



LIFE AND ACCIDENT AND HEALTH COMPANIES —ASSOCIATION EDITION

QUARTERLY STATEMENT

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

GRANGE LIFE INSURANCE COMPANY

| | | | | | | | |
|---------------------------------------|---------------------------|-------------------------|--|--|----------------------|--|------------|
| NAIC Group Code | 00267 (Current Period) | 00267 (Prior Period) | NAIC Company Code | 71218 | Employer's ID Number | | 31-0739286 |
| Organized under the Laws of | | | Ohio | State of Domicile or Port of Entry | | Ohio | |
| Country of Domicile | | | United States | | | | |
| Incorporated/Organized | | | 03/05/1968 | Commenced Business | | 07/01/1968 | |
| Statutory Home Office | | | 671 South High Street (Street and Number) | Columbus, OH, US 43206-1066 (City or Town, State, Country and Zip Code) | | | |
| Main Administrative Office | | | 671 South High Street (Street and Number) | Columbus, OH, US 43206-1066 (City or Town, State, Country and Zip Code) | | 614-445-2900 (Area Code) (Telephone Number) | |
| Mail Address | | | P.O. Box 1218 (Street and Number or P.O. Box) | Columbus, OH, US 43216-1212 (City or Town, State, Country and Zip Code) | | | |
| Primary Location of Books and Records | | | 671 South High Street (Street and Number) | Columbus, OH, US 43206-1066 (City or Town, State, Country and Zip Code) | | 614-445-2900 (Area Code) (Telephone Number) | |
| Internet Web Site Address | | | www.grangeinsurance.com | | | | |
| Statutory Statement Contact | | | Theresa Marie Mason (Name) | 614-449-5945 (Area Code) (Telephone Number) (Extension) | | 614-445-2619 (FAX Number) | |
| | | | mason@grangeinsurance.com (E-mail Address) | | | | |

OFFICERS

| | | | |
|---------------------|-----------|---------------------|-----------|
| Name | Title | Name | Title |
| Michelle Renee Benz | President | John Paul McCaffrey | Treasurer |
| LaVawn Dee Coleman | Secretary | Milliman | Actuary |

OTHER OFFICERS

| | | | |
|-------|-------|-------|-------|
| | | | |
| | | | |

DIRECTORS OR TRUSTEES

| | | | |
|------------------------|---------------------|-----------------------|--------------------------|
| MARK LEWIS BOXER # | DOUGLAS PAUL BUTH | GLENN EUGENE CORLETT | ELWOOD GORDON GEE |
| ROBERT ENLOW HOYT | JOHN PAUL MCCAFFREY | MARY MARNETTE PERRY | MELVIN GEORGE PYE JR |
| THOMAS SIMRALL STEWART | THOMAS HOWARD WELCH | DAVID CHARLES WETMORE | CHRISTIANNA (NMN) WOOD # |

State of Ohio ss
County of Franklin

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

| | | |
|--|--|---------------------------------|
| Michelle Renee Benz President | John Paul McCaffrey Treasurer | LaVawn Dee Coleman Secretary |
| Subscribed and sworn to before me this day of _____ , | a. Is this an original filing? Yes [X] No [] | |
| | b. If no: 1. State the amendment number _____ 2. Date filed _____ 3. Number of pages attached _____ | |

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE INSURANCE COMPANY

ASSETS

| | Current Statement Date | | | 4 December 31 Prior Year Net Admitted Assets |
|---|------------------------|-------------------------|---|---|
| | 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | |
| 1. Bonds | 264,245,931 | | 264,245,931 | 251,732,679 |
| 2. Stocks: | | | | |
| 2.1 Preferred stocks | | | 0 | 0 |
| 2.2 Common stocks | 7,387,794 | | 7,387,794 | 6,233,798 |
| 3. Mortgage loans on real estate: | | | | |
| 3.1 First liens | | | 0 | 0 |
| 3.2 Other than first liens | | | 0 | 0 |
| 4. Real estate: | | | | |
| 4.1 Properties occupied by the company (less \$ encumbrances) | | | 0 | 0 |
| 4.2 Properties held for the production of income (less \$ encumbrances) | | | 0 | 0 |
| 4.3 Properties held for sale (less \$ encumbrances) | | | 0 | 0 |
| 5. Cash (\$ 9,143,406), cash equivalents (\$ 0) and short-term investments (\$ 5,321,717) | 14,465,123 | | 14,465,123 | 14,561,124 |
| 6. Contract loans (including \$ 0 premium notes) | 10,239,461 | | 10,239,461 | 9,991,643 |
| 7. Derivatives | | | 0 | 0 |
| 8. Other invested assets | 0 | | 0 | 0 |
| 9. Receivables for securities | | | 0 | 1,813 |
| 10. Securities lending reinvested collateral assets | 5,202,385 | | 5,202,385 | 18,415,885 |
| 11. Aggregate write-ins for invested assets | 0 | .0 | 0 | 0 |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) | 301,540,694 | .0 | 301,540,694 | 300,936,942 |
| 13. Title plants less \$ charged off (for Title insurers only) | | | 0 | 0 |
| 14. Investment income due and accrued | 2,641,993 | | 2,641,993 | 2,736,501 |
| 15. Premiums and considerations: | | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection | | | 0 | 0 |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums) | 31,382,637 | | 31,382,637 | 31,791,254 |
| 15.3 Accrued retrospective premiums | | | 0 | 0 |
| 16. Reinsurance: | | | | |
| 16.1 Amounts recoverable from reinsurers | 2,261,399 | | 2,261,399 | 5,426,999 |
| 16.2 Funds held by or deposited with reinsured companies | | | 0 | 0 |
| 16.3 Other amounts receivable under reinsurance contracts | 1,015,615 | | 1,015,615 | 1,049,727 |
| 17. Amounts receivable relating to uninsured plans | | | 0 | 0 |
| 18.1 Current federal and foreign income tax recoverable and interest thereon | 940,354 | | 940,354 | 1,129,330 |
| 18.2 Net deferred tax asset | 6,444,294 | 2,314,648 | 4,129,646 | 4,516,019 |
| 19. Guaranty funds receivable or on deposit | | | 0 | 0 |
| 20. Electronic data processing equipment and software | 1,246,815 | 1,243,113 | 3,702 | 0 |
| 21. Furniture and equipment, including health care delivery assets (\$) | | | 0 | 0 |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates | | | 0 | 0 |
| 23. Receivables from parent, subsidiaries and affiliates | | | 0 | 0 |
| 24. Health care (\$) and other amounts receivable | | | 0 | 0 |
| 25. Aggregate write-ins for other than invested assets | 796,379 | .761,346 | 35,033 | 33,525 |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) | 348,270,180 | 4,319,107 | 343,951,073 | 347,620,297 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | 0 | 0 |
| 28. Total (Lines 26 and 27) | 348,270,180 | 4,319,107 | 343,951,073 | 347,620,297 |
| DETAILS OF WRITE-INS | | | | |
| 1101. | | | 0 | 0 |
| 1102. | | | | |
| 1103. | | | | |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | 0 | .0 | 0 | 0 |
| 1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) | 0 | 0 | 0 | 0 |
| 2501. Receivable for Agent Loans | 8,161 | .8,161 | 0 | 0 |
| 2502. Premium Tax Credits | 786,710 | .753,185 | 33,525 | 33,525 |
| 2503. Misc. Other Assets | .1,508 | .0 | 1,508 | 0 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 0 | .0 | 0 | 0 |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) | 796,379 | .761,346 | 35,033 | 33,525 |

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

| | 1 Current Statement Date | 2 December 31 Prior Year |
|---|--------------------------------|--------------------------------|
| 1. Aggregate reserve for life contracts \$ 261,906,371 less \$ included in Line 6.3 (including \$ Modco Reserve) | 261,906,371 | 251,355,110 |
| 2. Aggregate reserve for accident and health contracts (including \$ Modco Reserve) | 410,991 | 334,317 |
| 3. Liability for deposit-type contracts (including \$ Modco Reserve) | 561,259 | 601,817 |
| 4. Contract claims: | | |
| 4.1 Life | 3,273,598 | 4,422,243 |
| 4.2 Accident and health | 45,000 | 37,990 |
| 5. Policyholders' dividends \$ and coupons \$ 70,800 due and unpaid | 70,800 | 283,200 |
| 6. Provision for policyholders' dividends and coupons payable in following calendar year—estimated amounts: | | |
| 6.1 Dividends apportioned for payment (including \$ Modco) | 55,457 | 55,457 |
| 6.2 Dividends not yet apportioned (including \$ Modco) | 0 | 0 |
| 6.3 Coupons and similar benefits (including \$ Modco) | 0 | 0 |
| 7. Amount provisionally held for deferred dividend policies not included in Line 6 | 0 | 0 |
| 8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ discount; including \$ accident and health premiums | 280,457 | 120,560 |
| 9. Contract liabilities not included elsewhere: | | |
| 9.1 Surrender values on canceled contracts | 0 | 0 |
| 9.2 Provision for experience rating refunds, including the liability of \$ accident and health experience rating refunds of which \$ is for medical loss ratio rebate per the Public Health Service Act | 0 | 0 |
| 9.3 Other amounts payable on reinsurance, including \$ 0 assumed and \$ 1,792,949 ceded | 1,792,949 | 2,161,261 |
| 9.4 Interest Maintenance Reserve | 1,858,055 | 133,389 |
| 10. Commissions to agents due or accrued-life and annuity contracts \$ 675,648 , accident and health \$ 0 and deposit-type contract funds \$ 0 | 675,648 | 998,766 |
| 11. Commissions and expense allowances payable on reinsurance assumed | 0 | 0 |
| 12. General expenses due or accrued | 1,562,820 | 1,800,833 |
| 13. Transfers to Separate Accounts due or accrued (net) (including \$ accrued for expense allowances recognized in reserves, net of reinsured allowances) | 0 | 0 |
| 14. Taxes, licenses and fees due or accrued, excluding federal income taxes | 1,381,139 | 1,460,536 |
| 15.1 Current federal and foreign income taxes, including \$ on realized capital gains (losses) | 0 | 0 |
| 15.2 Net deferred tax liability | 0 | 0 |
| 16. Unearned investment income | 428,796 | 404,556 |
| 17. Amounts withheld or retained by company as agent or trustee | 0 | 0 |
| 18. Amounts held for agents' account, including \$ agents' credit balances | 0 | 0 |
| 19. Remittances and items not allocated | 334,563 | 362,807 |
| 20. Net adjustment in assets and liabilities due to foreign exchange rates | 0 | 0 |
| 21. Liability for benefits for employees and agents if not included above | 0 | 0 |
| 22. Borrowed money \$ and interest thereon \$ | 0 | 0 |
| 23. Dividends to stockholders declared and unpaid | 0 | 0 |
| 24. Miscellaneous liabilities: | | |
| 24.01 Asset valuation reserve | 2,690,144 | 2,564,161 |
| 24.02 Reinsurance in unauthorized and certified (\$) companies | 0 | 0 |
| 24.03 Funds held under reinsurance treaties with unauthorized and certified (\$) reinsurers | 0 | 0 |
| 24.04 Payable to parent, subsidiaries and affiliates | 10,437,893 | 11,318,228 |
| 24.05 Drafts outstanding | 0 | 0 |
| 24.06 Liability for amounts held under uninsured plans | 0 | 0 |
| 24.07 Funds held under coinsurance | 750,000 | 1,662,060 |
| 24.08 Derivatives | 0 | 0 |
| 24.09 Payable for securities | 201,519 | 0 |
| 24.10 Payable for securities lending | 5,202,385 | 18,415,885 |
| 24.11 Capital notes \$ and interest thereon \$ | 0 | 0 |
| 25. Aggregate write-ins for liabilities | 0 | 0 |
| 26. Total liabilities excluding Separate Accounts business (Lines 1 to 25) | 293,919,844 | 298,493,176 |
| 27. From Separate Accounts statement | 0 | 0 |
| 28. Total liabilities (Lines 26 and 27) | 293,919,844 | 298,493,176 |
| 29. Common capital stock | 1,893,750 | 1,893,750 |
| 30. Preferred capital stock | 0 | 0 |
| 31. Aggregate write-ins for other than special surplus funds | 0 | 0 |
| 32. Surplus notes | 0 | 0 |
| 33. Gross paid in and contributed surplus | 7,031,250 | 7,031,250 |
| 34. Aggregate write-ins for special surplus funds | 0 | 0 |
| 35. Unassigned funds (surplus) | 41,106,229 | 40,202,121 |
| 36. Less treasury stock, at cost: | | |
| 36.1 shares common (value included in Line 29 \$) | 0 | 0 |
| 36.2 shares preferred (value included in Line 30 \$) | 0 | 0 |
| 37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including \$ in Separate Accounts Statement) | 48,137,479 | 47,233,371 |
| 38. Totals of Lines 29, 30 and 37 | 50,031,229 | 49,127,121 |
| 39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3) | 343,951,073 | 347,620,297 |
| DETAILS OF WRITE-INS | | |
| 2501. | 0 | 0 |
| 2502. | 0 | 0 |
| 2503. | 0 | 0 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 0 | 0 |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) | 0 | 0 |
| 3101. | 0 | 0 |
| 3102. | 0 | 0 |
| 3103. | 0 | 0 |
| 3198. Summary of remaining write-ins for Line 31 from overflow page | 0 | 0 |
| 3199. Totals (Lines 3101 through 3103 plus 3198) (Line 31 above) | 0 | 0 |
| 3401. | 0 | 0 |
| 3402. | 0 | 0 |
| 3403. | 0 | 0 |
| 3498. Summary of remaining write-ins for Line 34 from overflow page | 0 | 0 |
| 3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above) | 0 | 0 |

