



QUARTERLY STATEMENT

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

GRANGE PROPERTY & CASUALTY INSURANCE COMPANY

NAIC Group Code 00267 , 00267 NAIC Company Code 11982 Employer's ID Number 42-1610213
(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 04/01/2004 Commenced Business 05/21/2004

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>CHRISTIANNNA (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 []

b. If no:

1. State the amendment number _____

2. Date filed _____

3. Number of pages attached _____

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

Teresa J. Burchwell, Notary Public
April 28, 2017

STATEMENT AS OF MARCH 31, 2014 OF THE GRANGE PROPERTY & CASUALTY 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	47,123,857		47,123,857	45,676,126
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 (\$910,107), cash equivalents (\$0) and short-term investments (\$0)	910,107		910,107	940,539
6. Contract loans (including \$ premium notes)			0	0
7. Derivatives			0	0
8. Other invested assets	0		0	0
9. Receivables for securities			0	2,063
10. Securities lending reinvested collateral assets	1,620,023		1,620,023	1,049,348
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	49,653,987	0	49,653,987	47,668,076
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	572,826		572,826	465,952
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	4,633,893	24,881	4,609,012	4,329,604
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$8,452 earned but unbilled premiums)	8,854	402	8,452	7,216
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	911,245	66,536	844,709	826,918
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	1,064,920
24. Health care (\$) and other amounts receivable			0	0
25. Aggregate write-ins for other-than-invested assets	10,491	0	10,491	10,700
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	55,791,296	91,819	55,699,477	54,373,386
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	55,791,296	91,819	55,699,477	54,373,386
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	10,491		10,491	10,700
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)	10,491	0	10,491	10,700

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 1,450,386)	8,473,338	8,402,185
2. Reinsurance payable on paid losses and loss adjustment expenses		0
3. Loss adjustment expenses	2,412,855	2,510,753
4. Commissions payable, contingent commissions and other similar charges	72,119	407,866
5. Other expenses (excluding taxes, licenses and fees)	568,483	769,139
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	322,394	278,721
7.1 Current federal and foreign income taxes (including \$ 7,154 on realized capital gains (losses))	439,701	1,723,070
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 \$ 70,316,163 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)	9,230,103	8,969,146
10. Advance premium	1,804,459	1,030,265
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders	15,487	19,901
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	584,147	0
20. Derivatives		0
21. Payable for securities		0
22. Payable for securities lending	1,620,023	1,049,348
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)	25,543,109	25,160,395
27. Protected cell liabilities		0
28. Total liabilities (Lines 26 and 27)	25,543,109	25,160,395
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	13,000,000	13,000,000
35. Unassigned funds (surplus)	15,156,368	14,212,991
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)	30,156,368	29,212,991
38. Totals (Page 2, Line 28, Col. 3)	55,699,477	54,373,386
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 \$ 51,720,439)	47,743,564	35,555,411	164,080,439
1.2 Assumed (written \$ 6,006,077)	5,743,986	5,371,257	22,387,540
1.3 Ceded (written \$ 51,799,652)	47,821,643	35,618,714	164,356,867
1.4 Net (written \$ 5,926,864)	5,665,907	5,307,954	22,111,112
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 3,180,307):			
2.1 Direct	29,362,533	16,536,553	98,129,454
2.2 Assumed	3,341,282	2,714,307	12,359,958
2.3 Ceded	29,400,971	16,594,874	98,300,725
2.4 Net	3,302,844	2,655,986	12,188,688
3. Loss adjustment expenses incurred	656,145	594,741	2,614,317
4. Other underwriting expenses incurred	1,764,090	1,747,362	7,311,045
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	5,723,079	4,998,089	22,114,049
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(57,173)	309,865	(2,937)
INVESTMENT INCOME			
9. Net investment income earned	381,642	333,264	1,408,166
10. Net realized capital gains (losses) less capital gains tax of \$ 7,154	13,286	(323)	42,500
11. Net investment gain (loss) (Lines 9 + 10)	394,928	332,941	1,450,666
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 686 amount charged off \$ 32,919)	(32,233)	(25,267)	(111,270)
13. Finance and service charges not included in premiums	1,051,708	851,555	3,812,772
14. Aggregate write-ins for miscellaneous income	17,137	13,286	59,614
15. Total other income (Lines 12 through 14)	1,036,612	839,574	3,761,116
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	1,374,367	1,482,380	5,208,846
17. Dividends to policyholders	14,955	13,877	64,788
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)	1,359,412	1,468,503	5,144,058
19. Federal and foreign income taxes incurred	432,547	480,454	1,700,186
20. Net income (Line 18 minus Line 19)(to Line 22)	926,865	988,049	3,443,872
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	29,212,991	25,720,918	25,720,918
22. Net income (from Line 20)	926,865	988,049	3,443,872
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	14,641	14,074	114,414
27. Change in nonadmitted assets	1,870	4,256	(66,212)
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)	943,376	1,006,379	3,492,074
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	30,156,368	26,727,297	29,212,991
DETAILS OF WRITE-INS			
0501.		0	0
0502.		0	0
0503.		0	0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0
1401. Miscellaneous Income	17,137	13,286	59,614
1402.			
1403.			
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)	17,137	13,286	59,614
3701.		0	0
3702.		0	0
3703.		0	0
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	0	0	0

