\$ 124,147,844</u> | <u>\$ 129,483,815</u> |

There have been no significant changes in accounting policies.

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

The Company did not have any material changes in accounting principles and/or corrections of errors.

3. BUSINESS COMBINATIONS AND GOODWILL

No change

4. DISCONTINUED OPERATIONS

No change

5. INVESTMENTS

A. Mortgage Loans

1. The Company carried one commercial mortgage loan with a current interest rate of 9.0% at September 30, 2013. The mortgage balance due as of September 30, 2013 is \$3,500,000. This commercial mortgage loan was paid in full on October 18, 2013.
2. The Company did not reduce interest rates on any outstanding loans during the current year.
3. The maximum percentage of any one loan to the value of collateral at the time of the loan was 56%.
4. The Company did not hold mortgages with interest 180 days or more past due.
5. There were no taxes, assessments or any amounts advanced and not included in the mortgage loan.
- 6-12. There were no impaired mortgage loans.

B. Debt Restructuring

1. None

C. Reverse Mortgages

1. None

D. Loan-Backed Securities

1. Prepayment assumptions for mortgage-backed securities, collateralized mortgage obligations and other structured securities were generated using a purchased prepayment model. The prepayment model uses a number of factors to estimate prepayment activity including the time of year (seasonality), current levels of interest rates (refinancing incentive), economic activity (including housing turnover) and term and age of the underlying collateral (burnout, seasoning). On an ongoing basis, we monitor the rate of prepayment and calibrate the model to reflect actual experience, market factors, and viewpoint.

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NOTES TO FINANCIAL STATEMENTS

2. All loan backed securities with a 2013 recognized OTTI, disclosed in the aggregate, classified on the basis for the OTTI, are as follows:

| | Amortized Cost Basis Before Other-than- Temporary Impairment | Other-than-Temporary Impairment Recognized in Loss | Fair Value |
|--|--|--|--------------|
| OTTI recognized 1st quarter | | | |
| Intent to sell | \$ - | \$ - | \$ - |
| Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis | - | - | - |
| Total 1st quarter | - | - | - |
| OTTI recognized 2nd quarter | | | |
| Intent to sell | \$ 2,870,647 | \$ 97,125 | \$ 2,773,523 |
| Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis | - | - | - |
| Total 2nd quarter | 2,870,647 | 97,125 | 2,773,523 |
| OTTI recognized 3rd quarter | | | |
| Intent to sell | \$ - | \$ - | \$ - |
| Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis | - | - | - |
| Total 3rd quarter | - | - | - |

3. None

4. Unrealized Loss greater than and less than 12 months:

| | Unrealized Losses Less Than 12 Months | | Unrealized Losses Greater Than 12 Months | | Total | |
|--|--|----------------------|---|----------------------|---------------|----------------------|
| | Fair Value | Unrealized Losses | Fair Value | Unrealized Losses | Fair Value | Unrealized Losses |
| Other Structured Securities | 2,477,900 | (1,385) | - | - | 2,477,900 | (1,385) |
| Commercial mortgage backed securities | 3,351,530 | (220,815) | - | - | 3,351,530 | (220,815) |
| Residential mortgage backed securities | 20,105,734 | (990,853) | 17,404 | (2,091) | 20,123,138 | (992,944) |
| Total | \$ 25,935,164 | \$ (1,213,053) | \$ 17,404 | \$ (2,091) | \$ 25,952,568 | \$ (1,215,144) |

5. Recommendations for potential impairments are based on periodic analytical reviews and / or client specific OTTI requirements. Analysis relies on actual collateral performance measurements including, but not limited to prepayment rates, default rates, delinquencies and loss severity sourced through third party data providers.

E. Repurchase Agreements

1. None

F. Real Estate

1. No impairment losses on real estate were necessary in 2013 or 2012.
2. None
3. None
4. None
5. None

G. Low Income Housing Tax Credits

1. None

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

No change

7. INVESTMENT INCOME

No change

8. DERIVATIVE INSTRUMENTS

No change

9. INCOME TAXES

No change

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

A. Nature of Relationships

1. The Company is a wholly owned subsidiary of Safe Auto Insurance Group, Inc. (Parent), a privately held company incorporated in Ohio.

B. Detail of Transactions Greater than ½% of Admitted Assets

1. None

NOTES TO FINANCIAL STATEMENTS

2. Safe Auto Group Agency negotiates, manages, and purchases certain advertising for Safe Auto Insurance Company, sells and services certain insurance policies on the behalf of Safe Auto Insurance Company, and is reimbursed 100% by Safe Auto Insurance Company for all costs incurred to provide such services (see Note 10-F).

3. No other transactions exceeding the 1/2% limit occurred in 2013 or 2012.

C. Change in Terms of Intercompany Arrangements

1. None

D. Amounts Due to or From Related Parties

1. The Company had net payables to Safe Auto Group Agency of \$3,747,032 and \$8,081,978 as of September 30, 2013 and 2012, respectively.

2. SAGI Realty Ltd. (SAGI), a subsidiary of SafeAuto Realty, LLC., owns the Company's former headquarters and an adjacent building. The Company also from time to time paid for improvements to certain rental properties and for building operating purposes on behalf of SAGI. The Company had net receivables from SAGI as of September 30, 2013 of \$6,883 with no net receivables as of September 30, 2012.

3. The Company had a net receivable balance from Parent of \$7,933,004 as of September 30, 2013 and a net payable balance to Parent of \$6,185,498 as of September 30, 2012. The Company declared a \$50,000,000 dividend payable to Safe Auto Insurance Group on August 16, 2011. As of September 30, 2013, the dividend has been paid in full.

4. The Company had net receivables from SafeAuto Realty, LLC of \$1,294 and \$0 as of September 30 ,2013 and 2012, respectively.

E. Guarantees or Contingencies for Related Parties

1. None

F. Management, Service Contracts, Cost Sharing Arrangements

1. Safe Auto Insurance Company and Safe Auto Group Agency are parties of an agency contract. Safe Auto Group Agency provides agency services for Safe Auto Insurance Company by employing certain agents, customer service, and related management personnel while also exclusively providing all advertising and marketing efforts. Safe Auto Insurance Company paid Safe Auto Group Agency \$12,189,032 and \$12,830,165 for the third quarter of 2013 and 2012, respectively.

2. In August 2012, the Company and its Parent entered into an agreement whereby Company management provides services to the Parent and its subsidiaries. This agreement was approved by the Ohio Department of Insurance. The Company has paid \$250,000 for these services during the third quarter and \$750,000 for the first nine months of 2013.

3. All such management, service contracts, and cost sharing agreements mentioned are transacted at cost and provide no profit provision to the service provider.

G. Nature of Relationships that Could Affect Operations

1. All outstanding shares of the Company are owned by Parent.

H. Amount Deducted for Investment in Upstream Company

1. None

I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets

1. None

J. Write down for Impairments of Investments in Subsidiary, Controlled or Affiliated Companies

1. None

K. Foreign Subsidiary Valued Using CARVM

1. None

L. Downstream Holding Company Valued Using Look-Through Method

1. None
11. DEBT

No change
12. RETIREMENT PLANS, DEFERRED COMPENSATION, AND POSTEMPLOYMENT BENEFITS

No change
13. CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

No change
14. CONTINGENCIES

A. Contingent Commitments

1. The Company has no commitments or contingent commitments to affiliates or other entities, or has made no guarantees on behalf of affiliates.

2. Not applicable

3. Not applicable

B. Guaranty Fund and Other Assessments

1. The Company is subject to guaranty fund and other assessments by the states in which it writes business. Guaranty fund assessments should be accrued at the time of insolvencies. Other assessments should be accrued either at the time of assessment or in the case of premium based assessments, at the time the premiums were written, or in the case of loss based assessments, at the time the losses are incurred.

2. The Company determined there are no accruals needed at this time. This represents management's best estimate based on information received from the states in which the Company writes business and may change if different information is received from a state.

C. Gain Contingencies

1. The Company does not have any material gain contingencies.
- Q06.2

NOTES TO FINANCIAL STATEMENTS

D. Claims Related Extra Contractual Obligations and Bad Faith Losses Stemming from Lawsuits

The Company is named, from time to time and in the ordinary course of business, as a defendant in legal actions arising principally from claims made under its insurance contracts, including those seeking extra-contractual damages beyond policy limits. These are commonly referred to as extra-contractual or bad faith claims. Such legal actions are considered by the Company in estimating the loss and LAE reserves.

The Company is also, from time to time and in the ordinary course of business, faced with class action lawsuits, regulatory proceedings, and individual lawsuits that are not directly related to its insurance contracts. At the present time, this includes a class action involving the alleged improper charge for certain liability premiums, which the company is vigorously defending. In accordance with applicable accounting principles, reserves are established for those matters as to which the Company has determined it is probable a loss has been incurred and a reasonable estimate of the Company's potential exposure can be established. Likewise, the Company does not establish reserves for those matters where the loss is not probable and/or it currently is unable to estimate the Company's potential exposure. If the liability premiums litigation results in a judgment against, or settlement by, the Company in an amount significantly in excess of the reserve established for that matter, if any, the resulting liability could have a material effect on the Company's financial condition, cash flows, and results of operations.

At this time, the Company does not believe that any other legal action necessitates recognition of losses or disclosure, or that the resolution of such action would have a material adverse effect on the Company's financial position or results of operations.

During the first three quarters of 2013 and 2012, the Company paid \$27,500 and \$782,310, respectively, net of reimbursements on extra contractual or bad faith claims. This related to less than 25 claims in both periods.

The claim count information is disclosed on a "per claim" basis.

15. LEASES

No change

16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISKS

No change

17. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

No change

18. GAIN OR LOSS FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

No change

19. DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS

In the third quarter the Company began a relationship with a single general agent (GA) to write and administer private passenger automobile insurance products in the State of California. The general agent writes direct premiums lower than 5% of policyholder surplus. The terms of the GA contracts give the GA's authority for premium collection (P). The Company retains underwriting authority for all policies issued under this agreement. In the third quarter the Company began a separate agreement with a single third party administrator to handle claims adjustment (CA) and claims payment (C) for handling of the company's State of California business.

20. FAIR VALUE MEASUREMENT

A. Inputs Used for Assets and Liabilities Measured at Fair Value

1. Assets recorded on the financial statements at fair value measurements by accounting hierarchy levels 1, 2 and 3.

The Company has categorized its assets that are measured at fair value into the three-level fair value hierarchy as reflected in the following table. See item 3 below for a discussion of each of these three levels. The Company had no liabilities recorded at fair value.

| Description | Level 1 | Level 2 | Level 3 | Total |
|--|--------------|-------------|---------|---------------|
| States and political subdivisions | \$ - | \$ - | \$ - | \$ - |
| Residential mortgage backed securities | 24,967 | 955,020 | - | 979,987 |
| Commercial mortgage backed securities | - | - | - | - |
| Total fixed maturities | 24,967 | 955,020 | - | 979,987 |
| Preferred Stock | | 129,950 | | 129,950 |
| Common stock | 20,479,692 | 689,500 | - | 21,169,192 |
| Total investments | \$20,504,659 | \$1,774,470 | \$ - | \$ 22,279,129 |

There were no transfers between Level 1 and Level 2 assets during the current period.

