



QUARTERLY STATEMENT

AS OF MARCH 31, 2014
OF THE CONDITION AND AFFAIRS OF THE

GRANGE INDEMNITY INSURANCE COMPANY

NAIC Group Code 00267 , 00267 NAIC Company Code 10322 Employer's ID Number 31-1432675
(Current Period) (Prior Period)

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

Country of Domicile United States

Incorporated/Organized 03/10/1995 Commenced Business 08/03/1995

Statutory Home Office 671 South High Street , Columbus, OH, US 43206-1014
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 671 South High Street Columbus, OH, US 43206-1014 614-445-2900
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 671 South High Street, P.O. Box 1218 , Columbus, OH, US 43216-1218
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 671 South High Street Columbus, OH, US 43206-1014 614-445-2900
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address www.grangeinsurance.com

Statutory Statement Contact David Sidney Ackermann 614-445-2900
(Name) (Area Code) (Telephone Number) (Extension)

ackermannnd@grangeinsurance.com 614-449-3757
(E-Mail Address) (Fax Number)

OFFICERS

Name	Title	Name	Title
<u>THOMAS HOWARD WELCH</u>	<u>PRESIDENT & CEO</u>	<u>LAVAWN DEE COLEMAN</u>	<u>VP & SECRETARY</u>
<u>JOHN PAUL MCCAFFREY</u>	<u>VP & CFO</u>		

OTHER OFFICERS

<u>JOHN CHRISTOPHER MONTGOMERY</u>	<u>VP - INVESTMENTS</u>		
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DIRECTORS OR TRUSTEES

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

State ofOhio.....

County ofFranklin.....ss

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

THOMAS HOWARD WELCH
PRESIDENT & CEO

BETH WILLIAMS MURPHY
AVP & ASST SECRETARY

JOHN PAUL MCCAFFREY
VP & CFO

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

Subscribed and sworn to before me this
12th day of May, 2014

- b. If no:
1. State the amendment number _____
 2. Date filed _____
 3. Number of pages attached _____

Teresa J. Burchwell, Notary Public
April 28, 2017

STATEMENT AS OF MARCH 31, 2014 OF THE GRANGE INDEMNITY INSURANCE COMPANY

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	76,212,118		76,212,118	74,280,267
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks			0	0
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$785,934), cash equivalents (\$0) and short-term investments (\$0)	785,934		785,934	898,554
6. Contract loans (including \$ premium notes)			0	0
7. Derivatives			0	0
8. Other invested assets	0		0	0
9. Receivables for securities	2,284		2,284	0
10. Securities lending reinvested collateral assets	3,702,365		3,702,365	853,938
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	80,702,701	0	80,702,701	76,032,759
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	1,027,674		1,027,674	813,478
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	9,267,784	49,761	9,218,023	8,659,208
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$16,904 earned but unbilled premiums)	17,705	801	16,904	14,433
15.3 Accrued retrospective premiums			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers			0	0
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset	1,641,676		1,641,676	1,610,015
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software			0	0
21. Furniture and equipment, including health care delivery assets (\$)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates			0	1,242,642
24. Health care (\$) and other amounts receivable			0	0
25. Aggregate write-ins for other-than-invested assets	20,982	0	20,982	21,403
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	92,678,522	50,562	92,627,960	88,393,938
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	92,678,522	50,562	92,627,960	88,393,938
DETAILS OF WRITE-INS				
1101.			0	0
1102.			0	0
1103.			0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Equities in Pools	20,982		20,982	21,403
2502.			0	0
2503.			0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	20,982	0	20,982	21,403

STATEMENT AS OF MARCH 31, 2014 OF THE GRANGE INDEMNITY INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$2,900,772)	16,946,676	16,804,371
2. Reinsurance payable on paid losses and loss adjustment expenses .....		.0
3. Loss adjustment expenses	4,825,710	5,021,507
4. Commissions payable, contingent commissions and other similar charges	144,238	815,732
5. Other expenses (excluding taxes, licenses and fees)	1,136,384	1,537,697
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	644,788	557,441
7.1 Current federal and foreign income taxes (including \$7,154 on realized capital gains (losses))	261,261	1,240,872
7.2 Net deferred tax liability .....		.0
8. Borrowed money \$ and interest thereon \$ .....		.0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$29,247,234 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act)	18,460,206	17,938,292
10. Advance premium	(67,642)	(149,029)
11. Dividends declared and unpaid:		
11.1 Stockholders .....		.0
11.2 Policyholders	30,973	39,803
12. Ceded reinsurance premiums payable (net of ceding commissions) .....		.0
13. Funds held by company under reinsurance treaties .....		.0
14. Amounts withheld or retained by company for account of others .....		.0
15. Remittances and items not allocated .....		.0
16. Provision for reinsurance (including \$ certified) .....		.0
17. Net adjustments in assets and liabilities due to foreign exchange rates .....		.0
18. Drafts outstanding .....		.0
19. Payable to parent, subsidiaries and affiliates	2,159,125	.0
20. Derivatives .....		.0
21. Payable for securities .....		.0
22. Payable for securities lending	3,702,365	853,938
23. Liability for amounts held under uninsured plans .....		.0
24. Capital notes \$ and interest thereon \$ .....		.0
25. Aggregate write-ins for liabilities .....	.0	.0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	48,244,084	44,660,624
27. Protected cell liabilities .....		.0
28. Total liabilities (Lines 26 and 27)	48,244,084	44,660,624
29. Aggregate write-ins for special surplus funds .....	.0	.0
30. Common capital stock	2,000,000	2,000,000
31. Preferred capital stock .....		.0
32. Aggregate write-ins for other than special surplus funds .....	.0	.0
33. Surplus notes .....		.0
34. Gross paid in and contributed surplus	5,000,000	5,000,000
35. Unassigned funds (surplus)	37,383,876	36,733,314
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$ ..... ) .....		.0
36.2 shares preferred (value included in Line 31 \$ ..... ) .....		.0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	44,383,876	43,733,314
38. Totals (Page 2, Line 28, Col. 3)	92,627,960	88,393,938
DETAILS OF WRITE-INS		
2501. ....		.0
2502. ....		.0
2503. ....		.0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	.0	.0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	.0	.0
2901. ....		.0
2902. ....		.0
2903. ....		.0
2998. Summary of remaining write-ins for Line 29 from overflow page .....	.0	.0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	.0	.0
3201. ....		.0
3202. ....		.0
3203. ....		.0
3298. Summary of remaining write-ins for Line 32 from overflow page .....	.0	.0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	.0	.0