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE INSURANCE COMPANY

SUMMARY OF OPERATIONS

| | 1 Current Year To Date | 2 Prior Year Year to Date | 3 Prior Year Ended December 31 |
|--|--|---------------------------------|--------------------------------------|
| 1. Premiums and annuity considerations for life and accident and health contracts | 34,187,302 | 39,906,822 | 44,805,945 |
| 2. Considerations for supplementary contracts with life contingencies ..... | ..... | 100,000 | 120,000 |
| 3. Net investment income | 9,071,754 | 9,525,994 | 12,390,454 |
| 4. Amortization of Interest Maintenance Reserve (IMR) | 248,808 | 78,556 | 129,964 |
| 5. Separate Accounts net gain from operations excluding unrealized gains or losses ..... | ..... | 0 | 0 |
| 6. Commissions and expense allowances on reinsurance ceded | 8,543,939 | 2,825,035 | 11,857,900 |
| 7. Reserve adjustments on reinsurance ceded ..... | ..... | 0 | 0 |
| 8. Miscellaneous Income: | | | |
| 8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts ..... | ..... | 0 | 0 |
| 8.2 Charges and fees for deposit-type contracts ..... | ..... | 0 | 0 |
| 8.3 Aggregate write-ins for miscellaneous income | 7,981 | 0 | 606 |
| 9. Totals (Lines 1 to 8.3) | 52,059,784 | 52,436,407 | 69,304,869 |
| 10. Death benefits | 15,877,003 | 16,225,474 | 22,158,956 |
| 11. Matured endowments (excluding guaranteed annual pure endowments) ..... | ..... | 0 | 0 |
| 12. Annuity benefits | 2,412,681 | 3,417,919 | 4,331,732 |
| 13. Disability benefits and benefits under accident and health contracts | 106,868 | 128,973 | 168,199 |
| 14. Coupons, guaranteed annual pure endowments and similar benefits ..... | ..... | 0 | 0 |
| 15. Surrender benefits and withdrawals for life contracts | 3,770,939 | 4,979,899 | 6,261,231 |
| 16. Group conversions ..... | ..... | 0 | 0 |
| 17. Interest and adjustments on contract or deposit-type contract funds ..... | ..... | 0 | 0 |
| 18. Payments on supplementary contracts with life contingencies ..... | ..... | 0 | 0 |
| 19. Increase in aggregate reserves for life and accident and health contracts | 10,587,376 | 14,599,374 | 5,367,614 |
| 20. Totals (Lines 10 to 19) | 32,754,867 | 39,351,639 | 38,287,732 |
| 21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only) | 5,946,825 | 5,648,057 | 7,818,241 |
| 22. Commissions and expense allowances on reinsurance assumed | 150,733 | 154,718 | 212,639 |
| 23. General insurance expenses | 10,881,583 | 10,419,373 | 15,197,463 |
| 24. Insurance taxes, licenses and fees, excluding federal income taxes | 1,417,560 | 1,280,307 | 1,462,520 |
| 25. Increase in loading on deferred and uncollected premiums | (69,133) | (73,163) | (510,781) |
| 26. Net transfers to or (from) Separate Accounts net of reinsurance ..... | ..... | 0 | 0 |
| 27. Aggregate write-ins for deductions | 0 | 1,727 | 3,247,415 |
| 28. Totals (Lines 20 to 27) | 51,082,435 | 56,782,658 | 65,715,229 |
| 29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28) | 977,349 | (4,346,251) | 3,589,640 |
| 30. Dividends to policyholders | 38,428 | 300,796 | 404,451 |
| 31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30) | 938,921 | (4,647,047) | 3,185,189 |
| 32. Federal and foreign income taxes incurred (excluding tax on capital gains) | 188,976 | (259,367) | 1,898,029 |
| 33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32) | 749,945 | (4,387,680) | 1,287,160 |
| 34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ | (excluding taxes of \$ transferred to the IMR) | 0 | 22,920 |
| 35. Net income (Line 33 plus Line 34) | 749,945 | (4,387,680) | 1,310,080 |
| CAPITAL AND SURPLUS ACCOUNT | | | |
| 36. Capital and surplus, December 31, prior year | 49,127,121 | 42,376,987 | 42,376,987 |
| 37. Net income (Line 35) | 749,945 | (4,387,680) | 1,310,080 |
| 38. Change in net unrealized capital gains (losses) less capital gains tax of \$ | 1,153,996 | 0 | 2,983,017 |
| 39. Change in net unrealized foreign exchange capital gain (loss) ..... | ..... | 0 | 0 |
| 40. Change in net deferred income tax | (337,883) | 919,809 | (61,199) |
| 41. Change in nonadmitted assets | (535,968) | (1,095,353) | 598,334 |
| 42. Change in liability for reinsurance in unauthorized and certified companies ..... | ..... | 0 | 0 |
| 43. Change in reserve on account of change in valuation basis, (increase) or decrease ..... | ..... | 0 | 0 |
| 44. Change in asset valuation reserve | (125,982) | (207,293) | (1,327,513) |
| 45. Change in treasury stock ..... | ..... | 0 | 0 |
| 46. Surplus (contributed to) withdrawn from Separate Accounts during period ..... | ..... | 0 | 0 |
| 47. Other changes in surplus in Separate Accounts Statement ..... | ..... | 0 | 0 |
| 48. Change in surplus notes ..... | ..... | 0 | 0 |
| 49. Cumulative effect of changes in accounting principles ..... | ..... | 0 | 0 |
| 50. Capital changes: | | | |
| 50.1 Paid in ..... | ..... | 0 | 0 |
| 50.2 Transferred from surplus (Stock Dividend) ..... | ..... | 0 | 0 |
| 50.3 Transferred to surplus ..... | ..... | 0 | 0 |
| 51. Surplus adjustment: | | | |
| 51.1 Paid in ..... | ..... | 0 | 0 |
| 51.2 Transferred to capital (Stock Dividend) ..... | ..... | 0 | 0 |
| 51.3 Transferred from capital ..... | ..... | 0 | 0 |
| 51.4 Change in surplus as a result of reinsurance ..... | ..... | 0 | 3,247,415 |
| 52. Dividends to stockholders ..... | ..... | 0 | 0 |
| 53. Aggregate write-ins for gains and losses in surplus | 0 | 0 | 0 |
| 54. Net change in capital and surplus (Lines 37 through 53) | 904,108 | (4,770,517) | 6,750,134 |
| 55. Capital and surplus, as of statement date (Lines 36 + 54) | 50,031,229 | 37,606,470 | 49,127,121 |
| DETAILS OF WRITE-INS | | | |
| 08.301. SERVICE FEES..... | 7,981 | 0 | 606 |
| 08.302. ..... | ..... | ..... | ..... |
| 08.303. ..... | ..... | ..... | ..... |
| 08.398. Summary of remaining write-ins for Line 8.3 from overflow page | 0 | 0 | 0 |
| 08.399. Totals (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above) | 7,981 | 0 | 606 |
| 2701. Reinsurance of in-force business..... | ..... | 1,727 | 3,247,415 |
| 2702. ..... | ..... | 0 | 0 |
| 2703. ..... | ..... | 0 | 0 |
| 2798. Summary of remaining write-ins for Line 27 from overflow page | 0 | 0 | 0 |
| 2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above) | 0 | 1,727 | 3,247,415 |
| 5301. ..... | ..... | 0 | 0 |
| 5302. ..... | ..... | 0 | 0 |
| 5303. ..... | ..... | 0 | 0 |
| 5398. Summary of remaining write-ins for Line 53 from overflow page | 0 | 0 | 0 |
| 5399. Totals (Lines 5301 through 5303 plus 5398) (Line 53 above) | 0 | 0 | 0 |

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE 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..... | 35,330,665 | 41,156,728 | 44,150,893 |
| 2. Net investment income..... | 9,893,121 | 9,927,524 | 13,032,482 |
| 3. Miscellaneous income..... | 8,080,317 | 2,825,035 | 11,858,506 |
| 4. Total (Lines 1 to 3)..... | 53,304,103 | 53,909,287 | 69,041,881 |
| 5. Benefit and loss related payments..... | 20,471,279 | 22,287,654 | 29,734,905 |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts..... | 0 | 0 | 0 |
| 7. Commissions, expenses paid and aggregate write-ins for deductions..... | 19,037,229 | 17,391,759 | 23,663,511 |
| 8. Dividends paid to policyholders..... | 250,828 | 39,739 | 119,264 |
| 9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)..... | 0 | 0 | 2,838,596 |
| 10. Total (Lines 5 through 9)..... | 39,759,336 | 39,719,152 | 56,356,276 |
| 11. Net cash from operations (Line 4 minus Line 10)..... | 13,544,767 | 14,190,135 | 12,685,605 |
| Cash from Investments | | | |
| 12. Proceeds from investments sold, matured or repaid: | | | |
| 12.1 Bonds..... | 66,139,816 | 30,197,742 | 44,984,624 |
| 12.2 Stocks..... | 0 | 0 | 0 |
| 12.3 Mortgage loans..... | 0 | 0 | 0 |
| 12.4 Real estate..... | 0 | 0 | 0 |
| 12.5 Other invested assets..... | 0 | 0 | 0 |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments..... | 0 | 0 | 0 |
| 12.7 Miscellaneous proceeds..... | 203,332 | 0 | 0 |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7)..... | 66,343,148 | 30,197,742 | 44,984,624 |
| 13. Cost of investments acquired (long-term only): | | | |
| 13.1 Bonds..... | 77,382,213 | 43,258,533 | 57,925,291 |
| 13.2 Stocks..... | 0 | 0 | 3,250,000 |
| 13.3 Mortgage loans..... | 0 | 0 | 0 |
| 13.4 Real estate..... | 0 | 0 | 0 |
| 13.5 Other invested assets..... | 0 | 0 | 0 |
| 13.6 Miscellaneous applications..... | 0 | 28,551 | 0 |
| 13.7 Total investments acquired (Lines 13.1 to 13.6)..... | 77,382,213 | 43,287,084 | 61,175,291 |
| 14. Net increase (or decrease) in contract loans and premium notes..... | 247,818 | 487,431 | 480,366 |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)..... | (11,286,883) | (13,576,773) | (16,671,033) |
| Cash from Financing and Miscellaneous Sources | | | |
| 16. Cash provided (applied): | | | |
| 16.1 Surplus notes, capital notes..... | 0 | 0 | 0 |
| 16.2 Capital and paid in surplus, less treasury stock..... | 0 | 0 | 0 |
| 16.3 Borrowed funds..... | 0 | 0 | 0 |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities..... | (40,558) | (104,892) | (227,909) |
| 16.5 Dividends to stockholders..... | 0 | 0 | 0 |
| 16.6 Other cash provided (applied)..... | (2,313,327) | 2,143,661 | 6,894,068 |
| 17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)..... | (2,353,885) | 2,038,769 | 6,666,159 |
| RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS | | | |
| 18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)..... | (96,001) | 2,652,131 | 2,680,731 |
| 19. Cash, cash equivalents and short-term investments: | | | |
| 19.1 Beginning of year..... | 14,561,124 | 11,880,393 | 11,880,393 |
| 19.2 End of period (Line 18 plus Line 19.1)..... | 14,465,123 | 14,532,524 | 14,561,124 |

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE INSURANCE COMPANY

EXHIBIT 1

DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS

| | 1 Current Year to Date | 2 Prior Year to Date | 3 Prior Year Ended December 31 |
|---|------------------------------|----------------------------|--------------------------------------|
| 1. Industrial life | 0 | 0 | 0 |
| 2. Ordinary life insurance | 56,941,761 | 52,794,628 | 72,106,129 |
| 3. Ordinary individual annuities | 888,434 | 3,420,670 | 3,581,819 |
| 4. Credit life (group and individual) | 0 | 0 | 0 |
| 5. Group life insurance | 1,559,344 | 1,540,238 | 2,059,320 |
| 6. Group annuities | 0 | 0 | 0 |
| 7. A & H - group | 0 | 0 | 0 |
| 8. A & H - credit (group and individual) | 0 | 0 | 0 |
| 9. A & H - other | 195,614 | 209,283 | 276,013 |
| 10. Aggregate of all other lines of business | 0 | 0 | 0 |
| 11. Subtotal | 59,585,153 | 57,964,819 | 78,023,281 |
| 12. Deposit-type contracts | 0 | 0 | 0 |
| 13. Total | 59,585,153 | 57,964,819 | 78,023,281 |
| DETAILS OF WRITE-INS | | | |
| 1001. | 0 | 0 | 0 |
| 1002. | 0 | 0 | 0 |
| 1003. | 0 | 0 | 0 |
| 1098. Summary of remaining write-ins for Line 10 from overflow page | 0 | 0 | 0 |
| 1099. Total (Lines 1001 through 1003 plus 1098) (Line 10 above) | 0 | 0 | 0 |

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE 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 the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?
If yes, attach an explanation.

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

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

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

6.4 By what department or departments?
.....

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

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

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

7.2 If yes, give full information:
.....

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

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

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

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

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

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE INSURANCE COMPANY**GENERAL INTERROGATORIES**

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

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

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

.....

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

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

.....

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

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

.....

FINANCIAL

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

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

INVESTMENT

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

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

.....

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

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

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

14.2 If yes, please complete the following:

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

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

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

If no, attach a description with this statement.

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE INSURANCE COMPANY

GENERAL INTERROGATORIES

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

| | |
|--|------------------|
| 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 | \$.....5,202,468 |
| 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 | \$.....5,202,385 |
| 16.3 Total payable for securities lending reported on the liability page | \$.....5,202,385 |

17. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*? Yes [X] No []

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

| 1 Name of Custodian(s) | 2 Custodian Address |
|--------------------------------|---|
| JP Morgan Chase Bank, N.A..... | 111 Polaris Pkwy, Columbus, OH 43240..... |

17.2 For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation:

| 1 Name(s) | 2 Location(s) | 3 Complete Explanation(s) |
|--------------|------------------|------------------------------|
| | | |

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes [] No [X]

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

| 1 Old Custodian | 2 New Custodian | 3 Date of Change | 4 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 Central Registration Depository | 2 Name(s) | 3 Address |
|--------------------------------------|---|---|
| 149003..... | Allianz Global Investors U.S. LLC..... | 600 West Broadway, 30th Floor San Diego, CA 92101..... |

18.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed? Yes [X] No []

18.2 If no, list exceptions:

.....