2. Roll forward of Level 3 items

There were no transfers in or out of Level 3 securities in 2013.

NOTES TO FINANCIAL STATEMENTS

| | |
|--|--|
| 3. | <p>Policy for Determining Transfers between Levels.</p> <p>The Company's financial assets carried at fair value have been classified, for disclosure purposes, based on a hierarchy defined by ASC 820 <i>Fair Value Measurements and Disclosures</i>. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). An asset's or a liability's classification is based on the lowest level input that is significant to its measurement. For example, a Level 3 fair value measurement may include inputs that are both observable (Levels 1 and 2) and unobservable (Level 3). The levels of the fair value hierarchy are defined as follows:</p> <p>Level 1 – Values are unadjusted quoted prices for identical assets and liabilities in active markets accessible at the measurement date.</p> <p>Level 2 – Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads and yield curves.</p> <p>Level 3 – Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the Company's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.</p> <p>Reclassifications impacting Level 3 financial instruments are reported as transfers in (out) of the Level 3 category as of the beginning of the quarter in which the transfer occurs; gains and losses in income only reflect activity for the period the instrument was classified in Level 3. The same policy is followed when a transfer between Level 1 and Level 2 occurs.</p> |
| 4. | <p>Fair value measurements for fixed income and equity securities are based on values either published by the NAIC's Security Valuation Office (SVO) or from an independent pricing service vendor. Under certain circumstances, if neither an SVO price nor a Vendor price is available, a price may be obtained from a broker. Short term securities and cash equivalents are valued at amortized cost.</p> <p>When published prices from the SVO are not available, the Company relies predominately on independent pricing service vendors that have been evaluated and approved by our investment management company's internal pricing policy committee. Generally, pricing service vendors use a pricing methodology involving the market approach, including pricing models, which use prices and relevant market information regarding a particular security or securities with similar characteristics to establish a valuation.</p> <p>Certain investments are carried at fair value, while others may periodically be carried at fair value based on certain factors such as the NAIC's lower of cost or market rule or an impairment. Assets recorded at fair value are categorized based on an evaluation of the various inputs used to measure the fair value. Supporting documentation received from pricing vendors detailing the inputs, models and processes used in the vendor's evaluation process is used by the Company to determine the appropriate fair value hierarchy. Documentation from each pricing vendor is reviewed and monitored periodically to ensure they are consistent with the Company's pricing policy. Market Information obtained from brokers with respect to security valuations is also considered in the pricing hierarchy.</p> |
| 21. OTHER ITEMS | <p>No change</p> |
| 22. EVENTS SUBSEQUENT | <p>No change</p> |
| 23. REINSURANCE | <p>No change</p> |
| 24. RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDETERMINATION | <p>No change</p> |
| 25. CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES | <p>Current year changes in estimates of the costs of prior year losses and loss adjustment expenses (LAE) affect the current year Statement of Income. Increases in those estimates increase current year expense and are referred to as unfavorable development. Decreases in those estimates decrease current year expense and are referred to as favorable development or prior year reserve redundancies. Current year losses and LAE of \$162,046,825 were lower by \$3,187,891 because of favorable development of prior year estimates. This favorable development was approximately 2.2% of the prior years' reserves for unpaid losses and LAE.</p> <p>The decreases in prior years' estimates are a result of ongoing analysis of recent loss trends. The decrease in estimated losses for prior years of \$3,846,154 is a result of claim frequency and severity being below previously expected levels in the preceding two most recent years. The increase in prior years' estimated LAE of \$658,263 is primarily a result of the impact of higher adjusting costs on A&O expenses.</p> <p>The Company experienced no prior year claim development on retrospectively rated policies because the Company does not issue retrospectively rated policies.</p> |
| 26. INTERCOMPANY POOLING ARRANGEMENTS | <p>No change</p> |
| 27. STRUCTURE SETTLEMENTS | <p>No change</p> |

NOTES TO FINANCIAL STATEMENTS

28. HEALTH CARE RECEIVABLES

No change
29. PARTICIPATING POLICIES

No change
30. PREMIUM DEFICIENCY RESERVES

No change
31. HIGH DEDUCTIBLES

No change
32. DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES OR UNPAID LOSS ADJUSTMENT EXPENSES

No change
33. ASBESTOS/ENVIRONMENTAL RESERVES

No change
34. SUBSCRIBER SAVINGS ACCOUNTS

No change
35. MULTIPLE PERIL CROP INSURANCE

No change

Safe Auto Insurance Company
GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

- 1.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes [☐] No [☒ X]
- 1.2

If yes, has the report been filed with the domiciliary state?

Yes [☐] No [☐]
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [☐] No [☒ X]
- 2.2

If yes, date of change:

.....
- 3.1

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

Yes [☐] No [☒ X]
- 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 [☒ X]
- 4.2

If yes, provide 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?

Yes [☒ X] No [☐] N/A [☐]

If yes, attach an explanation.

In September 2013, the Company entered into a general agent agreement with SCJ to write business in the State of California. A separate agreement was made with DMA Claims Management, Inc. to handle claims on the California business.

- 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).

5/12/2011.....
- 6.4

By what department or departments?

Ohio Department of Insurance

- 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 [☐] N/A [☒ X]
- 6.6

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

Yes [☒ X] No [☐] N/A [☐]
- 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 the 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 |
| | | | | | |

- 9.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes [☒ X] No [☐]

(a)

Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

(b)

Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

(c)

Compliance with applicable governmental laws, rules and regulations;

(d)

The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

(e)

Accountability for adherence to the code.

9.11

If the response to 9.1 is No, please explain:
- 9.2

Has the code of ethics for senior managers been amended?

Yes [☐] No [☒ X]

9.21

If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3

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

Yes [☐] No [☒ X]

9.31

If the response to 9.3 is Yes, provide the nature of any waiver(s).
- PART 1 - 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:

\$.....7,937,096
- Q07

PART 1 - 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:

\$.....1,418,278

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..... | \$0 | \$0 |
| 14.22 Preferred Stock..... | \$0 | \$0 |
| 14.23 Common Stock..... | \$0 | \$0 |
| 14.24 Short-Term Investments..... | \$0 | \$0 |
| 14.25 Mortgage Loans on Real Estate..... | \$0 | \$0 |
| 14.26 All Other..... | \$0 | \$0 |
| 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..... | \$0 | \$0 |

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?
If no, attach a description with this statement.

Yes [☐] No [☒]

16. For the reporting entity's security lending program, state the amount of the following as of current statement date:

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2:

\$.....0

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

\$.....0

16.3 Total payable for securities lending reporting on the liability page:

\$.....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 [☒] 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 |
| US Bank | 425 Walnut Street, 6th Floor, Cincinnati, OH 45202 |
| Merrill Lynch | 65 East State Street, Suite 2600, Columbus, OH 43215 |
| JP Morgan Chase NA | Columbus Trust Office, 100 East Broad Street, Columbus, OH 43271-0192 |
| JP Morgan Chase | 100 N. Broadway, Oklahoma City, OK 73102 |
| Bank of America Corporation | 200 W. Capitol Avenue, FL 6, Little Rock, AR 72201 |
| SunTrust | P.O. Box 26665, Richmond, VA 23261-6665 |
| FHLB of Cincinnati | 221 E. 4th Street, Suite 1000, Cincinnati, OH 45202 |

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 [☒]

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 |
| 105900 | General Re/New England Asset Management | 76 Batterson Park Road, Farmington, CT 06032 |
| 7691 | Merrill Lynch | 65 East State Street, Columbus, OH 43215 |
| 1608684 | JP Morgan Chase | 345 Park Avenue, New York, NY 10154-1002 |

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

Yes [☒] No [☐]

18.2 If no, list exceptions:

Safe Auto Insurance Company

GENERAL INTERROGATORIES (continued)

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?
If yes, attach an explanation.

Yes [] No [] N/A [X]

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?
If yes, attach an explanation.

Yes [] No [X]

3.1

Have any of the reporting entity's primary reinsurance contracts been canceled?

Yes [] No [X]

3.2

If yes, give full and complete information thereto:

4.1

Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see Annual Statement Instructions pertaining to disclosure of discounting for definition of "tabular reserves,") discounted at a rate of interest greater than zero?

Yes [] No [X]

4.2

If yes, complete the following schedule:

| 1 | 2 | 3 | Total Discount | | | | Discount Taken During Period | | | |
|------------------|------------------|--------------|--------------------|-----------------|-----------|------------|------------------------------|-----------------|------------|-------------|
| | Maximum Interest | Disc. Rate | 4 Unpaid Losses | 5 Unpaid LAE | 6 IBNR | 7 Total | 8 Unpaid Losses | 9 Unpaid LAE | 10 IBNR | 11 Total |
| Line of Business | ..... | ..... | ..... | ..... | ..... | .....0 | ..... | ..... | ..... | .....0 |
| Total..... |XXX... |XXX..... |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

0.0 %

0.0 %

0.0 %

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.

0

6.3

Do you act as an administrator for health savings accounts?

Yes [] No [X]

6.4

If yes, please provide the amount of funds administered as of the reporting date.