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 18,287,855)	15,184,789	10,149,622	50,025,468
1.2 Assumed (written \$ 11,858,797)	11,336,870	10,617,322	44,235,341
1.3 Ceded (written \$ 18,292,925)	15,189,845	10,151,037	50,038,584
1.4 Net (written \$ 11,853,727)	11,331,814	10,615,907	44,222,225
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 6,360,613):			
2.1 Direct	8,712,637	4,585,515	29,519,513
2.2 Assumed	6,610,946	5,314,011	24,385,059
2.3 Ceded	8,717,894	4,587,553	29,527,197
2.4 Net	6,605,689	5,311,973	24,377,375
3. Loss adjustment expenses incurred	1,312,289	1,189,481	5,228,633
4. Other underwriting expenses incurred	3,528,181	3,494,724	14,622,090
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	11,446,159	9,996,178	44,228,098
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(114,345)	619,729	(5,873)
INVESTMENT INCOME			
9. Net investment income earned	683,058	656,463	2,686,069
10. Net realized capital gains (losses) less capital gains tax of \$ 7,154	13,286	1,234	91,007
11. Net investment gain (loss) (Lines 9 + 10)	696,344	657,697	2,777,076
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 1,371 amount charged off \$ 65,837)	(64,466)	(50,535)	(222,539)
13. Finance and service charges not included in premiums	330,039	310,658	1,375,221
14. Aggregate write-ins for miscellaneous income	57,910	49,345	208,918
15. Total other income (Lines 12 through 14)	323,483	309,468	1,361,600
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	905,482	1,586,894	4,132,803
17. Dividends to policyholders	29,910	27,755	129,577
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)	875,572	1,559,139	4,003,226
19. Federal and foreign income taxes incurred	254,107	496,945	1,191,868
20. Net income (Line 18 minus Line 19)(to Line 22)	621,465	1,062,194	2,811,358
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	43,733,314	40,786,493	40,786,493
22. Net income (from Line 20)	621,465	1,062,194	2,811,358
23. Net transfers (to) from Protected Cell accounts	0	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	0	0	0
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	31,661	26,477	128,511
27. Change in nonadmitted assets	(2,564)	8,513	6,952
28. Change in provision for reinsurance	0	0	0
29. Change in surplus notes	0	0	0
30. Surplus (contributed to) withdrawn from protected cells	0	0	0
31. Cumulative effect of changes in accounting principles	0	0	0
32. Capital changes:			
32.1 Paid in	0	0	0
32.2 Transferred from surplus (Stock Dividend)	0	0	0
32.3 Transferred to surplus	0	0	0
33. Surplus adjustments:			
33.1 Paid in	0	0	0
33.2 Transferred to capital (Stock Dividend)	0	0	0
33.3 Transferred from capital	0	0	0
34. Net remittances from or (to) Home Office	0	0	0
35. Dividends to stockholders	0	0	0
36. Change in treasury stock	0	0	0
37. Aggregate write-ins for gains and losses in surplus	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37)	650,562	1,097,184	2,946,821
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	44,383,876	41,883,677	43,733,314
DETAILS OF WRITE-INS			
0501.	0	0	0
0502.	0	0	0
0503.	0	0	0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0
1401. Miscellaneous Income	57,910	49,345	208,918
1402.	0	0	0
1403.	0	0	0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	57,910	49,345	208,918
3701.	0	0	0
3702.	0	0	0
3703.	0	0	0
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	0	0	0