GENERAL INTERROGATORIES

PART 2 - LIFE & HEALTH

| | 1 Amount |
|---|----------------|
| 1. Report the statement value of mortgage loans at the end of this reporting period for the following categories: | |
| 1.1 Long-Term Mortgages in Good Standing | |
| 1.11 Farm Mortgages | \$ |
| 1.12 Residential Mortgages | \$ |
| 1.13 Commercial Mortgages | \$ |
| 1.14 Total Mortgages in Good Standing | \$ _____ 0 |
| 1.2 Long-Term Mortgages in Good Standing with Restructured Terms | |
| 1.21 Total Mortgages in Good Standing with Restructured Terms..... | \$ _____ |
| 1.3 Long-Term Mortgage Loans upon which Interest is Overdue more than Three Months | |
| 1.31 Farm Mortgages | \$ |
| 1.32 Residential Mortgages | \$ |
| 1.33 Commercial Mortgages | \$ |
| 1.34 Total Mortgages with Interest Overdue more than Three Months..... | \$ _____ 0 |
| 1.4 Long-Term Mortgage Loans in Process of Foreclosure | |
| 1.41 Farm Mortgages | \$ |
| 1.42 Residential Mortgages | \$ |
| 1.43 Commercial Mortgages | \$ |
| 1.44 Total Mortgages in Process of Foreclosure..... | \$ _____ 0 |
| 1.5 Total Mortgage Loans (Lines 1.14 + 1.21 + 1.34 + 1.44) (Page 2, Column 3, Lines 3.1 + 3.2)..... | \$ _____ 0 |
| 1.6 Long-Term Mortgages Foreclosed, Properties Transferred to Real Estate in Current Quarter | |
| 1.61 Farm Mortgages | \$ |
| 1.62 Residential Mortgages | \$ |
| 1.63 Commercial Mortgages | \$ |
| 1.64 Total Mortgages Foreclosed and Transferred to Real Estate | \$ _____ 0 |
| 2. Operating Percentages: | |
| 2.1 A&H loss percent..... | _____ % |
| 2.2 A&H cost containment percent | _____ % |
| 2.3 A&H expense percent excluding cost containment expenses..... | _____ % |
| 3.1 Do you act as a custodian for health savings accounts?..... | Yes [] No [] |
| 3.2 If yes, please provide the amount of custodial funds held as of the reporting date..... | \$ _____ |
| 3.3 Do you act as an administrator for health savings accounts?..... | Yes [] No [] |
| 3.4 If yes, please provide the balance of the funds administered as of the reporting date..... | \$ _____ |

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE INSURANCE COMPANY

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE INSURANCE COMPANY

SCHEDULE T – PREMIUMS AND ANNUITY CONSIDERATIONS

Current Year To Date - Allocated by States and Territories

| States, Etc. | Active Status | Direct Business Only | | | | | |
|--|---------------|----------------------|-------------|---|------------------------------|--------------------------------------|----------------------------------|
| | | Life Contracts | | 4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees | 5 Other Considerations | 6 Total Columns 2 Through 5 | 7 Deposit - Type Contracts |
| 1 | 2 | 3 | | | | | |
| 1. Alabama | AL | .92,979 | | | | .92,979 | |
| 2. Alaska | AK | .4,541 | | | | .4,541 | |
| 3. Arizona | AZ | .86,687 | | | | .86,687 | |
| 4. Arkansas | AR | .27,808 | | | | .27,808 | |
| 5. California | CA | .89,158 | | | 711 | .89,869 | |
| 6. Colorado | CO | .42,683 | | | | .42,683 | |
| 7. Connecticut | CT | .13,895 | | | | .13,895 | |
| 8. Delaware | DE | .4,960 | | | | .4,960 | |
| 9. District of Columbia | DC | .1,865 | | | | .1,865 | |
| 10. Florida | FL | .464,958 | .3,000 | | .3,394 | .471,352 | |
| 11. Georgia | GA | L .4,981,892 | .23,424 | | .19,151 | .5,024,468 | |
| 12. Hawaii | HI | .4,462 | | | | .4,462 | |
| 13. Idaho | ID | .5,614 | | | | .5,614 | |
| 14. Illinois | IL | L 1,704,049 | .11,400 | | .4,299 | .1,719,748 | |
| 15. Indiana | IN | L 4,531,294 | .36,393 | | .8,532 | .4,576,219 | |
| 16. Iowa | IA | .92,635 | | | | .92,635 | |
| 17. Kansas | KS | L 16,386 | | | | .16,386 | |
| 18. Kentucky | KY | L 6,893,757 | 266,998 | | .40,582 | .7,201,337 | |
| 19. Louisiana | LA | .14,440 | | | | .14,440 | |
| 20. Maine | ME | .4,616 | | | | .4,616 | |
| 21. Maryland | MD | .145,202 | | | | .145,202 | |
| 22. Massachusetts | MA | .12,030 | | | | .12,030 | |
| 23. Michigan | MI | L 3,307,550 | .155,582 | | .2,323 | .3,465,454 | |
| 24. Minnesota | MN | L 271,465 | .1,050 | | | .272,515 | |
| 25. Mississippi | MS | .89,162 | | | .225 | .89,387 | |
| 26. Missouri | MO | L 93,723 | | | | .93,723 | |
| 27. Montana | MT | .10,906 | | | | .10,906 | |
| 28. Nebraska | NE | .3,833 | | | | .3,833 | |
| 29. Nevada | NV | .82,395 | | | | .82,395 | |
| 30. New Hampshire | NH | .5,138 | | | | .5,138 | |
| 31. New Jersey | NJ | .21,359 | | | | .21,359 | |
| 32. New Mexico | NM | .5,954 | | | | .5,954 | |
| 33. New York | NY | .32,539 | | | .1,430 | .33,969 | |
| 34. North Carolina | NC | .152,270 | | | .1,007 | .153,277 | |
| 35. North Dakota | ND | .3,548 | | | | .3,548 | |
| 36. Ohio | OH | L 26,251,387 | 338,929 | | .93,056 | .26,683,372 | |
| 37. Oklahoma | OK | .16,031 | | | | .16,031 | |
| 38. Oregon | OR | .7,420 | | | | .7,420 | |
| 39. Pennsylvania | PA | L 794,130 | | | | .794,130 | |
| 40. Rhode Island | RI | .252 | | | | .252 | |
| 41. South Carolina | SC | L 685,201 | .2,500 | | .26 | .687,727 | |
| 42. South Dakota | SD | .7,159 | | | | .7,159 | |
| 43. Tennessee | TN | L 6,112,040 | .30,824 | | .19,708 | .6,162,572 | |
| 44. Texas | TX | .128,311 | | | .1,104 | .130,415 | |
| 45. Utah | UT | .15,212 | | | | .15,212 | |
| 46. Vermont | VT | .4,628 | | | .351 | .4,979 | |
| 47. Virginia | VA | L 284,355 | .5,400 | | .854 | .290,609 | |
| 48. Washington | WA | .13,392 | | | | .13,392 | |
| 49. West Virginia | WV | .99,547 | | | .2,080 | .102,141 | |
| 50. Wisconsin | WI | L 749,630 | .8,200 | | .514 | .757,830 | |
| 51. Wyoming | WY | .3,109 | | | | .3,109 | |
| 52. American Samoa | AS | | | | | 0 | |
| 53. Guam | GU | | | | | 0 | |
| 54. Puerto Rico | PR | | | | | 0 | |
| 55. US Virgin Islands | VI | .251 | | | | .251 | |
| 56. Northern Mariana Islands | MP | | | | | 0 | |
| 57. Canada | CAN | .11,408 | | | | .11,408 | |
| 58. Aggregate Other Alien | OT | XXX .1,891 | .0 | | .0 | .1,891 | 0 |
| 59. Subtotal | | (a) 15 | 58,501,105 | 888,434 | .195,614 | 59,585,153 | 0 |
| 90. Reporting entity contributions for employee benefit plans | | XXX | | | | | 0 |
| 91. Dividends or refunds applied to purchase paid-up additions and annuities | | XXX | | | | | 0 |
| 92. Dividends or refunds applied to shorten endowment or premium paying period | | XXX | | | | | 0 |
| 93. Premium or annuity considerations waived under disability or other contract provisions | | XXX | | | | | 0 |
| 94. Aggregate other amounts not allocable by State | | XXX | 0 | 0 | .0 | 0 | 0 |
| 95. Totals (Direct Business) | | XXX | 58,501,105 | 888,434 | .195,614 | 59,585,153 | 0 |
| 96. Plus Reinsurance Assumed | | XXX | .2,536,573 | | | .2,536,573 | |
| 97. Totals (All Business) | | XXX | .61,037,678 | 888,434 | .195,614 | .62,121,726 | 0 |
| 98. Less Reinsurance Ceded | | XXX | .27,575,530 | | .98,001 | .27,673,531 | |
| 99. Totals (All Business) less Reinsurance Ceded | | XXX | .33,462,148 | 888,434 | .97,613 | .34,448,195 | 0 |
| DETAILS OF WRITE-INS | | | | | | | |
| 58001. GBR United Kingdom | | XXX | .919 | | | .919 | |
| 58002. ITA Italy | | XXX | .110 | | | .110 | |
| 58003. | | XXX | .862 | | | .862 | |
| 58998. Summary of remaining write-ins for Line 58 from overflow page | | XXX | .0 | 0 | .0 | 0 | 0 |
| 58999. Total (Lines 58001 through 58003 + 58998) (Line 58 above) | | XXX | 1,891 | 0 | 0 | 1,891 | 0 |
| 9401. | | XXX | | | | 0 | |
| 9402. | | XXX | | | | 0 | |
| 9403. | | XXX | | | | 0 | |
| 9498. Summary of remaining write-ins for Line 94 from overflow page | | XXX | .0 | 0 | .0 | 0 | 0 |
| 9499. Total (Lines 9401 through 9403 + 9498) (Line 94 above) | | XXX | 0 | 0 | 0 | 0 | 0 |

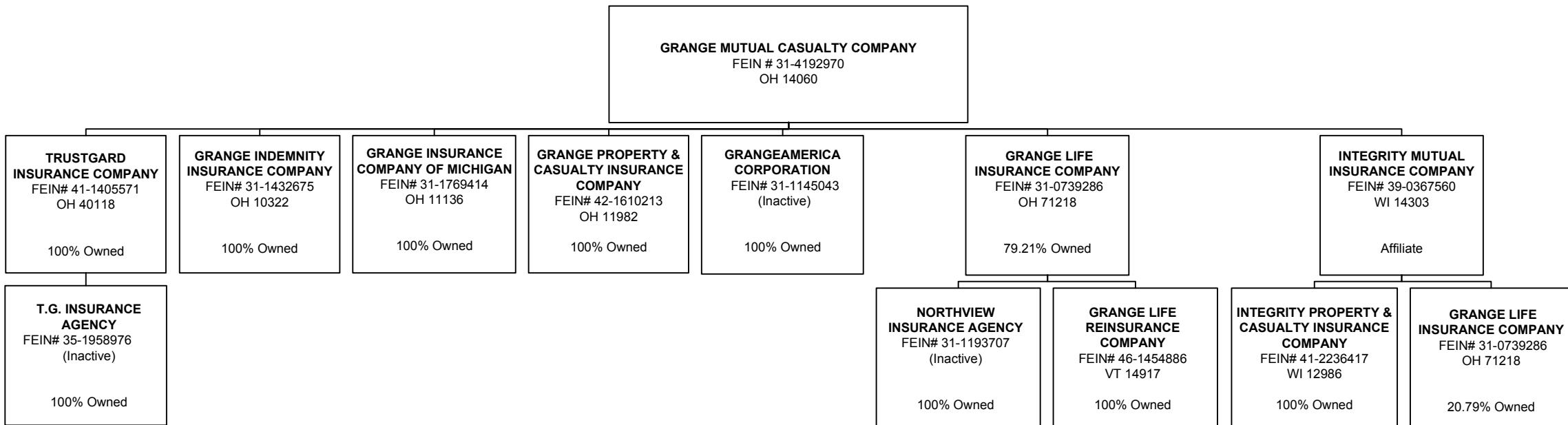
(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business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

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

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE INSURANCE COMPANY

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

PART 1 – ORGANIZATIONAL CHART



STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE INSURANCE COMPANY

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

| Asterisk | Explanation |
|----------|------------------|
| 1 | Reporting Entity |

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE INSURANCE COMPANY

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

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

Explanation:

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

Bar Code:

1.  7 1 2 1 8 2 0 1 3 4 9 0 0 0 0 0 3

2.  7 1 2 1 8 2 0 1 3 3 6 5 0 0 0 0 0 3

3.  7 1 2 1 8 2 0 1 3 4 4 5 0 0 0 0 0 3

4.  7 1 2 1 8 2 0 1 3 4 4 6 0 0 0 0 0 3

5.  7 1 2 1 8 2 0 1 3 4 4 7 0 0 0 0 0 3

6.  7 1 2 1 8 2 0 1 3 4 4 8 0 0 0 0 0 3

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE INSURANCE COMPANY

7.