0

Q08

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

| 1 NAIC Company Code | 2 Federal ID Number | 3 Name of Reinsurer | 4 Domiciliary Jurisdiction | 5 Is Insurer Authorized? (YES or NO) |
|------------------------------|------------------------------|----------------------------|--------------------------------------|---|
|------------------------------|------------------------------|----------------------------|--------------------------------------|---|

NONE

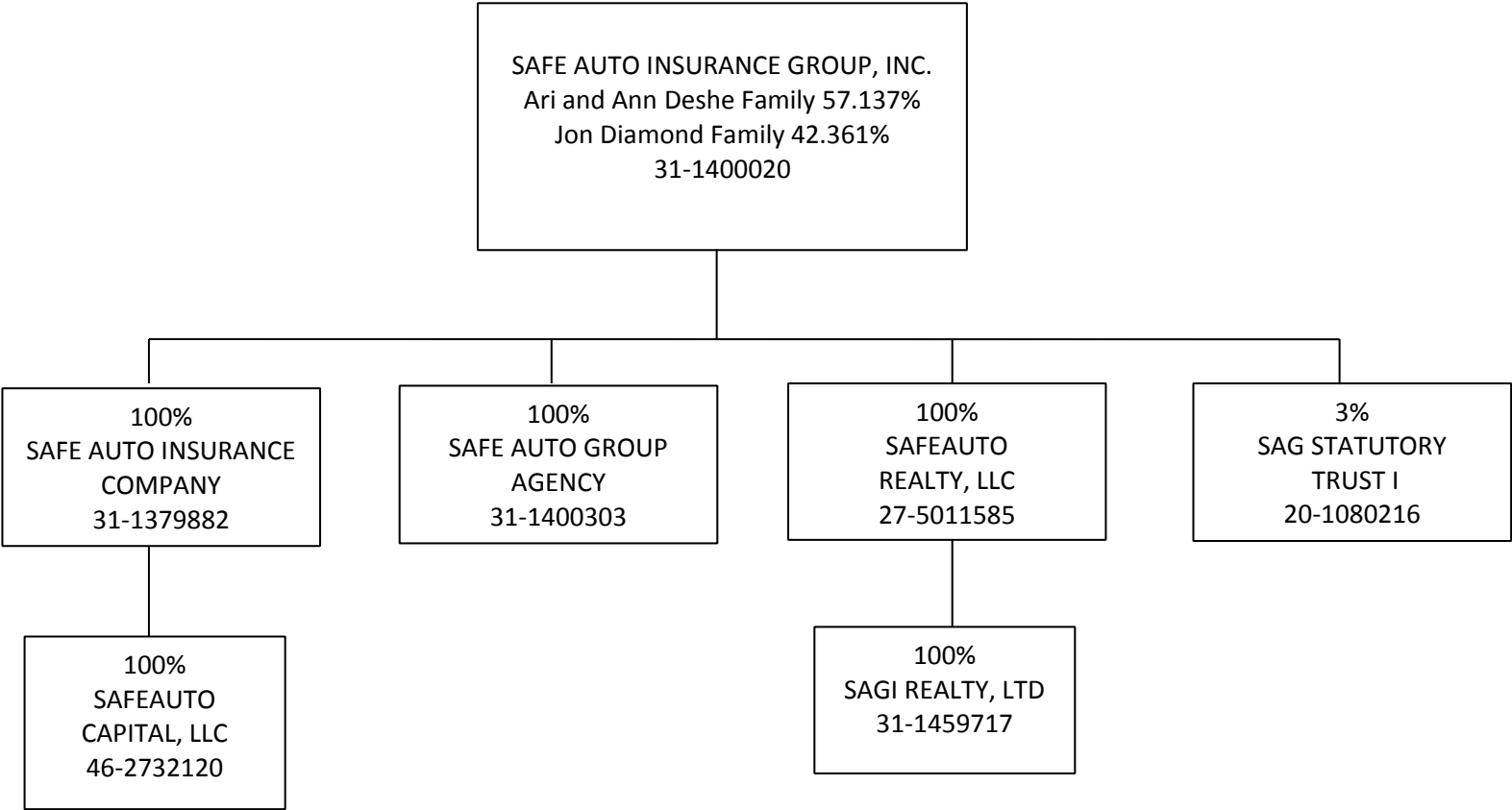
Safe Auto Insurance Company
SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN
Current Year to Date - Allocated by States and Territories

| | | 1 | Direct Premiums Written | | Direct Losses Paid (Deducting Salvage) | | Direct Losses Unpaid | |
|--------------|---------------------------------|---------------|---------------------------|-------------------------|--|-------------------------|---------------------------|-------------------------|
| | | Active Status | 2 Current Year to Date | 3 Prior Year to Date | 4 Current Year to Date | 5 Prior Year to Date | 6 Current Year to Date | 7 Prior Year to Date |
| States, Etc. | | | | | | | | |
| 1. | Alabama.....AL | N | | | | | | |
| 2. | Alaska.....AK | N | | | | | | |
| 3. | Arizona.....AZ | L | 8,432,640 | 7,974,327 | 5,383,857 | 4,412,085 | 4,504,108 | 3,964,240 |
| 4. | Arkansas.....AR | L | | | | | | |
| 5. | California.....CA | L | 70,598 | | | | 8,171 | |
| 6. | Colorado.....CO | L | | | | | | |
| 7. | Connecticut.....CT | N | | | | | | |
| 8. | Delaware.....DE | N | | | | | | |
| 9. | District of Columbia.....DC | N | | | | | | |
| 10. | Florida.....FL | N | | | | | | |
| 11. | Georgia.....GA | L | 15,493,521 | 15,737,163 | 8,835,820 | 10,484,684 | 7,019,367 | 6,416,215 |
| 12. | Hawaii.....HI | N | | | | | | |
| 13. | Idaho.....ID | N | | | | | | |
| 14. | Illinois.....IL | L | 10,004,790 | 10,742,860 | 6,379,203 | 6,929,137 | 5,286,961 | 5,347,631 |
| 15. | Indiana.....IN | L | 18,952,573 | 18,802,110 | 12,554,110 | 12,173,931 | 12,220,595 | 9,029,296 |
| 16. | Iowa.....IA | N | | | | | | |
| 17. | Kansas.....KS | L | 844,066 | 685,375 | 395,123 | 125,380 | 309,784 | 324,681 |
| 18. | Kentucky.....KY | L | 30,408,348 | 27,531,759 | 18,365,147 | 16,828,933 | 15,380,775 | 11,706,992 |
| 19. | Louisiana.....LA | L | 2,600,931 | 2,751,290 | 1,623,352 | 1,805,800 | 912,559 | 1,007,496 |
| 20. | Maine.....ME | N | | | | | | |
| 21. | Maryland.....MD | N | | | | | | |
| 22. | Massachusetts.....MA | N | | | | | | |
| 23. | Michigan.....MI | N | | | | | | |
| 24. | Minnesota.....MN | N | | | | | | |
| 25. | Mississippi.....MS | L | 1,491,362 | 1,447,541 | 1,082,074 | 870,225 | 610,161 | 514,871 |
| 26. | Missouri.....MO | L | 12,216,020 | 14,115,124 | 9,899,851 | 10,336,367 | 7,467,674 | 7,373,477 |
| 27. | Montana.....MT | N | | | | | | |
| 28. | Nebraska.....NE | N | | | | | | |
| 29. | Nevada.....NV | N | | | | | | |
| 30. | New Hampshire.....NH | N | | | | | | |
| 31. | New Jersey.....NJ | N | | | | | | |
| 32. | New Mexico.....NM | N | | | | | | |
| 33. | New York.....NY | N | | | | | | |
| 34. | North Carolina.....NC | N | | | | | | |
| 35. | North Dakota.....ND | N | | | | | | |
| 36. | Ohio.....OH | L | 41,668,110 | 40,227,449 | 23,729,683 | 23,696,128 | 16,196,803 | 13,847,729 |
| 37. | Oklahoma.....OK | L | 5,516,757 | 5,429,906 | 3,836,896 | 4,018,415 | 3,060,406 | 2,489,252 |
| 38. | Oregon.....OR | N | | | | | | |
| 39. | Pennsylvania.....PA | L | 42,514,378 | 41,650,998 | 24,242,279 | 23,348,351 | 19,207,405 | 18,642,739 |
| 40. | Rhode Island.....RI | N | | | | | | |
| 41. | South Carolina.....SC | L | 8,895,714 | 9,746,407 | 6,236,798 | 6,685,117 | 5,812,590 | 5,035,672 |
| 42. | South Dakota.....SD | N | | | | | | |
| 43. | Tennessee.....TN | L | 6,893,303 | 6,861,323 | 3,866,873 | 4,486,567 | 2,997,453 | 2,765,624 |
| 44. | Texas.....TX | L | 13,408,836 | 15,303,795 | 10,029,497 | 11,195,246 | 7,153,082 | 6,183,355 |
| 45. | Utah.....UT | N | | | | | | |
| 46. | Vermont.....VT | N | | | | | | |
| 47. | Virginia.....VA | L | 2,266,534 | 1,479,446 | 983,360 | 457,455 | 829,731 | 502,602 |
| 48. | Washington.....WA | N | | | | | | |
| 49. | West Virginia.....WV | N | | | | | | |
| 50. | Wisconsin.....WI | N | | | | | | |
| 51. | Wyoming.....WY | N | | | | | | |
| 52. | American Samoa.....AS | N | | | | | | |
| 53. | Guam.....GU | N | | | | | | |
| 54. | Puerto Rico.....PR | N | | | | | | |
| 55. | US Virgin Islands.....VI | N | | | | | | |
| 56. | Northern Mariana Islands.....MP | N | | | | | | |
| 57. | Canada.....CAN | N | | | | | | |
| 58. | Aggregate Other Alien.....OT | XXX | 0 | 0 | 0 | 0 | 0 | 0 |
| 59. | Totals..... | (a).....19 | 221,678,481 | 220,486,873 | 137,443,923 | 137,853,821 | 108,977,625 | 95,151,872 |

| 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 thru 58003+ Line 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



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) | Names 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) | * |
| Members | | | | | | | | | | | | | | |
| ..... | Safe Auto Insurance Group, Inc..... | ..... | 31-1400020 | ..... | ..... | ..... | Safe Auto Insurance Group, Inc..... | OH..... | UDP..... | Deshe & Diamond Families..... | Ownership..... | ..... | Deshe Family..... | ..... |
| ..... | Safe Auto Insurance Group, Inc..... | 25405..... | 31-1379882 | ..... | ..... | ..... | Safe Auto Insurance Company..... | OH..... | ..... | Safe Auto Insurance Group, Inc..... | Ownership..... |100.000 | Safe Auto Insurance Group, Inc..... | ..... |
| ..... | Safe Auto Insurance Group, Inc..... | ..... | 31-1400303 | ..... | ..... | ..... | Safe Auto Group Agency..... | OH..... | NIA..... | Safe Auto Insurance Group, Inc..... | Ownership..... |100.000 | Safe Auto Insurance Group, Inc..... | ..... |
| ..... | Safe Auto Insurance Group, Inc..... | ..... | 27-5011585 | ..... | ..... | ..... | SafeAuto Realty LLC..... | OH..... | NIA..... | Safe Auto Insurance Group, Inc..... | Ownership..... |100.000 | Safe Auto Insurance Group, Inc..... | ..... |
| ..... | Safe Auto Insurance Group, Inc..... | ..... | 31-1459717 | ..... | ..... | ..... | SAGI Realty..... | OH..... | NIA..... | SafeAuto Realty LLC..... | Ownership..... |100.000 | SafeAuto Realty LLC..... | ..... |
| ..... | Safe Auto Insurance Group, Inc..... | ..... | 20-1080216 | ..... | ..... | ..... | SAG Statutory Trust..... | OH..... | NIA..... | Safe Auto Insurance Group, Inc..... | Ownership..... |100.000 | Safe Auto Insurance Group, Inc..... | ..... |
| ..... | Safe Auto Insurance Group, Inc..... | ..... | 46-2732120 | ..... | ..... | ..... | SafeAuto Capital LLC..... | OH..... | DS..... | Safe Auto Insurance Company..... | Ownership..... |100.000 | Safe Auto Insurance Group, Inc..... | ..... |