STATEMENT AS OF MARCH 31, 2014 OF THE GRANGE INDEMNITY INSURANCE COMPANY

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance.....	11,371,265	10,732,307	44,569,583
2. Net investment income	596,780	560,829	3,070,799
3. Miscellaneous income	323,483	309,468	1,361,600
4. Total (Lines 1 to 3)	12,291,528	11,602,604	49,001,982
5. Benefit and loss related payments	6,463,384	5,465,641	23,180,108
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	6,021,727	5,347,422	18,983,377
8. Dividends paid to policyholders	38,740	31,356	125,759
9. Federal and foreign income taxes paid (recovered) net of \$ 7,154 tax on capital gains (losses).....	1,240,872	820,959	820,959
10. Total (Lines 5 through 9)	13,764,723	11,665,379	43,110,202
11. Net cash from operations (Line 4 minus Line 10)	(1,473,195)	(62,774)	5,891,779
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	1,224,698	1,922,927	9,190,903
12.2 Stocks	0	0	0
12.3 Mortgage loans	0	0	0
12.4 Real estate	0	0	0
12.5 Other invested assets	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0	0
12.7 Miscellaneous proceeds	0	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	1,224,698	1,922,927	9,190,903
13. Cost of investments acquired (long-term only):			
13.1 Bonds	3,264,027	3,026,297	15,085,744
13.2 Stocks	0	0	0
13.3 Mortgage loans	0	0	0
13.4 Real estate	0	0	0
13.5 Other invested assets	0	0	0
13.6 Miscellaneous applications	2,284	2,284	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	3,266,311	3,028,581	15,085,744
14. Net increase (or decrease) in contract loans and premium notes	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(2,041,613)	(1,105,654)	(5,894,841)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0	0
16.5 Dividends to stockholders	0	0	0
16.6 Other cash provided (applied).....	3,402,188	916,954	(222,197)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	3,402,188	916,954	(222,197)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(112,620)	(251,474)	(225,259)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	898,554	1,123,813	1,123,813
19.2 End of period (Line 18 plus Line 19.1)	785,934	872,339	898,554

**STATEMENT AS OF MARCH 31, 2014 OF THE
GRANGE INDEMNITY INSURANCE COMPANY**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNT POLICIES

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

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

NONE

3. BUSINESS COMBINATIONS AND GOODWILL

NONE

4. DISCONTINUED OPERATIONS

NO CHANGE

5. INVESTMENTS

D. LOAN-BACKED SECURITIES

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

a.

Aggregate Amount of Unrealized Losses:

1	Less than 12 Months	(31,147)
2	Greater than 12 Months	(77,455)

b.

The Aggregate Related Fair Value of Securities with Unrealized Losses:

1	Less than 12 Months	2,628,945
2	Greater than 12 Months	1,105,780

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

E. REPURCHASE AGREEMENTS AND SECURITIES LENDING TRANSACTIONS

3. COLLATERAL RECEIVED

The fair value of that collateral and of the portion of that collateral that it has sold or replugged.

	<u>Fair Value</u>
Open	3,702,342
30 Days or Less	0
31 to 60 Days	0
61 to 90 Days	0
Greater than 90 Days	0
Sub-Total	<u>3,702,342</u>
Securities Received	0
Total Collateral Received	<u><u>3,702,342</u></u>

I. WORKING CAPITAL FINANCE INVESTMENTS

The Company has no working capital finance investments.

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

NO CHANGE

7. INVESTMENT INCOME

NO CHANGE

8. DERIVATIVE INSTRUMENTS

NONE

**STATEMENT AS OF MARCH 31, 2014 OF THE
GRANGE INDEMNITY INSURANCE COMPANY**

NOTES TO FINANCIAL STATEMENTS

9. FEDERAL INCOME TAXES

A. The components of the net deferred tax assets at March 31, 2014 and December 31, 2013 are as follows:

	March 31, 2014	December 31, 2013
Gross Deferred Tax Assets	\$ 1,757,094	\$ 1,721,687
Gross Deferred Tax Liabilities	115,418	111,672
Net Deferred Tax Asset (Liability)	1,641,676	1,610,015
Nonadmitted Deferred Tax Assets	0	0
Admitted Deferred Tax Asset	1,641,676	1,610,015
(Increase) Decrease in Deferred Tax Assets Nonadmitted	\$ 0	\$ 0

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

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

	March 31, 2014	December 31, 2013
Current Income Tax Expense	\$ 254,107	\$ 1,166,153
Tax on Capital Gains/(Losses)	7,154	49,004
Prior Year Under Accrual (Over Accrual)	0	0
Federal Income Taxes Incurred	\$ 261,261	\$ 1,240,872

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES
NO CHANGE

11. DEBT
B. FHLB
NONE

12. RETIREMENT PLANS, DEFERRED COMPENSATION, AND POSTRETIREMENT BENEFIT PLANS
No Pension, Postretirement or Postemployment and Compensated Absence Benefit Plans

13. CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUSAI-REORGANIZATIONS
NO CHANGE

14. CONTINGENCIES
NO CHANGE

15. LEASES
NO CHANGE

16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH
CONCENTRATION OF CREDIT RISK.
NONE

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

B. Transfer and Servicing of Financial Assets

2. For all servicing assets and servicing liabilities:

b) None

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

a) None

b) None

C. Wash Sales

None

18. GAINS OR LOSS TO THE REPORTING ENTITY FROM UNINSURED A&H PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED
PLANS.

NONE

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

NONE

**STATEMENT AS OF MARCH 31, 2014 OF THE
GRANGE INDEMNITY INSURANCE COMPANY**

NOTES TO FINANCIAL STATEMENTS

20. FAIR VALUE MEASUREMENTS

- A.
1. NONE
 2. NONE
 3. The Company's policy is to recognize transfers in and out as of the end of the reporting period.
 4. As of March 31, 2014, the reported fair value of the entity's investments categorized within Level 2 and Level 3 of the fair value hierarchy are as follows:

According to statutory accounting rules, fixed income securities with a rating of NAIC 1 or 2 are reported at amortized cost. Securities with a rating of NAIC 3 thru 6, or non-investment grade ratings, are measured and reported at the lower of amortized cost or fair value on the statement of financial position. As of March 31, 2014, the Company did not have any bonds rated NAIC 3 thru 6, and therefore did not report any securities at fair value.

