



ANNUAL STATEMENT

For the Year Ended December 31, 2013
of the Condition and Affairs of the

Safe Auto Insurance Company

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

OFFICERS

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

OTHER

DIRECTORS OR TRUSTEES

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

State of..... Ohio
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.

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

Subscribed and sworn to before me
This _____ day of _____ 2014

a. Is this an original filing?
b. If no 1. State the amendment number
 2. Date filed
 3. Number of pages attached

Yes [X] No []

Annual Statement for the year 2013 of the **Safe Auto Insurance Company**
ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	212,506,452		212,506,452	202,961,839
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	210,400		210,400	
2.2 Common stocks.....	24,516,059		24,516,059	23,000,381
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			0	3,500,000
3.2 Other than first liens.....			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	30,213,725		30,213,725	32,409,519
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....	956,000		956,000	
5. Cash (\$....10,599,593, Schedule E-Part 1), cash equivalents (\$....3,999,911, Schedule E-Part 2) and short-term investments (\$....9,503,003, Schedule DA).....	24,102,507		24,102,507	22,199,004
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives (Schedule DB).....			0	
8. Other invested assets (Schedule BA).....			0	1,418,278
9. Receivables for securities.....			0	
10. Securities lending reinvested collateral assets (Schedule DL).....			0	
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	292,505,143	0	292,505,143	285,489,021
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	1,549,697		1,549,697	1,774,732
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	14,060,111		14,060,111	14,465,369
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	42,562,851		42,562,851	41,965,011
15.3 Accrued retrospective premiums.....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....			0	34,155
16.2 Funds held by or deposited with reinsured companies.....			0	
16.3 Other amounts receivable under reinsurance contracts.....			0	
17. Amounts receivable relating to uninsured plans.....			0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0	
18.2 Net deferred tax asset.....	3,713,493		3,713,493	6,579,340
19. Guaranty funds receivable or on deposit.....			0	
20. Electronic data processing equipment and software.....	13,032,566	11,169,365	1,863,202	2,001,319
21. Furniture and equipment, including health care delivery assets (\$.....0).....	1,626,026	1,626,026	0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....	2,799		2,799	8,516,196
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other than invested assets.....	12,392,158	1,351,250	11,040,907	9,172,859
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	381,444,844	14,146,641	367,298,203	369,998,002
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. TOTALS (Lines 26 and 27).....	381,444,844	14,146,641	367,298,203	369,998,002

DETAILS OF WRITE-INS

1101.....			0	
1102.....			0	
1103.....			0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. Corporate owned life insurance.....	5,700,406		5,700,406	4,295,254
2502. Deferred compensation life insurance.....	4,752,146		4,752,146	3,780,841
2503. License/maintenance agreements (prepaid).....	1,405,479	1,032,291	373,188	746,594
2598. Summary of remaining write-ins for Line 25 from overflow page.....	534,126	318,959	215,167	350,170
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	12,392,158	1,351,250	11,040,907	9,172,859

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	113,277,992	106,756,999
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6).....	31,734,204	36,909,314
3. Loss adjustment expenses (Part 2A, Line 35, Column 9).....	174,370	174,370
4. Commissions payable, contingent commissions and other similar charges.....	11,406,944	7,893,637
5. Other expenses (excluding taxes, licenses and fees).....	4,232,758	4,076,138
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....	7.1 106,756,999
7.1 Net deferred tax liability.....	150,000	150,000
8. Borrowed money \$....150,000 and interest thereon \$.....0.....	72,029,023	71,634,871
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$.....0 and including warranty reserves of \$.....0 and accrued accident and health experience rating refunds including \$.....0 for medical loss ratio rebate per the Public Health Service Act).....	10. Advance premium.....	10. 106,756,999
11. Dividends declared and unpaid:		
11.1 Stockholders.....	4,000,000	4,000,000
11.2 Policyholders.....	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions).....	0	0
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19).....	0	0
14. Amounts withheld or retained by company for account of others.....	0	0
15. Remittances and items not allocated.....	10,223	10,223
16. Provision for reinsurance (including \$.....0 certified) (Schedule F, Part 8).....	0	0
17. Net adjustments in assets and liabilities due to foreign exchange rates.....	0	0
18. Drafts outstanding.....	0	0
19. Payable to parent, subsidiaries and affiliates.....	2,814,508	6,256,542
20. Derivatives.....	0	0
21. Payable for securities.....	0	6,015,834
22. Payable for securities lending.....	0	0
23. Liability for amounts held under uninsured plans.....	0	0
24. Capital notes \$.....0 and interest thereon \$.....0.....	0	0
25. Aggregate write-ins for liabilities.....	2,071,198	6,866,813
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	237,901,221	250,560,148
27. Protected cell liabilities.....	0	0
28. Total liabilities (Lines 26 and 27).....	237,901,221	250,560,148
29. Aggregate write-ins for special surplus funds.....	0	0
30. Common capital stock.....	2,500,000	2,500,000
31. Preferred capital stock.....	0	0
32. Aggregate write-ins for other than special surplus funds.....	0	0
33. Surplus notes.....	0	0
34. Gross paid in and contributed surplus.....	55,400,000	51,400,000
35. Unassigned funds (surplus).....	71,496,983	65,537,854
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 30 \$.....0).....	0	0
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0).....	0	0
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39).....	129,396,983	119,437,854
38. TOTALS (Page 2, Line 28, Col. 3).....	367,298,203	369,998,002

DETAILS OF WRITE-INS

2501. Funds set aside for escheatment.....	1,669,478	1,946,468
2502. Executive deferred compensation payable.....	0	3,824,410
2503. Self-insured medical plan.....	0	451,373
2598. Summary of remaining write-ins for Line 25 from overflow page.....	401,720	644,562
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	2,071,198	6,866,813
2901. Additional admitted deferred tax assets.....	0	0
2902.	0	0
2903.	0	0
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	0	0
3201.	0	0
3202.	0	0
3203.	0	0
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 thru 3203 plus 3298) (Line 32 above).....	0	0

Annual Statement for the year 2013 of the **Safe Auto Insurance Company**
STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4).....	286,011,185	283,787,235
DEDUCTIONS		
2. Losses incurred (Part 2, Line 35, Column 7).....	182,821,046	193,680,784
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	27,051,311	40,950,437
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	103,239,295	123,842,960
5. Aggregate write-ins for underwriting deductions.....	0	0
6. Total underwriting deductions (Lines 2 through 5).....	313,111,652	358,474,181
7. Net income of protected cells.....		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	(27,100,467)	(74,686,946)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	6,946,386	8,300,531
10. Net realized capital gains (losses) less capital gains tax of \$.....0 (Exhibit of Capital Gains (Losses)).....	(269,282)	2,868,731
11. Net investment gain (loss) (Lines 9 + 10).....	6,677,104	11,169,262
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....3,241,257).....	(3,241,257)	(3,010,270)
13. Finance and service charges not included in premiums.....	27,347,754	28,479,319
14. Aggregate write-ins for miscellaneous income.....	3,006,226	2,492,352
15. Total other income (Lines 12 through 14).....	27,112,723	27,961,401
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	6,689,360	(35,556,283)
17. Dividends to policyholders.....		
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17).....	6,689,360	(35,556,283)
19. Federal and foreign income taxes incurred.....	858,602	(9,478,265)
20. Net income (Line 18 minus Line 19) (to Line 22).....	5,830,758	(26,078,018)
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	119,437,854	139,569,322
22. Net income (from Line 20).....	5,830,758	(26,078,018)
23. Net transfers (to) from Protected Cell accounts.....		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$....983,052.....	1,837,391	574,454
25. Change in net unrealized foreign exchange capital gain (loss).....		
26. Change in net deferred income tax.....	(1,882,794)	(4,161,514)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3).....	173,774	(466,390)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....		
29. Change in surplus notes.....		
30. Surplus (contributed to) withdrawn from protected cells.....		
31. Cumulative effect of changes in accounting principles.....		
32. Capital changes:		
32.1 Paid in.....		
32.2 Transferred from surplus (Stock Dividend).....		
32.3 Transferred to surplus.....		
33. Surplus adjustments:		
33.1 Paid in.....	4,000,000	10,000,000
33.2 Transferred to capital (Stock Dividend).....		
33.3. Transferred from capital.....		
34. Net remittances from or (to) Home Office.....		
35. Dividends to stockholders.....		
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1).....		
37. Aggregate write-ins for gains and losses in surplus.....	0	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37).....	9,959,129	(20,131,468)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	129,396,983	119,437,854

DETAILS OF WRITE-INS

0501.....		
0502.....		
0503.....		
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	0	0
1401. Miscellaneous income.....	3,006,226	2,492,352
1402.....		
1403.....		
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	3,006,226	2,492,352
3701. Additional admitted deferred tax assets.....		
3702. Reclassification of additional admitted deferred tax assets to special surplus funds.....		
3703.....		
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	0	0

Annual Statement for the year 2013 of the **Safe Auto Insurance Company**
CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	286,212,756	282,819,274
2. Net investment income.....	9,407,494	10,802,494
3. Miscellaneous income.....	27,112,723	27,961,401
4. Total (Lines 1 through 3).....	322,732,973	321,583,169
5. Benefit and loss related payments.....	176,265,898	184,658,731
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	.....	.....
7. Commissions, expenses paid and aggregate write-ins for deductions.....	131,621,418	163,192,176
8. Dividends paid to policyholders.....	.....	.....
9. Federal and foreign income taxes paid (recovered) net of \$....148,639 tax on capital gains (losses).....	.858,602	(8,403,858)
10. Total (Lines 5 through 9).....	308,745,918	339,447,049
11. Net cash from operations (Line 4 minus Line 10).....	13,987,054	(17,863,880)
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	84,774,015	131,521,242
12.2 Stocks.....	7,685,651	369,347
12.3 Mortgage loans.....	3,500,000	.....
12.4 Real estate.....	.....	.....
12.5 Other invested assets.....	488,387	.....
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	.....	.89
12.7 Miscellaneous proceeds.....	.....	7,516,032
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	96,448,053	139,406,710
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	95,450,624	101,718,733
13.2 Stocks.....	5,794,949	687,289
13.3 Mortgage loans.....	.....	165,489
13.4 Real estate.....	.....	15,120
13.5 Other invested assets.....	.....	.....
13.6 Miscellaneous applications.....	6,015,834	.....
13.7 Total investments acquired (Lines 13.1 to 13.6).....	107,261,407	102,586,631
14. Net increase (decrease) in contract loans and premium notes.....	.....	.....
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	(10,813,354)	36,820,079
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....	.....	.....
16.2 Capital and paid in surplus, less treasury stock.....	4,000,000	10,000,000
16.3 Borrowed funds.....	.....	.....
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	.....	.....
16.5 Dividends to stockholders.....	4,000,000	30,000,000
16.6 Other cash provided (applied).....	(1,270,202)	(887,742)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(1,270,202)	(20,887,742)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	1,903,498	(1,931,543)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	22,199,008	24,130,552
19.2 End of year (Line 18 plus Line 19.1).....	24,102,507	22,199,008

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

20.0001
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Safe Auto Insurance Company
UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business	1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums December 31 Prior Year- per Col. 3, Last Year's Part 1	3 Unearned Premiums December 31 Current Year- per Col. 5, Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1. Fire.....				0
2. Allied lines.....				0
3. Farmowners multiple peril.....				0
4. Homeowners multiple peril.....				0
5. Commercial multiple peril.....				0
6. Mortgage guaranty.....				0
8. Ocean marine.....				0
9. Inland marine.....				0
10. Financial guaranty.....				0
11.1 Medical professional liability - occurrence.....				0
11.2 Medical professional liability - claims-made.....				0
12. Earthquake.....				0
13. Group accident and health.....				0
14. Credit accident and health (group and individual).....				0
15. Other accident and health.....				0
16. Workers' compensation.....				0
17.1 Other liability - occurrence.....				0
17.2 Other liability - claims-made.....				0
17.3 Excess workers' compensation.....				0
18.1 Products liability - occurrence.....				0
18.2 Products liability - claims-made.....				0
19.1, 19.2 Private passenger auto liability.....	204,719,531	51,605,280	51,626,126	204,698,685
19.3, 19.4 Commercial auto liability.....				0
21. Auto physical damage.....	81,685,807	20,029,591	20,402,897	81,312,500
22. Aircraft (all perils).....				0
23. Fidelity.....				0
24. Surety.....				0
26. Burglary and theft.....				0
27. Boiler and machinery.....				0
28. Credit.....				0
29. International.....				0
30. Warranty.....				0
31. Reinsurance - nonproportional assumed property.....				0
32. Reinsurance - nonproportional assumed liability.....				0
33. Reinsurance - nonproportional assumed financial lines.....				0
34. Aggregate write-ins for other lines of business.....	0	0	0	0
35. TOTALS.....	286,405,338	71,634,871	72,029,023	286,011,185

DETAILS OF WRITE-INS

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

Annual Statement for the year 2013 of the **Safe Auto Insurance Company**
UNDERWRITING AND INVESTMENT EXHIBIT
PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned But Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1. Fire.....					0
2. Allied lines.....					0
3. Farmowners multiple peril.....					0
4. Homeowners multiple peril.....					0
5. Commercial multiple peril.....					0
6. Mortgage guaranty.....					0
8. Ocean marine.....					0
9. Inland marine.....					0
10. Financial guaranty.....					0
11.1 Medical professional liability - occurrence.....					0
11.2 Medical professional liability - claims-made.....					0
12. Earthquake.....					0
13. Group accident and health.....					0
14. Credit accident and health (group and individual).....					0
15. Other accident and health.....					0
16. Workers' compensation.....					0
17.1 Other liability - occurrence.....					0
17.2 Other liability - claims-made.....					0
17.3 Excess workers' compensation.....					0
18.1 Products liability - occurrence.....					0
18.2 Products liability - claims-made.....					0
19.1, 19.2 Private passenger auto liability.....	51,626,126				51,626,126
19.3, 19.4 Commercial auto liability.....					0
21. Auto physical damage.....	20,402,897				20,402,897
22. Aircraft (all perils).....					0
23. Fidelity.....					0
24. Surety.....					0
26. Burglary and theft.....					0
27. Boiler and machinery.....					0
28. Credit.....					0
29. International.....					0
30. Warranty.....					0
31. Reinsurance - nonproportional assumed property.....					0
32. Reinsurance - nonproportional assumed liability.....					0
33. Reinsurance - nonproportional assumed financial lines.....					0
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0
35. TOTALS.....	72,029,023	0	0	0	72,029,023
36. Accrued retrospective premiums based on experience.....					
37. Earned but unbilled premiums.....					0
38. Balance (sum of Lines 35 through 37).....					72,029,023

DETAILS OF WRITE-INS

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

(a) State here basis of computation used in each case:

Annual Statement for the year 2013 of the **Safe Auto Insurance Company**
UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire.....						0
2. Allied lines.....						0
3. Farmowners multiple peril.....						0
4. Homeowners multiple peril.....						0
5. Commercial multiple peril.....						0
6. Mortgage guaranty.....						0
8. Ocean marine.....						0
9. Inland marine.....						0
10. Financial guaranty.....						0
11.1 Medical professional liability - occurrence.....						0
11.2 Medical professional liability - claims-made.....						0
12. Earthquake.....						0
13. Group accident and health.....						0
14. Credit accident and health (group and individual).....						0
15. Other accident and health.....						0
16. Workers' compensation.....						0
17.1 Other liability - occurrence.....						0
17.2 Other liability - claims-made.....						0
17.3 Excess workers' compensation.....						0
18.1 Products liability - occurrence.....						0
18.2 Products liability - claims-made.....						0
19.1, 19.2 Private passenger auto liability.....	204,719,531					204,719,531
19.3, 19.4 Commercial auto liability.....						0
21. Auto physical damage.....	81,761,654				75,847	81,685,807
22. Aircraft (all perils).....						0
23. Fidelity.....						0
24. Surety.....						0
26. Burglary and theft.....						0
27. Boiler and machinery.....						0
28. Credit.....						0
29. International.....						0
30. Warranty.....						0
31. Reinsurance - nonproportional assumed property.....	XXX					0
32. Reinsurance - nonproportional assumed liability.....	XXX					0
33. Reinsurance - nonproportional assumed financial lines.....	XXX					0
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0
35. TOTALS.....	286,481,185	0	0	0	75,847	286,405,338

DETAILS OF WRITE-INS

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

(a) Does the company's direct premiums written include premiums recorded on an installment basis? Yes [] No [X]

If yes: 1. The amount of such installment premiums \$.....0.