Safe Auto Insurance Company
PART 1 - LOSS EXPERIENCE

| Lines of Business | Current Year to Date | | | 4 Prior Year to Date Direct Loss Percentage |
|--|--------------------------------|--------------------------------|--------------------------------|--|
| | 1 Direct Premiums Earned | 2 Direct Losses Incurred | 3 Direct Loss Percentage | |
| 1. Fire..... | | | 0.0 | |
| 2. Allied lines..... | | | 0.0 | |
| 3. Farmowners multiple peril..... | | | 0.0 | |
| 4. Homeowners multiple peril..... | | | 0.0 | |
| 5. Commercial multiple peril..... | | | 0.0 | |
| 6. Mortgage guaranty..... | | | 0.0 | |
| 8. Ocean marine..... | | | 0.0 | |
| 9. Inland marine..... | | | 0.0 | |
| 10. Financial guaranty..... | | | 0.0 | |
| 11.1. Medical professional liability - occurrence..... | | | 0.0 | |
| 11.2. Medical professional liability - claims-made..... | | | 0.0 | |
| 12. Earthquake..... | | | 0.0 | |
| 13. Group accident and health..... | | | 0.0 | |
| 14. Credit accident and health..... | | | 0.0 | |
| 15. Other accident and health..... | | | 0.0 | |
| 16. Workers' compensation..... | | | 0.0 | |
| 17.1 Other liability-occurrence..... | | | 0.0 | |
| 17.2 Other liability-claims made..... | | | 0.0 | |
| 17.3 Excess workers' compensation..... | | | 0.0 | |
| 18.1 Products liability-occurrence..... | | | 0.0 | |
| 18.2 Products liability-claims made..... | | | 0.0 | |
| 19.1, 19.2 Private passenger auto liability..... | 155,334,892 | 103,260,520 | 66.5 | 65.1 |
| 19.3, 19.4 Commercial auto liability..... | | | 0.0 | |
| 21. Auto physical damage..... | 61,513,499 | 36,402,249 | 59.2 | 62.3 |
| 22. Aircraft (all perils)..... | | | 0.0 | |
| 23. Fidelity..... | | | 0.0 | |
| 24. Surety..... | | | 0.0 | |
| 26. Burglary and theft..... | | | 0.0 | |
| 27. Boiler and machinery..... | | | 0.0 | |
| 28. Credit..... | | | 0.0 | |
| 29. International..... | | | 0.0 | |
| 30. Warranty..... | | | 0.0 | |
| 31. Reinsurance-nonproportional assumed property..... | XXX | XXX | XXX | 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 | |
| 35. Totals..... | 216,848,391 | 139,662,769 | 64.4 | 64.3 |

DETAILS OF WRITE-INS

| | | | | |
|---|---|---|-----|-----|
| 3401..... | | | 0.0 | |
| 3402..... | | | 0.0 | |
| 3403..... | | | 0.0 | |
| 3498. Sum. of remaining write-ins for Line 34 from overflow page..... | 0 | 0 | 0.0 | XXX |
| 3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34)..... | 0 | 0 | 0.0 | |

PART 2 - DIRECT PREMIUMS WRITTEN

| Lines of Business | 1 Current Quarter | 2 Current Year to Date | 3 Prior Year Year to Date |
|--|-------------------------|------------------------------|---------------------------------|
| | | | |
| 1. Fire..... | | | |
| 2. Allied lines..... | | | |
| 3. Farmowners multiple peril..... | | | |
| 4. Homeowners multiple peril..... | | | |
| 5. Commercial multiple peril..... | | | |
| 6. Mortgage guaranty..... | | | |
| 8. Ocean marine..... | | | |
| 9. Inland marine..... | | | |
| 10. Financial guaranty..... | | | |
| 11.1 Medical professional liability - occurrence..... | | | |
| 11.2 Medical professional liability - claims made..... | | | |
| 12. Earthquake..... | | | |
| 13. Group accident and health..... | | | |
| 14. Credit accident and health..... | | | |
| 15. Other accident and health..... | | | |
| 16. Workers' compensation..... | | | |
| 17.1 Other liability-occurrence..... | | | |
| 17.2 Other liability-claims made..... | | | |
| 17.3 Excess workers' compensation..... | | | |
| 18.1 Products liability-occurrence..... | | | |
| 18.2 Products liability-claims made..... | | | |
| 19.1 19.2 Private passenger auto liability..... | 51,325,919 | 158,425,866 | 159,323,468 |
| 19.3 19.4 Commercial auto liability..... | | | |
| 21. Auto physical damage..... | 20,770,816 | 63,252,615 | 61,163,404 |
| 22. Aircraft (all perils)..... | | | |
| 23. Fidelity..... | | | |
| 24. Surety..... | | | |
| 26. Burglary and theft..... | | | |
| 27. Boiler and machinery..... | | | |
| 28. Credit..... | | | |
| 29. International..... | | | |
| 30. Warranty..... | | | |
| 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..... | 72,096,735 | 221,678,481 | 220,486,872 |

DETAILS OF WRITE-INS

| | | | |
|---|---|---|---|
| 3401..... | | | |
| 3402..... | | | |
| 3403..... | | | |
| 3498. Sum. of remaining write-ins for Line 34 from overflow page..... | 0 | 0 | 0 |
| 3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34)..... | 0 | 0 | 0 |

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

Q14

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? | <div>NO</div> |
| 2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement? | <div>NO</div> |
| 3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement? | <div>NO</div> |
| 4. Will the Director and Officer Supplement be filed with the state of domicile and the NAIC with this statement? | <div>YES</div> |

Explanation:

1.
2.
3.
4.

Bar Code:



Safe Auto Insurance Company
Overflow Page for Write-Ins

Additional Write-ins for Assets:

| | Current Statement Date | | | 4 December 31, Prior Year Net Admitted Assets |
|---|------------------------|--------------------------------|--|--|
| | 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | |
| 2504. Prepaid expenses..... | 241,259 | 241,259 | 0 | |
| 2505. Job incentives receivables..... | 180,246 | | 180,246 | 272,772 |
| 2506. Postage receivable..... | 83,080 | 83,080 | 0 | |
| 2507. Miscellaneous receivables..... | 75,081 | 48,709 | 26,372 | 77,398 |
| 2508. Contributions and Withdrawals..... | 2,513 | | 2,513 | |
| 2597. Summary of remaining write-ins for Line 25..... | 582,179 | 373,048 | 209,131 | 350,170 |

Additional Write-ins for Liabilities:

| | 1 Current Statement Date | 2 December 31, Prior Year |
|---|------------------------------------|-------------------------------------|
| 2504. Corporate reserves..... | 401,720 | 525,000 |
| 2505. Declined payment suspense..... | | 10,159 |
| 2506. Payroll related suspense & payables..... | | 106,576 |
| 2507. Miscellaneous liabilities..... | | 2,827 |
| 2597. Summary of remaining write-ins for Line 25..... | 401,720 | 644,562 |

Safe Auto Insurance Company
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..... | 32,409,518 | 33,223,178 |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition..... | | |
| 2.2 Additional investment made after acquisition..... | | 15,120 |
| 3. Current year change in encumbrances..... | | |
| 4. Total gain (loss) on disposals..... | | |
| 5. Deduct amounts received on disposals..... | | |
| 6. Total foreign exchange change in book/adjusted carrying value..... | | |
| 7. Deduct current year's other than temporary impairment recognized..... | | |
| 8. Deduct current year's depreciation..... | 607,206 | 828,781 |
| 9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8)..... | 31,802,312 | 32,409,518 |
| 10. Deduct total nonadmitted amounts..... | | |
| 11. Statement value at end of current period (Line 9 minus Line 10)..... | 31,802,312 | 32,409,518 |

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..... | 3,500,000 | 3,334,511 |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition..... | | |
| 2.2 Additional investment made after acquisition..... | | 165,489 |
| 3. Capitalized deferred interest and other..... | | |
| 4. Accrual of discount..... | | |
| 5. Unrealized valuation increase (decrease)..... | | |
| 6. Total gain (loss) on disposals..... | | |
| 7. Deduct amounts received on disposals..... | | |
| 8. Deduct amortization of premium and mortgage interest points and commitment fees..... | | |
| 9. Total foreign exchange change in book value/recorded investment excluding accrued interest..... | | |
| 10. Deduct current year's other than temporary impairment recognized..... | | |
| 11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)..... | 3,500,000 | 3,500,000 |
| 12. Total valuation allowance..... | | |
| 13. Subtotal (Line 11 plus Line 12)..... | 3,500,000 | 3,500,000 |
| 14. Deduct total nonadmitted amounts..... | | |
| 15. Statement value at end of current period (Line 13 minus Line 14)..... | 3,500,000 | 3,500,000 |

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..... | 1,418,278 | 1,430,000 |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition..... | | |
| 2.2 Additional investment made after acquisition..... | | |
| 3. Capitalized deferred interest and other..... | | |
| 4. Accrual of discount..... | | |
| 5. Unrealized valuation increase (decrease)..... | | (11,722) |
| 6. Total gain (loss) on disposals..... | | |
| 7. Deduct amounts received on disposals..... | | |
| 8. Deduct amortization of premium and depreciation..... | | |
| 9. Total foreign exchange change in book/adjusted carrying value..... | | |
| 10. Deduct current year's other than temporary impairment recognized..... | | |
| 11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)..... | 1,418,278 | 1,418,278 |
| 12. Deduct total nonadmitted amounts..... | | |
| 13. Statement value at end of current period (Line 11 minus Line 12)..... | 1,418,278 | 1,418,278 |

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..... | 225,962,222 | 252,339,758 |
| 2. Cost of bonds and stocks acquired..... | 77,676,751 | 102,406,022 |
| 3. Accrual of discount..... | 37,951 | 66,305 |
| 4. Unrealized valuation increase (decrease)..... | 1,990,034 | 902,976 |
| 5. Total gain (loss) on disposals..... | 413,625 | 3,943,050 |
| 6. Deduct consideration for bonds and stocks disposed of..... | 84,203,210 | 131,890,589 |
| 7. Deduct amortization of premium..... | 1,144,804 | 1,805,300 |
| 8. Total foreign exchange change in book/adjusted carrying value..... | | |
| 9. Deduct current year's other than temporary impairment recognized..... | 376,431 | |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)..... | 220,356,138 | 225,962,222 |
| 11. Deduct total nonadmitted amounts..... | | |
| 12. Statement value at end of current period (Line 10 minus Line 11)..... | 220,356,138 | 225,962,222 |