- B. Not Required
C.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (CV)
Bonds	79,887,629	76,212,118	5,608,368	74,279,261	0	0
Common Stock	0	0	0	0	0	0
Perpetual Preferred	0	0	0	0	0	0
Mortgage Loans	0	0	0	0	0	0
Money Market	0	0	0	0	0	0
Total	<u>79,887,629</u>	<u>76,212,118</u>	<u>5,608,368</u>	<u>74,279,261</u>	<u>0</u>	<u>0</u>

- D. NONE

21. OTHER ITEMS

- G. Offsetting and Netting of Assets and Liabilities
NONE
I. Risk Sharing Provisions of the Affordable Care Act (ACA)
NONE

22. EVENTS SUBSEQUENT
NO CHANGE

23. REINSURANCE
NO CHANGE

24. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION
NONE

25. CHANGES IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

Reserves for incurred losses and loss adjustment expenses attributable to insured events of prior years has increased (decreased) by \$(0.076) million from \$35.983 million in 2013 to \$35.907 million in 2014 as a result of re-estimation of unpaid losses and loss adjustment expenses principally on private passenger auto liability and homeowners lines of insurance. This increase (decrease) is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims. Included in this increase (decrease), the Company experienced \$0 million of unfavorable (favorable) prior year loss development on retrospectively rated policies. However, since the business to which it relates is subject to premium adjustments, there was no significant impact on surplus.

LOSSES AND LAE	March 31, 2014	December 31, 2013
BALANCE JANUARY 1	35,982,503	32,093,716
LESS REINSURANCE RECOVERABLES	14,156,625	11,814,025
NET BALANCE JANUARY 1	<u>21,825,878</u>	<u>20,279,691</u>
INCURRED RELATED TO:		
CURRENT YEAR	7,993,909	30,498,530
PRIOR YEAR	(75,931)	(892,522)
TOTAL INCURRED	<u>7,917,978</u>	<u>29,606,008</u>
PAID RELATED TO:		
CURRENT YEAR	4,267,117	18,973,685
PRIOR YEAR	3,704,352	9,086,136
TOTAL PAID	<u>7,971,469</u>	<u>28,059,821</u>
NET BALANCE AT DECEMBER 31	21,772,386	21,825,878
PLUS REINSURANCE RECOVERABLES	13,972,828	14,156,625
BALANCE AT DECEMBER 31	<u>35,745,214</u>	<u>35,982,503</u>

26. INTERCOMPANY POOLING AGREEMENTS
NO CHANGE

27. STRUCTURED SETTLEMENTS
NO CHANGE.

28. HEALTH CARE RECEIVABLES
NONE

29. PARTICIPATING POLICIES
NONE

30. PREMIUM DEFICIENCY RESERVES
NO CHANGE

STATEMENT AS OF MARCH 31, 2014 OF THE
GRANGE INDEMNITY INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

31. HIGH DEDUCTIBLES
NONE

32. DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES OR UNPAID LOSS ADJUSTMENT EXPENSES
NONE

33. ASBESTOS/ENVIRONMENTAL RESERVES
NONE

34. SUBSCRIBER SAVINGS ACCOUNTS
NOT APPLICABLE

35. MULTIPLE PERIL CROP INSURANCE
NONE

36. FINANCIAL GUARANTY INSURANCE
No Financial Guaranty Insurance

37. CATASTROPHIC PLANNING
NO CHANGE

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change:01/01/3000
- 3.1 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 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.
.....
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [X] NA []
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.12/31/2009
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.12/31/2009
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).10/25/2010
- 6.4 By what department or departments?
Ohio.....
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [] No [] NA [X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] NA []
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 7.2 If yes, give full information:
.....
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?..... Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
.....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?..... Yes [] No [X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

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

GENERAL INTERROGATORIES

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes No
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.

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

- 9.2 Has the code of ethics for senior managers been amended? Yes No

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

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

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

FINANCIAL

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

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$0

INVESTMENT

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

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

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

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

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

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$	\$
14.22 Preferred Stock	\$	\$
14.23 Common Stock	\$	\$
14.24 Short-Term Investments	\$	\$
14.25 Mortgage Loans on Real Estate	\$	\$
14.26 All Other	\$	\$
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$0	\$0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$	\$

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

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

If no, attach a description with this statement.

GENERAL INTERROGATORIES

- 16 For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$3,702,376
 - 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$3,702,365
 - 16.3 Total payable for securities lending reported on the liability page \$3,702,365