2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$.....0.

UNDERWRITING AND INVESTMENT EXHIBIT**PART 2 - LOSSES PAID AND INCURRED**

Line of Business	Losses Paid Less Salvage				5	6	7	8
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire.....				0			0	0.0
2. Allied lines.....				0			0	0.0
3. Farmowners multiple peril.....				0			0	0.0
4. Homeowners multiple peril.....				0			0	0.0
5. Commercial multiple peril.....				0			0	0.0
6. Mortgage guaranty.....				0			0	0.0
8. Ocean marine.....				0			0	0.0
9. Inland marine.....				0			0	0.0
10. Financial guaranty.....				0			0	0.0
11.1 Medical professional liability - occurrence.....				0			0	0.0
11.2 Medical professional liability - claims-made.....				0			0	0.0
12. Earthquake.....				0			0	0.0
13. Group accident and health.....				0			0	0.0
14. Credit accident and health (group and individual).....				0			0	0.0
15. Other accident and health.....				0			0	0.0
16. Workers' compensation.....				0			0	0.0
17.1 Other liability - occurrence.....				0			0	0.0
17.2 Other liability - claims-made.....				0			0	0.0
17.3 Excess workers' compensation.....				0			0	0.0
18.1 Products liability - occurrence.....				0			0	0.0
18.2 Products liability - claims-made.....				0			0	0.0
19.1, 19.2 Private passenger auto liability.....	129,690,950			129,690,950	106,863,845	102,819,617	133,735,178	65.3
19.3, 19.4 Commercial auto liability.....	46,609,103			46,609,103	6,414,147	3,937,382	49,085,868	60.4
21. Auto physical damage.....				0			0	0.0
22. Aircraft (all perils).....				0			0	0.0
23. Fidelity.....				0			0	0.0
24. Surety.....				0			0	0.0
26. Burglary and theft.....				0			0	0.0
27. Boiler and machinery.....				0			0	0.0
28. Credit.....				0			0	0.0
29. International.....				0			0	0.0
30. Warranty.....				0			0	0.0
31. Reinsurance - nonproportional assumed property.....	XXX			0			0	0.0
32. Reinsurance - nonproportional assumed liability.....	XXX			0			0	0.0
33. Reinsurance - nonproportional assumed financial lines.....	XXX			0			0	0.0
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0.0
35. TOTALS.....	176,300,053	0	0	176,300,053	113,277,992	106,756,999	182,821,046	63.9

DETAILS OF WRITE-INS

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

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses				Incurred But Not Reported			8	9
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excluding Incurred but not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire.....				0				0	
2. Allied lines.....				0				0	
3. Farmowners multiple peril.....				0				0	
4. Homeowners multiple peril.....				0				0	
5. Commercial multiple peril.....				0				0	
6. Mortgage guaranty.....				0				0	
8. Ocean marine.....				0				0	
9. Inland marine.....				0				0	
10. Financial guaranty.....				0				0	
11.1 Medical professional liability - occurrence.....				0				0	
11.2 Medical professional liability - claims-made.....				0				0	
12. Earthquake.....				0				0	
13. Group accident and health.....				0				(a) 0	
14. Credit accident and health (group and individual).....				0				0	
15. Other accident and health.....				0				(a) 0	
16. Workers' compensation.....				0				0	
17.1 Other liability - occurrence.....				0				0	
17.2 Other liability - claims-made.....				0				0	
17.3 Excess workers' compensation.....				0				0	
18.1 Products liability - occurrence.....				0				0	
18.2 Products liability - claims-made.....				0				0	
19.1, 19.2 Private passenger auto liability.....	82,113,945			82,113,945	24,749,900			106,863,845	28,856,490
19.3, 19.4 Commercial auto liability.....		4,543,922			4,543,922	1,870,225			6,414,147 2,877,714
21. Auto physical damage.....									
22. Aircraft (all perils).....									
23. Fidelity.....									
24. Surety.....									
26. Burglary and theft.....									
27. Boiler and machinery.....									
28. Credit.....									
29. International.....									
30. Warranty.....									
31. Reinsurance - nonproportional assumed property.....	XXX				XXX				
32. Reinsurance - nonproportional assumed liability.....	XXX				XXX				
33. Reinsurance - nonproportional assumed financial lines.....	XXX		0	0	XXX				
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0	0
35. TOTALS.....	86,657,867	0	0	86,657,867	26,620,125	0	0	113,277,992	31,734,204

DETAILS OF WRITE-INS

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

(a) Including \$.....0 for present value of life indemnity claims.

Annual Statement for the year 2013 of the **Safe Auto Insurance Company**
UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct.....	3,763,706			3,763,706
1.2 Reinsurance assumed.....				0
1.3 Reinsurance ceded.....				0
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	3,763,706	0	0	3,763,706
2. Commission and brokerage:				
2.1 Direct, excluding contingent.....		25,785,456		25,785,456
2.2 Reinsurance assumed, excluding contingent.....				0
2.3 Reinsurance ceded, excluding contingent.....				0
2.4 Contingent - direct.....				0
2.5 Contingent - reinsurance assumed.....				0
2.6 Contingent - reinsurance ceded.....				0
2.7 Policy and membership fees.....				0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7).....	0	25,785,456	0	25,785,456
3. Allowances to manager and agents.....				0
4. Advertising.....		5,202,488		5,202,488
5. Boards, bureaus and associations.....	335,020	135,939		470,959
6. Surveys and underwriting reports.....	28	5,931,248		5,931,276
7. Audit of assureds' records.....	6,774	10,003		16,777
8. Salary and related items:				
8.1 Salaries.....	14,423,350	24,176,978		38,600,328
8.2 Payroll taxes.....	1,208,883	1,991,912		3,200,795
9. Employee relations and welfare.....	1,841,306	4,150,040		5,991,346
10. Insurance.....	113,071	238,503		351,574
11. Directors' fees.....	31,867	163,634		195,501
12. Travel and travel items.....	523,914	231,594		755,508
13. Rent and rent items.....	425,706	1,722,093		2,147,799
14. Equipment.....	14,907	103,444		118,351
15. Cost or depreciation of EDP equipment and software.....	1,136,206	3,335,822		4,472,028
16. Printing and stationery.....	107,930	611,724		719,654
17. Postage, telephone and telegraph, exchange and express.....	577,965	5,724,642		6,302,607
18. Legal and auditing.....	803,040	493,284	385,703	1,682,027
19. Totals (Lines 3 to 18).....	21,549,967	54,223,348	385,703	76,159,018
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....0.....		6,356,182		6,356,182
20.2 Insurance department licenses and fees.....	49,918	395,652		445,570
20.3 Gross guaranty association assessments.....		176,671		176,671
20.4 All other (excluding federal and foreign income and real estate).....	(9,434)	(14,150)		(23,584)
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	40,484	6,914,355	0	6,954,839
21. Real estate expenses.....				0
22. Real estate taxes.....			268,259	268,259
23. Reimbursements by uninsured plans.....				0
24. Aggregate write-ins for miscellaneous expenses.....	1,697,154	16,316,136	0	18,013,290
25. Total expenses incurred.....	27,051,311	103,239,295	653,962	(a) 130,944,568
26. Less unpaid expenses - current year.....	31,734,204	13,623,456		45,357,660
27. Add unpaid expenses - prior year.....	36,909,314	19,343,615		56,252,929
28. Amounts receivable relating to uninsured plans, prior year.....				0
29. Amounts receivable relating to uninsured plans, current year.....				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29).....	32,226,421	108,959,454	653,962	141,839,837

DETAILS OF WRITE-INS

2401. Consulting Fees.....	384,753	2,691,781		3,076,534
2402. Hardware & software maintenance.....	352,435	3,049,168		3,401,603
2403. Software Licenses.....	143,983	1,762,122		1,906,105
2498. Summary of remaining write-ins for Line 24 from overflow page.....	815,983	8,813,065	0	9,629,048
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above).....	1,697,154	16,316,136	0	18,013,290

(a) Includes management fees of \$.....0 to affiliates and \$.....0 to non-affiliates.

Safe Auto Insurance Company

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....240,203	.....235,230
1.1 Bonds exempt from U.S. tax.....	(a).....1,864,596	.....1,646,386
1.2 Other bonds (unaffiliated).....	(a).....3,778,666	.....3,810,929
1.3 Bonds of affiliates.....	(a).....	.....
2.1 Preferred stocks (unaffiliated).....	(b).....2,031	.....4,875
2.11 Preferred stocks of affiliates.....	(b).....	.....
2.2 Common stocks (unaffiliated).....	.....546,248	.....553,220
2.21 Common stocks of affiliates.....	.....	.....
3. Mortgage loans.....	(c).....285,979	.....285,979
4. Real estate.....	(d).....1,859,840	.....1,859,840
5. Contract loans.....	.....	.....
6. Cash, cash equivalents and short-term investments.....	(e).....6,867	.....7,417
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....	.....
9. Aggregate write-ins for investment income.....	.....0	.....0
10. Total gross investment income.....	.....8,584,430	.....8,403,876
11. Investment expenses.....	(g).....653,962	.....
12. Investment taxes, licenses and fees, excluding federal income taxes.....	(g).....	.....
13. Interest expense.....	(h).....	.....
14. Depreciation on real estate and other invested assets.....	(i).....803,528	.....
15. Aggregate write-ins for deductions from investment income.....	.....0	.....
16. Total deductions (Lines 11 through 15).....	.....1,457,490	.....
17. Net investment income (Line 10 minus Line 16).....	.....6,946,386	.....

DETAILS OF WRITE-INS

0901.....		
0902.....		
0903.....		
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....0	.....0
1501.....		
1502.....		
1503.....		
1598. Summary of remaining write-ins for Line 15 from overflow page.....	.....0	.....0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above).....	.....0	.....0

- (a) Includes \$....52,602 accrual of discount less \$....1,485,147 amortization of premium and less \$....182,327 paid for accrued interest on purchases.
- (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
- (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$....1,859,840 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$....3,774 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to Segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$....803,528 depreciation on real estate and \$.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. government bonds.....	.....84,327	(101,376)	.....(17,049)	.....	.....
1.1 Bonds exempt from U.S. tax.....	.....97,748	(6,315)	.....91,433	.....	.....
1.2 Other bonds (unaffiliated).....	.....560,410	(319,574)	.....240,836	.....(14,683)	.....
1.3 Bonds of affiliates.....	.....	.....	.....0	.....	.....
2.1 Preferred stocks (unaffiliated).....	.....	.....	.....0	.....2,809	.....
2.11 Preferred stocks of affiliates.....	.....	.....	.....0	.....	.....
2.2 Common stocks (unaffiliated).....	.....(148,237)	.....	.....(148,237)	.....3,762,209	.....
2.21 Common stocks of affiliates.....	.....	.....	.....0	.....	.....
3. Mortgage loans.....	.....	.....	.....0	.....	.....
4. Real estate.....	.....	(436,265)	.....(436,265)	.....	.....
5. Contract loans.....	.....	.....	.....0	.....	.....
6. Cash, cash equivalents and short-term investments.....	.....	.....	.....0	.....	.....
7. Derivative instruments.....	.....	.....	.....0	.....	.....
8. Other invested assets.....	.....	.....	.....0	.....(929,892)	.....
9. Aggregate write-ins for capital gains (losses).....	.....0	.....0	.....0	.....0	.....0
10. Total capital gains (losses).....	.....594,248	(863,530)	.....(269,282)	.....2,820,443	.....0

DETAILS OF WRITE-INS

0901.....			.....0		
0902.....			.....0		
0903.....			.....0		
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0	.....0	.....0	.....0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....0	.....0	.....0	.....0	.....0