OVERFLOW PAGE FOR WRITE-INS

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE INSURANCE COMPANY

SCHEDULE A – VERIFICATION

Real Estate

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

NONE

SCHEDULE B – VERIFICATION

Mortgage Loans

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

NONE

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

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

NONE

SCHEDULE D – VERIFICATION

Bonds and Stocks

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year..... | 257,966,477 | 238,826,724 |
| 2. Cost of bonds and stocks acquired..... | 77,382,213 | 61,175,290 |
| 3. Accrual of discount..... | 201,859 | 297,550 |
| 4. Unrealized valuation increase (decrease)..... | 1,153,995 | 2,983,017 |
| 5. Total gain (loss) on disposals..... | 1,973,475 | 726,887 |
| 6. Deduct consideration for bonds and stocks disposed of..... | 66,139,817 | 44,984,624 |
| 7. Deduct amortization of premium..... | 904,478 | 1,058,367 |
| 8. Total foreign exchange change in book/adjusted carrying value..... | 0 | 0 |
| 9. Deduct current year's other than temporary impairment recognized..... | 0 | 0 |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7+8-9)..... | 271,633,724 | 257,966,477 |
| 11. Deduct total nonadmitted amounts..... | 0 | 0 |
| 12. Statement value at end of current period (Line 10 minus Line 11)..... | 271,633,724 | 257,966,477 |

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE INSURANCE COMPANY

SCHEDULE D - PART 1B

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

| | 1 Book/Adjusted Carrying Value Beginning of Current Quarter | 2 Acquisitions During Current Quarter | 3 Dispositions During Current Quarter | 4 Non-Trading Activity During Current Quarter | 5 Book/Adjusted Carrying Value End of First Quarter | 6 Book/Adjusted Carrying Value End of Second Quarter | 7 Book/Adjusted Carrying Value End of Third Quarter | 8 Book/Adjusted Carrying Value December 31 Prior Year |
|-----------------------------------|---|--|--|---|---|--|---|---|
| BONDS | | | | | | | | |
| 1. Class 1 (a)..... | 223,004,834 | 16,871,556 | 16,885,441 | (270,034) | 214,950,177 | 223,004,834 | 222,720,915 | 213,018,005 |
| 2. Class 2 (a)..... | 33,321,404 | 2,945,729 | 1,185,820 | 313,056 | 37,256,486 | 33,321,404 | 35,394,370 | 36,045,177 |
| 3. Class 3 (a)..... | 7,145,368 | 538,480 | 2,474,906 | (184,877) | 6,632,813 | 7,145,368 | 5,024,064 | 6,093,449 |
| 4. Class 4 (a)..... | 5,706,535 | 1,349,116 | 871,417 | 244,065 | 5,101,305 | 5,706,535 | 6,428,300 | 5,119,669 |
| 5. Class 5 (a)..... | 0 | | | | 0 | 0 | 0 | 0 |
| 6. Class 6 (a)..... | 0 | | | | 0 | 0 | 0 | 0 |
| 7. Total Bonds | 269,178,142 | 21,704,882 | 21,417,584 | 102,210 | 263,940,780 | 269,178,142 | 269,567,649 | 260,276,301 |
| PREFERRED STOCK | | | | | | | | |
| 8. Class 1 | 0 | | | | 0 | 0 | 0 | 0 |
| 9. Class 2 | 0 | | | | 0 | 0 | 0 | 0 |
| 10. Class 3 | 0 | | | | 0 | 0 | 0 | 0 |
| 11. Class 4 | 0 | | | | 0 | 0 | 0 | 0 |
| 12. Class 5 | 0 | | | | 0 | 0 | 0 | 0 |
| 13. Class 6 | 0 | | | | 0 | 0 | 0 | 0 |
| 14. Total Preferred Stock..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15. Total Bonds & Preferred Stock | 269,178,142 | 21,704,882 | 21,417,584 | 102,210 | 263,940,780 | 269,178,142 | 269,567,649 | 260,276,301 |

(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 \$5,321,717 ; NAIC 2 \$;

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

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 | 5,321,717 | XXX | 5,321,717 | 1,332 | |

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..... | 8,543,621 | 2,030,582 |
| 2. Cost of short-term investments acquired | 12,178,174 | 13,814,417 |
| 3. Accrual of discount | | 0 |
| 4. Unrealized valuation increase (decrease)..... | | 0 |
| 5. Total gain (loss) on disposals | | 0 |
| 6. Deduct consideration received on disposals | 15,400,078 | 7,301,378 |
| 7. Deduct amortization of premium..... | | 0 |
| 8. Total foreign exchange change in book/adjusted carrying value..... | | 0 |
| 9. Deduct current year's other than temporary impairment recognized..... | | 0 |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)..... | 5,321,717 | 8,543,621 |
| 11. Deduct total nonadmitted amounts..... | | 0 |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 5,321,717 | 8,543,621 |

Schedule DB - Part A - Verification

NONE

Schedule DB - Part B - Verification

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

NONE

Schedule E - Verification

NONE

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

Schedule BA - Part 2

NONE

Schedule BA - Part 3
NONE

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE INSURANCE COMPANY

SCHEDULE D - PART 3

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

| 1 CUSIP Identification | 2 Description | 3 Foreign | 4 Date Acquired | 5 Name of Vendor | 6 Number of Shares of Stock | 7 Actual Cost | 8 Par Value | 9 Paid for Accrued Interest and Dividends | 10 NAIC Designation or Market Indicator (a) |
|--|--|--------------|--------------------|----------------------------------|-----------------------------------|---------------------|----------------|---|---|
| Bonds - U.S. Governments | | | | | | | | | |
| 313383-US-8..... | FHLB Call 1.000% 08/22/28..... | | .08/01/2013..... | Davidson, D.A., Co., Inc..... | .999,000 | .1,000,000 | | | 1..... |
| 313661-TT-6..... | FMMA Call 3.000% 09/12/28..... | | .08/15/2013..... | FTN Financial..... | 1,000,000 | 1,000,000 | | | 1..... |
| 38378V-XZ-3..... | GNR 2013-119 TV 3.000% 08/20/43..... | | .09/23/2013..... | Sterne, Agee & Leach..... | 3,043,160 | 2,984,404 | .6,218 | | 1..... |
| | | | | | | 5,042,160 | 4,984,404 | | 6,218 |
| | 0599999 - Bonds - U.S. Governments | | | | | | | | XXX |
| Bonds - U.S. Special Revenue | | | | | | | | | |
| 31315P-YZ-6..... | FAMCA Call 2.375% 05/02/23..... | | .08/21/2013..... | Stifel Nicolaus & Co..... | .449,865 | .500,000 | .3,628 | | 1..... |
| 31364D-F4-6..... | FNR 2013-40 VA 3.500% 05/25/26..... | | .09/25/2013..... | Maxwell Simon Inc..... | 4,075,320 | 3,897,497 | 10,989 | | 1..... |
| | | | | | | 4,525,185 | 4,397,497 | | 14,617 |
| | 3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Government and Their Political Subdivisions | | | | | | | | XXX |
| Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | | | | | | |
| 00081T-AH-1..... | Acco Brands Corp NC 6.750% 04/30/20..... | | .07/09/2013..... | Barclays Capital..... | .5,050 | .5,000 | .68 | | 4FE |
| 00101J-AJ-5..... | ADT Corporation 144A 6.250% 10/15/21..... | | .09/25/2013..... | Various..... | 126,594 | 125,000 | | | 3FE |
| 004498-AA-9..... | ACI Worldwide Inc 144A-Call 6.375% 08/..... | | .08/15/2013..... | Wells Fargo Bk..... | .10,000 | .10,000 | | | 4FE |
| 00507V-AE-9..... | Activision Blizzard 144A-Call 6.125% 0..... | | .09/16/2013..... | Various..... | .70,638 | .70,000 | | | 3FE |
| 01748V-AA-2..... | Allegion US Holding Co 144A-Call 5.750..... | | .09/27/2013..... | Goldman Sachs..... | .5,000 | .5,000 | | | |
| 018581-AF-5..... | Alliance Data 144A-NC 5.250% 12/01/17..... | | .08/20/2013..... | First Union Capital..... | .170,981 | .165,000 | .1,973 | | 3..... |
| 02005N-AR-1..... | Ally Financial Inc NC 4.750% 09/10/18..... | | .09/04/2013..... | Citigroup Global Markets..... | .69,386 | .70,000 | | | 3FE |
| 024747-AC-1..... | ABC Supply Co Inc 144A-Call 5.625% 04/..... | | .07/30/2013..... | First Union Capital..... | .65,000 | .65,000 | .1,072 | | 4FE |
| 053773-AT-4..... | Avis Budget Car Rental Call 4.875% 11/..... | | .08/13/2013..... | Barclays Capital..... | .81,800 | .80,000 | .986 | | 4FE |
| 05508W-AA-3..... | B&G Foods Inc Call 4.625% 06/01/21..... | | .08/22/2013..... | Various..... | .108,863 | .115,000 | .973 | | 4FE |
| 1248EP-AU-7..... | CCO Holdings Call 6.500% 04/30/21..... | | .07/15/2013..... | Various..... | .15,828 | .15,000 | .211 | | 4FE |
| 210795-QB-9..... | Continental Airlines NC 4.000% 10/29/2..... | | .07/03/2013..... | Stifel Nicolaus & Co..... | .637,813 | .650,000 | .5,056 | | 1FE |
| 217203-AE-8..... | Copano Energy LLC Call 7.125% 04/01/21..... | | .07/18/2013..... | Davidson, D.A., Co., Inc..... | .572,500 | .500,000 | .11,083 | | 2FE |
| 22282E-AE-2..... | Covanta Holdings Corp Call 6.375% 10/0..... | | .07/22/2013..... | Various..... | .51,125 | .50,000 | .919 | | 4FE |
| 224399-AP-0..... | Crane Co NC 6.550% 11/15/36..... | | .09/12/2013..... | Davidson, D.A., Co., Inc..... | .1,058,400 | .1,000,000 | .22,197 | | 2FE |
| 26613T-AD-2..... | Dupont Fabros Tech 144A-Call 5.875% 09/..... | | .09/12/2013..... | Goldman Sachs..... | .35,000 | .35,000 | | | 3FE |
| 26875P-AG-6..... | E06 Resources Inc. NC 4.100% 02/01/21..... | | .08/28/2013..... | Davidson, D.A., Co., Inc..... | .841,488 | .800,000 | .2,916 | | 1FE |
| 270321-AD-4..... | Earthlink Inc 144A-Call 7.375% 06/01/2..... | | .07/01/2013..... | DBAB..... | .14,625 | .15,000 | .111 | | 4FE |
| 28336L-BV-0..... | EI Paso Corporation NC 6.500% 09/15/20..... | | .08/06/2013..... | Various..... | .101,525 | .95,000 | .2,212 | | 3FE |
| 28660G-AG-1..... | Elizabeth Arden Inc Call 7.375% 03/15/..... | | .07/29/2013..... | First Union Capital..... | .38,150 | .35,000 | .975 | | 4FE |
| 30250P-AQ-9..... | FMR LLC 144A-NC 7.570% 06/15/29..... | | .08/20/2013..... | National Financial Services..... | .934,673 | .750,000 | .10,724 | | 1FE |
| 31428X-AR-7..... | Fedex Corporation NC 8.000% 01/15/19..... | | .09/03/2013..... | Stifel Nicolaus & Co..... | .622,195 | .500,000 | .5,667 | | 2FE |
| 31430Q-BB-2..... | Felcor Lodging LP REITS-Call 6.750% 06/..... | | .07/11/2013..... | Jefferies..... | .15,638 | .15,000 | .127 | | 4FE |
| 319963-BE-3..... | First Data Corp. 144A-Call 6.750% 11/0..... | | .07/11/2013..... | Various..... | .41,775 | .40,000 | .563 | | 4FE |
| 36159R-AE-3..... | Geo Group Inc Call 6.625% 02/15/21..... | | .07/18/2013..... | Jefferies..... | .52,688 | .50,000 | .1,454 | | 4FE |
| 36159R-AH-6..... | Geo Group Inc 144A-Call 5.875% 01/15/2..... | | .09/19/2013..... | Wells Fargo Bk..... | .50,000 | .50,000 | | | 4FE |
| 428040-CP-2..... | HDTFS Inc Call 5.875% 10/15/20..... | | .07/09/2013..... | Credit Suisse First Boston..... | .41,300 | .40,000 | .568 | | 4FE |
| 428040-CQ-0..... | Hertz Corp. 144A 4.250% 04/01/18..... | | .08/05/2013..... | Various..... | .54,438 | .55,000 | .832 | | 4FE |
| 505588-BJ-1..... | Laclede Gas Co Call 3.400% 08/15/23..... | | .08/13/2013..... | Davidson, D.A., Co., Inc..... | .498,815 | .500,000 | .142 | | 1FE |
| 59565X-AA-8..... | Midcontinent Express Pipeline 144A-Call..... | | .07/24/2013..... | Bank of New York..... | .60,938 | .60,000 | | | 4FE |
| 670597-AD-7..... | Nustar Logistics NC 6.750% 02/01/21..... | | .09/19/2013..... | Credit Suisse First Boston..... | .127,500 | .125,000 | .820 | | 3FE |
| 674215-AT-5..... | Oasis Pete Inc 144A-Call 6.875% 03/15/..... | | .09/10/2013..... | Various..... | .40,450 | .40,000 | | | 4FE |
| 69353X-AA-3..... | PNK Finance Corp 144A-Call 6.375% 08/0..... | | .07/30/2013..... | J P Morgan Securities..... | .40,000 | .40,000 | | | 4FE |
| 74387X-AU-6..... | Provident Fdg/PFG Fin 144A-Call 6.750%..... | | .07/11/2013..... | Merrill Lynch..... | .30,450 | .30,000 | .236 | | 4FE |
| 759891-AA-2..... | Renre North America Hldg NC 5.750% 03/..... | | .09/03/2013..... | National Financial Services..... | .545,960 | .500,000 | .13,656 | | 1FE |
| 78401F-AG-2..... | SBA Telecommunications Call 5.750% 07/..... | | .07/02/2013..... | Barclays Capital..... | .35,263 | .35,000 | .967 | | 4FE |
| 785583-AJ-4..... | Sabine Pass Lng 144A-Call 6.500% 11/01/..... | | .07/18/2013..... | Morgan Stanley..... | .90,213 | .85,000 | .1,258 | | 4FE |
| 829259-AP-5..... | Sinclair Television Group 144A-Call 6..... | | .09/26/2013..... | DBAB..... | .25,000 | .25,000 | | | 4FE |
| 85205T-AD-2..... | Spirit Aerosystems Inc Call 6.750% 12/..... | | .07/17/2013..... | Wells Fargo Bk..... | .15,863 | .15,000 | .104 | | 3FE |
| 85207U-AA-3..... | Sprint Corp 144A 7.250% 09/15/21..... | | .09/04/2013..... | J P Morgan Securities..... | .65,000 | .65,000 | | | 4FE |
| 85207U-AB-1..... | Sprint Corp 144A 7.875% 09/15/23..... | | .09/06/2013..... | Various..... | .145,731 | .145,000 | | | 4FE |
| 86680W-AA-3..... | Sun Merger Sub Inc 144A-Call 5.250% 08/..... | | .07/26/2013..... | UBS Securities..... | .40,100 | .40,000 | | | 4FE |
| 86680W-AB-1..... | Sun Merger Sub Inc 144A-Call 5.875% 08/..... | | .07/19/2013..... | Morgan Stanley..... | .5,000 | .5,000 | | | 4FE |
| 87243Q-AA-4..... | Tenet Healthcare Corp 144A 6.000% 10/0..... | | .09/13/2013..... | Merrill Lynch..... | .5,000 | .5,000 | | | 4FE |
| 87261N-AG-5..... | TMX Finance LLC/Titemax Fin 144A-Call..... | | .07/17/2013..... | Various..... | .66,585 | .65,000 | | | 4FE |
| 87311X-AG-3..... | TW Telecom Holdings Inc 144A-Call 6.37..... | | .08/12/2013..... | Various..... | .60,113 | .60,000 | | | 4FE |
| 896818-AD-3..... | Triumph Group Call 8.000% 11/15/17..... | | .08/06/2013..... | Sterne, Agee & Leach..... | .31,575 | .30,000 | .560 | | 4FE |
| 92343V-BR-4..... | Verizon Communications NC 5.150% 09/15/..... | | .09/11/2013..... | Morgan Stanley..... | .54,822 | .55,000 | | | 2FE |
| 957674-AD-6..... | Western Atlas Inc NC 8.550% 06/15/24..... | | .07/29/2013..... | Sterne, Agee & Leach..... | .557,952 | .400,000 | .4,370 | | 1FE |