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance.....	6,419,132	5,366,154	23,389,571
2. Net investment income	352,284	310,380	1,602,231
3. Miscellaneous income	1,036,612	839,574	3,761,116
4. Total (Lines 1 to 3)	7,808,028	6,516,108	28,752,919
5. Benefit and loss related payments	3,231,692	2,732,820	11,590,054
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	3,010,863	2,673,729	9,491,688
8. Dividends paid to policyholders	19,369	15,678	62,880
9. Federal and foreign income taxes paid (recovered) net of \$ 7,154 tax on capital gains (losses).....	1,723,070	1,192,376	1,192,376
10. Total (Lines 5 through 9)	7,984,994	6,614,603	22,336,998
11. Net cash from operations (Line 4 minus Line 10)	(176,967)	(98,495)	6,415,920
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	1,499,470	1,704,216	6,548,132
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	2,063	502,063	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	1,501,533	2,206,279	6,548,132
13. Cost of investments acquired (long-term only):			
13.1 Bonds	3,004,278	2,182,136	12,900,350
13.2 Stocks	0	0	0
13.3 Mortgage loans	0	0	0
13.4 Real estate	0	0	0
13.5 Other invested assets	0	0	0
13.6 Miscellaneous applications	0	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	3,004,278	2,182,136	12,900,350
14. Net increase (or decrease) in contract loans and premium notes	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(1,502,745)	24,143	(6,352,218)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0	0
16.5 Dividends to stockholders	0	0	0
16.6 Other cash provided (applied).....	1,649,279	497,694	163,754
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	1,649,279	497,694	163,754
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)	(30,433)	423,342	227,456
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	940,539	713,083	713,083
19.2 End of period (Line 18 plus Line 19.1)	910,107	1,136,425	940,539

**STATEMENT AS OF MARCH 31, 2014 OF THE
GRANGE PROPERTY & CASUALTY 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	(42,009)
2	Greater than 12 Months	(36,317)

b.

The Aggregate Related Fair Value of Securities with Unrealized Losses:

1	Less than 12 Months	2,220,981
2	Greater than 12 Months	244,608

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 repledged.

	Fair Value
Open	1,620,014
30 Days or Less	0
31 to 60 Days	0
61 to 90 Days	0
Greater than 90 Days	0
Sub-Total	1,620,014
Securities Received	0
Total Collateral Received	1,620,014

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 PROPERTY & CASUALTY 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:

	<u>March 31, 2014</u>	<u>December 31, 2013</u>
Gross Deferred Tax Assets	\$ 954,198	\$ 936,490
Gross Deferred Tax Liabilities	42,952	39,884
Net Deferred Tax Asset (Liability)	911,246	896,606
Nonadmitted Deferred Tax Assets	<u>66,537</u>	<u>69,688</u>
Admitted Deferred Tax Asset	<u>844,709</u>	<u>826,918</u>
(Increase) Decrease in Deferred Tax Assets Nonadmitted	\$ (3,068)	\$ (69,688)

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

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

	<u>March 31, 2014</u>	<u>December 31, 2013</u>
Current Income Tax Expense	\$ 432,547	\$ 1,710,424
Tax on Capital Gains/(Losses)	7,154	22,884
Prior Year Under Accrual (Over Accrual)	<u>0</u>	<u>(10,238)</u>
Federal Income Taxes Incurred	<u>\$ 439,701</u>	<u>\$ 1,192,376</u>