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 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|--|---|---|---|---|---|--|---|---|
| | Book/Adjusted Carrying Value Beginning of Current Quarter | Acquisitions During Current Quarter | Dispositions During Current Quarter | Non-Trading Activity During Current Quarter | Book/Adjusted Carrying Value End of First Quarter | Book/Adjusted Carrying Value End of Second Quarter | Book/Adjusted Carrying Value End of Third Quarter | Book/Adjusted Carrying Value December 31 Prior Year |
| BONDS | | | | | | | | |
| 1. Class 1 (a)..... | 190,169,256 | 73,625,812 | 69,298,916 | (306,729) | 193,935,983 | 190,169,256 | 194,189,423 | 198,547,549 |
| 2. Class 2 (a)..... | 17,296,047 | 2,916,235 | 1,642,835 | (1,050,618) | 16,299,527 | 17,296,047 | 17,518,829 | 16,560,680 |
| 3. Class 3 (a)..... | 131,080 | | 743 | 967,988 | 144,815 | 131,080 | 1,098,325 | 145,607 |
| 4. Class 4 (a)..... | 203,196 | | | (9,272) | 203,196 | 203,196 | 193,924 | 203,197 |
| 5. Class 5 (a)..... | | | | | | | | |
| 6. Class 6 (a)..... | | | | | | | | |
| 7. Total Bonds..... | 207,799,579 | 76,542,047 | 70,942,494 | (398,631) | 210,583,521 | 207,799,579 | 213,000,501 | 215,457,033 |
| PREFERRED STOCK | | | | | | | | |
| 8. Class 1..... | | | | | | | | |
| 9. Class 2..... | | 127,931 | | 2,019 | | | 129,950 | |
| 10. Class 3..... | | | | | | | | |
| 11. Class 4..... | | | | | | | | |
| 12. Class 5..... | | | | | | | | |
| 13. Class 6..... | | | | | | | | |
| 14. Total Preferred Stock..... | 0 | 127,931 | 0 | 2,019 | 0 | 0 | 129,950 | 0 |
| 15. Total Bonds and Preferred Stock..... | 207,799,579 | 76,669,978 | 70,942,494 | (396,612) | 210,583,521 | 207,799,579 | 213,130,451 | 215,457,033 |

(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 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

Safe Auto Insurance Company

SCHEDULE DA - PART 1

Short-Term Investments

| | 1 Book/Adjusted Carrying Value | 2 Par Value | 3 Actual Cost | 4 Interest Collected Year To Date | 5 Paid for Accrued Interest Year To Date |
|--------------|--------------------------------------|----------------|---------------------|---|--|
| 9199999..... |13,943,507 |XXX..... |13,943,625 |1,473 |970 |

SCHEDULE DA - VERIFICATION

Short-Term Investments

| | 1 Year to Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year..... |7,745,216 |19,876,870 |
| 2. Cost of short-term investments acquired..... |33,385,734 |24,109,257 |
| 3. Accrual of discount..... |58 |2,812 |
| 4. Unrealized valuation increase (decrease)..... | ..... | ..... |
| 5. Total gain (loss) on disposals..... | ..... | .....12 |
| 6. Deduct consideration received on disposals..... |27,187,325 |36,243,735 |
| 7. Deduct amortization of premium..... |176 | ..... |
| 8. Total foreign exchange change in book/adjusted carrying value..... | ..... | ..... |
| 9. Deduct current year's other than temporary impairment recognized..... | ..... | ..... |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)..... |13,943,507 |7,745,216 |
| 11. Deduct total nonadmitted amounts..... | ..... | ..... |
| 12. Statement value at end of current period (Line 10 minus Line 11)..... |13,943,507 |7,745,216 |

Sch. DB-Pt A-Verification
NONE

Sch. DB-Pt B-Verification
NONE

Sch. DB-Pt C-Sn 1
NONE

Sch. DB-Pt C-Sn 2
NONE

Sch. DB-Verification
NONE

Safe Auto Insurance Company

SCHEDULE E- VERIFICATION

Cash Equivalents

| | 1 Year to Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year..... | 4,749,976 | |
| 2. Cost of cash equivalents acquired..... | 26,746,255 | 40,244,039 |
| 3. Accrual of discount..... | 3,764 | 3,274 |
| 4. Unrealized valuation increase (decrease)..... | | |
| 5. Total gain (loss) on disposals..... | | 78 |
| 6. Deduct consideration received on disposals..... | 31,499,995 | 35,497,415 |
| 7. Deduct amortization of premium..... | | |
| 8. Total foreign exchange change in book/ adjusted carrying value..... | | |
| 9. Deduct current year's other than temporary impairment recognized..... | | |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)..... | 0 | 4,749,976 |
| 11. Deduct total nonadmitted amounts..... | | |
| 12. Statement value at end of current period (Line 10 minus Line 11)..... | 0 | 4,749,976 |

Sch. A-Pt 2
NONE

Sch. A-Pt 3
NONE

Sch. B-Pt 2
NONE

Sch. B-Pt 3
NONE

Sch. BA-Pt 2
NONE

Sch. BA-Pt 3
NONE

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) |
| Bonds - U.S. Government | | | | | | | | | | | |
| 912828 VK 3 | UNITED STATES TREASURY NOTE..... | | | | ...07/01/2013 | PNC CAPITAL MARKETS..... | |1,989,537 |2,000,000 |75 | 1..... |
| 0599999. | Total - Bonds - U.S. Government..... | | | | | | |1,989,537 |2,000,000 |75 |XXX..... |
| Bonds - All Other Government | | | | | | | | | | | |
| 46513A F8 8 | ISRAEL STATE OF..... | | | F..... | ...07/01/2013 | DIRECT..... | |700,000 |700,000 | ..... | 1..... |
| 1099999. | Total - Bonds - All Other Government..... | | | | | | |700,000 |700,000 |0 |XXX..... |
| Bonds - U.S. Special Revenue and Special Assessment | | | | | | | | | | | |
| 3128MJ S4 3 | FEDERAL HOME LN MTG CORP #G08538..... | | | | ...08/06/2013 | VARIOUS..... | |5,885,089 |5,837,283 |6,243 | 1FE..... |
| 31307B 6T 2 | FEDERAL HOME LN MTG CORP #J23582..... | | | | ...08/05/2013 | SUNTRUST CAPITAL MARKETS..... | |2,022,835 |1,968,696 |2,133 | 1FE..... |
| 3132GT PH 4 | FEDERAL HOME LN MTG CORP #Q08224..... | | | | ...07/26/2013 | CANTOR FITZGERALD LLC..... | |8,099,516 |8,034,238 |8,592 | 1FE..... |
| 3137A3 RL 5 | FREDDIE MAC -3782 PG..... | | | | ...07/30/2013 | KEY BANC CAPITAL MARKETS..... | |1,268,774 |1,240,476 |78 | 1FE..... |
| 3138X6 A5 4 | FEDERAL NATIONAL MTG ASSOC #AU6327..... | | | | ...08/15/2013 | SUNTRUST CAPITAL MARKETS..... | |2,035,539 |1,991,204 |2,655 | 1FE..... |
| 31397N 5G 6 | FANNIE MAE 09-38 AB..... | | | | ...07/26/2013 | KEY BANC CAPITAL MARKETS..... | |1,823,097 |1,715,856 |5,720 | 1FE..... |
| 3199999. | Total - Bonds - U.S. Special Revenue & Special Assessments..... | | | | | | |21,134,850 |20,787,753 |25,421 |XXX..... |
| Bonds - Industrial and Miscellaneous | | | | | | | | | | | |
| 053635 AA 6 | AVERY POINT CLO LTD 13-2A A..... | | | | ...08/07/2013 | BANK OF AMERICA..... | |1,985,716 |2,000,000 |4,190 | 1FE..... |
| 12549C AA 4 | CIFC 2013-3A A1A..... | | | | ...08/02/2013 | CITIGROUP GLOBAL MARKETS..... | |2,995,860 |3,000,000 | ..... | 1FE..... |
| 14041N DL 2 | CAPITAL ONE MULTI-ASSET EXECUT 07-A2 A2..... | | | | ...07/26/2013 | BARCLAYS CAPITAL..... | |2,477,734 |2,500,000 |301 | 1FE..... |
| 14313N AD 4 | CARMAX AUTO OWNER TRUST 13-3 A4..... | | | | ...07/31/2013 | JP MORGAN SECURITIES INC..... | |1,999,901 |2,000,000 | ..... | 1FE..... |
| 161571 FT 6 | CHASE ISSUANCE TRUST 12-A10 A10..... | | | | ...08/15/2013 | BARCLAYS CAPITAL..... | |1,994,063 |2,000,000 |123 | 1FE..... |
| 191216 AU 4 | COCA-COLA COMPANY..... | | | | ...08/26/2013 | CITIGROUP GLOBAL MARKETS..... | |1,022,760 |1,000,000 |8,900 | 1FE..... |
| 25468P CM 6 | WALT DISNEY COMPANY/THE..... | | | | ...08/26/2013 | WELLS FARGO FINANCIAL..... | |1,009,700 |1,000,000 |488 | 1FE..... |
| 36962G 4T 8 | GENERAL ELEC CAP CORP..... | | | | ...07/23/2013 | PARIBAS CORPORATION..... | |1,026,090 |1,000,000 |4,813 | 1FE..... |
| 459284 AA 3 | COCA-COLA ENTERPRISES..... | | | | ...08/07/2013 | MORGAN STANLEY & CO..... | |768,960 |750,000 |6,508 | 2FE..... |
| 564759 PS 1 | MANUFACTURES & TRADERS BANK..... | | | | ...09/24/2013 | MERRILL LYNCH..... | |206,000 |200,000 |2,761 | 1FE..... |
| 665772 CF 4 | NORTHERN STATES PWR-MINN..... | | | | ...08/26/2013 | WELLS FARGO FINANCIAL..... | |511,580 |500,000 |379 | 1FE..... |
| 713448 CE 6 | PEPSICO INC..... | | | | ...08/26/2013 | HSBC SECURITIES USA INC..... | |992,710 |1,000,000 |58 | 1FE..... |
| 78573A AB 6 | SABMILLER HOLDINGS INC..... | | | | ...08/08/2013 | GOLDMAN SACHS..... | |773,040 |750,000 |1,429 | 2FE..... |
| 811065 AA 9 | SCRIPPS NETWORKS INTERAC..... | | | | ...08/15/2013 | WELLS FARGO FINANCIAL..... | |519,400 |500,000 |2,438 | 2FE..... |
| 887317 AC 9 | TIME WARNER INC..... | | | | ...08/08/2013 | WELLS FARGO FINANCIAL..... | |854,835 |750,000 |10,771 | 2FE..... |
| 78008S VJ 2 | ROYAL BANK OF CANADA..... | | | I..... | ...08/07/2013 | MERRILL LYNCH..... | |500,990 |500,000 |243 | 1FE..... |
| 89352H AH 2 | TRANS-CANADA PIPELINES..... | | | I..... | ...09/30/2013 | KEY BANC CAPITAL MARKETS..... | |994,590 |1,000,000 |1,625 | 1FE..... |
| 3899999. | Total - Bonds - Industrial & Miscellaneous..... | | | | | | |20,633,929 |20,450,000 |45,027 |XXX..... |
| 8399997. | Total - Bonds - Part 3..... | | | | | | |44,458,316 |43,937,753 |70,523 |XXX..... |
| 8399999. | Total - Bonds..... | | | | | | |44,458,316 |43,937,753 |70,523 |XXX..... |
| Preferred Stocks - Industrial and Miscellaneous | | | | | | | | | | | |
| 902973 83 3 | US BANCORP 6.5%..... | | | | ...08/20/2013 | MERRILL LYNCH..... | |5,000,000 |127,931 | ..... | P2LFE..... |
| 8499999. | Total - Preferred Stocks - Industrial & Miscellaneous..... | | | | | | |127,931 |XXX..... |0 |XXX..... |
| 8999997. | Total - Preferred Stocks - Part 3..... | | | | | | |127,931 |XXX..... |0 |XXX..... |
| 8999999. | Total - Preferred Stocks..... | | | | | | |127,931 |XXX..... |0 |XXX..... |
| Common Stocks - Mutual Funds | | | | | | | | | | | |
| 78462F 10 3 | SPDR S&P 500 ETF TRUST..... | | | | ...09/26/2013 | J.P.MORGAN SECURITIES LTD..... | |2,375,000 |404,014 |XXX..... | L..... |
| 9299999. | Total - Common Stocks - Mutual Funds..... | | | | | | |404,014 |XXX..... |0 |XXX..... |
| 9799997. | Total - Common Stocks - Part 3..... | | | | | | |404,014 |XXX..... |0 |XXX..... |
| 9799999. | Total - Common Stocks..... | | | | | | |404,014 |XXX..... |0 |XXX..... |
| 9899999. | Total - Preferred and Common Stocks..... | | | | | | |531,945 |XXX..... |0 |XXX..... |
| 9999999. | Total - Bonds, Preferred and Common Stocks..... | | | | | | |44,990,261 |XXX..... |70,523 |XXX..... |

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues:.....0.