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

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

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

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

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

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

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

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

17.5 Identify all investment advisors, broker/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address

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

18.2 If no, list exceptions:
.....

STATEMENT AS OF MARCH 31, 2014 OF THE GRANGE INDEMNITY INSURANCE COMPANY

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

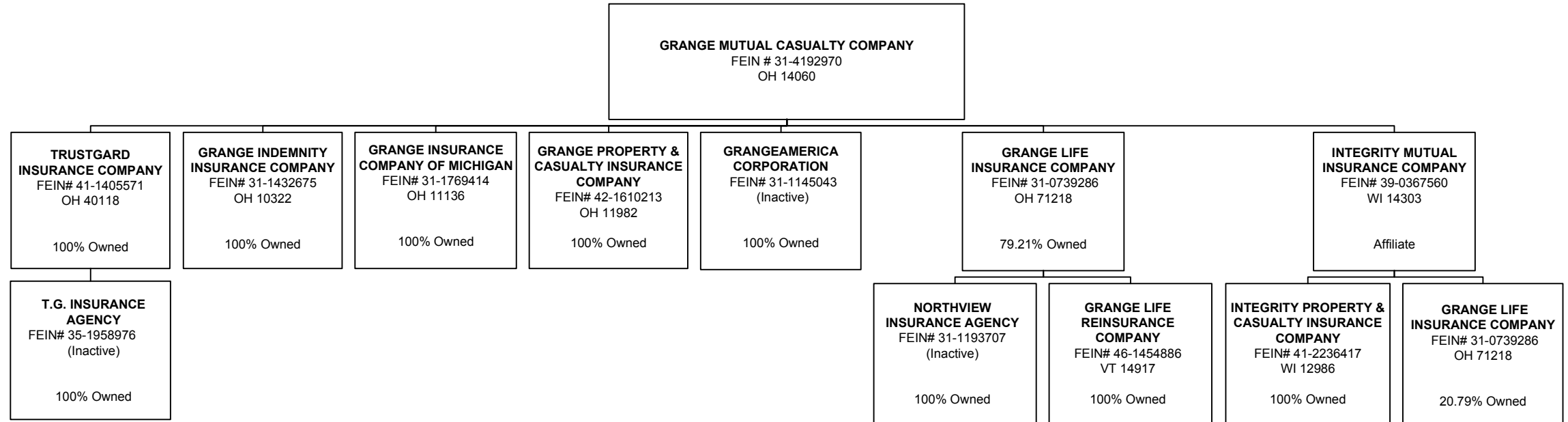
States, etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid		
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date	
1. Alabama	AL	N	0	0	0	0	0	
2. Alaska	AK	N	0	0	0	0	0	
3. Arizona	AZ	N	0	0	0	0	0	
4. Arkansas	AR	N	0	0	0	0	0	
5. California	CA	N	0	0	0	0	0	
6. Colorado	CO	N	0	0	0	0	0	
7. Connecticut	CT	N	0	0	0	0	0	
8. Delaware	DE	N	0	0	0	0	0	
9. Dist. Columbia	DC	N	0	0	0	0	0	
10. Florida	FL	N	0	0	0	0	0	
11. Georgia	GA	L	2,931,442	1,447,974	1,326,854	366,551	3,317,547	1,362,499
12. Hawaii	HI	N	0	0	0	0	0	0
13. Idaho	ID	N	0	0	0	0	0	0
14. Illinois	IL	L	4,500,753	3,110,174	1,026,794	575,647	7,168,321	3,207,005
15. Indiana	IN	L	2,851,781	2,811,206	1,894,138	1,125,425	3,840,081	3,633,942
16. Iowa	IA	L	0	0	0	0	0	0
17. Kansas	KS	L	0	0	0	0	0	0
18. Kentucky	KY	L	1,713,692	1,422,335	402,129	449,460	2,020,340	1,200,464
19. Louisiana	LA	N	0	0	0	0	0	0
20. Maine	ME	N	0	0	0	0	0	0
21. Maryland	MD	N	0	0	0	0	0	0
22. Massachusetts	MA	N	0	0	0	0	0	0
23. Michigan	MI	N	0	0	0	0	0	0
24. Minnesota	MN	L	0	0	0	0	0	0
25. Mississippi	MS	N	0	0	0	0	0	0
26. Missouri	MO	L	0	0	0	0	0	0
27. Montana	MT	N	0	0	0	0	0	0
28. Nebraska	NE	N	0	0	0	0	0	0
29. Nevada	NV	N	0	0	0	0	0	0
30. New Hampshire	NH	N	0	0	0	0	0	0
31. New Jersey	NJ	N	0	0	0	0	0	0
32. New Mexico	NM	N	0	0	0	0	0	0
33. New York	NY	N	0	0	0	0	0	0
34. No. Carolina	NC	N	0	0	0	0	0	0
35. No. Dakota	ND	N	0	0	0	0	0	0
36. Ohio	OH	L	2,864,731	2,426,396	1,511,272	1,829,607	5,337,007	4,453,382
37. Oklahoma	OK	N	0	0	0	0	0	0
38. Oregon	OR	N	0	0	0	0	0	0
39. Pennsylvania	PA	L	1,423,594	892,287	685,349	182,634	1,827,843	862,148
40. Rhode Island	RI	N	0	0	0	0	0	0
41. So. Carolina	SC	N	0	0	0	0	0	0
42. So. Dakota	SD	N	0	0	0	0	0	0
43. Tennessee	TN	L	2,001,861	1,434,963	695,275	465,049	1,845,464	880,393
44. Texas	TX	N	0	0	0	0	0	0
45. Utah	UT	N	0	0	0	0	0	0
46. Vermont	VT	N	0	0	0	0	0	0
47. Virginia	VA	N	0	0	0	0	0	0
48. Washington	WA	N	0	0	0	0	0	0
49. West Virginia	WV	N	0	0	0	0	0	0
50. Wisconsin	WI	L	0	0	0	0	0	0
51. Wyoming	WY	N	0	0	0	0	0	0
52. American Samoa	AS	N	0	0	0	0	0	0
53. Guam	GU	N	0	0	0	0	0	0
54. Puerto Rico	PR	N	0	0	0	0	0	0
55. U.S. Virgin Islands	VI	N	0	0	0	0	0	0
56. Northern Mariana Islands	MP	N	0	0	0	0	0	0
57. Canada	CAN	N	0	0	0	0	0	0
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0	0
59. Totals	(a) 12		18,287,855	13,545,335	7,541,811	4,994,373	25,356,603	15,599,833
DETAILS OF WRITE-INS								
58001.	XXX							
58002.	XXX							
58003.	XXX							
58998. Summary of remaining write-ins for Line 58 from overflow page.	XXX		0	0	0	0	0	0
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX		0	0	0	0	0	0