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 PROPERTY & CASUALTY 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	48,730,490	47,123,857	6,345,572	42,384,918	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>48,730,490</u>	<u>47,123,857</u>	<u>6,345,572</u>	<u>42,384,918</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 \$(0.038) million from \$17.991 million in 2013 to \$17.953 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	17,991,251	16,046,858
LESS REINSURANCE RECOVERABLES	<u>7,078,313</u>	<u>5,907,012</u>
NET BALANCE JANUARY 1	<u>10,912,938</u>	<u>10,139,846</u>
INCURRED RELATED TO:		
CURRENT YEAR	3,996,954	15,249,265
PRIOR YEAR	<u>(37,965)</u>	<u>(446,260)</u>
TOTAL INCURRED	<u>3,958,989</u>	<u>14,803,005</u>
PAID RELATED TO:		
CURRENT YEAR	2,133,559	9,486,841
PRIOR YEAR	<u>1,852,176</u>	<u>4,543,072</u>
TOTAL PAID	<u>3,985,735</u>	<u>14,029,913</u>
NET BALANCE AT DECEMBER 31	10,886,193	10,912,938
PLUS REINSURANCE RECOVERABLES	<u>6,986,414</u>	<u>7,078,313</u>
BALANCE AT DECEMBER 31	<u>17,872,607</u>	<u>17,991,251</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 PROPERTY & CASUALTY 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
NONE

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 | \$1,620,030 |
| 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 | \$1,620,023 |
| 16.3 Total payable for securities lending reported on the liability page | \$1,620,023 |

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

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

1 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

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 No

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

STATEMENT AS OF MARCH 31, 2014 OF THE GRANGE PROPERTY & CASUALTY INSURANCE COMPANY

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

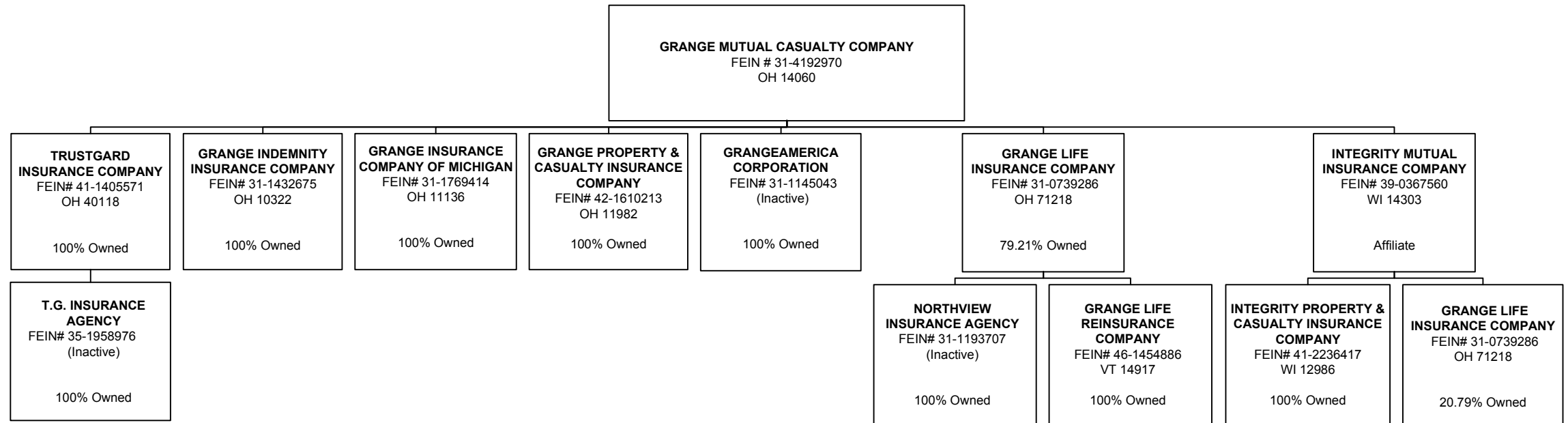
States, etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid		
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date	
1. Alabama	AL	N	0	0	0	0	0	
2. Alaska	AK	N	0	0	0	0	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	6,784,341	5,563,413	3,768,530	2,953,338	6,622,862	4,876,856
12. Hawaii	HI	N	0	0	0	0	0	0
13. Idaho	ID	N	0	0	0	0	0	0
14. Illinois	IL	L	0	0	0	0	0	0
15. Indiana	IN	L	0	0	0	0	0	0
16. Iowa	IA	N	0	0	0	0	0	0
17. Kansas	KS	N	0	0	0	0	0	0
18. Kentucky	KY	L	6,953,122	6,654,775	4,034,095	3,236,008	8,927,981	8,235,565
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	N	0	0	0	0	0	0
25. Mississippi	MS	N	0	0	0	0	0	0
26. Missouri	MO	N	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	37,982,976	27,822,883	20,319,399	11,989,263	21,588,199	11,362,799
37. Oklahoma	OK	N	0	0	0	0	0	0
38. Oregon	OR	N	0	0	0	0	0	0
39. Pennsylvania	PA	N	0	0	0	0	0	0
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	0	0	0	0	0	0
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	N	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) 6		51,720,439	40,041,071	28,122,024	18,178,609	37,139,041	24,475,220
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