Safe Auto Insurance Company
EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....			0
2. Stocks (Schedule D):			
2.1 Preferred stocks.....			0
2.2 Common stocks.....			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....			0
3.2 Other than first liens.....			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....			0
4.2 Properties held for the production of income.....			0
4.3 Properties held for sale.....			0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....			0
6. Contract loans.....			0
7. Derivatives (Schedule DB).....			0
8. Other invested assets (Schedule BA).....			0
9. Receivables for securities.....			0
10. Securities lending reinvested collateral assets (Schedule DL).....			0
11. Aggregate write-ins for invested assets.....	.0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	.0	0	0
13. Title plants (for Title insurers only).....			0
14. Investment income due and accrued.....			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....			0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....			0
15.3 Accrued retrospective premiums.....			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers.....			0
16.2 Funds held by or deposited with reinsured companies.....			0
16.3 Other amounts receivable under reinsurance contracts.....			0
17. Amounts receivable relating to uninsured plans.....			0
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0
18.2 Net deferred tax asset.....			0
19. Guaranty funds receivable or on deposit.....			0
20. Electronic data processing equipment and software.....	11,169,365	8,842,722	(2,326,643)
21. Furniture and equipment, including health care delivery assets.....	1,626,026	2,478,203	852,177
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0
23. Receivables from parent, subsidiaries and affiliates.....			0
24. Health care and other amounts receivable.....			0
25. Aggregate write-ins for other than invested assets.....	1,351,251	2,999,490	1,648,239
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	14,146,641	14,320,415	173,774
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0
28. TOTALS (Lines 26 and 27).....	14,146,641	14,320,415	173,774

DETAILS OF WRITE-INS

1101.....			0
1102.....			0
1103.....			0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	.0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	.0	0	0
2501. Prepaid expenses.....	282,813	177,295	(105,518)
2502. License/maintenance agreements (prepaid).....	1,032,291	2,759,203	1,726,912
2503. Postage meter receivable.....	36,146	62,992	26,846
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	1,351,251	2,999,490	1,648,239

NOTES TO FINANCIAL STATEMENTS**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****A. Accounting Practices**

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

	2013	2012
(1) Net income Ohio basis	5,830,758	(26,078,018)
(2) State prescribed practices	0	0
(3) State permitted practices	0	0
(4) Net income, NAIC SAP	<u>\$ 5,830,758</u>	<u>\$ (26,078,018)</u>
(5) Statutory surplus Ohio basis	129,396,983	119,437,854
(6) State prescribed practices	0	0
(7) State permitted practices	0	0
(8) Statutory surplus, NAIC SAP	<u>\$ 129,396,983</u>	<u>\$ 119,437,854</u>

B. Use of Estimates

1. The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts in these financial statements and notes. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policies

1. Premiums written are deferred and earned pro rata over the terms of the related insurance policies. Depending on the state, policy fees are either recognized in premiums earned on the effective date of the respective insurance policy or over the term of the policy. Unearned premium reserves represent the portion of premiums written that are applicable to the unexpired terms of the policies in-force, and are determined on a daily pro rata basis.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as advertising, premium taxes and sales commissions, are charged to operations as incurred. The Company has not modified its capitalization policy from the prior period.

Unpaid losses and loss adjustment expenses ("LAE") include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.

Net investment income earned consists primarily of interest, dividends and rental income less investment related expenses. Interest is recognized on an accrual basis and dividends are recognized on an ex-dividend basis. Rental income includes an imputed rent for the Company's occupancy of its own buildings. Net realized capital gains (losses) are recognized on a specific identification basis when securities are sold, redeemed or otherwise disposed, and include write-downs for impairments considered to be other-than-temporary.

2. In addition, the company uses the following investment related accounting policies:

- A. Short-term investments are reported at amortized cost.
- B. Bonds not backed by other loans that are designated highest-quality and high-quality (NAIC designations 1 and 2, respectively) are reported at amortized cost, using the interest method. All other bonds (NAIC designations 3 to 6) are reported at the lower of amortized cost or fair value.
- C. Loan-backed securities are reported at either amortized cost using the interest method or, if non-investment grade, at the lower of amortized cost, fair value or at the present value of future cash flows. The retrospective adjustment method is used to value all loan-backed securities, except for interest only securities, EITF 99-20 eligible securities or securities where the yield has become negative that are valued using the prospective method.
- D. Unaffiliated common stocks are stated at fair value.
- E. The company's preferred stock is stated at fair value per Bloomberg.
- F. Mortgage loans on real estate are stated at unpaid balance.
- G. Other invested assets are stated at the lower of cost or fair value, except investments in limited partnerships and limited liability companies. Investments in limited partnerships and limited liability companies are stated at the underlying audited GAAP equity.
- H. Real estate occupied by the Company are reported at depreciated cost, net of encumbrances, if any. Depreciation on occupied property is recorded on a straight-line basis over the estimated useful lives of the properties. The Company owns real estate that is unoccupied and held for sale that is no longer being depreciated. Land is reported at cost
- I. The Company owns no stock based subsidiaries.
- J. The Company owns no derivatives.
- K. The Company regularly reviews all of its investment positions where the fair value is less than amortized cost or cost for other than temporary impairments. Each impaired security is reviewed for the Company's intent and ability to hold until recovery; duration and severity of the impairment; financial condition and credit ratings of the underlying company or assets; and industry or general economic conditions. For loan-backed or structured securities, the present value of future cash flows from the security is calculated using prescribed factors (see Footnote 5.D.1 and 5.D.5). If the Company has the ability and intent to hold the security until recovery, and the present value of future cash flows is less than amortized cost, the security is impaired to the present value of future cash flows. For loan-backed securities, where the Company has the intent to sell or is unable to hold until recovery, and all other security types (equities and other fixed maturity), impairments deemed as other than temporary are impaired to the fair value of the security.

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

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

NOTES TO FINANCIAL STATEMENTS**3. BUSINESS COMBINATIONS AND GOODWILL**

- A. None

4. DISCONTINUED OPERATIONS

- A. None

5. INVESTMENTS**A. Mortgage Loans**

- 1. Entering 2013, the Company carried one commercial mortgage loan with a balance due of \$3,500,000 with an interest rate of 7.5%. This commercial mortgage loan was paid in full on October 18, 2013.
- 2. The maximum percentage of any one loan to the value of collateral at the time of the loan was 56%.
- 3. There were no taxes, assessments or any amounts advanced and not included in the mortgage loan.
- 4. The Company did not have a need to complete an age analysis since the commercial loan was never past due.
- 5-6 The Company did not have an investment in impaired mortgage loans.
- 7. The Company did not contain an allowance for credit losses.
- 8. The Company did not have an investment in impaired mortgage loans therefore, did not recognize interest income on impaired mortgage loans.

B. Debt Restructuring

- 1. None

C. Reverse Mortgages

- 1. None

D. Loan-Backed Securities

- 1. Prepayment assumptions for mortgage-backed securities, collateralized mortgage obligations and other structured securities were generated using a purchased prepayment model. The prepayment model uses a number of factors to estimate prepayment activity including the time of year (seasonality), current levels of interest rates (refinancing incentive), economic activity (including housing turnover) and term and age of the underlying collateral (burnout, seasoning). On an ongoing basis, we monitor the rate of prepayment and calibrate the model to reflect actual experience, market factors, and viewpoint.
- 2. The Company had no loan backed securities with a 2013 recognized OTTI.
- 3. None
- 4. Unrealized Loss greater than and less than 12 months:

a. The aggregate amount of unrealized losses:

Less Than 12 Months	(1,583,018)
Greater Than 12 Months	(405,910)
	<hr style="border: 0.5px solid black; margin-bottom: 5px;"/> <u>(1,988,928)</u>

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

Less Than 12 Months	50,671,041
Greater Than 12 Months	4,142,004
	<hr style="border: 0.5px solid black; margin-bottom: 5px;"/> <u>54,813,045</u>

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

E. Repurchase Agreements

- 1. None

F. Real Estate

- 1. On March 18 the Company closed operations at the call center operation in South Carolina. During the fourth quarter of 2013, an impairment loss of \$436,265 was recognized based on an appraisal of the building.
- 2. The Company's branch office in Hemingway, South Carolina was updated to held for sale during the fourth quarter of 2013. The Company closed operations at this location because it is no longer in use.
- 3. None
- 4. None
- 5. None

G. Low Income Housing Tax Credits

- 1. None

H. Restricted Assets

- 1. The Company's only restricted assets are securities on deposit with states totaling \$2,702,120 and \$2,711,465 at December 31, 2013 and 2012, respectively. These restricted assets represent less than 1% of total assets and total admitted assets at both dates.

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

- A. The Company has no investments in Joint Ventures, Partnerships, or Limited Liability Companies that exceed 10% of its admitted assets.
- B. None

7. INVESTMENT INCOME**A. Accrued Investment Income**

- 1. The Company does not admit investment income due and accrued if amounts are over 90 days past due.

B. Amounts Nonadmitted

- 1. None

NOTES TO FINANCIAL STATEMENTS**8. DERIVATIVE INSTRUMENTS**

- A. None
- B. None
- C. Not applicable.
- D. Not applicable.
- E. None
- F. None
- G. None

9. INCOME TAXES

- A. Components of deferred tax assets (DTAs) and deferred tax liabilities (DTLs):

(1) DTA/DTL Components Description	2013			2012			Change	
	Ordinary	Capital	Total	Ordinary	Capital	Total	Capital	Total
(a) Gross deferred tax assets	20,435,618	1,599,375	22,034,993	20,036,102	1,711,038	21,747,139	399,517	(111,663)
(b) Statutory valuation allowance adjustment	(11,025,115)	0	(11,025,115)	(9,437,197)	0	(9,437,197)	(1,587,918)	0
(c) Adjusted gross deferred tax assets	9,410,503	1,599,375	11,009,878	10,598,905	1,711,038	12,309,942	(1,188,401)	(111,663)
(d) Deferred tax assets nonadmitted	0	(0)	(0)	0	0	0	0	(0)
(e) Net admitted deferred tax assets	9,410,503	1,599,375	11,009,878	10,598,905	1,711,038	12,309,942	(1,188,401)	(111,663)
(f) Deferred tax liabilities	(5,564,717)	(1,731,669)	(7,296,386)	(5,311,551)	(419,052)	(5,730,603)	(253,165)	(1,312,617)
(g) Net admitted deferred tax asset/(Net deferred tax liability)	3,845,787	(132,294)	3,713,493	5,287,353	1,291,986	6,579,339	(1,441,566)	(1,424,280)
								(2,865,846)

(2) Admission calculation components:

Description	2013			2012			Change	
	Ordinary	Capital	Total	Ordinary	Capital	Total	Capital	Total
Admission calculation under ¶11.a.-¶11.c.								
(a) FIT recoverable by loss carryback [¶11.a.]	0	0	0	0	0	0	0	0
(b) Expected to be realized [¶11.b.] (lesser of 1. or 2.)	3,713,493	0	3,713,493	6,579,340	0	6,579,340	(2,865,847)	0
1. Expected to be realized [¶11.b.i.]	3,713,493	0	3,713,493	12,277,494	1,711,037	13,988,531	0	0
2. Surplus limitation [¶11.b.ii.]	19,409,547	0	19,409,547	6,579,340	0	6,579,340	0	0
(c) DTL offset [¶11.c.]	5,697,011	1,599,375	7,296,386	5,730,603	0	5,730,603	(33,592)	1,599,375
(d) Total admitted under ¶11.a.-11.c.	9,410,504	1,599,375	11,009,879	12,309,943	0	12,309,943	(2,899,439)	1,599,375
Deferred tax liabilities	(5,564,717)	(1,731,669)	(7,296,386)	(5,311,551)	(419,052)	(5,730,603)	(253,165)	(1,312,617)
Net admitted deferred tax asset/liability under ¶11.a.-¶11.c.	3,845,788	(132,294)	3,713,494	6,998,392	(419,052)	6,579,340	(3,152,604)	286,758
								(2,865,846)

(3) Other Admissibility Criteria**2013****2012**

(a) Ratio Percentage used to determine recovery period and threshold limitation amount	476%	334%
(b) Adjusted capital and surplus	129,396,983	119,437,853

(4) Impact of tax planning strategies on adjusted gross DTAs and net admitted DTAs:

Description	2013			2012			Change	
	Ordinary	Capital	Total	Ordinary	Capital	Total	Capital	Total
Adjusted gross DTAs - Amount (Memo Entry)	9,410,503	1,599,375	11,009,878	10,598,905	1,711,038	12,309,942	(1,188,401)	(111,663)
(a) Adjusted gross DTAs - Percentage	85.5%	14.5%	100.0%	86.1%	13.9%	100.0%	-0.6%	0.6%
Net admitted DTAs - Amount (Memo Entry)	3,845,787	(132,294)	3,713,493	5,287,353	1,291,986	6,579,339	(1,441,566)	(1,424,280)
(b) Net admitted DTAs - Percentage	103.6%	-3.6%	100.0%	80.4%	19.6%	100.0%	23.2%	-23.2%
								0.0%

(c) Did the company avail itself of a tax planning strategy involving reinsurance? [check box]

Yes

No

B. Temporary differences for which DTLs have not been established:

Not Applicable

C. Current and Deferred Income Tax:**(1) Current Income Tax**

Description	2013		2012	
	Ordinary	Capital	Ordinary	Capital
(a) Current federal income tax expense	172,361		(9,478,267)	
(b) Foreign taxes	0		0	
(c) Subtotal	172,361		(9,478,267)	
(d) Tax on capital gains/(losses)	0		1,074,407	
(e) Utilization of capital loss carryforwards	0		0	
(f) Other, including prior year underaccrual (overaccrual)	686,241		0	
(g) Federal and foreign income taxes incurred	858,602		(8,403,860)	