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

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

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

PART 1 – ORGANIZATIONAL CHART



STATEMENT AS OF MARCH 31, 2014 OF THE GRANGE INDEMNITY INSURANCE COMPANY

PART 1 - LOSS EXPERIENCE

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire			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			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	3,680,583	2,211,226	60.1	47.6
19.3,19.4 Commercial auto liability	7,275,246	3,411,665	46.9	39.8
21. Auto physical damage	4,228,960	3,089,746	73.1	49.7
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	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0.0	0.0
35. TOTALS	15,184,789	8,712,637	57.4	45.2
DETAILS OF WRITE-INS				
3401.			0.0	0.0
3402.			0.0	0.0
3403.			0.0	0.0
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire	0		0
2. Allied lines	0		0
3. Farmowners multiple peril	0		0
4. Homeowners multiple peril	0		0
5. Commercial multiple peril	0		0
6. Mortgage guaranty	0		0
8. Ocean marine	0		0
9. Inland marine	0		0
10. Financial guaranty	0		0
11.1 Medical professional liability-occurrence	0		0
11.2 Medical professional liability-claims made	0		0
12. Earthquake	0		0
13. Group accident and health	0		0
14. Credit accident and health	0		0
15. Other accident and health	0		0
16. Workers' compensation	0		0
17.1 Other liability occurrence	0		0
17.2 Other liability-claims made	0		0
17.3 Excess Workers' Compensation	0		0
18.1 Products liability-occurrence	0		0
18.2 Products liability-claims made	0		0
19.1,19.2 Private passenger auto liability	4,008,443	4,008,443	3,399,790
19.3,19.4 Commercial auto liability	9,317,456	9,317,456	6,351,912
21. Auto physical damage	4,961,956	4,961,956	3,793,633
22. Aircraft (all perils)	0		0
23. Fidelity	0		0
24. Surety	0		0
26. Burglary and theft	0		0
27. Boiler and machinery	0		0
28. Credit	0		0
29. International	0		0
30. Warranty	0		0
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0
35. TOTALS	18,287,855	18,287,855	13,545,335
DETAILS OF WRITE-INS			
3401.	0		0
3402.	0		0
3403.	0		0
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0

STATEMENT AS OF MARCH 31, 2014 OF THE GRANGE INDEMNITY INSURANCE COMPANY

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2014 Loss and LAE Payments on Claims Reported as of Prior Year-End	2014 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2014 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols.7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2011 + Prior	3,525	1,921	5,446	824	47	871	2,929	10	1,617	4,556	228	(247)	(19)
2. 2012	2,533	2,322	4,855	539	44	583	2,164	21	2,070	4,255	169	(186)	(17)
3. Subtotals 2012 + prior	6,058	4,243	10,301	1,363	91	1,454	5,093	31	3,688	8,811	398	(433)	(36)
4. 2013	5,703	5,822	11,525	1,894	356	2,250	4,261	208	4,765	9,234	453	(493)	(40)
5. Subtotals 2013 + prior	11,761	10,065	21,826	3,257	447	3,704	9,354	239	8,452	18,046	851	(927)	(76)
6. 2014	XXX	XXX	XXX	XXX	4,267	4,267	XXX	2,087	1,640	3,727	XXX	XXX	XXX
7. Totals	11,761	10,065	21,826	3,257	4,714	7,971	9,354	2,326	10,092	21,772	851	(927)	(76)
8. Prior Year-End Surplus As Regards Policyholders	43,733												
											Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1. 7.2	2. (9.2)	3. (0.3)
													Col. 13, Line 7 Line 8
													4. (0.2)

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES




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

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

Explanation:

- 1.
- 2.
- 3.
- 4.

Bar Code:

1.	 1 0 3 2 2 2 0 1 4 4 9 0 0 0 0 0 1
2.	 1 0 3 2 2 2 0 1 4 4 5 5 0 0 0 0 1
3.	 1 0 3 2 2 2 0 1 4 3 6 5 0 0 0 0 1
4.	 1 0 3 2 2 2 0 1 4 5 0 5 0 0 0 0 1

OVERFLOW PAGE FOR WRITE-INS

SCHEDULE A – VERIFICATION

Real Estate

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

NONE

SCHEDULE B – VERIFICATION

Mortgage Loans

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

NONE

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

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

NONE

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	74,280,267	68,676,267
2. Cost of bonds and stocks acquired	3,264,027	15,085,744
3. Accrual of discount	10,811	59,885
4. Unrealized valuation increase (decrease)	0	0
5. Total gain (loss) on disposals	20,440	140,011
6. Deduct consideration for bonds and stocks disposed of	1,224,698	9,190,903
7. Deduct amortization of premium	138,729	490,737
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other-than-temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	76,212,118	74,280,267
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	76,212,118	74,280,267