QE04

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 | | | Disposal | | Number of | | | | Prior Year | Unrealized | Current | Current | Total | Total | Book/ | Foreign | Realized | Total | Bond | Stated | NAIC |
| Identification | Description | n | Date | Name of Purchaser | Shares of | Consideration | Par Value | Actual Cost | Book/ Adjusted Carrying Value | Valuation Increase/ (Decrease) | Year's (Amortization)/ Accretion | Other Than Temporary Impairment Recognized | Change in B./A.C.V. (11+12-13) | Foreign Exchange Change in B./A.C.V. | Adjusted Carrying Value At Disposal Date | Exchange Gain (Loss) on Disposal | Gain (Loss) on Disposal | Gain (Loss) on Disposal | Stock Dividends Received During Year | Contractual Maturity Date | Design- ation or Market Indicator (a) |
| Bonds - U.S. Government | | | | | | | | | | | | | | | | | | | | | |
| 36178U | UW 1 | | 09/01/2013 | PAYDOWN..... | | 4,795 | 4,795 | 5,158 | | | (18) | | (18) | | 4,795 | | | 0 | 70 | 11/20/2042 | 1FE..... |
| 36296U | SY 7 | | 09/01/2013 | PAYDOWN..... | | 276,335 | 276,335 | 282,035 | 276,992 | | (656) | | (656) | | 276,335 | | | 0 | 8,304 | 03/15/2039 | 1FE..... |
| 36297J | TV 6 | | 09/01/2013 | PAYDOWN..... | | 33,534 | 33,534 | 34,561 | 33,796 | | (261) | | (261) | | 33,534 | | | 0 | 1,071 | 06/15/2039 | 1FE..... |
| 912828 | NU 0 | | 08/15/2013 | MATURITY..... | | 1,000,000 | 1,000,000 | 1,000,156 | 1,000,033 | | (33) | | (33) | | 1,000,000 | | | 0 | 7,500 | 08/15/2013 | 1..... |
| 912828 | SK 7 | | 07/23/2013 | VARIOUS..... | | 1,001,833 | 1,000,000 | 1,002,308 | | | (322) | 892 | (1,214) | 1,001,094 | | 739 | 739 | 1,335 | 03/15/2015 | 1..... | |
| 912828 | SS 0 | | 07/23/2013 | VARIOUS..... | | 3,993,580 | 4,000,000 | 4,058,451 | | | (3,230) | 75,533 | (78,763) | 3,979,688 | | 13,893 | 13,893 | 25,584 | 04/30/2017 | 1..... | |
| 912828 | UD 0 | | 07/23/2013 | JEFFERIES & COMPANY INC..... | | 1,997,728 | 2,000,000 | 1,994,460 | | | 1,391 | | 1,391 | 1,995,851 | | 1,876 | 1,876 | 1,413 | 12/31/2014 | 1..... | |
| 912828 | US 7 | | 07/23/2013 | VARIOUS..... | | 1,993,509 | 2,000,000 | 2,001,882 | | | (141) | 12,444 | (12,585) | 1,989,297 | | 4,212 | 4,212 | 2,670 | 03/15/2016 | 1..... | |
| 912828 | UT 5 | | 07/23/2013 | VARIOUS..... | | 999,645 | 1,000,000 | 1,000,121 | | | (15) | 1,239 | (1,254) | 998,867 | | 778 | 778 | 786 | 03/31/2015 | 1..... | |
| 912828 | VB 3 | | 07/23/2013 | VARIOUS..... | | 467,381 | 500,000 | 479,377 | | | 94 | 11,268 | (11,174) | 468,203 | | (822) | (822) | 1,664 | 05/15/2023 | 1..... | |
| 0599999 | Total - Bonds - U.S. Government..... | | | | | 11,768,340 | 11,814,664 | 11,858,509 | 1,310,821 | 0 | (3,191) | 101,376 | (104,567) | 0 | 11,747,664 | 0 | 20,676 | 20,676 | 50,397 | XXX | XXX |
| Bonds - U.S. Political Subdivisions of States, Territories and Possessions | | | | | | | | | | | | | | | | | | | | | |
| 434110 | QZ 8 | | 07/30/2013 | VARIOUS..... | | 248,750 | 250,000 | 258,268 | 253,677 | | (641) | | (641) | | 253,035 | | (4,285) | (4,285) | 13,362 | 02/01/2018 | 2FE..... |
| 2499999 | Total - Bonds - U.S. Political Subdivisions of States, Territories & Possessions..... | | | | | 248,750 | 250,000 | 258,268 | 253,677 | 0 | (641) | 0 | (641) | 0 | 253,035 | 0 | (4,285) | (4,285) | 13,362 | XXX | XXX |
| Bonds - U.S. Special Revenue and Special Assessment | | | | | | | | | | | | | | | | | | | | | |
| 04780T | CM 4 | | 07/23/2013 | JEFFERIES & COMPANY INC..... | | 1,078,570 | 1,000,000 | 1,046,170 | 1,037,054 | | (2,615) | | (2,615) | | 1,034,438 | | 44,132 | 44,132 | 53,472 | 01/01/2026 | 1FE..... |
| 197493 | QP 7 | | 07/23/2013 | BMO CAPITAL MARKETS..... | | 1,091,850 | 1,000,000 | 1,146,840 | 1,116,523 | | (8,006) | | (8,006) | | 1,108,518 | | (16,668) | (16,668) | 32,639 | 06/01/2026 | 1FE..... |
| 3128H7 | X8 0 | | 09/01/2013 | PAYDOWN..... | | 35,516 | 35,516 | 36,066 | 35,600 | | (84) | | (84) | | 35,516 | | | 0 | 1,149 | 10/01/2018 | 1FE..... |
| 3128MJ | S4 3 | | 09/01/2013 | PAYDOWN..... | | 21,792 | 21,792 | 21,970 | | | | | 0 | 21,792 | | | 0 | 64 | 07/01/2043 | 1FE..... | |
| 3128MM | P8 0 | | 08/01/2013 | VARIOUS..... | | 887,981 | 889,474 | 931,446 | 934,162 | | (4,963) | 33,587 | (38,550) | 895,612 | | (7,632) | (7,632) | 15,585 | 10/01/2027 | 1FE..... | |
| 3128PN | AW 8 | | 09/01/2013 | PAYDOWN..... | | 195,799 | 195,799 | 198,736 | 196,241 | | (442) | | (442) | 195,799 | | | 0 | 5,324 | 07/01/2024 | 1FE..... | |
| 3128PN | BR 8 | | 09/01/2013 | PAYDOWN..... | | 114,752 | 114,752 | 116,473 | 114,982 | | (230) | | (230) | 114,752 | | | 0 | 3,060 | 07/01/2024 | 1FE..... | |
| 3128PP | 5E 9 | | 09/01/2013 | PAYDOWN..... | | 4,694 | 4,694 | 4,825 | 4,730 | | (36) | | (36) | 4,694 | | | 0 | 141 | 10/01/2024 | 1FE..... | |
| 3128PQ | UU 3 | | 09/01/2013 | PAYDOWN..... | | 327,088 | 327,088 | 340,478 | 329,986 | | (2,898) | | (2,898) | 327,088 | | | 0 | 10,173 | 02/01/2025 | 1FE..... | |
| 3128PU | ND 0 | | 09/01/2013 | PAYDOWN..... | | 104,260 | 104,260 | 105,628 | 104,344 | | (84) | | (84) | 104,260 | | | 0 | 2,381 | 04/01/2026 | 1FE..... | |
| 31292M | EN 9 | | 08/01/2013 | VARIOUS..... | | 966,382 | 993,272 | 998,742 | | | (17) | 29,205 | (29,222) | 969,521 | | (3,139) | (3,139) | 5,863 | 03/01/2043 | 1FE..... | |
| 312944 | FE 6 | | 08/01/2013 | VARIOUS..... | | 2,530,349 | 2,435,422 | 2,369,589 | 2,373,492 | | (338) | | (338) | 2,373,154 | | 157,194 | 157,194 | 67,595 | 12/01/2040 | 1FE..... | |
| 312962 | 5L 3 | | 09/01/2013 | PAYDOWN..... | | 7,245 | 7,245 | 7,405 | 7,272 | | (27) | | (27) | 7,245 | | | 0 | 250 | 11/01/2018 | 1FE..... | |
| 312964 | E9 6 | | 09/01/2013 | PAYDOWN..... | | 15,059 | 15,059 | 15,172 | 15,071 | | (12) | | (12) | 15,059 | | | 0 | 414 | 01/01/2019 | 1FE..... | |
| 31306X | 2B 8 | | 09/01/2013 | PAYDOWN..... | | 45,983 | 45,983 | 48,336 | 46,215 | | (232) | | (232) | 45,983 | | | 0 | 775 | 10/01/2027 | 1FE..... | |
| 31306X | YJ 6 | | 08/01/2013 | VARIOUS..... | | 900,693 | 902,164 | 944,734 | 947,184 | | (4,462) | 34,333 | (38,795) | 908,389 | | (7,696) | (7,696) | 15,754 | 10/01/2027 | 1FE..... | |
| 31307B | 6T 2 | | 09/01/2013 | PAYDOWN..... | | 8,445 | 8,445 | 8,677 | | | (1) | | (1) | 8,445 | | | 0 | 21 | 05/01/2028 | 1FE..... | |
| 3132GT | PH 4 | | 09/01/2013 | PAYDOWN..... | | 31,795 | 31,795 | 32,053 | | | | | 0 | 31,795 | | | 0 | 93 | 05/01/2042 | 1FE..... | |
| 3132L5 | AF 0 | | 09/01/2013 | PAYDOWN..... | | 43,624 | 43,624 | 45,580 | | | (73) | | (73) | 43,624 | | | 0 | 333 | 04/01/2043 | 1FE..... | |
| 3135G0 | RT 2 | | 07/23/2013 | VARIOUS..... | | 979,398 | 1,000,000 | 1,002,004 | 1,002,001 | | (197) | 27,633 | (27,830) | 974,170 | | 5,228 | 5,228 | 5,201 | 12/20/2017 | 1FE..... | |
| 3135G0 | VA 8 | | 07/23/2013 | VARIOUS..... | E. | 3,988,760 | 4,000,000 | 4,011,640 | | | (887) | 33,193 | (34,080) | 3,977,560 | | 11,200 | 11,200 | 6,333 | 03/30/2016 | 1FE..... | |
| 3137A1 | X9 9 | | 09/01/2013 | PAYDOWN..... | | 99,878 | 99,878 | 102,609 | 100,798 | | (919) | | (919) | 99,878 | | | 0 | 2,589 | 08/15/2028 | 1FE..... | |
| 3137A3 | RL 5 | | 09/01/2013 | PAYDOWN..... | | 26,960 | 26,960 | 27,575 | | | (8) | | (8) | 26,960 | | | 0 | 51 | 11/15/2028 | 1FE..... | |
| FEDERAL HOME LOAN MORTGAGE | | | | | | | | | | | | | | | | | | | | | |
| 3137EA | DA 4 | | 07/23/2013 | VARIOUS..... | | 2,010,860 | 2,000,000 | 2,012,542 | 2,012,473 | | (3,120) | 293 | (3,413) | 2,009,060 | | 1,800 | 1,800 | 7,118 | 12/29/2014 | 1FE..... | |
| 3137EA | DP 1 | | 07/23/2013 | VARIOUS..... | | 2,436,350 | 2,500,000 | 2,503,764 | | | (138) | 84,451 | (84,589) | 2,419,175 | | 17,175 | 17,175 | 8,932 | 03/07/2018 | 1FE..... | |
| 3138A3 | DM 6 | | 09/01/2013 | PAYDOWN..... | | 47,586 | 47,586 | 49,557 | 48,032 | | (446) | | (446) | 47,586 | | | 0 | 1,157 | 03/01/2026 | 1FE..... | |
| 3138A6 | ZQ 6 | | 09/01/2013 | PAYDOWN..... | | 51,716 | 51,716 | 53,858 | 52,047 | | (331) | | (331) | 51,716 | | | 0 | 1,262 | 03/01/2026 | 1FE..... | |
| 3138MF | P7 6 | | 09/01/2013 | PAYDOWN..... | | 16,791 | 16,791 | 17,657 | 16,843 | | (53) | | (53) | 16,791 | | | 0 | 337 | 10/01/2042 | 1FE..... | |