NOTES TO FINANCIAL STATEMENTS

(2) Deferred Tax Assets	December 31,	December 31,	Change
	2013	2012	
(a) Ordinary			
(1) Discounting of unpaid losses and LAE	3,082,173	2,739,574	342,599
(2) Unearned premiums	5,042,032	5,014,441	27,591
(3) Policyholder reserves	0	0	0
(4) Investments	0	0	0
(5) Deferred acquisition costs	0	0	0
(6) Policyholder dividends accrued	0	0	0
(7) Fixed assets	0	0	0
(8) Compensation and benefit accruals	1,824,641	1,739,985	84,656
(9) Pension accruals	0	0	0
(10) Nonadmitted assets	4,951,324	5,012,145	(60,820)
(11) Net operating loss carryforward	4,455,205	4,523,287	(68,082)
(12) Tax credit carryforward	776,560	645,783	130,777
(13) Other (separately disclose items >5%)	303,682	360,887	(57,205)
(99) Gross ordinary DTAs	20,435,618	20,036,102	399,517
(b) Statutory valuation adjustment adjustment - ordinary	(11,025,115)	(9,437,197)	(1,587,918)
(c) Nonadmitted ordinary DTAs (-)	0	0	0
(d) Admitted ordinary DTAs	9,410,503	10,598,905	(1,188,401)
(e) Capital			
(1) Investments	393,943	448,333	(54,390)
(2) Net capital loss carryforward	1,052,740	1,262,705	(209,965)
(3) Real estate	152,693	0	152,693
(4) Other (separately disclose items >5%)	0	0	0
(5) Unrealized capital losses	0	0	0
(99) Gross capital DTAs	1,599,375	1,711,038	(111,663)
(f) Statutory valuation adjustment adjustment - capital (-)	0	0	0
(g) Nonadmitted capital DTAs (-)	(0)	0	(0)
(h) Admitted capital DTAs	1,599,375	1,711,038	(111,663)
(i) Admitted DTAs	11,009,878	12,309,942	(1,300,064)
(3) Deferred Tax Liabilities			
	December 31,	December 31,	
	2013	2012	Change
(a) Ordinary			
(1) Investments	(25,295)	(123,667)	98,372
(2) Fixed assets	(554,000)	(1,433,024)	879,023
(3) Deferred and uncollected premiums	0	0	0
(4) Policyholder reserves/salvage and subrogation	(71,599)	(87,735)	16,136
(5a) Other (Capitalized Software)	(4,913,821)	(3,592,261)	(1,321,560)
(5b) Other (separately disclose items >5%)	0	(74,864)	74,864
(99) Ordinary DTLs	(5,564,717)	(5,311,551)	(253,165)
(b) Capital			
(1) Investments	0	0	0
(2) Real estate	0	0	0
(3) Other (separately disclose items >5%)	0	0	0
(4) Unrealized capital gains	(1,731,669)	(419,052)	(1,312,617)
(99) Capital DTLs	(1,731,669)	(419,052)	(1,312,617)
(c) DTLs	(7,296,386)	(5,730,603)	(1,565,782)
(4) Net Deferred Tax Assets	3,713,493	6,579,339	(2,865,846)

The change in net deferred income taxes is comprised of the following (this analysis is exclusive of nonadmitted assets as the Change in Nonadmitted Assets is reported separately from the Change in Net Deferred Income Taxes in the surplus section of the Annual Statement):

	December 31,	December 31,	
	2013	2012	Change
Total deferred tax assets	22,034,993	21,747,139	287,854
Total deferred tax liabilities	(7,296,386)	(5,730,603)	(1,565,782)
Net deferred tax assets/liabilities	14,738,608	16,016,536	(1,277,928)
Statutory valuation allowance adjustment	(11,025,115)	(9,437,197)	(1,587,918)
Net deferred tax assets/liabilities after SVA	3,713,493	6,579,339	(2,865,846)
Tax effect of unrealized gains/(losses)	1,731,669	419,052	1,312,617
Change in net deferred income tax [(charge)/benefit]	5,445,162	6,998,391	(1,553,229)

NOTES TO FINANCIAL STATEMENTS**D. Reconciliation of federal income tax rate to actual effective rate:**

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes. The significant items causing this difference are:

Description	Tax Effect	Effective Tax Rate
Income before taxes	2,341,276	35.0%
Tax-exempt interest	(570,405)	-8.5%
Dividends received deduction	(37,264)	-0.6%
Proration	91,151	1.4%
Non deductible expenses	(579,213)	-8.7%
Statutory valuation allowance adjustment	1,587,918	23.7%
Deferred taxes on nonadmitted assets	60,820	0.9%
Impact of Graduated Tax Rates	34,443	
Other, Including Prior Year True-Up	(516,895)	-7.7%
Total	2,411,831	35.5%
<hr/>		
Federal income taxed incurred [expense/(benefit)]	858,602	12.8%
Tax on capital gains/(losses)	0	0.0%
Change in net deferred income tax [charge/(benefit)]	1,553,229	23.2%
Total statutory income taxes	2,411,831	36.1%

E. Carryforwards, recoverable taxes, and IRC §6603 deposits:

Year	Amount
2014	\$ 2,583,145
2018	424,683
Total	\$ 3,007,828

The following is income tax expense for 2011, 2012, and 2013 that is available for recoupment in the event of future net losses:

Year	Ordinary	Capital	Total
2011	0	0	0
2012	(9,383,976)	1,074,407	(8,309,569)
2013	(0)	0	(0)
Total	(9,383,976)	1,074,407	(8,309,569)

Deposits admitted under IRC § 6603

None**F. The Company's federal income tax return is consolidated with the following entities:**

- 1) Safe Auto Insurance Group, Inc., Safe Auto Services, Inc., (dissolved in 2011), Safe Auto Group Agency, Inc., and Safe Auto Realty, LLC.
- 2) The Company has a tax sharing agreement with its parent whereby federal income tax expense is determined as if the company filed a separate federal income tax return and payments for this liability are made to the parent and included with balances reported as Payable to parent, subsidiaries, and affiliates.

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES, AFFILIATES and OTHER RELATED PARTIES**A. Nature of Relationships**

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

B. Detail of Transactions Greater than 1/2% of Admitted Assets

1. The Company received a capital contribution of \$4,000,000 from the Parent during 2013, and a capital contribution of \$10,000,000 from the Parent in 2012.
2. The Company participates in a cash sweep program with Safe Auto Group Agency. Within terms of the program the companies may commingle cash balances in a bank account owned by the Company.
3. Safe Auto Group Agency negotiates, manages, and purchases certain advertising for Safe Auto Insurance Company, sells and services certain insurance policies on the behalf of Safe Auto Insurance Company, and is reimbursed 100% by Safe Auto Insurance Company for all costs incurred to provide such services (see Note 10-F).
4. No other transactions exceeding the 1/2% limit occurred in 2013 or 2012.

C. Change in Terms of Intercompany Arrangements

1. None

D. Amounts Due to or From Related Parties

1. The Company had net payables to Safe Auto Group Agency of \$2,058,878 and \$6,256,543 as of December 31, 2013 and 2012, respectively.

NOTES TO FINANCIAL STATEMENTS

2. SAGI Realty Ltd. (SAGI), a subsidiary of SafeAuto Realty, LLC., owns the Company's former headquarters and an adjacent building. The Company paid rent on these properties of \$4,800 and \$12,000 in 2013 and 2012, respectively. The Company also from time to time paid for improvements to certain rental properties and for building operating purposes on behalf of SAGI. The Company had net receivables of \$399 as of December 31, 2013 and had no net receivables to SAGI as of December 31, 2012.

3. The Company had a net payable balance to Parent of \$753,231 as of December 31, 2013 and had a net receivable balance to Parent of \$4,516,196 for the year ended December 31, 2012. As of December 31, 2012, \$4,000,000 of a dividend owed to Parent was included in the net receivable from Safe Auto Insurance Group. The dividend was paid in 2013.

E. Guarantees or Contingencies for Related Parties

1. None

F. Management, Service Contracts, Cost Sharing Arrangements

1. Safe Auto Insurance Company and Safe Auto Group Agency are parties of an agency contract. Safe Auto Group Agency provides agency services for Safe Auto Insurance Company by employing certain agents, customer service, and related management personnel while also exclusively providing all advertising and marketing efforts. Safe Auto Insurance Company paid Safe Auto Group Agency \$48,559,808 in 2013 and \$48,128,778 in 2012.
2. In August 2012, the Company and its parent entered into an agreement whereby Company management provides services to the parent and its subsidiaries. This agreement was approved by the Ohio Department of Insurance. The parent paid the Company \$999,996 and \$460,125 for these services in 2013 and 2012, respectively.
3. All such management, service contracts, and cost sharing agreements mentioned are transacted at cost and provide no profit provision to the service provider.

G. Nature of Relationships that Could Affect Operations

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

H. Amount Deducted for Investment in Upstream Company

1. None

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

1. None

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

1. None

K. Foreign Subsidiary Valued Using CARVM

1. None

L. Downstream Holding Company Valued Using Look-Through Method

1. None

11. DEBT

A. None

B. The Company is a member of the Federal Home Loan Bank of Cincinnati (FHLBC). As of December 31, 2013, the Company holds \$689,500 of FHLBC stock and has a current borrowing capacity of \$10,000,000. The Company has no outstanding cash advances at December 31, 2013.

12. RETIREMENT PLANS, DEFERRED COMPENSATION, AND POSTEMPLOYMENT BENEFITS

A. None

B. The Company sponsors a defined contribution 401(k) Employee Savings and Profit Sharing Plan (the "401(k) Plan") which allows eligible employees to contribute a percentage of their salaries, wages, and bonuses, subject to certain restrictions and limitations, to an individual 401(k) retirement savings account. The Company makes matching contributions equal to 50% of the employee contributions, up to 8% of total employee compensation, and may make periodic discretionary contributions. The Company's contributions to this Plan were \$798,377 and \$849,291 for the years ended December 31, 2013 and 2012, respectively.

The Company also sponsors a non-qualified deferred compensation arrangement for certain executives and directors of the Company. Participating executives and directors may contribute a percentage of their salaries, wages, and bonuses, subject to certain restrictions and limitations. The Company makes matching contributions equal to 50% of the employee contribution up to 8% of total executive compensation when coordinated with the executives' contributions to the 401(k) plan. There are no matching contributions for directors.

C. None

D. None

E. None

F. None

G. None

H. None

I. None

13. CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

1. Outstanding Shares

The Company has 750 shares of \$25,000 par value common stock authorized and 100 shares issued and outstanding. The Company has no preferred stock authorized, issued, or outstanding.
2. Dividend Rate of Preferred Stock

Not applicable
3. Dividend Restrictions

Under the insurance regulations of Ohio, the maximum amount of ordinary dividends that the Company may pay to shareholders in a twelve month period is limited to the greater of 10% of the most recent year-end policyholders' surplus or the net income for that same year-end excluding realized capital gains. Accordingly, the maximum amount of ordinary dividends that the Company may pay in the next year is \$12,939,698. Dividends above this amount would be deemed extraordinary and may not be paid unless 1) not disapproved by the Commissioner of Insurance of Ohio within 30 days of receiving notice of the declaration thereof or 2) approved within that thirty day period.

NOTES TO FINANCIAL STATEMENTS

4. Dividend Payments

In 2013 the Company made a \$4,000,000 payment of dividends declared in 2011. The Company paid \$20,000,000 of the 2011 declared dividends on June 27, 2012. On December 31, 2012, the Parent made a \$10,000,000 capital contribution to the Insurance company. The Company did not declare any dividends in 2013 or 2012.

5. Ordinary Dividends

Within the limitations noted in note 13.3 above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders.

6. Restrictions on Surplus

There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.

7. Mutual Surplus Advances

Not applicable

8. Company Stock Held for Special Purposes

None

9. Changes in Special Surplus Funds

None

10. Changes in Unassigned Funds

The portion of unassigned funds (surplus) represented by an increase in cumulative unrealized gains is \$2,603,910.

11. Surplus Notes

None

12. & 13. Quasi Reorganizations

None

14. CONTINGENCIES

A. Contingent Commitments

1. The Company has no commitments or contingent commitments to affiliates or other entities, or has made no guarantees on behalf of affiliates.
2. Not applicable
3. Not applicable

B. Guaranty Fund and Other Assessments

1. The Company is subject to guaranty fund and other assessments by the states in which it writes business. Guaranty fund assessments should be accrued at the time of insolvencies. Other assessments should be accrued either at the time of assessment or in the case of premium based assessments, at the time the premiums were written, or in the case of loss based assessments, at the time the losses are incurred.
2. The Company determined there are no accruals needed at this time. This represents management's best estimate based on information received from the states in which the Company writes business and may change if different information is received from a state.

C. Gain Contingencies

1. The Company does not have any material gain contingencies.

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

The Company is named, from time to time and in the ordinary course of business, as a defendant in legal actions arising principally from claims made under its insurance contracts, including those seeking extra-contractual damages beyond policy limits. These are commonly referred to as extra-contractual or bad faith claims. The Company is presently defending two such matters. In accordance with applicable accounting principles, the Company establishes reserves for those matters as to which it has determined that it is probable a loss has been incurred and a reasonable estimate of the Company's potential exposure can be established. Such legal actions are considered by the Company in estimating the loss and LAE reserves.

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

During 2013 and 2012, the Company paid \$27,500 and \$1,072,310, respectively, net of reimbursements relating to less than 25 claims.

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

E. Product Warranties

1. Not applicable

F. All Other Contingencies

1. The Company is also, from time to time and in the ordinary course of business, faced with class action lawsuits, regulatory proceedings, and individual lawsuits that are not directly related to its insurance contracts. Such matters presently include two putative class action lawsuits alleging that the Company improperly charged premium to certain customers. The company is vigorously defending its position in these matters. In accordance with applicable accounting principles, the Company establishes reserves for those matters as to which it has determined that it is probable a loss has been incurred and a reasonable estimate of the Company's potential exposure can be established. Likewise, the Company does not establish reserves for those matters where the loss is not probable and/or it currently is unable to estimate the Company's potential exposure. If either or both of the existing class action suits result in a judgment against, or settlement by, the Company in an amount significantly in excess of the reserve established for that matter, if any, the resulting liability could have a material effect on the Company's financial condition, cash flows, and results of operations.
2. The Internal Revenue Service has provided the Company with notice of an alleged infraction related to the filing of certain 1099 returns, and is seeking a \$500,000 penalty as a result. It is the Company's position that the underlying facts are such that a penalty is inappropriate and it has submitted written objections to the proposed penalty based upon those underlying mitigating facts. The Company is awaiting a response from the IRS at this time. As with all such contingencies, the Company establishes reserves for those

NOTES TO FINANCIAL STATEMENTS

matters as to which it has determined that it is probable a loss has been incurred and a reasonable estimate of the Company's potential exposure can be established.

15. LEASES**A. Lessee Leasing Arrangements**

1. The Company leases equipment under a non-cancelable operating lease agreement that expires in December 2015. Rental expense for 2013 and 2012 was \$287,947 and \$275,312, respectively.

2. At December 31, 2014, the future minimum rental payments are as follows:

<u>Year Ending December 31</u>		<u>Operating Leases</u>
2014	\$	283,312
2015 and thereafter		269,312
Total	\$	<u>552,624</u>

The Company is not involved in any sale-leaseback transactions.

B. Lessor Leasing Arrangements

1. Not applicable

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

1. Not applicable

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

1. None

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

1. None

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

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

20. FAIR VALUE MEASUREMENT**A. Inputs Used for Assets and Liabilities Measured at Fair Value**

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

The Company has categorized its assets that are measured at fair value into the three-level fair value hierarchy as reflected in the following table. The Company had no liabilities recorded at fair value.