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE INSURANCE COMPANY

SCHEDULE D - PART 3

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

| 1 CUSIP Identification | 2 Description | 3 Foreign | 4 Date Acquired | 5 Name of Vendor | 6 Number of Shares of Stock | 7 Actual Cost | 8 Par Value | 9 Paid for Accrued Interest and Dividends | 10 NAIC Designation or Market Indicator (a) | |
|---|---|--------------|--------------------|-----------------------|-----------------------------------|---------------------|-----------------|---|---|----------|
| .552704-AA-6..... | Meg Energy Corp 144A-Call 6.500% 03/15..... | A..... | .07/30/2013..... | Barclays Capital..... | | 20,650..... | 20,000..... | .495..... | 4FE..... | |
| .66977W-AN-9..... | Nova Chemicals Ltd 144A-Call 5.250% 08..... | A..... | .07/16/2013..... | Barclays Capital..... | | 20,000..... | 20,000..... | | 3FE..... | |
| .74819R-AP-1..... | Quebecor Media 5.750% 01/15/23..... | A..... | .09/06/2013..... | Barclays Capital..... | | 32,725..... | 35,000..... | .481..... | 4FE..... | |
| .002447-AA-8..... | Awas Aviation Capital Lt 144A-Call 7.0..... | F..... | .08/06/2013..... | Merrill Lynch..... | | 31,616..... | 30,400..... | .674..... | 3FE..... | |
| 3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | | | | 8,539,788..... | 7,835,400..... | 94,447..... | XXX..... |
| 8399997 - Subtotals- Bonds - Part 3 | | | | | | | 18,107,133..... | 17,217,301..... | 115,282..... | XXX..... |
| 8399999 - Subtotals - Bonds | | | | | | | 18,107,133..... | 17,217,301..... | 115,282..... | XXX..... |
| 9999999 Totals | | | | | | | 18,107,133..... | XXX..... | 115,282..... | XXX..... |

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

E04.1

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE INSURANCE COMPANY

SCHEDULE D - PART 4

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

| 1 CUSIP Identifi- cation | 2 Description | 3 For- eign | 4 Disposal Date | 5 Name of Purchaser | 6 Number of Shares of Stock | 7 Consideration | 8 Par Value | 9 Actual Cost | 10 Prior Year Book/Adjusted Carrying Value | Change in Book/Adjusted Carrying Value | | | | | 16 Book/ Adjusted Carrying Value at Disposal Date | 17 Foreign Exchange Gain (Loss) on Disposal | 18 Realized Gain (Loss) on Disposal | 19 Total Gain (Loss) on Disposal | 20 Bond Interest/Stock Dividends Received During Year | 21 Stated Contractual Maturity Date | 22 NAIC Design- ation or Market Indicator (a) | |
|---|---|-------------------|-----------------------|------------------------|--------------------------------------|--------------------|----------------|------------------|--|--|--|---|---|--|--|---|--|---|--|---|--|--------|
| | | | | | | | | | | 11 Unrealized Valuation Increase/ (Decrease) | 12 Current Year's (Amortization)/ Accretion | 13 Current Year's Other Than Temporary Impairment Recognized | 14 Total Change in B.A.C.V. (11+12-13) | 15 Total Foreign Exchange Change in B.A.C.V. | | | | | | | | |
| Bonds - U.S. Governments | | | | | | | | | | | | | | | | | | | | | | |
| 36204D-5J-4... | GNMA Pool 367249 6.500% | 12/15/23... | 09/01/2013... | Paydown... | | | 13,923 | 13,923 | 14,576 | 14,418 | | (495) | | (495) | | 13,923 | | | 0 | 542 | 12/15/2023... | 1... |
| 36205G-AD-3... | GNMA Pool 389804 5.000% | 01/15/33... | 09/01/2013... | Paydown... | | | 28,242 | 28,242 | 28,295 | 28,290 | | (48) | | (48) | | 28,242 | | | 0 | 912 | 01/15/2033... | 1... |
| 38373T-Z2-4... | GNR 2002-15 PC 5.500% | 11/20/31... | 09/01/2013... | Paydown... | | | 14,978 | 14,978 | 14,359 | 14,888 | | 90 | | 90 | | 14,978 | | | 0 | 557 | 11/20/2031... | 1... |
| 38374E-DF-1... | GNR 2003-102 MU 4.250% | 01/20/33... | 09/01/2013... | Paydown... | | | 15,732 | 15,732 | 15,717 | 15,699 | | 33 | | 33 | | 15,732 | | | 0 | 446 | 01/20/2033... | 1... |
| 38374E-ZM-2... | GNR 2003-116 JD 5.000% | 11/20/32... | 09/01/2013... | Paydown... | | | 346,783 | 346,783 | 342,285 | 344,973 | | 1,809 | | 1,809 | | 346,783 | | | 0 | 11,555 | 11/20/2032... | 1... |
| 38374F-W6-7... | GNR 2004-21 PC 5.000% | 04/20/33... | 09/01/2013... | Paydown... | | | 120,626 | 120,626 | 119,005 | 119,961 | | 665 | | 665 | | 120,626 | | | 0 | 3,985 | 04/20/2033... | 1... |
| 38378C-RT-6... | GNR 2012-13 EG 2.000% | 10/20/40... | 09/01/2013... | Paydown... | | | 24,127 | 24,127 | 24,402 | 24,335 | | (209) | | (209) | | 24,127 | | | 0 | 322 | 10/20/2040... | 1... |
| 38378D-BL-8... | GNR 2012-17 CD 4.000% | 09/20/40... | 09/01/2013... | Paydown... | | | 79,348 | 79,348 | 86,365 | 83,842 | | (4,494) | | (4,494) | | 79,348 | | | 0 | 2,016 | 09/20/2040... | 1... |
| 38378G-CY-2... | GNR 2012-134 EA 3.000% | 11/20/42... | 09/01/2013... | Paydown... | | | 77,745 | 77,745 | 81,487 | 81,476 | | (3,731) | | (3,731) | | 77,745 | | | 0 | 1,576 | 11/20/2042... | 1... |
| 0599999 - Bonds - U.S. Governments | | | | | 721,502 | 721,502 | 726,490 | 727,882 | 0 | (6,379) | 0 | (6,379) | 0 | 721,502 | 0 | 0 | 0 | 0 | 21,912 | XXX | XXX | |
| Bonds - U.S. States, Territories and Possessions | | | | | | | | | | | | | | | | | | | | | | |
| 574192-5E-6... | Maryland State BAB 60 4.500% 03/01/24... | | 09/12/2013... | Stephens Inc... | | | 1,057,030 | 1,000,000 | 999,980 | 999,980 | | 0 | | 999,980 | | 57,050 | | 57,050 | 47,000 | 03/01/2024... | 1FE... | |
| 57582P-WK-2... | Massachusetts State BAB 4.200% 12/01/2... | | 07/02/2013... | Stephens Inc... | | | 1,057,320 | 1,000,000 | 989,590 | 991,195 | | 423 | | 423 | | 991,618 | | 65,702 | 65,702 | 25,317 | 12/01/2021... | 1FE... |
| 1799999 - Bonds - U.S. States, Territories and Possessions | | | | | 2,114,350 | 2,000,000 | 1,989,570 | 1,991,175 | 0 | 423 | 0 | 423 | 0 | 1,991,598 | 0 | 122,752 | 122,752 | 122,752 | 72,317 | XXX | XXX | |
| Bonds - U.S. Political Subdivisions of States, Territories and Possessions | | | | | | | | | | | | | | | | | | | | | | |
| 852634-BS-2... | Stamford, CT BAB-Call 5.250% 08/01/26... | | 07/11/2013... | Stephens Inc... | | | 1,071,000 | 1,000,000 | 1,018,410 | 1,013,317 | | (936) | | (936) | | 1,012,381 | | 58,619 | 58,619 | 50,313 | 08/01/2026... | 1FE... |
| 2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions | | | | | 1,071,000 | 1,000,000 | 1,018,410 | 1,013,317 | 0 | (936) | 0 | (936) | 0 | 1,012,381 | 0 | 58,619 | 58,619 | 50,313 | XXX | XXX | | |
| Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions | | | | | | | | | | | | | | | | | | | | | | |
| 31281B-MU-1... | FG N31271 4.500% 01/01/36... | | 09/01/2013... | Paydown... | | | 11,522 | 11,522 | 11,656 | 11,650 | | (128) | | (128) | | 11,522 | | 0 | 366 | 01/01/2036... | 1... | |
| 31281B-TW-0... | FG N31465 5.000% 11/01/37... | | 09/01/2013... | Paydown... | | | 33,170 | 33,170 | 33,984 | 33,975 | | (805) | | (805) | | 33,170 | | 0 | 1,084 | 11/01/2037... | 1... | |
| 31281H-SS-5... | FHS 268 30 3.000% 08/15/42... | | 09/01/2013... | Paydown... | | | 69,598 | 69,598 | 72,469 | 72,427 | | (2,829) | | (2,829) | | 69,598 | | 0 | 1,379 | 08/15/2042... | 1... | |
| 3128K9-QY-3... | FGLMC Pool A48571 6.000% 05/01/36... | | 09/01/2013... | Paydown... | | | 35,886 | 35,886 | 35,864 | 35,862 | | 24 | | 24 | | 35,886 | | 0 | 1,379 | 05/01/2036... | 1... | |
| 3128KJ-CZ-3... | FGLMC Pool A55488 5.500% 12/01/36... | | 09/01/2013... | Paydown... | | | 54,154 | 54,154 | 53,934 | 53,937 | | 217 | | 217 | | 54,154 | | 0 | 1,993 | 12/01/2036... | 1... | |
| 3128KJ-WA-6... | FGLMC Pool A56041 5.500% 01/01/37... | | 09/01/2013... | Paydown... | | | 15,791 | 15,791 | 15,690 | 15,691 | | 100 | | 100 | | 15,791 | | 0 | 577 | 01/01/2037... | 1... | |
| 3128MJ-BW-9... | FGLMC Pool G08052 5.500% 04/01/35... | | 09/01/2013... | Paydown... | | | 47,019 | 47,019 | 46,791 | 46,795 | | 224 | | 224 | | 47,019 | | 0 | 1,703 | 04/01/2035... | 1... | |
| 3128P7-RY-1... | FG C91403 3.500% 03/01/32... | | 09/01/2013... | Paydown... | | | 46,436 | 46,436 | 49,991 | 49,937 | | (3,501) | | (3,501) | | 46,436 | | 0 | 1,068 | 03/01/2032... | 1... | |
| 3128P7-S2-0... | FG C91437 3.500% 04/01/32... | | 09/01/2013... | Paydown... | | | 32,048 | 32,048 | 33,691 | 33,656 | | (1,607) | | (1,607) | | 32,048 | | 0 | 740 | 04/01/2032... | 1... | |
| 31292H-NB-6... | FGLMC Pool #01286 6.000% 01/01/32... | | 09/01/2013... | Paydown... | | | 4,102 | 4,102 | 4,045 | 4,048 | | 54 | | 54 | | 4,102 | | 0 | 163 | 01/01/2032... | 1... | |
| 31294M-A7-6... | FG E02730 4.000% 10/01/25... | | 09/01/2013... | Paydown... | | | 66,614 | 66,614 | 69,299 | 69,172 | | (2,558) | | (2,558) | | 66,614 | | 0 | 1,800 | 10/01/2025... | 1... | |
| 31335H-02-2... | FHLMC Pool #C90473 6.500% 08/01/21... | | 09/01/2013... | Paydown... | | | 1,014 | 1,014 | 1,029 | 1,025 | | (11) | | (11) | | 1,014 | | 0 | 44 | 08/01/2021... | 1... | |
| 31337K-G7-9... | FHR 2141 E NAS FGLMC 7.0 6.600% 04/15... | | 09/01/2013... | Paydown... | | | 3,787 | 3,787 | 3,849 | 3,801 | | (14) | | (14) | | 3,787 | | 0 | 169 | 04/15/2029... | 1... | |
| 3136A6-AW-4... | FNR 2012-52 NB 3.500% 12/25/39... | | 09/01/2013... | Paydown... | | | 55,842 | 55,842 | 59,086 | 58,236 | | (2,394) | | (2,394) | | 55,842 | | 0 | 1,269 | 12/25/2039... | 1... | |
| 3136A7-SU-7... | FNR 2012-91 KL 3.500% 08/25/32... | | 09/01/2013... | Paydown... | | | 134,935 | 134,935 | 141,176 | | | (6,241) | | (6,241) | | 134,935 | | 0 | 2,406 | 08/25/2032... | 1... | |
| 3136A9-BK-3... | FNR 2012-106 QN 3.500% 10/25/42... | | 09/01/2013... | Paydown... | | | 20,233 | 20,233 | 21,631 | | | (1,397) | | (1,397) | | 20,233 | | 0 | 177 | 10/25/2042... | 1... | |
| 3136AA-CD-5... | FNR 2012-131DZ 2.500% 05/25/41... | | 09/01/2013... | Paydown... | | | 61,594 | 61,594 | 61,556 | | | 39 | | 39 | | 61,594 | | 0 | 824 | 05/25/2041... | 1... | |