STATEMENT AS OF MARCH 31, 2014 OF THE GRANGE INDEMNITY INSURANCE COMPANY

SCHEDULE D - PART 1B

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

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a).....	62,049,759	2,077,987	1,204,258	368,349	63,291,837	0	0	62,049,759
2. NAIC 2 (a).....	12,230,508	1,186,041		(496,267)	12,920,281	0	0	12,230,508
3. NAIC 3 (a).....	0				0	0	0	0
4. NAIC 4 (a).....	0				0	0	0	0
5. NAIC 5 (a).....	0				0	0	0	0
6. NAIC 6 (a).....	0				0	0	0	0
7. Total Bonds	74,280,267	3,264,027	1,204,258	(127,917)	76,212,118	0	0	74,280,267
PREFERRED STOCK								
8. NAIC 1.....	0				0	0	0	0
9. NAIC 2.....	0				0	0	0	0
10. NAIC 3.....	0				0	0	0	0
11. NAIC 4.....	0				0	0	0	0
12. NAIC 5.....	0				0	0	0	0
13. NAIC 6.....	0				0	0	0	0
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	74,280,267	3,264,027	1,204,258	(127,917)	76,212,118	0	0	74,280,267

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$; NAIC 2 \$; NAIC 3 \$; NAIC 4 \$; NAIC 5 \$; NAIC 6 \$

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SCHEDULE DA - PART 1

Short-Term Investments

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

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	1,123,813
2. Cost of short-term investments acquired		3,346,504
3. Accrual of discount		0
4. Unrealized valuation increase (decrease).....		0
5. Total gain (loss) on disposals		0
6. Deduct consideration received on disposals		4,470,317
7. Deduct amortization of premium.....		0
8. Total foreign exchange change in book/adjusted carrying value.....		0
9. Deduct current year's other-than-temporary impairment recognized.....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	0	0
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	0	0

Schedule DB - Part A - Verification

NONE

Schedule DB - Part B - Verification

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

NONE

Schedule E - Verification

NONE

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

Schedule BA - Part 2

NONE

Schedule BA - Part 3

NONE

STATEMENT AS OF MARCH 31, 2014 OF THE GRANGE INDEMNITY INSURANCE COMPANY

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments									
313381-ZE-8	Federal Home Loan Bank Call 1.500% 02/		03/26/2014	Stifel Nicolaus & Co.		233,988	250,000	365	1
38376Y-FF-3	GNR 2010-46 CH 4.000% 03/20/39		01/22/2014	Stifel Nicolaus & Co.		251,539	237,546	686	1
38376Y-FF-3	GNR 2010-46 CH 4.000% 03/20/39		01/22/2014	Stifel Nicolaus & Co.		9,249	8,735	25	1FE
0599999 - Bonds - U.S. Governments						494,776	496,281	1,076	XXX
Bonds - U.S. Special Revenue									
3136AA-CD-5	FNR 2012-131DZ 2.500% 05/25/41		03/01/2014	Interest Capitalization		700	700		1
31398N-3X-0	FNR 2010-130 CA 4.500% 05/25/38		03/12/2014	FICP		541,055	495,812	992	1
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						541,755	496,513	992	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)									
067383-AC-3	C.R. Bard, Inc. Call 4.400% 01/15/21		03/04/2014	Davidson, D.A., Co., Inc.		542,195	500,000	3,178	1FE
151020-AH-7	Celgene Corp NC 3.250% 08/15/22		02/21/2014	Davidson, D.A., Co., Inc.		341,373	350,000	348	2FE
178566-AC-9	City National Corp NC 5.250% 09/15/20		02/24/2014	Keybanc Capital Markets		450,544	400,000	9,450	2FE
278265-AD-5	Eaton Vance Corp NC 3.625% 06/15/23		03/25/2014	National Financial Services		499,260	500,000	5,186	1FE
620076-BB-4	Motorola Solutions Inc NC 3.750% 05/15		02/13/2014	Stifel Nicolaus & Co.		394,124	400,000	3,917	2FE
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						2,227,496	2,150,000	22,078	XXX
8399997 - Subtotals - Bonds - Part 3						3,264,027	3,142,794	24,145	XXX
8399999 - Subtotals - Bonds						3,264,027	3,142,794	24,145	XXX
9999999 Totals						3,264,027	XXX	24,145	XXX

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

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STATEMENT AS OF MARCH 31, 2014 OF THE GRANGE INDEMNITY INSURANCE COMPANY