The Company's financial assets carried at fair value have been classified, for disclosure purposes, based on a hierarchy defined by ASC 820 *Fair Value Measurements and Disclosures*. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). An asset's or a liability's classification is based on the lowest level input that is significant to its measurement. For example, a Level 3 fair value measurement may include inputs that are both observable (Levels 1 and 2) and unobservable (Level 3). The levels of the fair value hierarchy are defined as follows:

Level 1 – Values are unadjusted quoted prices for identical assets and liabilities in active markets accessible at the measurement date.

Level 2 – Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads and yield curves.

Level 3 – Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the Company's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

NOTES TO FINANCIAL STATEMENTS

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
Assets at fair value				
Perpetual Preferred Stock				
Industrial and Misc	\$ -	\$ 210,400	\$ -	\$ 210,400
Parent, Subsidiaries, and Affiliates	-	-	-	-
Total Perpetual Preferred Stocks	\$ -	\$ 210,400	\$ -	\$ 210,400
Bonds				
U.S. Governments	-	-	-	-
Industrial and Misc	130,333	984,060	-	1,114,393
Hybrid Securities	-	-	-	-
Parent, Subsidiaries, and Affiliates	-	-	-	-
Total Bonds	\$ 130,333	\$ 984,060	\$ -	\$ 1,114,393
Common Stock				
Industrial and Misc	23,826,559	689,500	-	24,516,059
Parent, Subsidiaries, and Affiliates	-	-	-	-
Total Common Stock	\$ 23,826,559	\$ 689,500	\$ -	\$ 24,516,059
Total assets at fair value	\$ 23,956,892	\$ 1,883,960	\$ -	\$ 25,840,852

Reclassifications impacting Level 3 financial instruments are reported as transfers in (out) of the Level 3 category as of the beginning of the quarter in which the transfer occurs; gains and losses in income only reflect activity for the period the instrument was classified in Level 3. The same policy is followed when a transfer between Level 1 and Level 2 occurs.

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

2. Roll forward of Level 3 items

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

3. Policy on Transfers Into and out of Level 3

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred into or out of Level 3. During the current year, no transfers into or out of Level 3 were required.

4. Fair value measurements for fixed income and equity securities are based on values either published by the NAIC's Security Valuation Office (SVO) or from an independent pricing service vendor. Under certain circumstances, if neither an SVO price nor a Vendor price is available, a price may be obtained from a broker. Short term securities and cash equivalents are valued at amortized cost.

When published prices from the SVO are not available, the Company relies predominately on independent pricing service vendors that have been evaluated and approved by our investment management company's internal pricing policy committee. Generally, pricing service vendors use a pricing methodology involving the market approach, including pricing models, which use prices and relevant market information regarding a particular security or securities with similar characteristics to establish a valuation.

Certain investments are carried at fair value, while others may periodically be carried at fair value based on certain factors such as the NAIC's lower of cost or market rule or an impairment. Assets recorded at fair value are categorized based on an evaluation of the various inputs used to measure the fair value. Supporting documentation received from pricing vendors detailing the inputs, models and processes used in the vendor's evaluation process is used by the Company to determine the appropriate fair value hierarchy.

Documentation from each pricing vendor is reviewed and monitored periodically to ensure they are consistent with the Company's pricing policy. Market Information obtained from brokers with respect to security valuations is also considered in the pricing hierarchy.

21. OTHER ITEMS

- A. Extraordinary Items
 - 1. None
- B. Troubled Debt Restructuring for Debtors
 - 1. None
- C. Other Disclosures and Unusual Items
 - 1. None
- D. Business Interruption Insurance Recoveries
 - 1. None
- E. State Transferable and Non-transferable Tax Credits
 - 1. None
- F. Subprime-Mortgage Related Risk Exposure
 - 1. Subprime Mortgage Exposures

The Company has invested in collateralized fixed income securities, such as residential mortgage-backed securities ("MBS") and collateralized debt obligations ("CDO"). Through certain investments, the Company is subject to additional default risk exposure as these securitizations were collateralized by mortgages that have characteristics of subprime lending. Such characteristics include, but are not limited to, an interest rate above prime to borrowers who do not qualify for prime rate loans, borrowers with low credit ratings, unconventionally high initial loan-to-value ratios, low initial payments based on a fixed introductory rate that expires after a short initial period, and borrowers with less than conventional documentation of their income or net assets.

While inherently subject to realized losses resulting from rising defaults or foreclosures, the Company's conservative investment practices of only investing in MBS and CDO's which carry the highest or higher credit ratings (AA or better) and actively monitoring

NOTES TO FINANCIAL STATEMENTS

the underlying collateral performance should limit such losses. As such, the Company currently believes that its exposure to unrealized losses from declines in asset values, as the market adjusts to risk aversion and liquidity issues, is greater than its exposure to realized losses resulting from receiving less than anticipated cash flows. The Company intends to hold these fixed income investments until maturity or recovery, and does not anticipate sale of assets to meet future cash flow requirements.

2. Direct Exposure—Mortgage Loans

The Company does not have any investments with direct exposure in subprime mortgage loans.

3. Direct Exposure—Other Investments

The Company has invested in residential mortgage-backed securities and collateralized debt obligations. While the fair value of these fixed income investments may fluctuate, the Company reviewed its MBS and CDO portfolio as of December 31, 2013.

The following is a summary of the Company's other investments with subprime exposure.

	Actual Costs	Book Adjusted Carrying Value (excluding interest)	Fair Value	Other-Than-Temporary Impairment Losses Recognized
Residential mortgage-backed securities	\$ 348,041	\$ 348,611	\$ 350,859	\$ 572
Collateralized debt obligations	1,191,603	273,720	357,543	1,013,659
Other Structured securities	-	-	-	-
Total Other Investments	\$ 1,539,644	\$ 622,331	\$ 708,402	\$ 1,014,231

4. Underwriting Exposure

The Company does not engage in mortgage guaranty insurance coverage.

G. Offsetting and Netting of Assets and Liabilities

1. None

H. Joint and Several Liabilities

1. None

22. EVENTS SUBSEQUENT

1. None

Recognized and non recognized subsequent events have been considered through February 28, 2014 for the statutory statements issued on February 28, 2014.

23. REINSURANCE

A. Unsecured Reinsurance Recoverables

1. None

B. Reinsurance Recoverables in Dispute

1. Not applicable

C. Reinsurance Assume and Ceded

1. The Company is a party in a prospective personal automobile physical damage catastrophe agreement of reinsurance with General Reinsurance Corporation. This reinsurance agreement covers a portion of aggregated losses arising from catastrophic events that exceed a specified retention stated in the agreement. Ceded premiums are calculated primarily based on a percentage of comprehensive premiums earned, and were not material for the year ended December 31, 2013.

D. Uncollectible Reinsurance

1. None

E. Commutation of Ceded Reinsurance

1. None

F. Retroactive Reinsurance

1. None

G. Reinsurance Accounted for as a Deposit

1. None

H. Disclosures for the Transfer of Property and Casualty Run-off Agreements

1. Not applicable

24. RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDETERMINATION

1. None

25. CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

Current year changes in estimates of the costs of prior year losses and loss adjustment expenses (LAE) affect the current year Statement of Income. Increases in those estimates increase current year expense and are referred to as unfavorable development. Decreases in those estimates decrease current year expense and are referred to as favorable development or prior year reserve redundancies. Current year losses and LAE of \$209,873,032 were lower by \$10,114,580 because of favorable development of prior year estimates. This favorable development was approximately 7.0% of the prior years' reserves for unpaid losses and LAE.

The decrease in prior years' estimates is a result of ongoing analysis of recent loss trends. The decrease in estimated losses for prior years of \$4,409,794 is a result of liability claim frequency and severity for accident year 2012 being below previously projected levels. The decrease in

NOTES TO FINANCIAL STATEMENTS

prior years' estimated LAE of \$5,704,786 is primarily a result of the impact of decreased claim frequency and lower projected DCC expenses, related to lower than expected claims requiring litigation, which were partially offset by increased A&O expenses.

The Company experienced no prior year claim development on retrospectively rated policies because the Company does not issue retrospectively rated policies.

26. INTERCOMPANY POOLING ARRANGEMENTS

None

27. STRUCTURE SETTLEMENTS

None

28. HEALTH CARE RECEIVABLES

None

29. PARTICIPATING POLICIES

None

30. PREMIUM DEFICIENCY RESERVES

The Company has evaluated for the existence of any premium deficiencies as of December 31, 2013, and it was determined that there were none. Anticipated investment income was not taken into account in the calculation.

31. HIGH DEDUCTIBLES

None

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

The Company does not discount liabilities for unpaid loss adjustment expenses.

33. ASBESTOS/ENVIRONMENTAL RESERVES

None

34. SUBSCRIBER SAVINGS ACCOUNTS

None

35. MULTIPLE PERIL CROP INSURANCE

None

36. FINANCIAL GUARANTY INSURANCE

None

Annual Statement for the year 2013 of the **Safe Auto Insurance Company**
GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
 If yes, complete Schedule Y, Parts 1, 1A and 2.

1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [] N/A []

1.3 State regulating? OHIO

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 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2009
 3.2 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
 3.3 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). 05/12/2011
 3.4 By what department or departments?
Ohio Department of Insurance

3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes [] No [] N/A [X]

3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] N/A []

4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
 4.11 sales of new business? Yes [X] No []
 4.12 renewals? Yes [X] No []

4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
 4.21 sales of new business? Yes [X] No []
 4.22 renewals? Yes [X] No []

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]

5.2 If yes, provide the name of the 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 Co. Code	3 State of Domicile
---------------------	--------------------	------------------------

6.1 Has the 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]
 6.2 If yes, give full information:

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No [X]
 7.2 If yes,
 7.21 State the percentage of foreign control%
 7.22 State the nationality(ies) of the foreign person(s) or entity(ies); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(ies) (e.g., individual, corporation, government, manager or attorney-in-fact)

1 Nationality	2 Type of Entity
------------------	---------------------

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 the names and locations (city and state of the main office) of any affiliates regulated by a federal financial 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
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9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young, LLP, 1100 Huntington Center, 41 South High Street, Columbus, OH 43213

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]
 10.2 If the response to 10.1 is yes, provide information related to this exemption:

10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]
 10.4 If the response to 10.3 is yes, provide information related to this exemption:

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []
 10.6 If the answer to 10.5 is no or n/a, please explain.

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Robert Lowery, FCAS (employee), 4 Easton Oval, Columbus, OH 43219

Annual Statement for the year 2013 of the **Safe Auto Insurance Company**
GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES - GENERAL

12.1	Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?	Yes [X]	No []								
12.11	Name of real estate holding company	New Albany Apartments, LLC									
12.12	Number of parcels involved1									
12.13	Total book/adjusted carrying value	\$.....0									
12.2	If yes, provide explanation.	New Albany Apartments is a Limited Liability Company that developed and runs an apartment complex in New Albany, Ohio. The Company owns a 19.5% share of the LLC.									
13.	FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:										
13.1	What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?										
13.2	Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?	Yes []	No []								
13.3	Have there been any changes made to any of the trust indentures during the year?	Yes []	No []								
13.4	If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?	Yes []	No [] N/A []								
14.1	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.										
14.11	If the response to 14.1 is no, please explain:										
14.2	Has the code of ethics for senior managers been amended?	Yes []	No [X]								
14.21	If the response to 14.2 is yes, provide information related to amendment(s).										
14.3	Have any provisions of the code of ethics been waived for any of the specified officers?	Yes []	No [X]								
14.31	If the response to 14.3 is yes, provide the nature of any waiver(s).										
15.1	Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?	Yes []	No [X]								
15.2	If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.	<table border="1"> <thead> <tr> <th>1 American Bankers Association (ABA) Routing Number</th> <th>2 Issuing or Confirming Bank Name</th> <th>3 Circumstances That Can Trigger the Letter of Credit</th> <th>4 Amount</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount				
1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount								
16.	Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof?	Yes [X]	No []								
17.	Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof?	Yes [X]	No []								
18.	Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person?	Yes [X]	No []								
PART 1 - COMMON INTERROGATORIES - BOARD OF DIRECTORS											
19.	Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)	Yes []	No [X]								
20.1	Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):										
20.11	To directors or other officers	\$.....0									
20.12	To stockholders not officers	\$.....0									
20.13	Trustees, supreme or grand (Fraternal only)	\$.....0									
20.2	Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):										
20.21	To directors or other officers	\$.....0									
20.22	To stockholders not officers	\$.....0									
20.23	Trustees, supreme or grand (Fraternal only)	\$.....0									
21.1	Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?	Yes []	No [X]								
21.2	If yes, state the amount thereof at December 31 of the current year:										
21.21	Rented from others									
21.22	Borrowed from others									
21.23	Leased from others									
21.24	Other									
22.1	Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments?	Yes []	No [X]								
22.2	If answer is yes:										
22.21	Amount paid as losses or risk adjustment									
22.22	Amount paid as expenses									
22.23	Other amounts paid									
23.1	Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?	Yes [X]	No []								
23.2	If yes, indicate any amounts receivable from parent included in the Page 2 amount.	\$.....0									
PART 1 - COMMON INTERROGATORIES - FINANCIAL											
24.01	Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date (other than securities lending programs addressed in 24.03)?	Yes [X]	No []								
24.02	If no, give full and complete information relating thereto.										

PART 1 - COMMON INTERROGATORIES - INVESTMENT

24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet (an alternative is to reference Note 17 where this information is also provided).

24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [] No [] N/A [X]

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs.