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE INSURANCE COMPANY

SCHEDULE D - PART 4

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

| 1 CUSIP Identifi- cation | 2 Description | 3 For- eign | 4 Disposal Date | 5 Name of Purchaser | 6 Number of Shares of Stock | 7 Consideration | 8 Par Value | 9 Actual Cost | 10 Prior Year Book/Adjusted Carrying Value | Change in Book/Adjusted Carrying Value | | | | | 16 Book/ Adjusted Carrying Value at Disposal Date | 17 Foreign Exchange Gain (Loss) on Disposal | 18 Realized Gain (Loss) on Disposal | 19 Total Gain (Loss) on Disposal | 20 Bond Interest/Stock Dividends Received During Year | 21 Stated Contractual Maturity Date | 22 NAIC Design- ation or Market Indicator (a) | |
|-----------------------------------|---|-------------------|------------------------------|------------------------|--------------------------------------|--------------------|----------------|------------------|--|--|--|---|--|--|--|---|--|---|--|---|--|------|
| | | | | | | | | | | 11 Unrealized Valuation Increase/ (Decrease) | 12 Current Year's (Amortization)/ Accretion | 13 Current Year's Other Than Temporary Impairment Recognized | 14 Total Change in B./A.C.V. (11+12-13) | 15 Total Foreign Exchange Change in B./A.C.V. | | | | | | | | |
| 3136AB-C7-6.. | FNR 2013-5 MB 2.000% | | 02/25/43.. | 09/01/2013.. Paydown.. | | 61,229 | ..61,229 | ..61,286 | | | (57) | | | (57) | | ..61,229 | | | 0 | .507 | .02/25/2043.. | .1.. |
| 3136AB-CL-5.. | FNR 2012-147 TD 2.000% | | 01/25/33.. | 09/01/2013.. Paydown.. | | 29,231 | ..29,231 | ..29,350 | | | (119) | | | (119) | | ..29,231 | | | 0 | .359 | .01/25/2033.. | .1.. |
| 3136AB-QX-4.. | FNR 2013-9 MB 2.000% | | 02/25/33.. | 09/01/2013.. Paydown.. | | 17,006 | ..17,006 | ..17,056 | | | (50) | | | (50) | | ..17,006 | | | 0 | .86 | .02/25/2033.. | .1.. |
| 3136F3-5P-7.. | FNMA 15NC10 11 - Call 5.240% 08/07/18.. | | 08/07/2013.. Call 100.0000.. | | | 2,205,000 | ..2,205,000 | ..2,211,703 | ..2,205,571 | | (571) | | | (571) | | 2,205,000 | | | 0 | .115,542 | .08/07/2018.. | .1.. |
| 31371J-07-2.. | FNMA Pool 253478 8.000% | | 09/01/20.. | 09/01/2013.. Paydown.. | | .680 | ..680 | ..689 | ..685 | | (5) | | | (5) | | .680 | | | 0 | .34 | .09/01/2020.. | .1.. |
| 31371J-S8-8.. | FNMA Pool 253543 7.000% | | 11/01/20.. | 09/01/2013.. Paydown.. | | .394 | ..394 | ..390 | ..391 | | 3 | | | 3 | | .394 | | | 0 | .18 | .11/01/2020.. | .1.. |
| 31371K-UA-7.. | FNMA Pool 254477 5.500% | | 10/01/32.. | 09/01/2013.. Paydown.. | | 28,073 | ..28,073 | ..27,755 | ..27,764 | | 309 | | | 309 | | ..28,073 | | | 0 | .1,058 | .10/01/2032.. | .1.. |
| 31371L-DU-0.. | FNMA Pool 255028 5.000% | | 09/01/23.. | 09/01/2013.. Paydown.. | | 14,421 | ..14,421 | ..14,024 | ..14,072 | | 349 | | | 349 | | ..14,421 | | | 0 | .427 | .09/01/2023.. | .1.. |
| 31371L-HE-2.. | FNMA Pool 255042 4.500% | | 12/01/23.. | 09/01/2013.. Paydown.. | | 13,013 | ..13,013 | ..12,988 | ..12,985 | | .27 | | | .27 | | ..13,013 | | | 0 | .423 | .12/01/2023.. | .1.. |
| 31371L-HT-9.. | FN 256676 5.500% | | 11/01/23.. | 09/01/2013.. Paydown.. | | 12,071 | ..12,071 | ..11,746 | ..11,786 | | 285 | | | 285 | | ..12,071 | | | 0 | .357 | .11/01/2023.. | .1.. |
| 31371N-CM-5.. | 04/01/27.. | | 09/01/2013.. Paydown.. | | | 87,448 | ..87,448 | ..93,652 | ..93,458 | | (6,010) | | | (6,010) | | ..87,448 | | | 0 | .3,131 | .04/01/2027.. | .1.. |
| 31371N-SQ-9.. | FN 257126 5.500% | | 02/01/23.. | 09/01/2013.. Paydown.. | | 78,686 | ..78,686 | ..85,227 | ..84,708 | | (6,022) | | | (6,022) | | ..78,686 | | | 0 | .2,866 | .02/01/2023.. | .1.. |
| 3137A3-JW-0.. | FHR 3753 AS 3.500% | | 11/15/25.. | 09/01/2013.. Paydown.. | | 71,389 | ..71,389 | ..73,653 | ..72,631 | | (1,243) | | | (1,243) | | .71,389 | | | 0 | .1,604 | .11/15/2025.. | .1.. |
| 3137A3-PN-3.. | FHR 3762 GM 3.500% | | 08/15/28.. | 09/01/2013.. Paydown.. | | .52,109 | ..52,109 | ..53,735 | ..52,616 | | (507) | | | (507) | | .52,109 | | | 0 | .1,189 | .08/15/2028.. | .1.. |
| 3137A5-WW-0.. | FHR 3788 WA 4.000% | | 12/15/28.. | 09/01/2013.. Paydown.. | | 53,253 | ..53,253 | ..54,736 | ..53,805 | | (552) | | | (552) | | .53,253 | | | 0 | .1,379 | .12/15/2028.. | .1.. |
| 3137A6-QZ-8.. | FHR 3816 HA 3.500% | | 11/15/25.. | 09/01/2013.. Paydown.. | | .5 | ..5 | ..5 | ..5 | | 0 | | | 0 | | .5 | | | 0 | | .11/15/2025.. | .1.. |
| 3137A8-XZ-6.. | FHR 3844 DA 4.500% | | 10/15/39.. | 09/01/2013.. Paydown.. | | 111,422 | ..111,422 | ..118,856 | ..115,312 | | (3,889) | | | (3,889) | | ..111,422 | | | 0 | .3,275 | .10/15/2039.. | .1.. |
| 3137AG-CA-6.. | FHR 3947 BC 2.500% | | 10/15/26.. | 09/01/2013.. Paydown.. | | 27,476 | ..27,476 | ..28,417 | ..28,041 | | (565) | | | (565) | | .27,476 | | | 0 | .440 | .10/15/2026.. | .1.. |
| 3137AN-QF-5.. | 04/15/41.. | | 09/01/2013.. Paydown.. | | | 19,631 | ..19,631 | ..20,242 | ..19,859 | | (228) | | | (228) | | ..19,631 | | | 0 | .338 | .04/15/2041.. | .1.. |
| 3137AN-VY-8.. | FHR 4031 LE 2.000% | | 10/15/29.. | 09/01/2013.. Paydown.. | | 57,794 | ..57,794 | ..58,670 | ..58,287 | | (493) | | | (493) | | .57,794 | | | 0 | .776 | .10/15/2029.. | .1.. |
| 3137AU-U9-8.. | FHR 4117 VC 3.000% | | 10/15/32.. | 09/01/2013.. Paydown.. | | 32,802 | ..32,802 | ..35,262 | ..35,214 | | (2,412) | | | (2,412) | | .32,802 | | | 0 | .656 | .10/15/2032.. | .1.. |
| 3137AY-TH-4.. | FHR 4163 CW 3.500% | | 04/15/40.. | 09/01/2013.. Paydown.. | | 31,525 | ..31,525 | ..33,237 | | | (1,712) | | | (1,712) | | .31,525 | | | 0 | .460 | .04/15/2040.. | .1.. |
| 3137B2-KL-3.. | FHR 4217 UD 1.750% | | 06/15/28.. | 09/01/2013.. Paydown.. | | 16,079 | ..16,079 | ..15,777 | | | 301 | | | 301 | | .16,079 | | | 0 | .48 | .06/15/2028.. | .1.. |
| 31392E-SX-9.. | FNR 2002-59 B 5.500% | | 09/25/17.. | 09/01/2013.. Paydown.. | | .6,967 | ..6,967 | ..7,091 | ..6,976 | | (10) | | | (10) | | .6,967 | | | 0 | .258 | .09/25/2017.. | .1.. |
| 31392W-UQ-1.. | FNR 2510 NM 5.000% | | 03/15/32.. | 09/01/2013.. Paydown.. | | 34,793 | ..34,793 | ..35,738 | ..34,800 | | (7) | | | (7) | | .34,793 | | | 0 | .1,153 | .03/15/2032.. | .1.. |
| 31392W-UQ-1.. | FNR 2003-28 GA 4.000% | | 09/01/2013.. Paydown.. | | | 21,022 | ..21,022 | ..20,688 | ..20,921 | | 101 | | | 101 | | .21,022 | | | 0 | .553 | .10/25/2032.. | .1.. |
| 31393A-GG-6.. | FHR 2553 GB 5.000% | | 10/25/32.. | 09/01/2013.. Paydown.. | | 96,646 | ..96,646 | ..96,264 | ..96,421 | | 225 | | | 225 | | .96,646 | | | 0 | .3,215 | .01/15/2018.. | .1.. |
| 31393J-HC-5.. | 01/15/18.. | | 09/01/2013.. Paydown.. | | | 24,945 | ..24,945 | ..24,274 | ..24,782 | | 163 | | | 163 | | .24,945 | | | 0 | .759 | .06/15/2018.. | .1.. |
| 31393V-MQ-1.. | 06/15/18.. | | 09/01/2013.. Paydown.. | | | 120,138 | ..120,138 | ..124,718 | ..120,882 | | (744) | | | (744) | | .120,138 | | | 0 | .3,616 | .08/25/2033.. | .1.. |
| 31394B-W4-2.. | 08/25/33.. | | 09/01/2013.. Paydown.. | | | 68,825 | ..68,825 | ..62,545 | ..67,959 | | 866 | | | 866 | | .68,825 | | | 0 | .2,074 | .11/15/2032.. | .1.. |
| 31394H-AY-7.. | 11/15/32.. | | 09/01/2013.. Paydown.. | | | 29,326 | ..29,326 | ..28,510 | ..29,115 | | 211 | | | 211 | | .29,326 | | | 0 | .1,074 | .05/15/2032.. | .1.. |
| 31394P-RU-9.. | 05/15/32.. | | 09/01/2013.. Paydown.. | | | 83,089 | ..83,089 | ..82,531 | ..82,863 | | 227 | | | 227 | | .83,089 | | | 0 | .2,740 | .08/15/2032.. | .1.. |
| 31394X-WZ-5.. | 08/15/32.. | | 09/01/2013.. Paydown.. | | | 29,294 | ..29,294 | ..29,188 | ..29,233 | | 61 | | | 61 | | .29,294 | | | 0 | .988 | .01/15/2033.. | .1.. |