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	16,292,966	8,028,859	49.3	36.9
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	504,215	164,567	32.6	33.1
10. Financial guaranty			0.0	0.0
11.1 Medical professional liability -occurrence			0.0	0.0
11.2 Medical professional liability -claims made			0.0	0.0
12. Earthquake	122,375	5,601	4.6	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	438,707	398,719	90.9	(3.7)
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	17,665,171	11,124,838	63.0	47.3
19.3,19.4 Commercial auto liability			0.0	0.0
21. Auto physical damage	12,720,129	9,639,949	75.8	64.1
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	47,743,564	29,362,533	61.5	46.5
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	16,785,834	16,785,834	14,341,963
5. Commercial multiple peril	0		0
6. Mortgage guaranty	0		0
8. Ocean marine	0		0
9. Inland marine	504,797	504,797	444,750
10. Financial guaranty	0		0
11.1 Medical professional liability-occurrence	0		0
11.2 Medical professional liability-claims made	0		0
12. Earthquake	119,094	119,094	98,710
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	461,257	461,257	410,430
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	19,548,521	19,548,521	14,755,459
19.3,19.4 Commercial auto liability	0		0
21. Auto physical damage	14,300,936	14,300,936	9,989,759
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	51,720,439	51,720,439	40,041,071
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 PROPERTY & CASUALTY 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	1,762	961	2,723	412	23	435	1,465	5	809	2,278	114	(124)	(9)
2. 2012	1,267	1,161	2,428	269	22	292	1,082	10	1,035	2,127	85	(93)	(8)
3. Subtotals 2012 + prior	3,029	2,121	5,151	682	45	727	2,546	15	1,844	4,406	199	(217)	(18)
4. 2013	2,851	2,911	5,762	947	178	1,125	2,131	104	2,382	4,617	227	(247)	(20)
5. Subtotals 2013 + prior	5,880	5,033	10,913	1,629	223	1,852	4,677	120	4,226	9,023	425	(463)	(38)
6. 2014	XXX	XXX	XXX	XXX	2,134	2,134	XXX	1,044	820	1,863	XXX	XXX	XXX
7. Totals	5,880	5,033	10,913	1,629	2,357	3,986	4,677	1,163	5,046	10,886	425	(463)	(38)
8. Prior Year-End Surplus As Regards Policy-holders	29,213												
											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. (0.1)

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 1 9 8 2 2 0 1 4 4 9 0 0 0 0 0 1
2.	 1 1 9 8 2 2 0 1 4 4 5 5 0 0 0 0 1
3.	 1 1 9 8 2 2 0 1 4 3 6 5 0 0 0 0 1
4.	 1 1 9 8 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	45,676,126	39,519,405
2. Cost of bonds and stocks acquired	3,004,278	12,900,350
3. Accrual of discount	8,809	29,715
4. Unrealized valuation increase (decrease)	0	0
5. Total gain (loss) on disposals	20,440	65,384
6. Deduct consideration for bonds and stocks disposed of	1,499,470	6,548,132
7. Deduct amortization of premium	86,325	290,596
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)	47,123,858	45,676,126
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	47,123,858	45,676,126

STATEMENT AS OF MARCH 31, 2014 OF THE GRANGE PROPERTY & CASUALTY 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).....	40,846,297	2,183,755	1,479,030	92,190	41,643,212	0	0	40,846,297
2. NAIC 2 (a).....	4,829,829	820,523		(169,706)	5,480,645	0	0	4,829,829
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	45,676,126	3,004,278	1,479,030	(77,516)	47,123,857	0	0	45,676,126
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	45,676,126	3,004,278	1,479,030	(77,516)	47,123,857	0	0	45,676,126

(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	.713,083
2. Cost of short-term investments acquired		5,106,276
3. Accrual of discount0
4. Unrealized valuation increase (decrease).....		.0
5. Total gain (loss) on disposals0
6. Deduct consideration received on disposals		5,819,359
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 PROPERTY & CASUALTY INSURANCE COMPANY