24.06 If answer to 24.04 is no, report amount of collateral for other programs.

24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] N/A [X]

24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] N/A [X]

24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes [] No [] N/A [X]

24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:

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

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

24.103 Total payable for securities lending reported on the liability page.

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03) Yes [X] No []

25.2 If yes, state the amount thereof at December 31 of the current year:

25.21 Subject to repurchase agreements \$.....0

25.22 Subject to reverse repurchase agreements \$.....0

25.23 Subject to dollar repurchase agreements \$.....0

25.24 Subject to reverse dollar repurchase agreements \$.....0

25.25 Pledged as collateral \$.....0

25.26 Placed under option agreements \$.....0

25.27 Letter stock or securities restricted as to sale \$.....0

25.28 On deposit with state or other regulatory body \$.....2,702,120

25.29 Other \$.....0

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] N/A [X]

If no, attach a description with this statement.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]

27.2 If yes, state the amount thereof at December 31 of the current year:

28. 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 []

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

1 Name of Custodian(s)	2 Custodian's Address
U.S. Bank	425 Walnut Street, 6th Floor, Cincinnati, OH 45202
Merrill Lynch	65 East State Street, Suite 2600, Columbus, OH 43215
JP Morgan Chase NA	Columbus Trust Office, 100 East Broad Street, Columbus, OH 43271-0192
JP Morgan Chase	100 N. Broadway, Oklahoma City, OK 73102
Bank of America Corporation	200 W. Capitol Avenue, FL 6, Little Rock, AR 72201
SunTrust	P.O. Box 26665, Richmond, VA 23261-6665
FHLB of Cincinnati	221 E. 4th Street, Suite 1000, Cincinnati, OH 45202

28.02 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)

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [] No [X]

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

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

28.05 Identify all investment advisors, brokers/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 Number(s)	2 Name	3 Address
105900	General Re/New England Asset Management	76 Batterson Park Road, Farmington, CT 06032
7691	Merrill Lynch	65 East State Street, Columbus, OH 43215
1608684	JP Morgan Chase	345 Park Avenue, New York, NY 10154-1002

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D-Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])? Yes [X] No []

PART 1 - COMMON INTERROGATORIES - INVESTMENT

29.2 If yes, complete the following schedule:

1	2	3
CUSIP #	Name of Mutual Fund	Book/Adjusted Carrying Value
091936 73 2	Blackrock GL L/S Credit-Ins	616,807
09256H 28 6	Blackrock Strat Inc Opp-Ins	610,499
464287 37 4	ISHares S&P NA Nat Res S | F	711,596
464287 40 8	ISHares S&P 500/Barra Value Index Fund	3,093,225
464287 66 3	ISHares Russell 3000 Value	3,133,743
486606 10 6	Kayne Anderson MLP Investment	358,650
67074U 10 3	Nuveen Energy MLP Total Return	320,874
72201M 45 3	PIMCO Unconstrained Bond	300,843
72201M 81 8	PIMCO Emrg Markets Bond	123,421
72201R 20 5	PIMCO 1-5 Year US Tips in FD	105,792
72201R 78 3	PIMCO 0-5 Year H/Y Corp Bond	212,720
73935X 38 5	Powershares Dyn Energy	1,021,016
76882K 70 2	Riverpark Short Term H/Y Ins	456,151
78355W 86 6	Guggenheim S&P Eq Wgr Energy ETF	888,624
78462F 10 3	SPDR S&P 500 ETF Trust	6,093,477
808090 63 3	Schroder Abs Ret Emd & Cur-Inv	453,749
29,299. TOTAL		18,501,187

PART 1 - COMMON INTERROGATORIES - INVESTMENT

29.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from the above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to Holding	4 Date of Valuation
Blackrock GL L/S Credit-Ins	US Treasury Note 2.5%	11,966	12/31/2013
Blackrock GL L/S Credit-Ins	Spain (Kingdom Of) 4.1%	9,931	12/31/2013
Blackrock GL L/S Credit-Ins	Telecom Italia (Sa) Cv 6.125%	7,402	12/31/2013
Blackrock GL L/S Credit-Ins	US Treasury Note 1.75%	7,217	12/31/2013
Blackrock GL L/S Credit-Ins	Verizon Comms 6.55%	6,106	12/31/2013
Blackrock Strat Inc Opp-Ins	Fannie Mae Single Family TBA 2.5% 2028-01-01	41,026	12/31/2013
Blackrock Strat Inc Opp-Ins	US Treasury Note 2.75%	32,479	12/31/2013
Blackrock Strat Inc Opp-Ins	US Treasury Note 1.25%	26,374	12/31/2013
Blackrock Strat Inc Opp-Ins	Fed Nat'l Mort Assoc 3%	25,519	12/31/2013
Blackrock Strat Inc Opp-Ins	US Treasury Bond 3.625%	21,001	12/31/2013
IShares S&P NA Nat Res S | F	Exxon Mobil Corporation Common	54,366	12/31/2013
IShares S&P NA Nat Res S | F	Chevron Corporation Common Stock	52,872	12/31/2013
IShares S&P NA Nat Res S | F	Schlumberger N.V. Common Stock	43,834	12/31/2013
IShares S&P NA Nat Res S | F	ConocoPhillips Common Stock	31,951	12/31/2013
IShares S&P NA Nat Res S | F	Occidental Petroleum Corporation	28,322	12/31/2013
IShares S&P 500/Barra Value Index Fund	Exxon Mobil Corporation Common	171,983	12/31/2013
IShares S&P 500/Barra Value Index Fund	General Electric Company Common	110,428	12/31/2013
IShares S&P 500/Barra Value Index Fund	Chevron Corporation Common Stock	93,415	12/31/2013
IShares S&P 500/Barra Value Index Fund	JP Morgan Chase & Co Common Stock	85,682	12/31/2013
IShares S&P 500/Barra Value Index Fund	Wells Fargo & Company Common Stock	84,754	12/31/2013
IShares Russell 3000 Value	Exxon Mobil Corporation Common	139,452	12/31/2013
IShares Russell 3000 Value	General Electric Company Common	89,938	12/31/2013
IShares Russell 3000 Value	Chevron Corporation Common Stock	75,210	12/31/2013
IShares Russell 3000 Value	Johnson & Johnson Common Stock	69,882	12/31/2013
IShares Russell 3000 Value	Procter & Gamble Company	69,569	12/31/2013
Kayne Anderson MLP Investment	Enterprise Products Partners L.P.	20,371	12/31/2013
Kayne Anderson MLP Investment	Plains All American Pipeline, L.P.	17,456	12/31/2013
Kayne Anderson MLP Investment	MarkWest Energy Partners, L.P.	14,247	12/31/2013
Kayne Anderson MLP Investment	Williams Partners L.P.	11,102	12/31/2013
Kayne Anderson MLP Investment	Energy Transfer Partners L.P.	10,204	12/31/2013
Nuveen Energy MLP Total Return	Energy Transfer Equity LP	33,050	12/31/2013
Nuveen Energy MLP Total Return	Enterprise Products Partners LP	28,879	12/31/2013
Nuveen Energy MLP Total Return	Williams Partners LP	26,953	12/31/2013
Nuveen Energy MLP Total Return	Plains All American Pipeline LP	24,707	12/31/2013
Nuveen Energy MLP Total Return	Magellan Midstream Partners LP	19,894	12/31/2013
PIMCO Unconstrained Bond	US Treasury Note .25%	19,976	09/29/2013
PIMCO Unconstrained Bond	Fin Fut Euro\$ Cme 12/14/15	18,111	09/29/2013
PIMCO Unconstrained Bond	Fed Nat'l Mort Assoc 4.5%	10,680	09/29/2013
PIMCO Unconstrained Bond	Fin Fut Euro-Oat Eux 10yr 12/6/13	9,386	09/29/2013
PIMCO Unconstrained Bond	Irs Usd 1.650 9/9/13-5y Cme	9,146	09/29/2013
PIMCO Emrg Markets Bond	Russian Federation 7.5%	5,813	09/29/2013
PIMCO Emrg Markets Bond	Petrobras Int'l Fin 7.875%	2,814	09/29/2013
PIMCO Emrg Markets Bond	Petroleos Mexicanos 6.5%	2,740	09/29/2013
PIMCO Emrg Markets Bond	Petroleos De Venezuela Sa 8.5%	2,148	09/29/2013
PIMCO Emrg Markets Bond	Irs Usd 1.000 6/19/13-5y Cme	2,024	09/29/2013
PIMCO 1-5 Year US Tips in FD	US Treasury Note	14,091	12/31/2013
PIMCO 1-5 Year US Tips in FD	US Treasury Note 0.5%	7,427	12/31/2013
PIMCO 1-5 Year US Tips in FD	US Treasury Note 2.375%	7,331	12/31/2013
PIMCO 1-5 Year US Tips in FD	US Treasury Note 1.625%	7,067	12/31/2013
PIMCO 1-5 Year US Tips in FD	US Treasury Note 2%	6,940	12/31/2013
PIMCO 0-5 Year H/Y Corp Bond	Cdx Hy21 5y Bp Ice	13,572	12/31/2013
PIMCO 0-5 Year H/Y Corp Bond	Cdx Hy20 5y Bp Ice	13,423	12/31/2013
PIMCO 0-5 Year H/Y Corp Bond	Sprint Nextel 6%	3,446	12/31/2013
PIMCO 0-5 Year H/Y Corp Bond	Echostar Dbs 7.125%	3,425	12/31/2013
PIMCO 0-5 Year H/Y Corp Bond	Hca 6.5%	3,148	12/31/2013
Powershares Dyn Energy	Phillips 66 Common Stock	27,465	12/31/2013
Powershares Dyn Energy	Marathon Petroleum Corporation	27,465	12/31/2013
Powershares Dyn Energy	Valero Energy Corporation Common	27,363	12/31/2013
Powershares Dyn Energy	Hess Corporation Common Stock	25,321	12/31/2013
Powershares Dyn Energy	Schlumberger N.V. Common Stock	25,321	12/31/2013
Riverpark Short Term H/Y Ins	Lucent Tech Cap Tr I Pfd	49,315	12/31/2013
Riverpark Short Term H/Y Ins	Ocean Rig Udw 9.5%	47,784	12/31/2013
Riverpark Short Term H/Y Ins	Epe Hldgs Llc/Ep Engy Bondco 144A 8.125%	45,333	12/31/2013
Riverpark Short Term H/Y Ins	Maxim Crane Works 144A 12.25%	45,333	12/31/2013
Riverpark Short Term H/Y Ins	Amer Airls 144A 7.5%	42,372	12/31/2013
Guggenheim S&P Eq Wgr Energy ETF	Williams Companies, Inc.	21,860	12/31/2013
Guggenheim S&P Eq Wgr Energy ETF	Kinder Morgan, inc. Common Stock	21,238	12/31/2013
Guggenheim S&P Eq Wgr Energy ETF	Valero Energy Corporation Common	21,149	12/31/2013
Guggenheim S&P Eq Wgr Energy ETF	Nabors Industries Ltd.	20,972	12/31/2013
Guggenheim S&P Eq Wgr Energy ETF	Pillips 66 Common Stock	20,883	12/31/2013
SPDR S&P 500 ETF Trust	Apple Inc.	185,851	12/31/2012
SPDR S&P 500 ETF Trust	Exxon Mobil Corporation Common	162,696	12/31/2012
SPDR S&P 500 ETF Trust	Google Inc.	115,776	12/31/2012
SPDR S&P 500 ETF Trust	Microsoft Corporation	104,198	12/31/2012
SPDR S&P 500 ETF Trust	General Electric Company Common	104,198	12/31/2012
Schroder Abs Ret Emd & Cur-Inv	United States Treasury Bill	10,498,068	12/31/2012
Schroder Abs Ret Emd & Cur-Inv	United States Treasury Bill	9,999,320	12/31/2012
Schroder Abs Ret Emd & Cur-Inv	Mexican Cetes	9,133,111	12/31/2012
Schroder Abs Ret Emd & Cur-Inv	Poland Government Bond	7,860,888	12/31/2012
Schroder Abs Ret Emd & Cur-Inv	Singapore Government Bond	7,451,566	12/31/2012

PART 1 - COMMON INTERROGATORIES - INVESTMENT30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds.....	226,009,366	225,312,331	.....(697,035)
30.2 Preferred stocks.....	210,400	210,400	0
30.3 Totals.....	226,219,766	225,522,731	.....(697,035)

30.4 Describe the sources or methods utilized in determining the fair values:

The market value of bonds and preferred stocks were obtained from third party valuation providers such as Merrill Lynch Indices, Interactive Data Corporation Reuter, S&P, Bloomberg, Factset, or, if not available for third party vendors, from independent security dealers. Short term and cash equivalents are valued at amortized cost.

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [X] No []31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [X] No []31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D.32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes [X] No []32.2 If no, list exceptions:**PART 1 - COMMON INTERROGATORIES - OTHER**33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$.....467,03433.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
	0

34.1 Amount of payments for legal expenses, if any? \$.....485,15134.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
Nelson Levine DeLuca & Hamilton	319,220

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$.....035.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
	0

Annual Statement for the year 2013 of the **Safe Auto Insurance Company**
GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
 1.2 If yes, indicate premium earned on U.S. business only.
 1.3 What portion of item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?
 1.31 Reason for excluding: _____

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.
 1.5 Indicate total incurred claims on all Medicare Supplement insurance.
 1.6 Individual policies:
 Most current three years:
 1.61 Total premium earned
 1.62 Total incurred claims
 1.63 Number of covered lives
 All years prior to most current three years:
 1.64 Total premium earned
 1.65 Total incurred claims
 1.66 Number of covered lives
 1.7 Group policies:
 Most current three years:
 1.71 Total premium earned
 1.72 Total incurred claims
 1.73 Number of covered lives
 All years prior to most current three years:
 1.74 Total premium earned
 1.75 Total incurred claims
 1.76 Number of covered lives

2. Health test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator.....	\$.....0	\$.....0
2.2 Premium Denominator.....	\$.....286,011,185	\$.....283,787,235
2.3 Premium Ratio (2.1/2.2).....	0.0	0.0
2.4 Reserve Numerator.....	\$.....0	\$.....0
2.5 Reserve Denominator.....	\$.....217,041,219	\$.....215,301,184
2.6 Reserve Ratio (2.4/2.5).....	0.0	0.0

3.1 Does the reporting entity issue both participating and non-participating policies? Yes [] No [X]
 3.2 If yes, state the amount of calendar year premiums written on:
 3.21 Participating policies
 3.22 Non-participating policies
 4. FOR MUTUAL REPORTING ENTITIES AND RECIPROCAL EXCHANGES ONLY:
 4.1 Does the reporting entity issue assessable policies? Yes [] No []
 4.2 Does the reporting entity issue non-assessable policies? Yes [] No []
 4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders?%
 4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.

5. FOR RECIPROCAL EXCHANGES ONLY:
 5.1 Does the exchange appoint local agents? Yes [] No []
 5.2 If yes, is the commission paid:
 5.21 Out of Attorney's-in-fact compensation Yes [] No [] N/A []
 5.22 As a direct expense of the exchange Yes [] No [] N/A []
 5.3 What expenses of the exchange are not paid out of the compensation of the Attorney-in-fact? _____

5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? Yes [] No [X]
 5.5 If yes, give full information: _____

6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?
 The Company does not issue Workers Compensation contracts.

6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:
 As of the time of preparation of this filing, the Company was engaged with Gen Re to run various risk models to estimate the probable maximum loss. Exposure concentrations are primarily made up of vehicles which are primarily exposed to wind, hail and hurricane perils. Results from the models were set to be reviewed with management in late February.

6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?
 The Company writes private passenger auto insurance in 17 states and protects itself through a catastrophe reinsurance program with the limit of 95% of \$2,500,000 in excess of \$1,000,000.

6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? Yes [X] No []
 6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss: _____

7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)? Yes [] No [X]
 7.2 If yes, indicate the number of reinsurance contracts containing such provisions.
 7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)? Yes [] No []

Annual Statement for the year 2013 of the **Safe Auto Insurance Company**
GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

14.1 Is the company a cedant in a multiple cedant reinsurance contract? Yes [] No [X]

14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:

14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes [] No [X]

14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? Yes [] No [X]

14.5 If the answer to 14.4 is no, please explain:

15.1 Has the reporting entity guaranteed any financed premium accounts? Yes [] No [X]

15.2 If yes, give full information:

16.1 Does the reporting entity write any warranty business? Yes [] No [X]

If yes, disclose the following information for each of the following types of warranty coverage:

	1 Direct Losses Incurred	2 Direct Losses Unpaid	3 Direct Written Premium	4 Direct Premium Unearned	5 Direct Premium Earned
16.11 Home.....
16.12 Products.....
16.13 Automobile.....
16.14 Other*.....

* Disclose type of coverage:

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F-Part 3 that it excludes from Schedule F-Part 5? Yes [] No [X]

Incurred but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from inclusion in Schedule F-Part 5.

Provide the following information for this exemption:

17.11 Gross amount of unauthorized reinsurance in Schedule F-Part 3 excluded from Schedule F-Part 5

17.12 Unfunded portion of Interrogatory 17.11

17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11

17.14 Case reserves portion of Interrogatory 17.11

17.15 Incurred but not reported portion of Interrogatory 17.11

17.16 Unearned premium portion of Interrogatory 17.11

17.17 Contingent commission portion of Interrogatory 17.11

Provide the following information for all other amounts included in Schedule F-Part 3 and excluded from Schedule F-Part 5, not included above:

17.18 Gross amount of unauthorized reinsurance in Schedule F-Part 3 excluded from Schedule F-Part 5

17.19 Unfunded portion of Interrogatory 17.18

17.20 Paid losses and loss adjustment expenses portion of Interrogatory 17.18

17.21 Case reserves portion of Interrogatory 17.18

17.22 Incurred but not reported portion of Interrogatory 17.18

17.23 Unearned premium portion of Interrogatory 17.18

17.24 Contingent commission portion of Interrogatory 17.18

18.1 Do you act as a custodian for health savings account? Yes [] No [X]

18.2 If yes, please provide the amount of custodial funds held as of the reporting date.

18.3 Do you act as an administrator for health savings accounts?

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

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FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e. 17.6.

	1 2013	2 2012	3 2011	4 2010	5 2009
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	204,719,531	204,847,377	214,980,825	238,249,822	249,667,337
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	81,761,654	79,117,060	79,979,509	92,037,665	95,600,026
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....					
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....					
5. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
6. Total (Line 35).....	286,481,185	283,964,437	294,960,334	330,287,487	345,267,363
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	204,719,531	204,847,377	214,980,825	238,249,822	249,667,337
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	81,685,807	78,939,545	79,872,509	91,927,665	95,495,026
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....					
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....					
11. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
12. Total (Line 35).....	286,405,338	283,786,922	294,853,334	330,177,487	345,162,363
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8).....	(27,100,467)	(74,686,946)	(18,323,927)	(16,524,951)	(20,740,386)
14. Net investment gain (loss) (Line 11).....	6,677,104	11,169,262	11,253,476	13,984,196	17,452,386
15. Total other income (Line 15).....	27,112,723	27,961,401	27,453,998	28,543,931	29,634,683
16. Dividends to policyholders (Line 17).....					
17. Federal and foreign income taxes incurred (Line 19).....	858,602	(9,478,265)	505,598	6,207,966	4,769,860
18. Net income (Line 20).....	5,830,758	(26,078,018)	19,877,949	19,795,210	21,576,823
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3).....	367,298,203	369,998,002	400,425,770	449,913,104	437,860,203
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 15.1).....	14,060,111	14,465,369	14,451,086	16,375,403	18,026,940
20.2 Deferred and not yet due (Line 15.2).....	42,562,851	41,965,011	41,011,646	46,335,287	48,980,379
20.3 Accrued retrospective premiums (Line 15.3).....					
21. Total liabilities excluding protected cell business (Page 3, Line 26).....	237,901,221	250,560,148	260,856,448	267,565,633	266,692,326
22. Losses (Page 3, Line 1).....	113,277,992	106,756,999	97,700,791	119,153,011	121,489,730
23. Loss adjustment expenses (Page 3, Line 3).....	31,734,204	36,909,314	36,660,999	36,711,003	33,104,999
24. Unearned premiums (Page 3, Line 9).....	72,029,023	71,634,871	71,635,184	79,783,051	85,880,415
25. Capital paid up (Page 3, Lines 30 & 31).....	2,500,000	2,500,000	2,500,000	2,500,000	1,500,000
26. Surplus as regards policyholders (Page 3, Line 37).....	129,396,983	119,437,854	139,569,322	182,347,471	171,167,877
Cash Flow (Page 5)					
27. Net cash from operations (Line 11).....	13,987,054	(17,863,880)	(1,341,584)	16,083,735	32,565,263
Risk-Based Capital Analysis					
28. Total adjusted capital.....	129,396,983	119,437,854	139,569,322	182,347,471	171,167,877
29. Authorized control level risk-based capital.....	27,162,757	35,744,924	34,515,112	33,676,908	34,332,815
Percentage Distribution of Cash, Cash Equivalents and Invested Assets					
(Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1).....	72.7	71.1	72.9	81.7	81.9
31. Stocks (Lines 2.1 & 2.2).....	8.5	8.1	6.9	5.1	2.0
32. Mortgage loans on real estate (Lines 3.1 & 3.2).....		1.2	1.1		
33. Real estate (Lines 4.1, 4.2 & 4.3).....	10.7	11.4	10.5	9.0	8.9
34. Cash, cash equivalents and short-term investments (Line 5).....	8.2	7.8	7.6	4.2	7.2
35. Contract loans (Line 6).....					
36. Derivatives (Line 7).....					XXX.
37. Other invested assets (Line 8).....		0.5	0.5		
38. Receivable for securities (Line 9).....			0.5		
39. Securities lending reinvested collateral assets (Line 10).....					XXX.
40. Aggregate write-ins for invested assets (Line 11).....					
41. Cash, cash equivalents and invested assets (Line 12).....	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds (Sch. D, Summary, Line 12, Col. 1).....					
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1).....					
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1).....					
45. Affiliated short-term investments					
(subtotals included in Schedule DA, Verification, Column 5, Line 10).....					
46. Affiliated mortgage loans on real estate.....					
47. All other affiliated.....					
48. Total of above lines 42 to 47.....	0	0	0	0	0
49. Total investment in parent included in Lines 42 to 47 above.....					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0).....	0.0				

Safe Auto Insurance Company
FIVE-YEAR HISTORICAL DATA
(Continued)

	1 2013	2 2012	3 2011	4 2010	5 2009
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24).....	1,837,391	574,454	(80,651)	471,774	(113,299)
52. Dividends to stockholders (Line 35).....			(61,000,000)	(8,500,000)	(2,000,000)
53. Change in surplus as regards policyholders for the year (Line 38).....	9,959,129	(20,131,468)	(42,778,150)	11,179,594	17,728,634
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	129,690,950	137,334,577	130,202,724	135,609,373	138,059,940
55. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	46,609,103	48,728,903	45,791,222	47,008,100	49,828,362
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....					
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....					
58. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
59. Total (Line 35).....	176,300,053	186,063,480	175,993,946	182,617,473	187,888,302
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	129,690,950	137,334,577	130,202,724	135,609,373	138,059,940
61. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	46,609,103	47,289,999	45,791,222	47,008,100	49,828,362
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....					
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....					
64. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
65. Total (Line 35).....	176,300,053	184,624,576	175,993,946	182,617,473	187,888,302
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1).....	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2).....	63.9	68.2	51.0	53.6	56.6
68. Loss expenses incurred (Line 3).....	9.5	14.4	13.2	11.9	10.1
69. Other underwriting expenses incurred (Line 4).....	36.1	43.6	41.8	39.4	39.4
70. Net underwriting gain (loss) (Line 8).....	(9.5)	(26.3)	(6.0)	(4.9)	(6.1)
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0).....	26.6	33.8	33.7	31.5	30.4
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	73.4	82.7	64.2	65.5	66.7
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35, divided by Page 3, Line 37, Col. 1 x 100.0).....	221.3	237.6	211.3	181.1	201.7
One Year Loss Development (000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11).....	(10,772)	1,219	(13,220)	(11,974)	(12,326)
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100).....	(9.0)	0.9	(7.3)	(7.0)	(8.0)
Two Year Loss Development (000 omitted)					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12).....	(3,544)	(16,210)	(18,094)	(18,634)	(15,392)
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0).....	(2.5)	(8.9)	(10.6)	(12.1)	(8.9)

If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors?

Yes No

If no, please explain:

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES**SCHEDULE P - PART 1 - SUMMARY**

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12 Number of Claims Reported-Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)		
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded				
1. Prior.....	....XXX.....	....XXX.....	....XXX.....	.....(1).....	.....13.....	.....	.....	.....	.....	.....5.....	.....12.....	....XXX.....
2. 2004.....	....274,882.....	.....	....274,882.....	....156,746.....	.....5,859.....	.....	.....16,835.....	.....	.....	.....6,713.....	.....179,440.....	....XXX.....
3. 2005.....	....326,196.....	.....	....326,196.....	....191,073.....	.....125.....	.....6,216.....	.....	.....23,247.....	.....	.....7,819.....	.....220,411.....	....XXX.....
4. 2006.....	....335,025.....	.....72.....	....334,953.....	....187,298.....	.....	.....5,836.....	.....	.....25,075.....	.....	.....8,093.....	.....218,209.....	....XXX.....
5. 2007.....	....311,640.....	.....97.....	....311,543.....	....174,891.....	.....	.....5,402.....	.....	.....24,149.....	.....	.....8,148.....	.....204,442.....	....XXX.....
6. 2008.....	....321,239.....	.....109.....	....321,130.....	....179,894.....	.....	.....5,885.....	.....	.....25,685.....	.....	.....8,403.....	.....211,464.....	....XXX.....
7. 2009.....	....341,600.....	.....105.....	....341,495.....	....192,624.....	.....	.....7,508.....	.....	.....30,470.....	.....	.....8,389.....	.....230,602.....	....XXX.....
8. 2010.....	....336,385.....	.....110.....	....336,275.....	....180,562.....	.....	.....6,501.....	.....	.....31,010.....	.....	.....8,202.....	.....218,073.....	....XXX.....
9. 2011.....	....303,109.....	.....107.....	....303,002.....	....167,379.....	.....	.....4,464.....	.....	.....29,705.....	.....	.....7,401.....	.....201,548.....	....XXX.....
10. 2012.....	....283,965.....	.....178.....	....283,787.....	....164,547.....	.....1,439.....	.....1,970.....	.....	.....27,136.....	.....	.....7,623.....	.....192,214.....	....XXX.....
11. 2013.....	....286,088.....	.....76.....	....286,012.....	....109,373.....	.....	.....400.....	.....	.....16,155.....	.....	.....4,601.....	.....125,928.....	....XXX.....
12. Totals.....	....XXX.....	....XXX.....	....XXX.....	....1,704,386.....	....1,564.....	....50,054.....	....0.....	....249,467.....	....0.....	....75,397.....	....2,002,343.....	....XXX.....

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding-Direct and Assumed			
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded						
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded								
1. Prior.....	....10.....	.....	....14.....	.....	.....	.....	.....7.....	.....	.....2.....	.....	.....	.....33.....	....XXX.....
2. 2004.....	....37.....	.....	....47.....	.....	.....	.....	.....13.....	.....	.....10.....	.....	.....	.....107.....	....XXX.....
3. 2005.....	....87.....	.....	....70.....	.....	.....	.....	.....22.....	.....	.....20.....	.....	.....	.....6.....	....199.....
4. 2006.....	....65.....	.....	....126.....	.....	.....	.....	.....41.....	.....	.....27.....	.....	.....	.....19.....	....259.....
5. 2007.....	....193.....	.....	....111.....	.....	.....	.....	.....90.....	.....	.....39.....	.....	.....	.....29.....	....433.....
6. 2008.....	....363.....	.....	....186.....	.....	.....	.....	.....184.....	.....	.....66.....	.....	.....	.....39.....	....799.....
7. 2009.....	....1,047.....	.....	....179.....	.....	.....	.....	.....529.....	.....	.....152.....	.....	.....	.....79.....	....1,907.....
8. 2010.....	....2,426.....	.....	....335.....	.....	.....	.....	.....1,367.....	.....	.....398.....	.....	.....	.....152.....	....4,526.....
9. 2011.....	....5,968.....	.....	....1,205.....	.....	.....	.....	.....3,231.....	.....	.....914.....	.....	.....	.....423.....	....11,318.....
10. 2012.....	....18,130.....	.....	....4,824.....	.....	.....	.....	.....5,648.....	.....	.....2,759.....	.....	.....	.....1,168.....	....31,361.....
11. 2013.....	....58,332.....	.....	....19,523.....	.....	.....	.....	.....7,602.....	.....	.....8,612.....	.....	.....	.....4,904.....	....94,069.....
12. Totals.....	....86,658.....	.....0.....	....26,620.....	.....0.....	.....0.....	.....	....18,734.....	.....0.....	....12,999.....	.....0.....	.....6,819.....	....145,011.....	....XXX.....

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves after Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior.....	....XXX.....	....XXX.....	....XXX.....	....XXX.....	....XXX.....	....XXX.....	.....	.....	....XXX.....	.....24.....	.....9.....
2. 2004.....	....179,547.....	.....0.....	....179,547.....	....65.3.....	.....0.0.....	....65.3.....	.....	.....	.....	.....84.....	.....23.....
3. 2005.....	....220,735.....	.....125.....	....220,610.....	....67.7.....	.....0.0.....	....67.6.....	.....	.....	.....	.....157.....	.....42.....
4. 2006.....	....218,468.....	.....0.....	....218,468.....	....65.2.....	.....0.0.....	....65.2.....	.....	.....	.....	.....191.....	.....68.....
5. 2007.....	....204,875.....	.....0.....	....204,875.....	....65.7.....	.....0.0.....	....65.8.....	.....	.....	.....	.....304.....	.....129.....
6. 2008.....	....212,263.....	.....0.....	....212,263.....	....66.1.....	.....0.0.....	....66.1.....	.....	.....	.....	.....549.....	.....250.....
7. 2009.....	....232,509.....	.....0.....	....232,509.....	....68.1.....	.....0.0.....	....68.1.....	.....	.....	.....	.....1,226.....	.....681.....
8. 2010.....	....222,599.....	.....0.....	....222,599.....	....66.2.....	.....0.0.....	....66.2.....	.....	.....	.....	.....2,761.....	....1,765.....
9. 2011.....	....212,866.....	.....0.....	....212,866.....	....70.2.....	.....0.0.....	....70.3.....	.....	.....	.....	.....7,173.....	....4,145.....
10. 2012.....	....225,014.....	.....1,439.....	....223,575.....	....79.2.....	.....808.4.....	....78.8.....	.....	.....	.....	.....22,954.....	....8,407.....
11. 2013.....	....219,997.....	.....0.....	....219,997.....	....76.9.....	.....0.0.....	....76.9.....	.....	.....	.....	.....77,855.....	....16,214.....
12. Totals.....	....XXX.....	....XXX.....	....XXX.....	....XXX.....	....XXX.....	....XXX.....	....0.....	....0.....	....XXX.....	....113,278.....	....31,733.....

Note: Parts 2 and 4 are gross of all discounting, including tabular discounting. Part 1 is gross of only nontabular discounting, which is reported in Columns 32 and 33 of Part 1. The tabular discount, if any, is reported in the Notes to Financial Statements, which will reconcile Part 1 with Parts 2 and 4.

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	Incurred Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										DEVELOPMENT	
	1 2004	2 2005	3 2006	4 2007	5 2008	6 2009	7 2010	8 2011	9 2012	10 2013	11 One Year	12 Two Year
1. Prior.....	28,930	33,826	29,027	27,420	27,229	27,079	26,757	26,666	26,589	26,530	(59)	(136)
2. 2004.....	170,085	175,251	168,046	164,092	163,523	163,326	162,967	162,916	162,722	162,702	(20)	(214)
3. 2005.....	XXX.....	224,969	209,898	199,799	199,170	198,735	197,947	197,529	197,362	197,343	(19)	(186)
4. 2006.....	XXX.....	XXX.....	215,911	199,418	195,804	195,235	194,040	193,631	193,465	193,366	(99)	(265)
5. 2007.....	XXX.....	XXX.....	XXX.....	192,763	185,880	183,725	182,420	181,404	180,884	180,687	(197)	(717)
6. 2008.....	XXX.....	XXX.....	XXX.....	XXX.....	200,032	191,212	188,873	187,150	186,755	186,512	(243)	(638)
7. 2009.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	211,250	205,584	203,172	202,388	201,887	(501)	(1,285)
8. 2010.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	200,411	193,311	192,624	191,191	(1,433)	(2,120)
9. 2011.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	180,230	184,439	182,247	(2,192)	2,017
10. 2012.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	199,689	193,680	(6,009)	XXX.....
11. 2013.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	195,230	XXX.....	XXX.....
										12. Totals.....	(10,772)	(3,544)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	Cumulative Paid Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										11 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment
	1 2004	2 2005	3 2006	4 2007	5 2008	6 2009	7 2010	8 2011	9 2012	10 2013		
1. Prior.....	000.....	16,140	22,472	24,991	25,751	26,193	26,334	26,436	26,487	26,499	XXX.....	XXX.....
2. 2004.....	95,016	140,324	154,229	159,480	161,347	162,057	162,321	162,510	162,599	162,605	XXX.....	XXX.....
3. 2005.....	XXX.....	117,348	171,845	187,048	193,761	196,103	196,700	196,958	197,131	197,164	XXX.....	XXX.....
4. 2006.....	XXX.....	XXX.....	112,849	167,275	184,412	190,190	192,045	192,780	193,039	193,134	XXX.....	XXX.....
5. 2007.....	XXX.....	XXX.....	XXX.....	103,080	158,345	172,908	178,028	179,725	180,120	180,293	XXX.....	XXX.....
6. 2008.....	XXX.....	XXX.....	XXX.....	XXX.....	113,622	164,476	178,168	183,236	185,255	185,779	XXX.....	XXX.....
7. 2009.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	119,095	174,426	191,267	198,029	200,132	XXX.....	XXX.....
8. 2010.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	111,856	164,224	182,000	187,063	XXX.....	XXX.....
9. 2011.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	106,911	157,100	171,843	XXX.....	XXX.....
10. 2012.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	114,895	165,078	XXX.....	XXX.....
11. 2013.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	109,773	XXX.....	XXX.....

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	Bulk and IBSR Reserves on Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)									
	1 2004	2 2005	3 2006	4 2007	5 2008	6 2009	7 2010	8 2011	9 2012	10 2013
1. Prior.....	18,251	10,729	4,116	1,502	984	705	336	210	95	21
2. 2004.....	36,494	18,399	7,277	2,561	1,467	905	397	312	108	60
3. 2005.....	XXX.....	47,749	16,127	5,252	2,706	1,810	855	378	150	92
4. 2006.....	XXX.....	XXX.....	42,846	9,596	4,456	2,669	1,087	574	285	167
5. 2007.....	XXX.....	XXX.....	XXX.....	27,767	7,496	3,516	1,795	836	338	201
6. 2008.....	XXX.....	XXX.....	XXX.....	XXX.....	22,564	7,544	3,435	1,574	556	370
7. 2009.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	20,899	8,480	4,799	1,636	708
8. 2010.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	21,439	10,266	4,374	1,702
9. 2011.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	19,934	11,473	4,436
10. 2012.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	26,012	10,472
11. 2013.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	27,125

Annual Statement for the year 2013 of the **Safe Auto Insurance Company**
SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.	1 Active Status	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Incl. in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama.....	AL N.....								
2. Alaska.....	AK N.....								
3. Arizona.....	AZ L.....	11,007,836	10,866,697		7,080,518	7,121,270	4,005,528	.843,328	
4. Arkansas.....	AR L.....								
5. California.....	CA L.....	1,183,981	.380,681		.98,833	.289,821	.190,989	.44,100	
6. Colorado.....	CO L.....								
7. Connecticut.....	CT N.....								
8. Delaware.....	DE N.....								
9. District of Columbia.....	DC N.....								
10. Florida.....	FL N.....								
11. Georgia.....	GA L.....	20,135,234	20,170,847		11,508,074	12,520,798	7,374,414	1,485,292	
12. Hawaii.....	HI N.....								
13. Idaho.....	ID N.....								
14. Illinois.....	IL L.....	13,083,501	13,294,486		.7,937,013	.7,510,235	.5,575,985	.1,507,013	
15. Indiana.....	IN L.....	24,638,355	24,483,053		16,073,465	19,056,138	13,137,316	4,404,426	
16. Iowa.....	IA N.....								
17. Kansas.....	KS L.....	1,115,722	1,091,750		.477,408	.341,634	.283,469	.77,133	
18. Kentucky.....	KY L.....	37,935,357	38,232,589		.23,229,125	.22,452,406	.14,501,779	.2,665,609	
19. Louisiana.....	LA L.....	3,318,513	3,288,683		.2,082,021	.2,130,445	.1,154,300	.139,512	
20. Maine.....	ME N.....								
21. Maryland.....	MD N.....								
22. Massachusetts.....	MA N.....								
23. Michigan.....	MI N.....								
24. Minnesota.....	MN N.....								
25. Mississippi.....	MS L.....	1,906,212	1,880,161		.1,450,421	.1,647,165	.627,263	.157,238	
26. Missouri.....	MO L.....	15,348,539	16,054,616		12,396,367	11,328,543	7,428,904	1,482,636	
27. Montana.....	MT N.....								
28. Nebraska.....	NE N.....								
29. Nevada.....	NV N.....								
30. New Hampshire.....	NH N.....								
31. New Jersey.....	NJ N.....								
32. New Mexico.....	NM N.....								
33. New York.....	NY N.....								
34. North Carolina.....	NC N.....								
35. North Dakota.....	ND N.....								
36. Ohio.....	OH L.....	54,951,026	53,825,850		.30,856,362	.32,904,018	.17,095,772	.5,520,261	
37. Oklahoma.....	OK L.....	7,026,692	.7,016,680		.4,759,452	.4,860,753	.2,837,573	.680,579	
38. Oregon.....	OR N.....								
39. Pennsylvania.....	PA L.....	54,479,719	54,404,668		.31,534,793	.32,940,218	.21,205,135	.5,425,718	
40. Rhode Island.....	RI N.....								
41. South Carolina.....	SC L.....	11,444,776	11,790,895		.7,997,909	.7,474,923	.6,029,619	.1,057,808	
42. South Dakota.....	SD N.....								
43. Tennessee.....	TN L.....	8,755,822	.8,686,651		.4,861,684	.5,257,591	.3,330,883	.784,418	
44. Texas.....	TX L.....	17,181,760	17,765,822		.12,567,653	.13,260,327	.7,550,834	.870,636	
45. Utah.....	UT N.....								
46. Vermont.....	VT N.....								
47. Virginia.....	VA L.....	2,968,140	.2,852,905		.1,388,955	.1,724,752	.948,225	.202,048	
48. Washington.....	WA N.....								
49. West Virginia.....	WV N.....								
50. Wisconsin.....	WI N.....								
51. Wyoming.....	WY N.....								
52. American Samoa.....	AS N.....								
53. Guam.....	GU N.....								
54. Puerto Rico.....	PR N.....								
55. US Virgin Islands.....	VI N.....								
56. Northern Mariana Islands.....	MP N.....								
57. Canada.....	CAN N.....								
58. Aggregate Other Alien.....	OT XXX.....	0	0	0	0	0	0	0	0
59. Totals.....		(a) 19	286,481,185	286,087,034	0	.176,300,053	.182,821,037	.113,277,988	.27,347,755

DETAILS OF WRITE-INS

58001.....	XXX.....								
58002.....	XXX.....								
58003.....	XXX.....								
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX.....	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 thru 58003+ Line 58998) (Line 58 above)	XXX.....	0	0	0	0	0	0	0	0

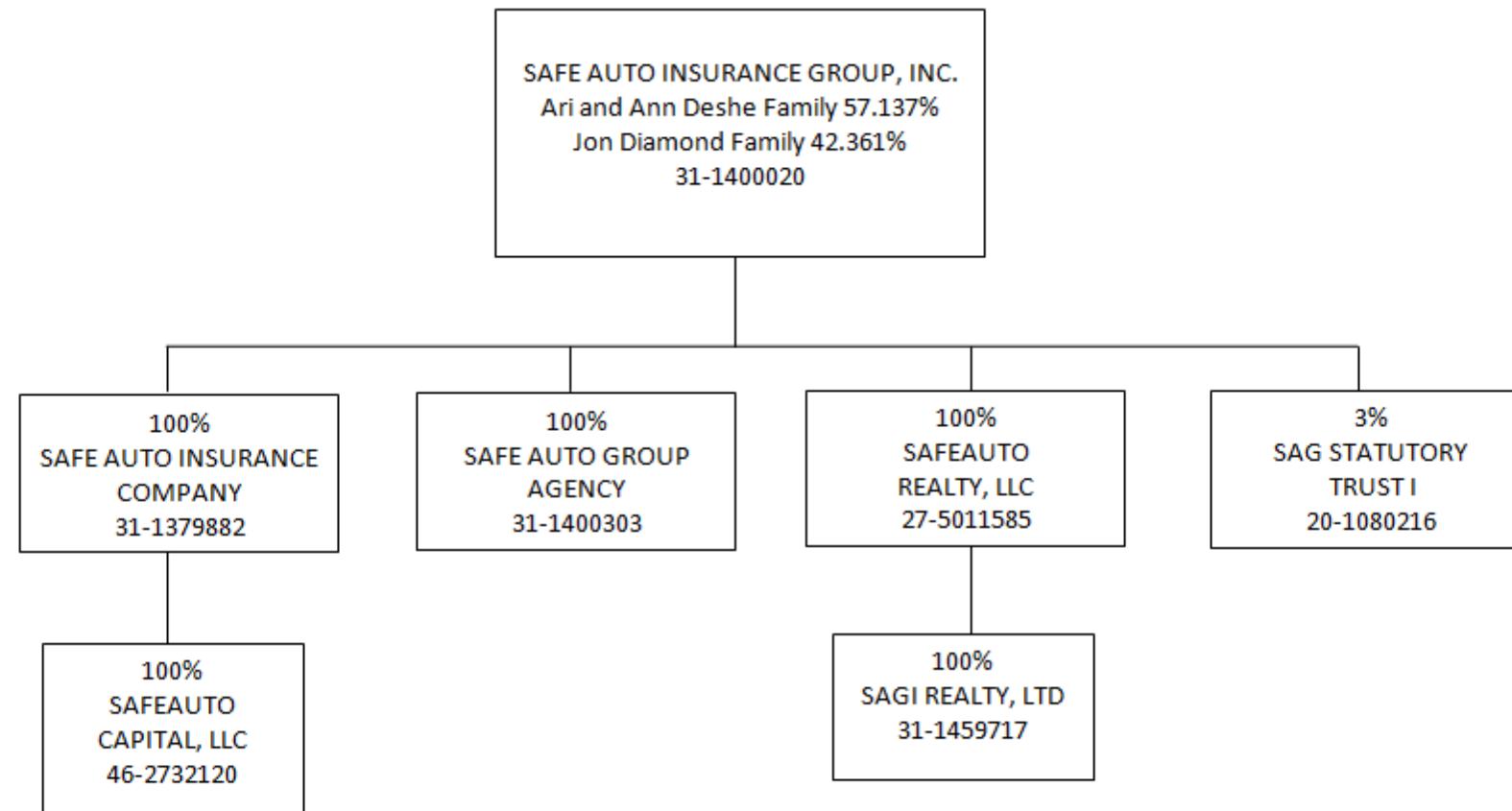
(a) Insert the number of "L" responses except for Canada and Other Alien.

(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.

Explanation of Basis of Allocation of Premiums by States, etc.

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