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE INSURANCE COMPANY

SCHEDULE D - PART 4

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

| 1 CUSIP Identifi- cation | 2 Description | 3 For- eign | 4 Disposal Date | 5 Name of Purchaser | 6 Number of Shares of Stock | 7 Consideration | 8 Par Value | 9 Actual Cost | 10 Prior Year Book/Adjusted Carrying Value | Change in Book/Adjusted Carrying Value | | | | | 16 Book/ Adjusted Carrying Value at Disposal Date | 17 Foreign Exchange Gain (Loss) on Disposal | 18 Realized Gain (Loss) on Disposal | 19 Total Gain (Loss) on Disposal | 20 Bond Interest/Stock Dividends Received During Year | 21 Stated Contractual Maturity Date | 22 NAIC Design- ation or Market Indicator (a) | | | | | |
|--|--|-------------------|-----------------------|-------------------------|--------------------------------------|--------------------|----------------|------------------|--|--|--|---|---|---|--|---|--|---|--|---|--|---------------|---------------|--------|---------------|--------|
| | | | | | | | | | | 11 Unrealized Valuation Increase/ (Decrease) | 12 Current Year's (Amortization)/ Accretion | 13 Current Year's Other Than Temporary Impairment Recognized | 14 Total Change in B.A.C.V. (11+12-13) | 15 Total Foreign Exchange Change in B.A.C.V. | | | | | | | | | | | | |
| 31395B-D7-5.. | FNR 2006-22 CE 4.500% | | 08/25/23.. | | | 89,232 | 89,232 | .91,627 | .90,434 | | | (1,202) | | (1,202) | | | | | | 0 | .2,780 | .08/25/2023.. | .1.. | | | |
| 31395E-YP-6.. | FHR 2835 HB 5.500% | | 08/15/24.. | | | 52,906 | 52,906 | .54,990 | .53,868 | | | (.962) | | (.962) | | | | | | 0 | .1,935 | .08/15/2024.. | .1.. | | | |
| 31396J-2L-8.. | FHR 3127 CY 5.500% | | 03/15/26.. | | | 60,223 | 60,223 | .62,632 | .61,180 | | | (.956) | | (.956) | | | | | | 0 | .2,208 | .03/15/2026.. | .1.. | | | |
| 31396P-ZR-5.. | FNR 2007-14 VB 4.500% | | 09/25/31.. | | | 646,232 | 646,232 | .689,852 | .656,096 | | | (.9,865) | | (.9,865) | | | | | | 0 | .19,495 | .09/25/2031.. | .1.. | | | |
| 31397G-J7-6.. | FHR 3306 PD 5.500% | | 04/15/35.. | | | 226,212 | 226,212 | .220,301 | .224,827 | | | 1,385 | | 1,385 | | | | | | 0 | .8,117 | .04/15/2035.. | .1.. | | | |
| 31397L-D0-9.. | FNR 2008-24 AV 5.000% | | 03/25/19.. | | | 295,140 | 295,140 | .295,140 | .295,140 | | | 0 | | 0 | | | | | 0 | .10,646 | .03/25/2019.. | .1.. | | | | |
| 313970-WZ-7.. | FNR 2011-15 VB 4.000% | | 09/25/29.. | | Stifel Nicolaus & Co.. | 2,000,000 | 2,000,000 | .1,867,656 | .1,896,254 | | | 4,501 | | 4,501 | | | | | | .99,245 | .63,333 | .09/25/2029.. | .1.. | | | |
| 31397S-ZF-4.. | FNR 2011-42 VA 4.500% | | 06/25/22.. | | | 319,759 | 319,759 | .338,495 | .322,817 | | | (.3,058) | | (.3,058) | | | | | | 0 | .9,650 | .06/25/2022.. | .1.. | | | |
| 31397U-GT-0.. | FNMA Pool 722925 5.000% | | 12/25/28.. | | | 25,474 | 25,474 | .25,936 | .25,630 | | | (.156) | | (.156) | | | | | | 0 | .557 | .12/25/2028.. | .1.. | | | |
| 31402A-D6-0.. | FNMA Pool 735676 5.000% | | 07/01/23.. | | | 6,789 | 6,789 | .6,878 | .6,867 | | | (.78) | | (.78) | | | | | | 0 | .210 | .07/01/2023.. | .1.. | | | |
| 31402R-JV-2.. | FNMA Pool 745353 5.500% | | 07/01/35.. | | | 60,849 | 60,849 | .63,017 | .62,933 | | | (.2,084) | | (.2,084) | | | | | | 0 | .2,007 | .07/01/2035.. | .1.. | | | |
| 31403D-BW-8.. | FNMA Pool 745516 5.500% | | 03/01/36.. | | | 62,018 | 62,018 | .60,332 | .60,368 | | | 1,650 | | 1,650 | | | | | | 0 | .2,296 | .03/01/2036.. | .1.. | | | |
| 31403D-GZ-6.. | FNMA Pool 745851 6.000% | | 05/01/36.. | | | 41,195 | 41,195 | .41,144 | .41,139 | | | .56 | | .56 | | | | | | 0 | .1,497 | .05/01/2036.. | .1.. | | | |
| 31403D-TG-4.. | FNMA Pool 762614 5.000% | | 09/01/36.. | | | 42,151 | 42,151 | .42,533 | .42,522 | | | (.371) | | (.371) | | | | | | 0 | .1,670 | .09/01/2036.. | .1.. | | | |
| 31404A-GX-6.. | FN 76996 5.000% | | 12/01/23.. | | | 11,840 | 11,840 | .11,995 | .11,963 | | | (.124) | | (.124) | | | | | | 0 | .394 | .12/01/2023.. | .1.. | | | |
| 31404S-GD-1.. | FN 76996 5.000% | | 04/01/34.. | | | 36,279 | 36,279 | .37,673 | .37,622 | | | (.1,343) | | (.1,343) | | | | | | 0 | .1,228 | .04/01/2034.. | .1.. | | | |
| 31407U-E0-6.. | FNMA Pool 840843 5.500% | | 12/01/35.. | | | 10,135 | 10,135 | .9,958 | .9,960 | | | 176 | | 176 | | | | | | 0 | .332 | .12/01/2035.. | .1.. | | | |
| 31409X-GG-8.. | FNMA Pool 881396 6.000% | | 05/01/36.. | | | 19,977 | 19,977 | .19,880 | .19,880 | | | .96 | | .96 | | | | | | 0 | .865 | .05/01/2036.. | .1.. | | | |
| 31411B-GM-9.. | FNMA Pool 903004 5.500% | | 12/01/36.. | | | 26,170 | 26,170 | .26,018 | .26,020 | | | 150 | | 150 | | | | | | 0 | .1,021 | .12/01/2036.. | .1.. | | | |
| 31411J-3H-7.. | FNMA Pool 909900 5.500% | | 03/01/37.. | | | 43,938 | 43,938 | .43,506 | .43,512 | | | .426 | | .426 | | | | | | 0 | .1,589 | .03/01/2037.. | .1.. | | | |
| 31416B-4A-3.. | FN AB9617 2.500% | | 01/01/24.. | | | 44,693 | 44,693 | .48,317 | .48,137 | | | (.3,445) | | (.3,445) | | | | | | 0 | .1,616 | .01/01/2024.. | .1.. | | | |
| 31417G-VK-9.. | FN MA0776 4.500% | | 06/01/33.. | | | 30,562 | 30,562 | .30,609 | | | | (.48) | | (.48) | | | | | | 0 | .84 | .06/01/2033.. | .1.. | | | |
| 31417Y-BJ-5.. | FN MA0804 4.000% | | 06/01/31.. | | | 99,007 | 99,007 | .104,328 | .104,182 | | | (.5,175) | | (.5,175) | | | | | | 0 | .2,926 | .06/01/2031.. | .1.. | | | |
| 31417Y-3N-5.. | FN MA0563 4.000% | | 07/01/31.. | | | 49,035 | 49,035 | .50,491 | .50,440 | | | (.1,405) | | (.1,405) | | | | | | 0 | .1,287 | .07/01/2031.. | .1.. | | | |
| 31417Y-TV-9.. | FN MA1059 3.500% | | 11/01/30.. | | | 66,750 | 66,750 | .68,836 | .68,755 | | | (.2,005) | | (.2,005) | | | | | | 0 | .1,733 | .11/01/2030.. | .1.. | | | |
| 31418A-E9-5.. | FN MA1029 3.500% | | 05/01/32.. | | | 29,340 | 29,340 | .31,054 | .31,019 | | | (.1,679) | | (.1,679) | | | | | | 0 | .670 | .05/01/2032.. | .1.. | | | |
| 31418A-EB-0.. | FN MA 1444 2.500% | | 04/01/32.. | | | 35,707 | 35,707 | .37,542 | .37,504 | | | (.1,797) | | (.1,797) | | | | | | 0 | .818 | .04/01/2032.. | .1.. | | | |
| 31418A-TA-6.. | Missouri St Hwy BAB-NC 05.0028 05/01/24.. | | 05/01/33.. | | | 13,352 | 13,352 | .13,811 | | | | (.459) | | (.459) | | | | | | 0 | .89 | .05/01/2033.. | .1.. | | | |
| 60636GW-NR-2.. | Ohio St Dev Assist BAB Call 6.22% 10/.. | | 07/11/2013.. | Stephens Inc.. | | 380,485 | 350,000 | .350,000 | .350,000 | | | 0 | | 0 | | | | | 0 | .30,485 | .12,401 | .05/01/2024.. | .1FE.. | | | |
| 67755W-AT-2.. | Stephens Inc.. | | 09/11/2013.. | | | 1,185,010 | 1,000,000 | .1,000,000 | .1,000,000 | | | 0 | | 0 | | | | | 0 | .185,010 | .185,010 | .59,608 | .10/01/2022.. | .1FE.. | | |
| 3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions | | | | | | 10,239,986 | 10,024,491 | 10,030,297 | 9,570,419 | | | 0 | (70,668) | 0 | (70,668) | | | | 0 | 9,925,246 | 0 | 314,740 | 381,610 | XXX | XXX | |
| Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 00434N-AA-3.. | Access Midstream Partner Call 4.875% 0.. | | 08/09/2013.. | J P Morgan Securities.. | | 120,250 | 130,000 | 130,000 | 130,000 | | | | | | | | | | 0 | 130,000 | | (9,750) | (9,750) | 4,137 | .05/15/2023.. | .3FE.. |

E05.2

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE INSURANCE COMPANY

SCHEDULE D - PART 4

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

| 1 CUSIP Identifi- cation | 2 Description | 3 For- eign | 4 Disposal Date | 5 Name of Purchaser | 6 Number of Shares of Stock | 7 Consideration | 8 Par Value | 9 Actual Cost | 10 Prior Year Book/Adjusted Carrying Value | Change in Book/Adjusted Carrying Value | | | | | 16 Book/ Adjusted Carrying Value at Disposal Date | 17 Foreign Exchange Gain (Loss) on Disposal | 18 Realized Gain (Loss) on Disposal | 19 Total Gain (Loss) on Disposal | 20 Bond Interest/Stock Dividends Received During Year | 21 Stated Contractual Maturity Date | 22 NAIC Design- ation or Market Indicator (a) |
|-----------------------------------|---|-------------------|-----------------------|--|--------------------------------------|--------------------|----------------|------------------|--|---|--|---|--|--|--|---|--|---|--|---|--|
| | | | | | | | | | | 11 Unrealized Valuation Increase/ Decrease) | 12 Current Year's (Amortization)/ Accretion | 13 Current Year's Other Than Temporary Impairment Recognized | 14 Total Change in B./A.C.V. (11+12-13) | 15 Total Foreign Exchange Change in B./A.C.V. | | | | | | | |
| 016745-AL-5.. | Allbritton Communication Conv 8.000% 0.. | | 07/30/2013.. | Merrill Lynch..... | | 21,650 | .20,000 | .20,295 | .9,571 | | | | 7 | | .20,448 | | .1,202 | .1,202 | .742 | .05/15/2018.. | .4FE.. |
| 01748N-AA-2.. | Allegion US Holding Co 144A-Call 5.750.. | | 09/27/2013.. | BNP Paribas Securities..... | | .5,075 | .5,000 | .5,000 | | | | | 0 | | .5,000 | | .75 | .75 | | .10/01/2021.. | |
| 022249-BA-3.. | Aluminum Company of America NC 6.500% CCO Holdings NC 5.250% | | 09/10/2013.. | Stifel Nicolaus & Co..... | | 1,317,820 | .1,245,000 | .1,365,304 | .1,299,521 | | | | -(6,125) | | .1,293,396 | | .24,424 | .24,424 | .60,244 | .06/15/2018.. | .3FE.. |
| 1248EP-AY-9.. | CCO Holdings 144A-Call 5.750% 09/01/23.. | | 09/06/2013.. | Various..... | | 45,875 | .50,000 | .49,513 | .49,527 | | | | 28 | | .49,555 | | -(3,680) | -(3,680) | .2,641 | .09/30/2022.. | .3FE.. |
| 1248EP-BC-6.. | CVS Corp. PT-NC 6.943% 01/10/30.. | | 07/02/2013.. | DBAB..... | | 38,500 | .40,000 | .40,350 | | | | | -(9) | | .40,341 | | -(1,841) | -(1,841) | .728 | .09/01/2023.. | .3FE.. |
| 126650-BQ-2.. | Cablevision Systems NC 5.875% 09/15/22.. | | 09/10/2013.. | Redemption 100.0000.. | | 3,546 | .3,546 | .3,617 | .3,608 | | | | -(62) | | .3,546 | | .0 | .0 | .164 | .12/10/2029.. | .2FE.. |
| 12686C-BB-4.. | Centurytel Inc NC 5.800% 03/15/22.. | | 07/22/2013.. | Credit Suisse First Boston..... | | 25,469 | .25,000 | .24,438 | .24,441 | | | | 26 | | .24,467 | | .1,002 | .1,002 | .1,216 | .09/15/2022.. | .4FE.. |
| 156700-AS-5.. | Commerical Metals Co Call 4.875% 05/15/22.. | | 08/13/2013.. | Various..... | | .110,263 | .115,000 | .115,515 | .115,503 | | | | -(26) | | .115,477 | | -(5,214) | -(5,214) | .6,125 | .03/15/2022.. | .3FE.. |
| 201723-AK-9.. | Copano Energy LLC Call 4.875% 05/15/21.. | | 08/05/2013.. | Miller Tabak Roberts Securitie..... | | 37,300 | .40,000 | .40,000 | | | | | 0 | | .40,000 | | -(2,700) | -(2,700) | .423 | .05/15/2023.. | .3FE.. |
| 217203-AE-8.. | Corrections Corp NC 7.125% 04/01/21.. | | 09/04/2013.. | Call 107.1250..... | | .187,469 | .175,000 | .200,375 | | | | | (12,906) | | .187,469 | | .0 | .0 | .5,299 | .04/01/2021.. | .2FE.. |
| 22025Y-AM-2.. | Cyrusone LP Call 6.375% 11/15/22.. | | 09/16/2013.. | Credit Suisse First Boston..... | | .118,125 | .125,000 | .125,000 | | | | | 0 | | .125,000 | | -(6,875) | -(6,875) | .2,363 | .04/01/2020.. | .3FE.. |
| 23283P-AB-0.. | Equinix Inc Call 5.375% 04/01/23.. | | 07/08/2013.. | Barclays Capital..... | | .66,300 | .65,000 | .67,175 | .35,521 | | | | -(56) | | .67,115 | | -(815) | -(815) | .2,659 | .11/15/2022.. | .4FE.. |
| 29444U-AM-8.. | FNMA Pool 872718 6.000% 06/01/36.. | | 07/29/2013.. | Jefferies..... | | 24,813 | .25,000 | .25,000 | | | | | 0 | | .25,000 | | -(188) | -(188) | .545 | .04/01/2023.. | .3FE.. |
| 31409J-SF-8.. | Felco Lodging LP Call 5.625% 03/01/23.. | | 09/01/2013.. | Paydown..... | | 43,863 | .43,863 | .43,561 | .43,566 | | | | 297 | | .43,863 | | .0 | .0 | .1,699 | .06/01/2036.. | .1.. |
| 314300-BE-6.. | General Cable Corp 144A- Call 5.750% 10/10/20.. | | 07/29/2013.. | Barclays Capital..... | | 53,900 | .55,000 | .55,258 | .55,256 | | | | -(14) | | .55,243 | | -(1,343) | -(1,343) | .1,925 | .03/01/2023.. | .4FE.. |
| 369300-AM-0.. | General Motors Finl Co 144A-NC 4.250% 01/10/20.. | | 07/31/2013.. | J P Morgan Securities..... | | 14,663 | .15,000 | .15,000 | .15,000 | | | | 0 | | .15,000 | | -(338) | -(338) | .743 | .10/01/2022.. | .4FE.. |
| 37045X-AK-2.. | Grafted International Ltd 144A-Call 6% Lennar Corp. Call 4.750% 11/15/22.. | | 07/15/2013.. | DBAB..... | | 43,313 | .45,000 | .45,000 | | | | | 0 | | .45,000 | | -(1,688) | -(1,688) | .340 | .05/15/2023.. | .3FE.. |
| 384313-AC-6.. | First Union Capital..... | | 07/16/2013.. | | | 65,813 | .65,000 | .66,913 | .20,000 | | | | (67) | | .66,845 | | -(1,033) | -(1,033) | .2,751 | .11/15/2020.. | .3FE.. |
| 52605T-BN-3.. | Live Nation 144A-Call 8.125% 05/15/18.. | | 09/13/2013.. | Barclays Capital..... | | .112,988 | .120,000 | .117,268 | .53,901 | | | | 137 | | .117,414 | | -(4,426) | -(4,426) | .4,829 | .11/15/2022.. | .3FE.. |
| 538034-AC-3.. | Metropcs Wireless 144A- Call 6.625% 04/01/20.. | | 09/12/2013.. | Call 109.0700..... | | .49,082 | .45,000 | .44,850 | .44,886 | | | | 4,196 | | .49,082 | | .0 | .0 | .3,016 | .05/15/2018.. | .4FE.. |
| 591709-AP-5.. | NW Energy Inc NC 6.250% 11/15/20.. | | 07/11/2013.. | Various..... | | .117,263 | .115,000 | .116,125 | | | | | (25) | | .116,100 | | .1,163 | .1,163 | .2,379 | .04/01/2023.. | .3FE.. |
| 67073Y-AA-4.. | Precision Castparts Corp NC 5.600% 12/15/20.. | | 08/07/2013.. | Goldman Sachs..... | | .41,082 | .35,000 | .35,000 | .35,000 | | | | 0 | | .35,000 | | .6,082 | .6,082 | .1,622 | .11/15/2020.. | .3FE.. |
| 740189-AF-2.. | Penn Virginia Resource 144A-Call 6.500% 07/01/20.. | | 09/30/2013.. | Call 101.1220..... | | .758,415 | .750,000 | .747,188 | .749,344 | | | | 9,071 | | .758,415 | | .0 | .0 | .33,250 | .12/15/2013.. | .1FE.. |
| 747065-AA-8.. | SBA Telecommunications Service Corp International NC 8.000% 08/15/20.. | | 07/25/2013.. | Credit Suisse First Boston..... | | .43,650 | .45,000 | .45,236 | | | | | -(5) | | .45,231 | | -(1,581) | -(1,581) | .658 | .05/15/2021.. | .4FE.. |
| 78401F-AG-2.. | Suburban Propane Partners Call 7.375% 07/01/20.. | | 08/22/2013.. | Various..... | | .59,738 | .60,000 | .60,488 | .30,250 | | | | (21) | | .60,454 | | -(717) | -(717) | .2,971 | .07/15/2020.. | .42*.. |
| 817565-BU-7.. | Sinclair Television Group Call 6.125% 01/15/20.. | | 08/07/2013.. | Jefferies..... | | .34,800 | .30,000 | .33,200 | .33,025 | | | | (159) | | .32,866 | | .1,934 | .1,934 | .1,780 | .11/15/2021.. | .4FE.. |
| 829259-AN-0.. | Sonic Automotive Inc Call 5.000% 05/01/20.. | | 08/13/2013.. | Sterne, Agee & Leach..... | | .30,263 | .30,000 | .30,150 | .30,147 | | | | (7) | | .30,140 | | .123 | .123 | .1,552 | .10/01/2022.. | .4FE.. |
| 83545G-AX-0.. | Steinway Musical Instruments 144A-Call 7.250% 09/15/21.. | | 09/25/2013.. | DBAB..... | | .50,738 | .55,000 | .55,550 | | | | | (15) | | .55,535 | | -(4,797) | -(4,797) | .1,077 | .05/15/2023.. | .4FE.. |
| 852061-AR-1.. | Sprint Corp 144A 7.250% 08/15/20.. | | 09/05/2013.. | Various..... | | .45,944 | .45,000 | .49,556 | | | | | (240) | | .49,316 | | (3,372) | (3,372) | .1,794 | .08/15/2020.. | .4FE.. |
| 85207U-AA-3.. | Steinway Musical Instruments 144A-Call 7.250% 09/15/21.. | | 09/06/2013.. | DBAB..... | | .65,650 | .65,000 | .65,000 | | | | | 0 | | .65,000 | | .650 | .650 | .09/15/2021.. | .4FE.. | |
| 858495-AC-8.. | Suburban Propane Partners Call 7.375% 07/01/20.. | | 07/15/2013.. | Call 100.0000..... | | .16,000 | .16,000 | .16,040 | .16,022 | | | | (22) | | .16,000 | | .0 | .0 | .977 | .03/01/2014.. | .4FE.. |
| 864486-AG-0.. | Sun Merger Sub Inc 144A- Call 5.875% 08/01/20.. | | 08/02/2013.. | Call 107.3750..... | | .18,254 | .17,000 | .13,906 | .13,993 | | | | 4,261 | | .18,254 | | .0 | .0 | .1,257 | .08/01/2021.. | .3FE.. |
| 86680W-AB-1.. | Sun Merger Sub Inc 144A- Call 5.875% 08/01/20.. | | 08/07/2013.. | Citigroup Global Markets..... | | .5,019 | .5,000 | .5,000 | | | | | 0 | | .5,000 | | .19 | .19 | .10 | .08/01/2021.. | .4FE.. |