QE05

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 Design- ation or Market Indicator (a) |
| 3138MG | LE | 3 | FEDERAL NATIONAL MTG ASSOC #AQ1224 | | 09/01/2013 | PAYDOWN | | 11,399 | 11,399 | 11,930 | 11,428 | | (29) | | (29) | | 11,399 | | | 0 | 228 | 11/01/2042 | 1FE |
| 3138MK | 5J | 1 | FEDERAL NATIONAL MTG ASSOC #AQ4448 | | 09/01/2013 | PAYDOWN | | 47,895 | 47,895 | 50,237 | 48,043 | | (148) | | (148) | | 47,895 | | | 0 | 883 | 11/01/2042 | 1FE |
| 31393Q | MH | 2 | FEDERAL HOME LOAN MTG CORP 2614 EQ | | 09/01/2013 | PAYDOWN | | 6,963 | 6,963 | 6,717 | 6,883 | | 80 | | 80 | | 6,963 | | | 0 | 206 | 12/15/2017 | 1FE |
| 31393Q | WR | 9 | FEDERAL HOME LOAN MTG CORP 2610 DG | | 07/01/2013 | PAYDOWN | | 591 | 591 | 556 | 574 | | 17 | | 17 | | 591 | | | 0 | 13 | 03/15/2033 | 1FE |
| 31397N | 5G | 6 | FANNIE MAE 09-38 AB | | 09/01/2013 | PAYDOWN | | 97,509 | 97,509 | 103,603 | | (89) | | (89) | | 97,509 | | | 0 | 484 | 06/25/2024 | 1FE | |
| 31398C | D4 | 7 | FREDDIE MAC -3527 DA | | 09/01/2013 | PAYDOWN | | 87,356 | 87,356 | 90,591 | 88,149 | | (794) | | (794) | | 87,356 | | | 0 | 2,333 | 04/15/2029 | 1FE |
| 31398M | FS | 0 | FNR 2010-17 CA | | 09/01/2013 | PAYDOWN | | 17,264 | 17,264 | 17,920 | 17,529 | | (265) | | (265) | | 17,264 | | | 0 | 454 | 11/25/2023 | 1FE |
| 31398P | QS | 1 | FANNIE MAE 10-40 DN | | 09/01/2013 | PAYDOWN | | 103,722 | 103,722 | 105,667 | 104,279 | | (557) | | (557) | | 103,722 | | | 0 | 2,392 | 03/25/2028 | 1FE |
| 31418A | MW | 5 | FEDERAL NATIONAL MTG ASSOC #MA1272 | | 09/01/2013 | PAYDOWN | | 20,373 | 20,373 | 21,430 | 20,439 | | (66) | | (66) | | 20,373 | | | 0 | 395 | 12/01/2042 | 1FE |
| 38373A | D9 | 4 | GINNIE MAE 2009-69 PV | | 09/01/2013 | PAYDOWN | | 192,846 | 192,846 | 195,166 | 193,465 | | (619) | | (619) | | 192,846 | | | 0 | 5,132 | 08/20/2039 | 1FE |
| 38374B | 5M | 1 | GOVERNMENT NATL MTG ASSOC 03 79 PH | | 08/01/2013 | PAYDOWN | | 6,829 | 6,829 | 7,086 | 6,845 | | (17) | | (17) | | 6,829 | | | 0 | 201 | 12/20/2031 | 1FE |
| 575896 | HN | 8 | MASSACHUSETTS ST PORT AUTH | | 07/23/2013 | MORGAN STANLEY & CO | | 1,035,199 | 1,015,000 | 1,018,786 | 1,018,119 | | (199) | | (199) | | 1,017,920 | | 17,278 | 17,278 | 54,274 | 07/01/2040 | 1FE |
| 62888V | AB | 4 | NCUA GUARANTEED NOTES 10-R1 2A | | 09/04/2013 | PAYDOWN | | 126,633 | 126,633 | 126,621 | 126,617 | | 16 | | 16 | | 126,633 | | | 0 | 1,559 | 10/07/2020 | 1FE |
| 64972F | U8 | 7 | NEW YORK CITY NY MUNI WTR FIN | | 07/23/2013 | VARIOUS | | 522,310 | 500,000 | 549,155 | 539,263 | | (2,304) | 4,333 | (6,637) | | 532,625 | | (10,315) | (10,315) | 15,347 | 06/15/2031 | 1FE |
| 650028 | SP | 9 | NEW YORK ST THRUWAY AUTH PERSON | | 07/23/2013 | VARIOUS | | 797,078 | 750,000 | 833,348 | 816,928 | | (3,799) | 1,982 | (5,781) | | 811,148 | | (14,070) | (14,070) | 32,396 | 03/15/2030 | 1FE |
| 735352 | FD | 3 | PORT SAINT LUCIE FL UTILITY RE | | 09/01/2013 | PREREFUNDED | | 200,000 | 200,000 | 228,678 | 204,529 | | (4,529) | | (4,529) | | 200,000 | | | 0 | 10,000 | 09/01/2019 | 1FE |
| 795560 | DE | 8 | SALT LAKE & SANDY UT MET WTR D | | 07/30/2013 | MORGAN STANLEY & CO | | 790,170 | 750,000 | 813,810 | 795,132 | | (3,621) | | (3,621) | | 791,511 | | (1,341) | (1,341) | 40,729 | 07/01/2030 | 1FE |
| 837151 | GH | 6 | SOUTH CAROLINA ST PUBLIC SVC A | | 07/01/2013 | PREREFUNDED | | 275,000 | 275,000 | 294,902 | 277,559 | | (2,559) | | (2,559) | | 275,000 | | | 0 | 13,750 | 01/01/2019 | 1FE |
| 837151 | GT | 0 | SOUTH CAROLINA ST PUBLIC SVC A | | 09/09/2013 | SECURITY CALLED BY ISSUER at 100.000 | | 850,000 | 850,000 | 911,515 | 857,909 | | (7,909) | | (7,909) | | 850,000 | | | 0 | 50,339 | 01/01/2019 | 1FE |
| 914119 | PS | 5 | UNIV OF CINCINNATI OH RECPTS | | 07/23/2013 | KEY BANC CAPITAL MARKETS | | 1,845,945 | 1,700,000 | 1,849,668 | 1,808,034 | | (7,840) | | (7,840) | | 1,800,194 | | 45,751 | 45,751 | 55,486 | 06/01/2025 | 1FE |
| 3199999 | | | Total - Bonds - U.S. Special Revenue & Assessment | | | | | 25,105,258 | 24,678,695 | 25,437,512 | 17,436,774 | 0 | (65,850) | 249,010 | (314,860) | 0 | 24,866,358 | 0 | 238,897 | 238,897 | 534,667 | XXX | XXX |