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments									
912828-PC-8	United States Treasury OH 2.625% 11/15		03/24/2014	Stifel Nicolaus & Co.		1,642,000	1,600,000	15,431	1
0599999 - Bonds - U.S. Governments						1,642,000	1,600,000	15,431	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)									
151020-AH-7	Celgene Corp NC 3.250% 08/15/22		02/21/2014	Davidson, D.A., Co., Inc.		292,605	300,000	298	2FE
178566-AC-9	City National Corp NC 5.250% 09/15/20		02/24/2014	Keybank Capital Markets		281,590	250,000	5,906	2FE
620076-BB-4	Motorola Solutions Inc NC 3.750% 05/15		02/13/2014	Stifel Nicolaus & Co.		246,328	250,000	2,448	2FE
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						820,523	800,000	8,652	XXX
8399997 - Subtotals - Bonds - Part 3						3,004,278	2,896,513	25,075	XXX
8399999 - Subtotals - Bonds						3,004,278	2,896,513	25,075	XXX
9999999 Totals						3,004,278	XXX	25,075	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 PROPERTY & CASUALTY 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																					
36202F-UC-8...	GNMA G2 5072 3.500%		03/01/2014	Paydown		20,619	20,619	21,818	21,799		(1,179)		(1,179)		20,619			0	136	06/20/2026	1
38378C-RT-6...	GNR 2012-13 EG 2.000%		03/01/2014	Paydown		13,681	13,681	13,837	13,811		(130)		(130)		13,681			0	46	10/20/2040	1
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						48,238	48,238	50,314	50,200	0	(1,962)	0	(1,962)	0	48,238	0	0	0	256	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																					
312962-QG-1...	FG B10455 5.000%		03/01/2014	Paydown		46,192	46,192	49,541	48,603		(2,411)		(2,411)		46,192			0	384	10/01/2018	1
3136A7-ZV-7...	FNR 2012-83 BA 3.500%		03/01/2014	Paydown		3,310	3,310	3,394	3,390		(81)		(81)		3,310			0	19	03/25/2041	1
313660-PV-7...	FNMA Call 1.000%		03/28/2014	Call	100.0000	1,000,000	1,000,000	999,844	999,858		142		142	1,000,000			0	2,500	06/28/2027	1	
31371M-VC-8...	FNMA Pool 256311 6.000%		03/01/2014	Paydown		19,183	19,183	19,117	19,117		67		67		19,183			0	219	07/01/2026	1
3137A3-PN-3...	FHR 3762 GM 3.500%		03/01/2014	Paydown		10,284	10,284	10,605	10,514		(230)		(230)		10,284			0	58	08/15/2028	1
3137A5-WW-0...	FHR 3786 WA 4.000%		03/01/2014	Paydown		31,306	31,306	32,178	32,013		(707)		(707)		31,306			0	200	12/15/2028	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
31393V-GQ-8...	FHR 2626 EM 4.500%		03/01/2014	Paydown		18,549	18,549	20,015	19,170		(621)		(621)		18,549			0	153	06/15/2018	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
31395W-4L-8...	FHR 3003 LD 5.000%		03/01/2014	Paydown		10,014	10,014	10,514	10,290		(277)		(277)		10,014			0	73	12/15/2034	1
313970-WZ-7...	FNR 2011-15 VB 4.000%		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...	FNR 2011-42 VA 4.500%		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...	FHR 3606 A 4.000%		03/01/2014	Paydown		16,606	16,606	17,428	17,033		(427)		(427)		16,606			0	112	07/15/2023	1
31402C-4H-2...	FNMA Pool 725424 5.500%		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 744328 5.000%		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...	FNMA Pool 745516 5.500%		03/01/2014	Paydown		2,318	2,318	2,315	2,314		3		3		2,318			0	20	05/01/2036	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						1,451,232	1,444,357	1,435,741	1,435,674	0	(4,882)	0	(4,882)	0	1,430,793	0	20,440	20,440	5,525	XXX	XXX
8399997 - Subtotals - Bonds - Part 4						1,499,470	1,492,595	1,486,055	1,485,874	0	(6,844)	0	(6,844)	0	1,479,030	0	20,440	20,440	5,781	XXX	XXX
8399999 - Subtotals - Bonds						1,499,470	1,492,595	1,486,055	1,485,874	0	(6,844)	0	(6,844)	0	1,479,030	0	20,440	20,440	5,781	XXX	XXX
9999999 Totals						1,499,470	XXX	1,486,055	1,485,874	0	(6,844)	0	(6,844)	0	1,479,030	0	20,440	20,440	5,781	XXX	XXX

E05

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

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

Schedule DB - Part D - Section 2

NONE

SCHEDULE 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