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments																					
38374F-W6-7	GNR 2004-21 PC 5.000%		03/01/2014	Paydown		14,510	14,510	14,315	14,422		.88		.88		14,510			.0	.118	04/20/2033	1
38376Y-FF-3	GNR 2010-46 CH 4.000%		03/01/2014	Paydown		8,735	8,735	9,249		(.515)		(.515)		8,735			.0	.43	03/20/2039	1FE	
38378D-VT-9	GNR 2012-36 MA 3.000%		03/01/2014	Paydown		9,990	9,990	10,633	10,568		(.579)		(.579)		9,990			.0	.54	06/20/2039	1
38378V-XZ-3	GNR 2013-119 TV 3.000%		03/01/2014	Paydown		3,948	3,948	4,027	4,022		(.74)		(.74)		3,948			.0	.20	08/20/2043	1
0599999 - Bonds - U.S. Governments						37,182	37,182	38,224	29,012	0	(1,079)	0	(1,079)	0	37,182	0	0	0	235	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																					
313661-TT-6	FNMA Call 3.000%		03/12/2014	Call	100.000	500,000	500,000	500,000	501,826		(1,826)		(1,826)		500,000			.0	.7,500	09/12/2028	1
3137AG-CA-6	FHR 3947 BC 2.500%		03/01/2014	Paydown		5,298	5,298	5,480	5,442		(.144)		(.144)		5,298			.0	.22	10/15/2026	1
3137AN-JP-1	FHR 4013 WY 3.226%		03/01/2014	Paydown		5,203	5,203	5,349	5,314		(.111)		(.111)		5,203			.0	.28	11/15/2040	1
3138MB-CJ-0	FN AP4572 3.000%		03/01/2014	Paydown		14,883	14,883	15,888	15,820		(.937)		(.937)		14,883			.0	.83	09/01/2027	1
31392E-SX-9	FNR 2002-59 B 5.500%		03/01/2014	Paydown		2,905	2,905	2,956	2,921		(.16)		(.16)		2,905			.0	.26	09/25/2017	1
31393A-GG-6	FNR 2003-28 GA 4.000%		03/01/2014	Paydown		1,646	1,646	1,637	1,640		.5		.5		1,646			.0	.11	10/25/2032	1
31395B-D7-5	FNR 2006-22 CE 4.500%		03/01/2014	Paydown		13,598	13,598	13,963	13,760		(.163)		(.163)		13,598			.0	.99	08/25/2023	1
31395J-SE-2	FHR 2881 AG 4.500%		03/01/2014	Paydown		2,926	2,926	2,918	2,919		.6		.6		2,926			.0	.24	08/15/2034	1
31395W-4L-8	FNR 2008-24 AV 5.000%		03/01/2014	Paydown		18,894	18,894	19,839	19,416		(.522)		(.522)		18,894			.0	.137	12/15/2034	1
31397L-DQ-9	FNR 2011-15 VB 4.000%		03/01/2014	Paydown		62,319	62,319	62,319	62,319		.0		.0		62,319			.0	.420	03/25/2019	1
31397Q-WZ-7	FNR 2011-42 VA 4.500%		01/22/2014	Stifel Nicolaus & Co.		256,875	250,000	233,457	236,353		.82		.82		236,435		20,440	20,440	1,556	09/25/2029	1
31397S-ZF-4	FHR 3606 A 4.000%		01/01/2014	Paydown		3,989	3,989	4,222	4,178		(.189)		(.189)		3,989			.0	.15	06/25/2022	1
31398L-NU-8	FNR 2010-136 BA 3.500%		03/01/2014	Paydown		16,606	16,606	17,428	17,033		(.427)		(.427)		16,606			.0	.112	07/15/2023	1
31398S-SG-9	FNMA Pool 725424 5.500%		03/01/2014	Paydown		4,015	4,015	4,157	4,111		(.96)		(.96)		4,015			.0	.22	12/25/2030	1
31402C-4H-2	FNMA Pool 744328 5.000%		03/01/2014	Paydown		5,027	5,027	4,974	4,975		.52		.52		5,027			.0	.44	04/01/2034	1
31403B-4M-2	FNMA Pool 745516 5.500%		03/01/2014	Paydown		3,481	3,481	3,343	3,348		.132		.132		3,481			.0	.24	09/01/2033	1
31403D-GZ-6	FN MA1200 3.000%		03/01/2014	Paydown		2,318	2,318	2,315	2,314		.3		.3		2,318			.0	.20	05/01/2036	1
31418A-KN-7	FN AE4629 4.000%		03/01/2014	Paydown		8,391	8,391	8,928	8,904		(.513)		(.513)		8,391			.0	.41	10/01/2032	1
31419F-EB-8			03/01/2014	Paydown		9,143	9,143	9,589	9,577		(.434)		(.434)		9,143			.0	.67	10/01/2040	1
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						937,515	930,640	918,761	922,172	0	(5,097)	0	(5,097)	0	917,076	0	20,440	20,440	10,251	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
581557-AW-5	McKesson Corp. NC 6.500%		02/15/2014	Maturity		250,000	250,000	267,343	250,498		(.498)		(.498)		250,000			.0	8,125	02/15/2014	1FE
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						250,000	250,000	267,343	250,498	0	(.498)	0	(.498)	0	250,000	0	0	0	8,125	XXX	XXX
8399997 - Subtotals - Bonds - Part 4						1,224,698	1,217,823	1,224,328	1,201,683	0	(6,674)	0	(6,674)	0	1,204,258	0	20,440	20,440	18,611	XXX	XXX
8399999 - Subtotals - Bonds						1,224,698	1,217,823	1,224,328	1,201,683	0	(6,674)	0	(6,674)	0	1,204,258	0	20,440	20,440	18,611	XXX	XXX
9999999 Totals						1,224,698	XXX	1,224,328	1,201,683	0	(6,674)	0	(6,674)	0	1,204,258	0	20,440	20,440	18,611	XXX	XXX

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

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Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

Schedule DB - Part D - Section 2

NONE

STATEMENT AS OF MARCH 31, 2014 OF THE GRANGE INDEMNITY INSURANCE COMPANY

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

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

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