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE INSURANCE COMPANY

SCHEDULE D - PART 4

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

| 1 CUSIP Identification | 2 Description | 3 Foreign | 4 Disposal Date | 5 Name of Purchaser | 6 Number of Shares of Stock | 7 Consideration | 8 Par Value | 9 Actual Cost | 10 Prior Year Book/Adjusted Carrying Value | Change in Book/Adjusted Carrying Value | | | | | 16 Book/ Adjusted Carrying Value at Disposal Date | 17 Foreign Exchange Gain (Loss) on Disposal | 18 Realized Gain (Loss) on Disposal | 19 Total Gain (Loss) on Disposal | 20 Bond Interest/Stock Dividends Received During Year | 21 Stated Contractual Maturity Date | 22 NAIC Design- ation or Market Indicator (a) | |
|--|---|--------------|-----------------------|----------------------------|--------------------------------------|--------------------|----------------|------------------|--|--|--|---|--|--|--|---|--|---|--|---|--|--------|
| | | | | | | | | | | 11 Unrealized Valuation Increase/ (Decrease) | 12 Current Year's (Amortization)/ Accretion | 13 Current Year's Other Than Temporary Impairment Recognized | 14 Total Change in B./A.C.V. (11+12-13) | 15 Total Foreign Exchange Change in B./A.C.V. | | | | | | | | |
| 872430-AA-4.. | Tenet Healthcare Corp 144A 6.00% 10/.. | | 09/13/2013.. | BNP Paribas Securities.. | | .5,138 | .5,000 | .5,000 | | | | | 0 | | .5,000 | | .138 | .138 | | | 10/01/2020.. | .4FE.. |
| 87612B-AN-2.. | Targa Resources Partners 144A-Call 4.2.. | | 08/09/2013.. | Merrill Lynch.. | | .58,500 | .65,000 | .65,000 | | | | | 0 | | .65,000 | | -(6,500) | -(6,500) | .691 | .11/15/2023.. | .3FE.. | |
| 877249-AC-6.. | Taylor Morrison Comm 144A-Call 5.250%.. | | 09/13/2013.. | RBC Capital Markets.. | | .28,500 | .30,000 | .30,000 | | | | | 0 | | .30,000 | | -(1,500) | -(1,500) | .665 | .04/15/2021.. | .4FE.. | |
| 914906-AR-3.. | Univision Communications Inc. 144A-Call.. | | 08/07/2013.. | Various.. | | .116,400 | .120,000 | .120,875 | | | | | (12) | | .120,863 | | -(4,463) | -(4,463) | .1,187 | .05/15/2023.. | .4FE.. | |
| 931142-CB-7.. | Wal-Mart Stores Inc NC 5.250% 09/01/35.. | | 09/12/2013.. | Davidson, D.A., Co., Inc.. | | .1,062,600 | .1,000,000 | .942,320 | .948,007 | | | | .822 | | .948,829 | | .113,771 | .113,771 | .54,833 | .09/01/2035.. | .1FE.. | |
| 93114K-AD-5.. | Walmart Stores Sinking Fund 8.85% 01/.. | | 07/02/2013.. | Redemption 100.0000.. | | .48,890 | .48,890 | .58,687 | .50,728 | | | | (1,838) | | .48,890 | | 0 | 0 | .4,327 | .01/02/2015.. | .1FE.. | |
| 96208T-AA-2.. | Wex Inc 144A-Call 4.750% 02/01/23.. | | 07/23/2013.. | Jefferies.. | | .9,625 | .10,000 | .10,000 | | | | | 0 | | .10,000 | | -(375) | -(375) | .232 | .02/01/2023.. | .3FE.. | |
| 97381W-AU-8.. | Windstream Corp. Call 7.500% 04/01/23.. | | 09/10/2013.. | DBAB.. | | .63,375 | .65,000 | .69,150 | .69,065 | | | | (320) | | .68,745 | | -(5,370) | -(5,370) | .4,631 | .04/01/2023.. | .4FE.. | |
| 097751-BF-7.. | Bombardier Inc. 144A-NC 6.125% 01/15/2.. | A.. | 09/25/2013.. | Citigroup Global Markets.. | | .81,000 | .80,000 | .81,788 | | | | | (96) | | .81,691 | | (691) | (691) | .3,484 | .01/15/2023.. | .3FE.. | |
| 66977W-AN-9.. | Nova Chemicals Ltd 144A- Call 5.250% 08/.. | A.. | 07/16/2013.. | Barclays Capital.. | | .20,325 | .20,000 | .20,000 | | | | | 0 | | .20,000 | | .325 | .325 | | .08/01/2023.. | .3FE.. | |
| 740212-AE-5.. | Precision Drilling Corp Call 6.500% 12/.. | A.. | 07/10/2013.. | J P Morgan Securities.. | | .66,788 | .65,000 | .65,963 | .65,873 | | | | (40) | | .65,833 | | .954 | .954 | .2,465 | .12/15/2021.. | .3FE.. | |
| 74819R-AP-1.. | Quebecor Media 5.750% 01/15/23.. | A.. | 08/14/2013.. | Barclays Capital.. | | .52,013 | .55,000 | .55,963 | .55,959 | | | | (46) | | .55,913 | | (3,900) | (3,900) | .2,134 | .01/15/2023.. | .4FE.. | |
| 884903-BB-0.. | Thomson Corporation NC 6.500% 07/15/18.. | A.. | 07/31/2013.. | Mesirow Financial.. | | .1,178,920 | .1,000,000 | .990,840 | .994,284 | | | | 520 | | .994,805 | | .184,115 | .184,115 | .68,611 | .07/15/2018.. | .2FE.. | |
| 780153-AU-6.. | Royal Caribbean NC 5.250% 11/15/22.. | F.. | 07/30/2013.. | First Union Capital.. | | .15,150 | .15,000 | .15,000 | .15,000 | | | | 0 | | .15,000 | | .150 | .150 | .580 | .11/15/2022.. | .3FE.. | |
| 3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | | | 6,600,109 | 6,299,299 | 6,402,455 | 5,007,000 | 0 | (2,747) | 0 | (2,747) | 0 | 6,337,140 | 0 | 262,969 | 262,969 | 295,758 | XXX | XXX | |
| 8399997 - Subtotals - Bonds - Part 4 | | | | | | 20,746,947 | 20,045,293 | 20,167,222 | 18,309,792 | 0 | (80,307) | 0 | (80,307) | 0 | 19,987,868 | 0 | 759,079 | 759,079 | 821,909 | XXX | XXX | |
| 8399999 - Subtotals - Bonds | | | | | | 20,746,947 | 20,045,293 | 20,167,222 | 18,309,792 | 0 | (80,307) | 0 | (80,307) | 0 | 19,987,868 | 0 | 759,079 | 759,079 | 821,909 | XXX | XXX | |
| 9999999 Totals | | | | | | 20,746,947 | XXX | 20,167,222 | 18,309,792 | 0 | (80,307) | 0 | (80,307) | 0 | 19,987,868 | 0 | 759,079 | 759,079 | 821,909 | XXX | XXX | |

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

E05.4

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

Schedule DB - Part D - Section 2

NONE

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE INSURANCE COMPANY

SCHEDULE DL - PART 1
SECURITIES LENDING COLLATERAL ASSETS

Reinvested Collateral Assets Owned Current Statement Date

General Interrogatories:

1. Total activity for the year to date Fair Value \$ 5,202,467 Book/Adjusted Carrying Value \$ 5,202,385
 2. Average balance for the year to date Fair Value \$ 7,541,435 Book/Adjusted Carrying Value \$ 7,541,189
 3. Reinvested securities lending collateral assets book/adjusted carrying value included in this schedule by NAIC designation:
 NAIC 1 \$ 65,202,385 NAIC 2 \$ NAIC 3 \$ NAIC 4 \$ NAIC 5 \$ NAIC 6 \$

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE INSURANCE COMPANY

SCHEDULE DL - PART 2

SECURITIES LENDING COLLATERAL ASSETS

Reinvested Collateral Assets Owned Current Statement Date

General Interrogatories:

1. Total activity for the year to date..... Fair Value \$ Book/Adjusted Carrying Value \$
 2. Average balance for the year to date..... Fair Value \$ 0 Book/Adjusted Carrying Value \$

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE INSURANCE COMPANY

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

| 1 Depository | 2 Code | 3 Rate of Interest | 4 Amount of Interest Received During Current Quarter | 5 Amount of Interest Accrued at Current Statement Date | Book Balance at End of Each Month During Current Quarter | | | 9 * |
|---|------------|-----------------------------|--|--|---|-------------------|------------------|------------|
| | | | | | 6 First Month | 7 Second Month | 8 Third Month | |
| Open Depositories | | | | | | | | |
| PNC Bank..... | | | | | 7,876,491 | 8,872,606 | 9,054,309 | XXX |
| Fifth Third Bank..... | | | | | 2,597 | 5,644 | 89,097 | XXX |
| 019998 Deposits in depositories that do not exceed the allowable limit in any one depository (See Instructions) - Open Depositories | XXX | XXX | | | | | | XXX |
| 019999 Total Open Depositories | XXX | XXX | 0 | 0 | 7,879,088 | 8,878,250 | 9,143,406 | XXX |
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| | | | | | | | | |
| 039999 Total Cash on Deposit | XXX | XXX | 0 | 0 | 7,879,088 | 8,878,250 | 9,143,406 | XXX |
| 049999 Cash in Company's Office | XXX | XXX | XXX | XXX | | | | XXX |
| 059999 Total | XXX | XXX | 0 | 0 | 7,879,088 | 8,878,250 | 9,143,406 | XXX |

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE GRANGE LIFE INSURANCE COMPANY

SCHEDULE E - PART 2 - CASH EQUIVALENTS

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

NONE

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