Bonds - Industrial and Miscellaneous

| | | | | | | | | | | | | | | | | | | | | | | | |
|--------|----|---|--|--|------------|---|--|-----------|-----------|-----------|-----------|--|---------|--------|----------|--|-----------|--|--------|--------|--------|------------|-----|
| 00253C | HW | 0 | AAMES MTG TR 02 2 A2 | | 09/01/2013 | PAYDOWN | | 30 | 30 | 30 | 30 | | | | 0 | | 30 | | | 0 | 1 | 03/25/2033 | 1FM |
| 03063N | AA | 5 | AMERICOLD LLC TRUST 10-ARTA A1 | | 09/11/2013 | PAYDOWN | | 21,912 | 21,912 | 21,912 | 21,912 | | | | 0 | | 21,912 | | | 0 | 562 | 01/14/2029 | 1FM |
| 12669G | V3 | 2 | COUNTRYWIDE HOME LOANS 05 J2 3A4 | | 07/01/2013 | PAYDOWN | | 3,484 | 3,484 | 3,466 | 3,426 | | 58 | | 58 | | 3,484 | | | 0 | 97 | 08/25/2035 | 1FM |
| 144195 | AN | 4 | CAROLINA TEL&TEL | | 08/15/2013 | MATURITY | | 126,000 | 126,000 | 137,970 | 128,180 | | (2,180) | | (2,180) | | 126,000 | | | 0 | 8,505 | 08/15/2013 | 2FE |
| 161571 | DD | 3 | CHASE ISSUANCE TRUST 08-A13 A13 | | 09/15/2013 | PAYDOWN | | 500,000 | 500,000 | 513,711 | 500,635 | | (635) | | (635) | | 500,000 | | | 0 | 6,775 | 09/15/2015 | 1FE |
| 172967 | EY | 3 | CITIGROUP INC | | 08/27/2013 | TENDER OFFER | | 388,373 | 369,000 | 392,324 | 378,056 | | (3,892) | | (3,892) | | 374,164 | | 14,208 | 14,208 | 25,745 | 08/12/2014 | 1FE |
| 22541Q | 4C | 3 | CSFB MTG SECS CORP 03 29 6A1 | | 09/01/2013 | PAYDOWN | | 25,857 | 25,857 | 25,759 | 25,853 | | 4 | | 4 | | 25,857 | | | 0 | 852 | 11/25/2018 | 1FM |
| 23305X | AS | 0 | DBUBS MORTGAGE TRUST 11-LC2A A1FL | | 09/10/2013 | PAYDOWN | | 29,702 | 29,702 | 29,702 | 29,702 | | | | 0 | | 29,702 | | | 0 | 297 | 07/12/2044 | 1FM |
| 25468P | CV | 6 | WALT DISNEY COMPANY/THE | | 07/23/2013 | VARIOUS | | 491,505 | 500,000 | 496,445 | 496,505 | | 346 | 12,100 | (11,754) | | 484,750 | | 6,755 | 6,755 | 3,606 | 12/01/2017 | 1FE |
| 26442C | AL | 8 | DUKE ENERGY CAROLINAS | | 07/23/2013 | VARIOUS | | 511,260 | 500,000 | 509,725 | 507,950 | | (982) | 153 | (1,135) | | 506,815 | | 4,445 | 4,445 | 5,372 | 12/15/2016 | 1FE |
| 36249K | AA | 8 | A1 | | 09/01/2013 | PAYDOWN | | 27,789 | 27,789 | 28,623 | 27,889 | | (100) | | (100) | | 27,789 | | | 0 | 680 | 05/10/2020 | 1FM |
| 57165L | AA | 2 | MARRIOTT VACATION CLUB OWNER T 10-1A A | | 09/20/2013 | PAYDOWN | | 33,434 | 33,434 | 33,430 | 33,382 | | 51 | | 51 | | 33,434 | | | 0 | 787 | 10/20/2032 | 1FE |
| 59549P | AA | 6 | MID-STATE TR 4 A | | 07/01/2013 | PAYDOWN | | 743 | 743 | 786 | 747 | | (4) | | (4) | | 743 | | | 0 | 46 | 04/01/2030 | 3AM |
| 677347 | CD | 6 | OHIO EDISON | | 08/28/2013 | SECURITY CALLED BY ISSUER at 115.424 | | 230,848 | 200,000 | 228,370 | 217,619 | | (3,109) | | (3,109) | | 214,510 | | 16,337 | 16,337 | 14,329 | 07/15/2016 | 2FE |
| 76110V | LB | 2 | RESIDENTIAL FDG MTG SECS II 02 HI4 M1 | | 09/01/2013 | PAYDOWN | | 637 | 637 | 635 | 637 | | | | 0 | | 637 | | | 0 | 25 | 10/25/2027 | 1FM |
| 79548K | XP | 8 | SALOMON BROS MTG SECS VII 97 HUD2 AWAC | | 07/01/2013 | PAYDOWN | | 293 | 293 | 241 | 292 | | 2 | | 2 | | 293 | | | 0 | 7 | 07/25/2024 | 1FM |
| 82651A | AA | 5 | SIERRA RECEIVABLES FUNDING CO 2007 2A | | 09/20/2013 | PAYDOWN | | 34,694 | 34,694 | 34,693 | 34,639 | | | | 0 | | 34,639 | | 55 | 55 | 1,234 | 09/20/2019 | 2AM |
| 86358R | XZ | 5 | STRUCTURED ASSET SECS CORP 02 AL1 A3 | | 09/01/2013 | PAYDOWN | | 797 | 797 | 704 | 700 | | | | 0 | | 700 | | 97 | 97 | 18 | 02/25/2032 | 1FM |
| 86359A | ME | 0 | STRUCTURED ASSET SECS CORP 03 AL1 A | | 09/01/2013 | PAYDOWN | | 3,923 | 3,923 | 3,758 | 3,774 | | | | 0 | | 3,774 | | 149 | 149 | 89 | 04/25/2031 | 1FM |
| 883556 | BA | 9 | THERMO FISHER SCIENTIFIC | | 07/23/2013 | VARIOUS | | 1,022,260 | 1,000,000 | 1,040,630 | 1,032,889 | | (4,448) | 13,791 | (18,239) | | 1,014,650 | | 7,610 | 7,610 | 21,313 | 08/15/2016 | 2FE |
| 92903P | AA | 7 | VNO 2010-VNO A1 | | 09/10/2013 | PAYDOWN | | 34,228 | 34,228 | 34,228 | 34,204 | | 23 | | 23 | | 34,228 | | | 0 | 678 | 09/13/2028 | 1FM |

QE05.1

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 Desig- nation or Market Indicator (a) |
| 92935V AC 2 | WF-RBS COMMERCIAL MORTGAGE TRU 11-C3 A2 |  | ..... | 07/29/2013 | VARIOUS..... | ..... | .....2,090,391 |2,000,000 |2,019,958 |2,012,795 | ..... | .....(2,507) | ..... | .....(2,507) | ..... | .....2,010,288 | ..... | .....80,102 |80,102 |43,200 | 03/15/2044 | 1FM..... |
| 92976B DT 6 | WACHOVIA BK COMM MTG TR 06 C23 A4..... |  | ..... | 09/01/2013 | PAYDOWN..... | ..... | .....6,479 |6,479 |7,080 |6,561 | ..... | .....(81) | ..... | .....(81) | ..... | .....6,479 | ..... | ..... | .....0 |232 | 01/15/2045 | 1FM..... |
| 3899999. | Total - Bonds - Industrial & Miscellaneous..... | | | | | |5,584,639 |5,419,002 |5,564,180 |5,498,377 |0 |(17,454) |26,044 |(43,498) |0 |5,454,878 |0 |129,758 |129,758 |134,450 |XXX... | ..XXX... |
| 8399997. | Total - Bonds - Part 4..... | | | | | |42,706,987 |42,162,361 |43,118,469 |24,499,649 |0 |(87,136) |376,430 |(463,566) |0 |42,321,935 |0 |385,046 |385,046 |732,876 |XXX... | ..XXX... |
| 8399999. | Total - Bonds..... | | | | | |42,706,987 |42,162,361 |43,118,469 |24,499,649 |0 |(87,136) |376,430 |(463,566) |0 |42,321,935 |0 |385,046 |385,046 |732,876 |XXX... | ..XXX... |
| 9999999. | Total - Bonds, Preferred and Common Stocks..... | | | | | |42,706,987 |XXX..... |43,118,469 |24,499,649 |0 |(87,136) |376,430 |(463,566) |0 |42,321,935 |0 |385,046 |385,046 |732,876 |XXX... | ..XXX... |

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues:.....0.

Sch. DB-Pt A-Sn 1
NONE

Sch. DB-Pt B-Sn 1
NONE

Sch. DB-Pt B-Sn 1B-Broker List
NONE

Sch. DB-Pt D-Sn 1
NONE

Sch. DB-Pt D-Sn 2
NONE

Sch. DL-Pt. 1
NONE

Sch. DL-Pt. 2
NONE

Safe Auto Insurance Company
SCHEDULE E - PART 1 - CASH
Month End Depository Balances

| 1 | 2 | 3 | 4 | 5 | Book Balance at End of Each | | | 9 |
|---|------|------------------|--|--|------------------------------|--------------|-------------|-------|
| | | | | | Month During Current Quarter | | | |
| Depository | Code | Rate of Interest | Amount of Interest Received During Current Quarter | Amount of Interest Accrued at Current Statement Date | 6 | 7 | 8 | * |
| | | | | | First Month | Second Month | Third Month | |
| Open Depositories | | | | | | | | |
| PNC PRIME MONEY MARKET FUND..... | | | 84 | | 44,185 | 44,263 | 44,268 | XXX.. |
| BBIF MONEY FUND CLASS 4..... | | | | | 368,328 | 428,724 | | XXX.. |
| FFI INST FUND..... | | | 6 | | 53,014 | 53,015 | 560,449 | XXX.. |
| PREFERRED DEPOSIT (BUS)..... | | | | | 250,032 | 250,062 | 250,093 | XXX.. |
| INTEREST RECEIVED DURING QTR ON DISPOSED HOLDINGS | | | | | | | | |
| JP MORGAN CHASE..... COLUMBUS, OH..... | | | 185 | | 4,835,333 | 3,632,711 | 5,323,292 | XXX.. |
| PITNEY BOWES..... PITTSBURGH, PA..... | | | | | 226,753 | 176,791 | 227,009 | XXX.. |
| US BANK..... COLUMBUS, OH..... | | | | | 82,966 | 126,817 | 181,930 | XXX.. |
| FEDERAL HOME LOAN BANK..... CINCINNATI, OH..... | | | 1 | | 81,677 | 81,677 | 88,983 | XXX.. |
| MERRILL LYNCH..... COLUMBUS, OH..... | | | | | 1 | 1 | 1,251 | XXX.. |
| 0199999. Total Open Depositories..... | XXX | XXX | 276 | 0 | 5,942,289 | 4,794,061 | 6,677,275 | XXX.. |
| 0399999. Total Cash on Deposit..... | XXX | XXX | 276 | 0 | 5,942,289 | 4,794,061 | 6,677,275 | XXX.. |
| 0599999. Total Cash..... | XXX | XXX | 276 | 0 | 5,942,289 | 4,794,061 | 6,677,275 | XXX.. |

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|-------------|------|------------------|---------------------|------------------|---------------------------------|-------------------------------------|--------------------------------|
| Description | Code | Date Acquired | Rate of Interest | Maturity Date | Book/Adjusted Carrying Value | Amount of Interest Due & Accrued | Amount Received During Year |

NONE



DIRECTOR AND OFFICER INSURANCE COVERAGE SUPPLEMENT

Year To Date For the Period Ended September 30, 2013

NAIC Group Code.....0

Company Name: Safe Auto Insurance Company

NAIC Company Code.....25405

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

1. Monoline Policies

| | | |
|------------------------------------|-----------------------------------|-----------------------------------|
| 1 Direct Written Premiums | 2 Direct Earned Premiums | 3 Direct Losses Incurred |
| | | |

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 coverages provided in CMP packaged policies: