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QUARTERLY STATEMENT

As of June 30, 2014

of the Condition and Affairs of the

PROGRESSIVE SPECIALTY INSURANCE COMPANY

NAIC Group Code.....155, 155 (Current Period) (Prior Period) | NAIC Company Code..... 32786 | Employer's ID Number..... 34-1172685

Organized under the Laws of OH | State of Domicile or Port of Entry OH | Country of Domicile US

Incorporated/Organized..... August 4, 1975 | Commenced Business..... May 26, 1976

Statutory Home Office	6300 WILSON MILLS ROAD, W33….. CLEVELAND ..... OH ..... US ..... 44143-2182 *(Street and Number) (City or Town, State, Country and Zip Code)*
Main Administrative Office	6300 WILSON MILLS ROAD, W33….. CLEVELAND ..... OH ..... US ..... 44143-2182 440-461-5000 *(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)*
Mail Address	P.O. BOX 89490….. CLEVELAND ..... OH ..... US ..... 44101-6490 *(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)*
Primary Location of Books and Records	6300 WILSON MILLS ROAD, W33….. CLEVELAND ..... OH ..... US ..... 44143-2182 440-395-4460 *(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)*
Internet Web Site Address	PROGRESSIVE.COM
Statutory Statement Contact	MARY BETH ANDREANO 440-395-4460 *(Name) (Area Code) (Telephone Number) (Extension)* FINANCIAL_REPORTING@PROGRESSIVE.COM 440-446-7168 *(E-Mail Address) (Fax Number)*

POLICYHOLDER SERVICES AND CLAIMS REPORTING -- 1-800-PROGRESSIVE (1-800-776-4737)

OFFICERS

Name	Title	Name	Title
DAVID JAMES SKOVE	PRESIDENT	PETER JAMES ALBERT	SECRETARY
THOMAS ALFRED KING	TREASURER		

OTHER

PETER JAMES ALBERT	(VICE PRESIDENT)	MARY BETH ANDREANO	(VICE PRESIDENT)
KAREN BARONE BAILO	(VICE PRESIDENT)	KATHLEEN MARY CERNY	(ASST. SECRETARY)
JAMES LEE KUSMER	(ASST. TREASURER)		

DIRECTORS OR TRUSTEES

KAREN BARONE BAILO	KATHRYN MARGARET LEMIEUX	MARK DONALD NIEHAUS	DAVID LLOYD PRATT
DAVID JAMES SKOVE			

State of........ OHIO
County of..... CUYAHOGA

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

(Signature)	(Signature)	(Signature)
DAVID JAMES SKOVE	KATHLEEN MARY CERNY	THOMAS ALFRED KING
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
PRESIDENT	ASSISTANT SECRETARY	TREASURER
(Title)	(Title)	(Title)

Subscribed and sworn to before me
This 11TH day of AUGUST, 2014

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

ASSETS

	Current Statement Date 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 December 31 Prior Year Net Admitted Assets
1. Bonds	439,107,455		439,107,455	523,944,119
2. Stocks:				
2.1 Preferred stocks	23,852,775		23,852,775	26,420,775
2.2 Common stocks	140,738,613		140,738,613	144,576,851
3. Mortgage loans on real estate:				
3.1 First liens			0	
3.2 Other than first liens			0	
4. Real estate:				
4.1 Properties occupied by the company (less $..........0 encumbrances)			0	
4.2 Properties held for the production of income (less $..........0 encumbrances)			0	
4.3 Properties held for sale (less $..........0 encumbrances)			0	
5. Cash ($..........0), cash equivalents ($.....125,247,404) and short-term investments ($.....80,244)	125,327,648		125,327,648	436,826
6. Contract loans (including $..........0 premium notes)			0	
7. Derivatives			0	
8. Other invested assets	8,921,498	8,921,498	0	
9. Receivables for securities			0	
10. Securities lending reinvested collateral assets			0	
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	737,947,989	8,921,498	729,026,491	695,378,571
13. Title plants less $..........0 charged off (for Title insurers only)			0	
14. Investment income due and accrued	3,508,995		3,508,995	4,178,499
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	41,771,861	8,576,139	33,195,722	29,439,310
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $..........0 earned but unbilled premiums)	180,040,779		180,040,779	168,850,883
15.3 Accrued retrospective premiums			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	13,484,118		13,484,118	8,011,819
16.2 Funds held by or deposited with reinsured companies			0	
16.3 Other amounts receivable under reinsurance contracts			0	
17. Amounts receivable relating to uninsured plans			0	
18.1 Current federal and foreign income tax recoverable and interest thereon			0	
18.2 Net deferred tax asset	1,818,297		1,818,297	6,079,963
19. Guaranty funds receivable or on deposit			0	
20. Electronic data processing equipment and software			0	
21. Furniture and equipment, including health care delivery assets ($..........0)			0	
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	
23. Receivables from parent, subsidiaries and affiliates	64,128,405		64,128,405	26,996,000
24. Health care ($..........0) and other amounts receivable			0	
25. Aggregate write-ins for other than invested assets	1,125,153	754,298	370,855	2,341,662
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25)	1,043,825,597	18,251,935	1,025,573,662	941,276,707
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	
28. Total (Lines 26 and 27)	1,043,825,597	18,251,935	1,025,573,662	941,276,707

DETAILS OF WRITE-INS

1101.			0	
1102.			0	
1103.			0	
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. EQUITIES AND DEPOSITS IN POOLS AND ASSOCIATIONS	370,855		370,855	295,662
2502. MISCELLANEOUS OTHER ASSETS	580,803	580,803	0	
2503. PREPAID EXPENSES	173,495	173,495	0	
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	2,046,000
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	1,125,153	754,298	370,855	2,341,662

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Statement Date	2 December 31 Prior Year
1.	Losses (current accident year $.....88,182,769)	233,553,692	231,068,338
2.	Reinsurance payable on paid losses and loss adjustment expenses	7,042,585	3,313,520
3.	Loss adjustment expenses	46,949,797	45,220,509
4.	Commissions payable, contingent commissions and other similar charges	549,555	891,200
5.	Other expenses (excluding taxes, licenses and fees)	28,265,515	24,137,291
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)	4,464,165	4,766,538
7.1	Current federal and foreign income taxes (including $.....1,604,758 on realized capital gains (losses))	12,723,045	5,768,686
7.2	Net deferred tax liability		
8.	Borrowed money $..........0 and interest thereon $..........0		
9.	Unearned premiums (after deducting unearned premiums for ceded reinsurance of $.....326,158,575 and including warranty reserves of $..........0 and accrued accident and health experience rating refunds including $..........0 for medical loss ratio rebate per the Public Health Service Act	208,178,528	195,733,501
10.	Advance premium	7,597,522	5,357,069
11.	Dividends declared and unpaid:		
	11.1 Stockholders		
	11.2 Policyholders		
12.	Ceded reinsurance premiums payable (net of ceding commissions)	6,433,728	97,085
13.	Funds held by company under reinsurance treaties		
14.	Amounts withheld or retained by company for account of others	215,631	358,965
15.	Remittances and items not allocated		
16.	Provision for reinsurance (including $..........0 certified)		
17.	Net adjustments in assets and liabilities due to foreign exchange rates		
18.	Drafts outstanding	38,168,701	36,678,906
19.	Payable to parent, subsidiaries and affiliates		
20.	Derivatives		
21.	Payable for securities		
22.	Payable for securities lending		
23.	Liability for amounts held under uninsured plans		
24.	Capital notes $..........0 and interest thereon $..........0		
25.	Aggregate write-ins for liabilities	1,869,070	1,660,827
26.	Total liabilities excluding protected cell liabilities (Lines 1 through 25)	596,011,534	555,052,435
27.	Protected cell liabilities		
28.	Total liabilities (Lines 26 and 27)	596,011,534	555,052,435
29.	Aggregate write-ins for special surplus funds	0	0
30.	Common capital stock	3,500,000	3,500,000
31.	Preferred capital stock		
32.	Aggregate write-ins for other than special surplus funds	0	0
33.	Surplus notes		
34.	Gross paid in and contributed surplus	140,218,859	129,725,749
35.	Unassigned funds (surplus)	285,843,269	252,998,523
36.	Less treasury stock, at cost:		
	36.1 ....0.000 shares common (value included in Line 30 $..........0)		
	36.2 ....0.000 shares preferred (value included in Line 31 $..........0)		
37.	Surplus as regards policyholders (Lines 29 to 35, less 36)	429,562,128	386,224,272
38.	Totals (Page 2, Line 28, Col. 3)	1,025,573,662	941,276,707

DETAILS OF WRITE-INS

2501.	OTHER LIABILITIES	1,679,816	1,646,862
2502.	ESCHEATABLE PROPERTY	175,260	5,829
2503.	UNEARNED FEE RESERVE	13,994	8,136
2598.	Summary of remaining write-ins for Line 25 from overflow page	0	0
2599.	Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	1,869,070	1,660,827
2901.			
2902.			
2903.			
2998.	Summary of remaining write-ins for Line 29 from overflow page	0	0
2999.	Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above)	0	0
3201.			
3202.			
3203.			
3298.	Summary of remaining write-ins for Line 32 from overflow page	0	0
3299.	Totals (Lines 3201 thru 3203 plus 3298) (Line 32 above)	0	0

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 $.....557,519,182)	533,747,000	495,207,842	1,008,878,700
1.2 Assumed (written $.....351,654,684)	339,209,657	326,516,555	658,777,947
1.3 Ceded (written $.....557,519,182)	533,747,000	495,207,842	1,008,878,700
1.4 Net (written $.....351,654,684)	339,209,657	326,516,555	658,777,947
DEDUCTIONS:			
2. Losses incurred (current accident year $.....209,474,088):			
2.1 Direct	345,020,448	310,084,902	644,123,341
2.2 Assumed	210,736,117	203,034,742	413,204,145
2.3 Ceded	345,020,448	310,084,902	644,123,341
2.4 Net	210,736,117	203,034,742	413,204,145
3. Loss adjustment expenses incurred	34,976,466	32,952,008	67,214,807
4. Other underwriting expenses incurred	72,956,600	71,399,306	140,526,991
5. Aggregate write-ins for underwriting deductions	0	0	3,466
6. Total underwriting deductions (Lines 2 through 5)	318,669,183	307,386,056	620,949,409
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	20,540,474	19,130,499	37,828,538
INVESTMENT INCOME			
9. Net investment income earned	6,805,958	10,178,864	18,784,744
10. Net realized capital gains (losses) less capital gains tax of $.....1,604,758	4,956,032	41,308,384	42,712,421
11. Net investment gain (loss) (Lines 9 + 10)	11,761,990	51,487,248	61,497,165
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered $.....464,980 amount charged off $.....9,702,656)	(9,237,676)	(8,282,887)	(16,300,473)
13. Finance and service charges not included in premiums	13,849,342	13,155,466	27,000,167
14. Aggregate write-ins for miscellaneous income	293,063	138,499	675,811
15. Total other income (Lines 12 through 14)	4,904,729	5,011,078	11,375,505
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	37,207,193	75,628,825	110,701,208
17. Dividends to policyholders			
18. Net income after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	37,207,193	75,628,825	110,701,208
19. Federal and foreign income taxes incurred	11,118,287	13,048,473	23,714,191
20. Net income (Line 18 minus Line 19) (to Line 22)	26,088,906	62,580,352	86,987,017
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	386,224,272	467,321,193	467,321,193
22. Net income (from Line 20)	26,088,906	62,580,352	86,987,017
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of $.....1,710,151	3,175,350	(12,301,108)	2,448,145
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax	(2,551,516)	(14,363,105)	(13,034,798)
27. Change in nonadmitted assets	6,132,006	5,822,809	(1,151,969)
28. Change in provision for reinsurance			
29. Change in surplus notes			
30. Surplus (contributed to) withdrawn from protected cells			
31. Cumulative effect of changes in accounting principles			
32. Capital changes:			
32.1 Paid in			
32.2 Transferred from surplus (Stock Dividend)			
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in	10,493,110	13,576,012	23,654,684
33.2 Transferred to capital (Stock Dividend)			
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders			(180,000,000)
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37)	43,337,856	55,314,960	(81,096,921)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	429,562,128	522,636,153	386,224,272

DETAILS OF WRITE-INS

0501. LOSS ON COMMUTATION			3,466
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	3,466
1401. MISCELLANEOUS INCOME	263,803	105,550	610,784
1402. SERVICE BUSINESS REVENUE	21,068	16,164	36,918
1403. INTEREST INCOME ON INTERCOMPANY BALANCES	8,192	16,785	28,109
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	293,063	138,499	675,811
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above)	0	0	0

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	345,984,868	334,240,973	648,520,497
2.	Net investment income	8,767,680	17,591,122	31,065,601
3.	Miscellaneous income	5,033,072	5,203,091	11,900,685
4.	Total (Lines 1 through 3)	359,785,620	357,035,186	691,486,783
5.	Benefit and loss related payments	209,993,997	196,160,505	402,294,807
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7.	Commissions, expenses paid and aggregate write-ins for deductions	102,719,572	99,303,971	202,175,397
8.	Dividends paid to policyholders			
9.	Federal and foreign income taxes paid (recovered) net of $.....305,032 tax on capital gains (losses)	5,768,686	7,229,334	25,644,641
10.	Total (Lines 5 through 9)	318,482,255	302,693,810	630,114,845
11.	Net cash from operations (Line 4 minus Line 10)	41,303,365	54,341,376	61,371,938
	CASH FROM INVESTMENTS			
12.	Proceeds from investments sold, matured or repaid:			
	12.1 Bonds	112,304,590	241,921,326	448,168,833
	12.2 Stocks	18,382,917	67,377,025	68,380,675
	12.3 Mortgage loans			
	12.4 Real estate			
	12.5 Other invested assets	99,000	98,000	188,000
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments			
	12.7 Miscellaneous proceeds			
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	130,786,507	309,396,351	516,737,508
13.	Cost of investments acquired (long-term only):			
	13.1 Bonds	26,975,579	352,435,576	433,609,336
	13.2 Stocks	2,314,305	3,429,625	4,534,753
	13.3 Mortgage loans			
	13.4 Real estate			
	13.5 Other invested assets			
	13.6 Miscellaneous applications		30,469	
	13.7 Total investments acquired (Lines 13.1 to 13.6)	29,289,884	355,895,670	438,144,089
14.	Net increase or (decrease) in contract loans and premium notes			
15.	Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	101,496,623	(46,499,319)	78,593,419
	CASH FROM FINANCING AND MISCELLANEOUS SOURCES			
16.	Cash provided (applied):			
	16.1 Surplus notes, capital notes			
	16.2 Capital and paid in surplus, less treasury stock	10,493,110	13,576,012	23,654,684
	16.3 Borrowed funds			
	16.4 Net deposits on deposit-type contracts and other insurance liabilities			
	16.5 Dividends to stockholders			180,000,000
	16.6 Other cash provided (applied)	(28,402,276)	(31,570,159)	5,901,525
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	(17,909,166)	(17,994,147)	(150,443,791)
	RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	124,890,822	(10,152,089)	(10,478,434)
19.	Cash, cash equivalents and short-term investments:			
	19.1 Beginning of year	436,826	10,915,260	10,915,260
	19.2 End of period (Line 18 plus Line 19.1)	125,327,648	763,171	436,826

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

20.0001			

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying statutory-basis financial statements of Progressive Specialty Insurance Company (the "Company") were prepared on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance ("DOI").

The Ohio DOI requires insurance companies domiciled in the state of Ohio to prepare their statutory-basis financial statements in accordance with the National Association of Insurance Commissioners' ("NAIC") *Accounting Practices and Procedures Manual* subject to any deviations prescribed or permitted by the Ohio DOI. No deviations from NAIC statutory accounting practices ("NAIC SAP") were used in preparing these statutory-basis financial statements as illustrated in the table below:

Description	State of Domicile	June 30, 2014	December 31, 2013
Net income			
(1) Net income, state basis	OH	$ 26,088,906	$ 86,987,017
(2) Effect of state prescribed practices		--	--
(3) Effect of state permitted practices		--	--
(4) Net income, NAIC SAP basis (1-2-3=4)	OH	$ 26,088,906	$ 86,987,017
Surplus			
(5) Policyholders' surplus, state basis	OH	$ 429,562,128	$ 386,224,272
(6) Effect of state prescribed practices		--	--
(7) Effect of state permitted practices		--	--
(8) Policyholders' surplus, NAIC SAP basis(5-6-7=8)	OH	$ 429,562,128	$ 386,224,272

2. Accounting Changes and Corrections of Errors

No significant change

3. Business Combinations and Goodwill

No significant change

4. Discontinued Operations

No significant change

5. Investments

D. Loan-Backed Securities

1. The sources used to determine prepayment assumptions are derived from updated cash flows from widely utilized reputable industry sources. The Company's portfolio managers review the available cash flow data and prepayment assumptions and make adjustments based on current performance indicators on the underlying assets (e.g., delinquency rates, foreclosure rates, and default rates), credit support (via current levels of subordination), and historical credit ratings.

2. Intent to Sell or Inability to Hold Securities with a Recognized Other-Than-Temporary Impairment

Not applicable

3. As of June 30, 2014, the Company has not recorded an other-than-temporary impairment for loan-backed and structured debt securities during the current year.

4. As of June 30, 2014, the Company had $252,545 of gross unrealized losses in the Company's loan-backed and structured debt securities. The Company currently does not intend to sell the loan-backed and structured debt securities and determined that it is more likely than not that the Company will not be required to sell these securities for the period of time necessary to recover their cost basis. If the Company's strategy was to change and these securities were determined to be other-than-temporarily impaired, the Company would recognize a write-down in accordance with the Company's stated policy.

As of June 30, 2014, the composition of fair value and gross unrealized losses on loan-backed and structured debt securities by the length of time that individual securities have been in a continuous unrealized loss position is as follows:

Description	Amount
a. Aggregate amount of unrealized losses	
1. Less than twelve months	$ 346
2. Twelve months or longer	252,199
Total	$ 252,545
b. Aggregate fair value of securities with unrealized losses	
1. Less than twelve months	$ --
2. Twelve months or longer	31,099,921
Total	$ 31,099,921

5. Under SSAP No. 43R, the Company analyzes its structured debt securities to determine if the Company intends to sell, or if it is more likely than not that the Company will be required to sell, the security prior to recovery and, if so, the Company writes down the security to its current fair market value with the entire amount of the write-down recorded as a realized loss. To the extent that it is more likely than not that the Company will hold the debt security until recovery (which could be maturity), the Company determines if any of the decline in value is due to a credit loss (i.e., where the present value of cash flows expected to be collected is lower than the amortized cost basis of the security) and, if so, the Company recognizes that portion of the impairment as a realized loss.

E. Repurchase Agreements and/or Securities Lending Transactions

Not applicable

I. Working Capital Finance Investments

Not applicable

6. Joint Ventures, Partnerships and Limited Liability Companies

No significant change

7. Investment Income

No significant change

8. Derivative Instruments

No significant change

9. Income Taxes

No significant change

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

No significant change

11. Debt

B. Federal Home Loan Bank Agreements

Not applicable

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

A. Defined Benefit Plan

Not applicable

13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

No significant change

14. Contingencies

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

The Company paid the following amounts in the reporting period to settle claims related extra contractual obligations (“ECO”) or bad faith claims stemming from lawsuits.

Description	**Direct**
Claims related ECO and bad faith losses paid	$ 85,000

The table below indicates the number of claims where amounts were paid to settle claims related ECO or bad faith claims resulting from lawsuits during the reporting period.

(a) 0-25 Claims	**(b) 26-50 Claims**	**(c) 51-100 Claims**	**(d) 101-500 Claims**	**(e) More than 500 Claims**
X				

(f) Per Claim [ ] (g) Per Claimant [x]

F. All Other Contingencies

The Company is named as defendant in various lawsuits arising out of its insurance operations. All legal actions relating to claims made under insurance policies are considered by the Company in establishing its loss and loss adjustment expense (“LAE”) reserves. The Company also has, on a net basis, potential exposure relating to lawsuits due to its participation in a 100% pooling reinsurance agreement for which it is allocated litigation expenses.

The following is a discussion of potentially significant pending cases at June 30, 2014. Unless specifically noted, the Company does not consider a loss from these cases to be probable and is unable to estimate a range of loss, if any, at this time.

As of June 30, 2014, the Company was defending two putative statewide class action lawsuits alleging that the Company improperly steers automobile repair work to certain auto body repair shops and challenging the labor rates the Company pays to auto body repair shops.

As of June 30, 2014, there was a putative class action lawsuit challenging the manner in which the Company grants a discount for anti-theft devices.

15. Leases

No significant change

16. Information About Financial Instruments with Off-Balance Sheet Risk and with Concentrations of Credit Risk

No significant change

17. Sale, Transfer, and Servicing of Financial Assets and Extinguishments of Liabilities

B. Transfer and Servicing of Financial Assets

Not applicable

C. Wash Sales

The Company had no wash sales of securities with a NAIC rating of 3 or below during the reporting period.

18. Gain or Loss from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

No significant change

19. Direct Premiums Written / Produced by Managing General Agents / Third Party Administrators

No significant change

20. Fair Value Measurements

A. Inputs Used for Assets and Liabilities Measured at Fair Value in the Company's Financial Statements

1. Fair Value Measurements by Levels 1, 2 and 3

The Company categorizes its financial instruments, based on the degree of subjectivity inherent in the method by which they are valued, into a fair value hierarchy of three levels, as follows:

Level 1 - Inputs are unadjusted, quoted prices in active markets for identical instruments at the measurement date (e.g., active exchange-traded equity securities).

Level 2 - Inputs (other than quoted prices included within Level 1) that are observable for the instrument either directly or indirectly. This includes: (i) quoted prices for similar instruments in active markets, (ii) quoted prices for identical or similar instruments in markets that are not active, (iii) inputs other than quoted prices that are observable for the instruments, and (iv) inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs that are unobservable. Unobservable inputs reflect the Company's subjective evaluation about the assumptions market participants would use in pricing the financial instrument.

The Company's management evaluated whether the market was distressed or inactive in determining the fair value of the Company's securities and reviewed certain market level inputs to evaluate whether sufficient activity, volume, and new issuances existed to create an active market. Based on this evaluation, management concluded that there was sufficient activity in determining the fair market value of the Company's securities.

The valuations classified as either Level 1 or Level 2 in the table below are priced exclusively by external sources, including: pricing vendors, dealers/market makers, and exchange-quoted prices. The Company did not have any transfers between Level 1 and Level 2. At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred into or out of Level 3.

Fair Value Measurements at June 30, 2014:

Asset Description	**Level 1**	**Level 2**	**Level 3**	**Total**
a. Assets on balance sheet at fair value				
Bonds Industrial & Miscellaneous	$ --	$ 92,193	$ --	$ 92,193
Common stock Industrial & Miscellaneous	140,738,613	--	--	140,738,613
Preferred stock Industrial & Miscellaneous	--	15,132,000	--	15,132,000
Total assets at fair value	$ 140,738,613	$ 15,224,193	$ --	$ 155,962,806
b. Liabilities on balance sheet at fair value				
Derivative liabilities	$ --	$ --	$ --	$ --
Total liabilities at fair value	$ --	$ --	$ --	$ --

This table excludes investment in Trussville/Cahaba as this investment is reported on the equity basis as described in the *Purposes and Procedures Manual of the Securities Valuation Office* of the NAIC.

2. Roll forward of Level 3 Items

Not applicable

3. Policy on Transfers Into and Out of Level 3

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred into or out of Level 3.

4. Inputs and Techniques Used for Level 2 and Level 3 Fair Values

See Note 20A above.

5. Derivative Fair Values

Not applicable

B. Other Fair Value Disclosures

Not applicable

C. Fair Values for all Financial Instruments by Levels 1, 2, and 3

The table below represents the fair value of all financial instruments at June 30, 2014, however, not all financial instruments are reported at fair value in the Company's financial statements.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Bonds	$ 442,731,489	$ 439,107,455	$ 83,903,475	$ 358,828,014	$ --	$ --
Cash equivalents	125,247,404	125,247,404	125,247,404	--	--	--
Short term investments	80,244	80,244	80,244	--	--	--
Common stock	140,738,613	140,738,613	140,738,613	--	--	--
Preferred stock	35,446,788	23,852,775	--	35,446,788	--	--
Total	$ 744,244,538	$ 729,026,491	$ 349,969,736	$ 394,274,802	$ --	$ --

D. Financial Instruments for Which it is Not Practicable to Estimate Fair Values

Not applicable

21. Other Items

C. Other Disclosures

1. Nonadmitted Other Invested Assets

In accordance with reporting and admissibility requirements of SSAP No. 48, Joint Ventures, Partnerships, and Limited Liability Companies and SSAP No. 97, Investments in Subsidiary, Controlled, and Affiliated Entities, the Company nonadmits its investment in Trussville/Cahaba.

G. Offsetting and Netting of Assets and Liabilities

Not applicable

I. Risk Sharing Provisions of the Affordable Care Act

Not applicable

J. Agents' Balances Certification, Florida Statute 625.012 (5):

At June 30, 2014, the Company reported net admitted premiums and agents' balances in course of collection of $33,195,722. Of this amount there were no premiums due from a controlled or controlling person as defined in Florida statute 625.012 (5).

22. Events Subsequent

Subsequent events have been considered through August 8, 2014 for the statutory statement that was available for issuance by August 15, 2014. There were no subsequent events to report.

23. Reinsurance

No significant change

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

No significant change

25. Changes in Incurred Losses and Loss Adjustment Expenses

Incurred losses and LAE attributable to insured events of prior accident years increased by $2,635,080 in 2014, which is 1.0% of the total prior year net unpaid losses and LAE of $276,288,847. The unfavorable development is primarily due to passenger auto liability originally anticipated severity increasing by 1.2% for accident year 2013. The LAE reserves developed unfavorably primarily due to unfavorable adjusting and other expense reserve development.

26. Intercompany Pooling Arrangements

No significant change

27. Structured Settlements

No significant change

28. Health Care Receivables

No significant change

29. Participating Accident and Health Policies

No significant change

30. Premium Deficiency Reserves

No significant change

31. High Deductibles

No significant change

32. Discounting of Liabilities for Unpaid Losses and Unpaid Loss Adjustment Expenses

No significant change

33. Asbestos and Environmental Reserves

No significant change

34. Subscriber Savings Accounts

No significant change

35. Multiple Peril Crop Insurance

No significant change

36. Financial Guaranty Insurance

B. Schedule of Insured Financial Obligations at the End of the Period

Not applicable

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [ ] No [X]

1.2 If yes, has the report been filed with the domiciliary state? Yes [ ] No [ ]

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [ ] No [X]

2.2 If yes, date of change: ....

3.1 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 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] N/A [ ]
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. ....12/31/2012............

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. ....12/31/2012............

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). ....8/6/2013................

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 [ ] N/A [X]

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

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

7.2 If yes, give full information:

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

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

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

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

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

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

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

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

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

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

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

PART 1 - FINANCIAL

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

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $...........................64,128,405

PART 1 - INVESTMENT

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

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

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: $................................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 [X] No [ ]

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	$ 0	$ 0
14.22 Preferred Stock	$ 0	$ 0
14.23 Common Stock	$ 0	$ 0
14.24 Short-Term Investments	$ 0	$ 0
14.25 Mortgage Loans on Real Estate	$ 0	$ 0
14.26 All Other	$ 9,021,142	$ 8,921,498
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	$ 9,021,142	$ 8,921,498
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	$ 0	$ 0

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

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ]
If no, attach a description with this statement.

16. For the reporting entity's security lending program, state the amount of the following as of current statement date:
16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: $................................0
16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: $................................0
16.3 Total payable for securities lending reported on the liability page: $................................0

17. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [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
CITIBANK, N.A.	338 GREENWICH STREET NEW YORK, NY 10013
STATE STREET	801 PENNSYLVANIA AVE KANSAS CITY, MO 64105

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)
NONE		

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
NONE			

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
30107	STATE STREET GLOBAL MARKETS, LLC	225 FRANKLIN ST BOSTON, MA 02110

PART 1 - INVESTMENT

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

18.2 If no, list exceptions:

GENERAL INTERROGATORIES (continued)

PART 2

PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? Yes [ ] No [X] N/A [ ]
   If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? Yes [ ] No [X]
   If yes, attach an explanation.

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes [ ] No [X]

3.2 If yes, give full and complete information thereto:

4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see Annual Statement Instructions pertaining to disclosure of discounting for definition of "tabular reserves,") discounted at a rate of interest greater than zero? Yes [ ] No [X]

4.2 If yes, complete the following schedule:

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

5. Operating Percentages:
   5.1 A&H loss percent 0.0 %
   5.2 A&H cost containment percent 0.0 %
   5.3 A&H expense percent excluding cost containment expenses 0.0 %

6.1 Do you act as a custodian for health savings accounts? Yes [ ] No [X]

6.2 If yes, please provide the amount of custodial funds held as of the reporting date. 0

6.3 Do you act as an administrator for health savings accounts? Yes [ ] No [X]

6.4 If yes, please provide the amount of funds administered as of the reporting date. 0

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Name of Reinsurer	4 Domiciliary Jurisdiction	5 Type of Reinsurer	6 Certified Reinsurer Rating (1 through 6)	7 Effective Date of Certified Reinsurer Rating

NONE

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, Etc.	1 Active Status	Direct Premiums Written 2 Current Year to Date	 3 Prior Year to Date	Direct Losses Paid (Deducting Salvage) 4 Current Year to Date	 5 Prior Year to Date	Direct Losses Unpaid 6 Current Year to Date	 7 Prior Year to Date
1. Alabama AL	L	76,872,313	74,441,741	43,461,487	44,691,943	57,646,780	49,666,827
2. Alaska AK	L	11,882,341	12,734,830	6,682,199	7,763,324	8,147,306	9,779,724
3. Arizona AZ	L						
4. Arkansas AR	L	141,028	143,140	65,604	33,408	74,012	96,682
5. California CA	L			(2,080)	(1,269)		
6. Colorado CO	L	802,495	857,098	613,410	721,652	527,932	414,468
7. Connecticut CT	L						
8. Delaware DE	L						
9. District of Columbia DC	L						
10. Florida FL	L			(2,758)	(2,978)		
11. Georgia GA	L						
12. Hawaii HI	L	711,433	791,791	200,360	799,313	363,970	408,222
13. Idaho ID	L						
14. Illinois IL	L			(767)	(1,173)		
15. Indiana IN	L			(450)	(4,195)		
16. Iowa IA	L						
17. Kansas KS	L						
18. Kentucky KY	L						
19. Louisiana LA	N						
20. Maine ME	L						
21. Maryland MD	L	26,714,638	23,919,094	14,602,210	12,827,912	18,572,716	15,811,600
22. Massachusetts MA	N						
23. Michigan MI	L						
24. Minnesota MN	L	6,343,180	6,960,897	2,189,938	3,143,167	3,702,078	3,215,818
25. Mississippi MS	L						
26. Missouri MO	L				(621)		744
27. Montana MT	L	112,274	122,022	75,016	138,507	148,569	136,906
28. Nebraska NE	L						
29. Nevada NV	L	769,277	886,785	511,145	661,255	787,503	417,227
30. New Hampshire NH	N						
31. New Jersey NJ	L						
32. New Mexico NM	L			(386)			
33. New York NY	L	93,409,825	83,579,690	52,386,645	45,599,426	60,947,267	51,327,528
34. North Carolina NC	N						
35. North Dakota ND	L						
36. Ohio OH	L	202,793,126	192,408,271	127,212,565	116,662,381	111,233,225	106,632,718
37. Oklahoma OK	L						
38. Oregon OR	L	20,299	24,155		21,708	(644)	(714)
39. Pennsylvania PA	L	134,357,276	120,243,448	86,211,227	73,093,334	84,205,731	78,477,818
40. Rhode Island RI	L						
41. South Carolina SC	L			(267)	(300)		
42. South Dakota SD	L						
43. Tennessee TN	L			(697)	(2,967)		
44. Texas TX	L						
45. Utah UT	L						
46. Vermont VT	L	666,819	747,625	932,230	640,169	517,068	998,916
47. Virginia VA	L	1,922,858	2,186,556	1,184,162	1,905,891	1,604,586	1,633,261
48. Washington WA	L			(1,790)	(1,718)		
49. West Virginia WV	L						
50. Wisconsin WI	L						
51. Wyoming WY	N						
52. American Samoa AS	N						
53. Guam GU	N						
54. Puerto Rico PR	N						
55. US Virgin Islands VI	N						
56. Northern Mariana Islands MP	N						
57. Canada CAN	N						
58. Aggregate Other Alien OT	XXX	0	0	0	0	0	0
59. Totals	(a) 46	557,519,182	520,047,144	336,319,003	308,688,170	348,478,099	319,017,744

DETAILS OF WRITE-INS

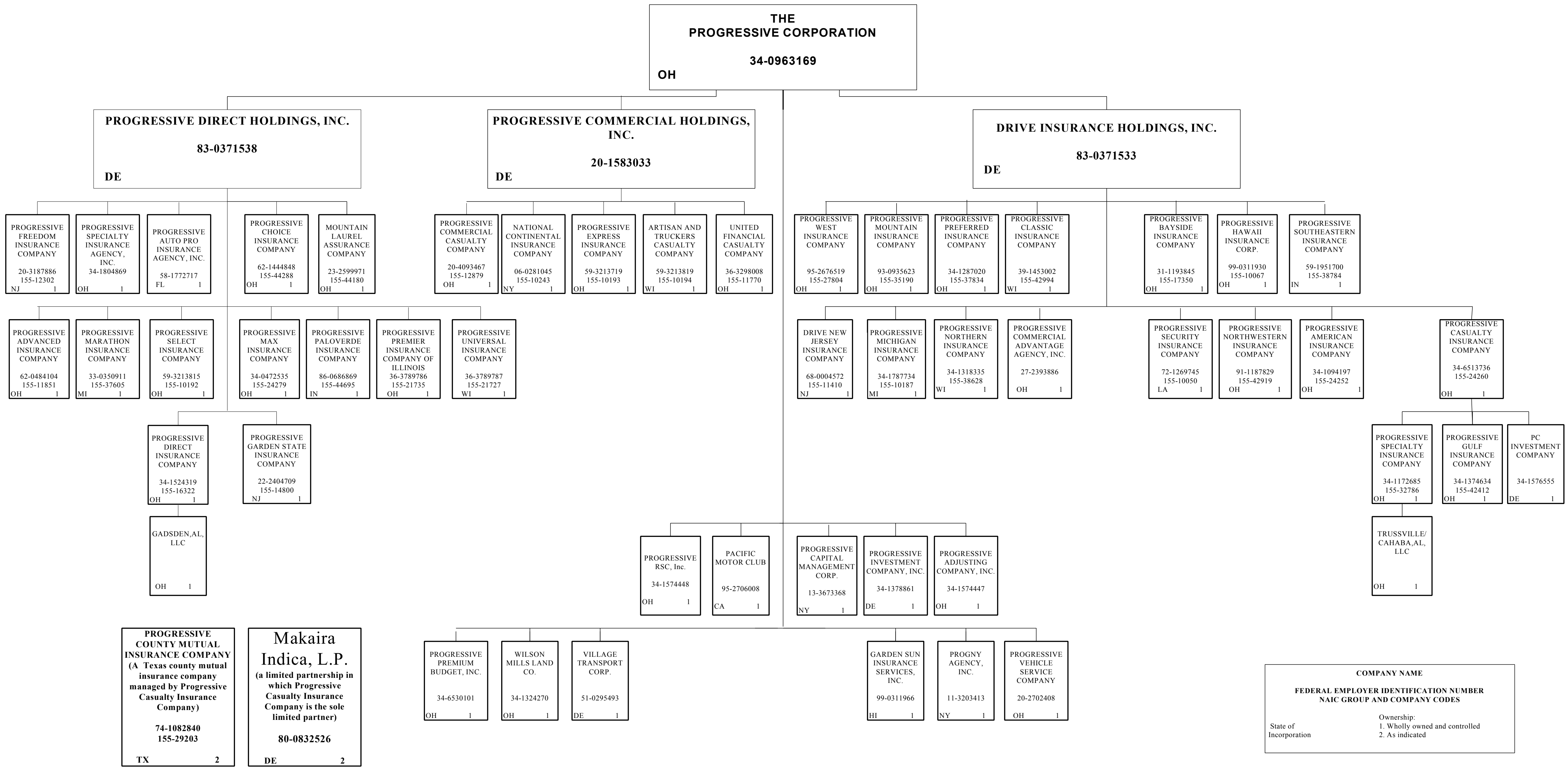
58001.	XXX						
58002.	XXX						
58003.	XXX						
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0
58999. Totals (Lines 58001 thru 58003+ Line 58998) (Line 58 above)	XXX	0	0	0	0	0	0

(L) - Licensed or Chartered - Licensed Insurance Carrier or Domicilied 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



AS OF 06/30/14

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1 Group Code	2 Group Name	3 NAIC Company Code	4 Federal ID Number	5 Federal RSSD	6 CIK	7 Name of Securities Exchange if Publicly Traded (U.S. or International)	8 Names of Parent, Subsidiaries or Affiliates	9 Domiciliary Location	10 Relationship to Reporting Entity	11 Directly Controlled by (Name of Entity/Person)	12 Type of Control (Ownership Board, Management Attorney-in-Fact, Influence, Other)	13 If Control is Ownership Provide Percentage	14 Ultimate Controlling Entity(ies)/Person(s)	15 *
Members														
0155	The Progressive Insurance Group	00000	34-0963169		0000080661	New York Stock Exchange	The Progressive Corporation	OH	UIP	Board, Management	Board		The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	00000	83-0371533				Drive Insurance Holdings, Inc.	DE	UIP	The Progressive Corporation	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	11410	68-0004572				Drive New Jersey Insurance Company	NJ	IA	Drive Insurance Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	24252	34-1094197				Progressive American Insurance Company	OH	IA	Drive Insurance Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	17350	31-1193845				Progressive Bayside Insurance Company	OH	IA	Drive Insurance Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	24260	34-6513736				Progressive Casualty Insurance Company	OH	UDP	Drive Insurance Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	00000	34-1576555				PC Investment Company	DE	NIA	Progressive Casualty Insurance Company	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	29203	74-1082840				Progressive County Mutual Insurance Company	TX	IA	Progressive Casualty Insurance Company	Management		The Progressive Corporation.	2, 3
0155	The Progressive Insurance Group	42412	34-1374634				Progressive Gulf Insurance Company	OH	IA	Progressive Casualty Insurance Company	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	32786	34-1172685				Progressive Specialty Insurance Company	OH	RE	Progressive Casualty Insurance Company	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	00000	20-5716113				Trussville/Cahaba, AL , LLC	OH	DS	Progressive Specialty Insurance Company	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	42994	39-1453002				Progressive Classic Insurance Company	WI	IA	Drive Insurance Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	10067	99-0311930				Progressive Hawaii Insurance Corp.	OH	IA	Drive Insurance Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	10187	34-1787734				Progressive Michigan Insurance Company	MI	IA	Drive Insurance Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	35190	93-0935623				Progressive Mountain Insurance Company	OH	IA	Drive Insurance Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	38628	34-1318335				Progressive Northern insurance Company	WI	IA	Drive Insurance Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	42919	91-1187829				Progressive Northwestern Insurance Company	OH	IA	Drive Insurance Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	37834	34-1287020				Progressive Preferred Insurance Company	OH	IA	Drive Insurance Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	10050	72-1269745				Progressive Security Insurance Company	LA	IA	Drive Insurance Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	38784	59-1951700				Progressive Southeastern Insurance Company	IN	IA	Drive Insurance Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	27804	95-2676519				Progressive West Insurance Company	OH	IA	Drive Insurance Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	00000	27-2393886				Progressive Commercial Advantage Agency, Inc.	OH	NIA	Drive Insurance Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	00000	20-1583033				Progressive Commercial Holdings, Inc.	DE	NIA	The Progressive Corporation	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	10194	59-3213819				Artisan and Truckers Casualty Company	WI	IA	Progressive Commercial Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	10243	06-0281045				National Continental Insurance Company	NY	IA	Progressive Commercial Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	12879	20-4093467				Progressive Commercial Casualty Company	OH	IA	Progressive Commercial Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	10193	59-3213719				Progressive Express Insurance Company	OH	IA	Progressive Commercial Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	11770	36-3298008				United Financial Casualty Company	OH	IA	Progressive Commercial Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	00000	83-0371538				Progressive Direct Holdings, Inc.	DE	NIA	The Progressive Corporation	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	44180	23-2599971				Mountain Laurel Assurance Company	OH	IA	Progressive Direct Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	11851	62-0484104				Progressive Advanced Insurance Company	OH	IA	Progressive Direct Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	00000	58-1772717				Progressive Auto Pro Insurance Agency, Inc.	FL	NIA	Progressive Direct Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	44288	62-1444848				Progressive Choice Insurance Company	OH	IA	Progressive Direct Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	16322	34-1524319				Progressive Direct Insurance Company	OH	IA	Progressive Direct Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	00000	20-5716047				Gadsden, AL, LLC	OH	NIA	Progressive Direct Insurance Company	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	12302	20-3187886				Progressive Freedom Insurance Company	NJ	IA	Progressive Direct Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1 Group Code	2 Group Name	3 NAIC Company Code	4 Federal ID Number	5 Federal RSSD	6 CIK	7 Name of Securities Exchange if Publicly Traded (U.S. or International)	8 Names of Parent, Subsidiaries or Affiliates	9 Domiciliary Location	10 Relationship to Reporting Entity	11 Directly Controlled by (Name of Entity/Person)	12 Type of Control (Ownership Board, Management Attorney-in-Fact, Influence, Other)	13 If Control is Ownership Provide Percentage	14 Ultimate Controlling Entity(ies)/Person(s)	15 *
0155	The Progressive Insurance Group	14800	22-2404709				Progressive Garden State Insurance Company	NJ	IA	Progressive Direct Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	37605	33-0350911				Progressive Marathon Insurance Company	MI	IA	Progressive Direct Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	24279	34-0472535				Progressive Max Insurance Company	OH	IA	Progressive Direct Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	44695	86-0686869				Progressive Paloverde Insurance Company	IN	IA	Progressive Direct Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	21735	36-3789786				Progressive Premier Insurance Company of Illinois	OH	IA	Progressive Direct Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	10192	59-3213815				Progressive Select Insurance Company	OH	IA	Progressive Direct Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	00000	34-1804869				Progressive Specialty Insurance Agency, Inc.	OH	NIA	Progressive Direct Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	21727	36-3789787				Progressive Universal Insurance Company	WI	IA	Progressive Direct Holdings, Inc.	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	00000	99-0311966				Garden Sun Insurance Services, ilc	HI	NIA	The Progressive Corporation	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	00000	95-2706008				Pacific Motor Club	CA	NIA	The Progressive Corporation	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	00000	11-3203413				PROGNY Agency, Inc.	NY	NIA	The Progressive Corporation	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	00000	34-1574447				Progressive Adjusting Company, Inc.	OH	NIA	The Progressive Corporation	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	00000	13-3673368				Progressive Capital Management Corp	NY	NIA	The Progressive Corporation	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	00000	34-1378861				Progressive Investment Company, Inc.	DE	NIA	The Progressive Corporation	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	00000	34-6530101				Progressive Premium Budget, Inc.	OH	NIA	The Progressive Corporation	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	00000	34-1574448				Progressive RSC, Inc.	OH	NIA	The Progressive Corporation	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	00000	20-2702408				Progressive Vehicle Service Company	OH	NIA	The Progressive Corporation	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	00000	51-0295493				Village Transport Corp	DE	NIA	The Progressive Corporation	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	00000	34-1324270				Wilson Mills Land Co.	OH	NIA	The Progressive Corporation	Ownership	100.000	The Progressive Corporation.	1, 3
0155	The Progressive Insurance Group	00000	80-0832526				Makaira Indica, LP	CA	NIA	Progressive Casualty Insurance Company	Other		The Progressive Corporation.	1, 3, 4

Asterisk	Explanation
1	Schedule Y Part 1A is a common schedule for all companies in The Progressive Insurance Group, however column 10 requires specific relationship information relative to the reporting entity.
2	Progressive County Mutual Insurance Company is a Texas county mutual insurance company that is managed, but not owned by Progressive Casualty Insurance Company.
3	None of the companies in The Progressive Insurance Group are Federally chartered or insured institutions and therefore, do not have Federal RSSD numbers.
4	Makaira Indica, LP is a limited partnership in which Progressive Casualty Insurance Company is the sole limited partner.

PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date 1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	4 Prior Year to Date Direct Loss Percentage
1. Fire			0.0	
2. Allied lines			0.0	
3. Farmowners multiple peril			0.0	
4. Homeowners multiple peril	1,555,680	1,297,399	83.4	
5. Commercial multiple peril			0.0	
6. Mortgage guaranty			0.0	
8. Ocean marine			0.0	
9. Inland marine	5,654,656	2,987,204	52.8	44.1
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	2,304,609	1,043,152	45.3	7.3
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	327,538,293	201,425,753	61.5	61.9
19.3, 19.4 Commercial auto liability	12,694,947	6,997,855	55.1	63.5
21. Auto physical damage	183,998,814	131,269,084	71.3	65.1
22. Aircraft (all perils)			0.0	
23. Fidelity			0.0	
24. Surety			0.0	
26. Burglary and theft			0.0	
27. Boiler and machinery			0.0	
28. Credit			0.0	
29. International			0.0	
30. Warranty			0.0	
31. Reinsurance-nonproportional assumed property	XXX	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed liability	XXX	XXX	XXX	XXX
33. Reinsurance-nonproportional assumed financial lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0.0	
35. Totals	533,747,000	345,020,448	64.6	62.6
DETAILS OF WRITE-INS				
3401.			0.0	
3402.			0.0	
3403.			0.0	
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	XXX
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34)	0	0	0.0	

PART 2 - DIRECT PREMIUMS WRITTEN

Lines of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire			
2. Allied lines			
3. Farmowners multiple peril			
4. Homeowners multiple peril	2,498,805	4,690,539	
5. Commercial multiple peril			
6. Mortgage guaranty			
8. Ocean marine			
9. Inland marine	4,838,293	6,833,284	6,572,890
10. Financial guaranty			
11.1 Medical professional liability - occurrence			
11.2 Medical professional liability - claims made			
12. Earthquake			
13. Group accident and health			
14. Credit accident and health			
15. Other accident and health			
16. Workers' compensation			
17.1 Other liability-occurrence	1,886,186	2,787,203	2,618,909
17.2 Other liability-claims made			
17.3 Excess workers' compensation			
18.1 Products liability-occurrence			
18.2 Products liability-claims made			
19.1 19.2 Private passenger auto liability	165,821,840	338,885,048	315,498,253
19.3 19.4 Commercial auto liability	6,954,428	13,756,317	13,606,145
21. Auto physical damage	95,017,711	190,566,792	181,750,947
22. Aircraft (all perils)			
23. Fidelity			
24. Surety			
26. Burglary and theft			
27. Boiler and machinery			
28. Credit			
29. International			
30. Warranty			
31. Reinsurance-nonproportional assumed property	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed liability	XXX	XXX	XXX
33. Reinsurance-nonproportional assumed financial lines	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0
35. Totals	277,017,262	557,519,182	520,047,144
DETAILS OF WRITE-INS			
3401.			
3402.			
3403.			
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34)	0	0	0

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

Years in Which Losses Occurred	1 Prior Year-End Known Case Loss and LAE Reserves	2 Prior Year-End IBNR Loss and LAE Reserves	3 Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	4 2014 Loss and LAE Payments on Claims Reported as of Prior Year-End	5 2014 Loss and LAE Payments on Claims Unreported as of Prior Year-End	6 Total 2014 Loss and LAE Payments (Cols. 4 + 5)	7 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	8 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	9 Q.S. Date IBNR Loss and LAE Reserves	10 Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	11 Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1)	12 Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	13 Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2011 + Prior	42,384	8,818	51,202	15,279	596	15,875	28,219	1,209	6,136	35,565	1,114	(876)	238
2. 2012	51,630	11,200	62,830	18,385	1,162	19,547	32,773	3,975	6,748	43,496	(472)	685	213
3. Subtotals 2012 + Prior	94,014	20,017	114,032	33,664	1,758	35,422	60,992	5,184	12,885	79,061	642	(191)	451
4. 2013	121,195	41,062	162,257	56,643	9,353	65,996	65,639	13,439	19,368	98,445	1,086	1,098	2,184
5. Subtotals 2013 + Prior	215,210	61,079	276,289	90,307	11,111	101,418	126,631	18,623	32,253	177,506	1,728	907	2,635
6. 2014	XXX	XXX	XXX	XXX	140,080	140,080	XXX	75,263	27,734	102,997	XXX	XXX	XXX
7. Totals	215,210	61,079	276,289	90,307	151,191	241,498	126,631	93,886	59,987	280,503	1,728	907	2,635
8. Prior Year-End's Surplus As Regards Policyholders	386,224										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. 0.8 %	2. 1.5 %	3. 1.0 %
													Col. 13, Line 7 Line 8
													4. 0.7 %

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

		Response
1.	Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	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 Supplement be filed with the state of domicile and the NAIC with this statement?	NO

Explanation:

1.
2.
3.
4.

Bar Code:

* 3 2 7 8 6 2 0 1 4 4 9 0 0 0 0 0 2 *

* 3 2 7 8 6 2 0 1 4 4 5 5 0 0 0 0 2 *

* 3 2 7 8 6 2 0 1 4 3 6 5 0 0 0 0 2 *

* 3 2 7 8 6 2 0 1 4 5 0 5 0 0 0 0 2 *

Overflow Page for Write-Ins

Additional Write-ins for Assets:

	Current Statement Date			4
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	December 31, Prior Year Net Admitted Assets
2504. STATE TAX CREDITS			0	2,046,000
2597. Summary of remaining write-ins for Line 25	0	0	0	2,046,000

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	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		
5. Deduct amounts received on disposals		
6. Total foreign exchange change in book/adjusted carrying value		
7. Deduct current year's other than temporary impairment recognized		
8. Deduct current year's depreciation		
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8)	0	0
10. Deduct total nonadmitted amounts		
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	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and mortgage interest points and commitment fees		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		
10. Deduct current year's other than temporary impairment recognized		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)	0	0
14. Deduct total nonadmitted amounts		
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	9,021,142	9,210,431
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)	(644)	(1,289)
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals	99,000	188,000
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other than temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	8,921,498	9,021,142
12. Deduct total nonadmitted amounts	8,921,498	9,021,142
13. Statement value at end of current period (Line 11 minus Line 12)	0	0

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	694,941,744	738,078,814
2. Cost of bonds and stocks acquired	29,289,885	438,144,089
3. Accrual of discount	142,960	609,610
4. Unrealized valuation increase (decrease)	4,886,145	3,768,361
5. Total gain (loss) on disposals	6,560,790	43,280,497
6. Deduct consideration for bonds and stocks disposed of	130,687,502	516,549,508
7. Deduct amortization of premium	1,435,178	12,291,843
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		98,276
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	603,698,844	694,941,744
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	603,698,844	694,941,744

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)	415,301,302	127,699,682	100,598,347	(410,038)	415,301,302	441,992,599		391,564,428
2. NAIC 2 (a)	122,635,847			(216,589)	122,635,847	122,419,258		132,775,221
3. NAIC 3 (a)								
4. NAIC 4 (a)								
5. NAIC 5 (a)	32,354			(9,108)	32,354	23,246		41,298
6. NAIC 6 (a)								
7. Total Bonds	537,969,503	127,699,682	100,598,347	(635,735)	537,969,503	564,435,103	0	524,380,947
PREFERRED STOCK								
8. NAIC 1								
9. NAIC 2	27,644,775		1,680,000	(2,112,000)	27,644,775	23,852,775		26,420,775
10. NAIC 3								
11. NAIC 4								
12. NAIC 5								
13. NAIC 6								
14. Total Preferred Stock	27,644,775	0	1,680,000	(2,112,000)	27,644,775	23,852,775	0	26,420,775
15. Total Bonds and Preferred Stock	565,614,278	127,699,682	102,278,347	(2,747,735)	565,614,278	588,287,878	0	550,801,722

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation:
NAIC 1 $..........0; NAIC 2 $..........0; NAIC 3 $..........0; NAIC 4 $..........0; NAIC 5 $..........0; NAIC 6 $..........0.

SCHEDULE DA - PART 1

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999	80,244	XXX	80,244	18	

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	136,836	4,415,369
2. Cost of short-term investments acquired	2,141,154	3,235,093
3. Accrual of discount		1,209
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	2,197,746	7,514,835
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	80,244	136,836
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	80,244	136,836

Sch. DB-Pt A-Verification
NONE

Sch. DB-Pt B-Verification
NONE

Sch. DB-Pt C-Sn 1
NONE

Sch. DB-Pt C-Sn 2
NONE

Sch. DB-Verification
NONE

SCHEDULE E- VERIFICATION

Cash Equivalents

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	299,990	6,499,891
2. Cost of cash equivalents acquired	194,640,332	19,298,545
3. Accrual of discount	7,082	1,554
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	69,700,000	25,500,000
7. Deduct amortization of premium		
8. Total foreign exchange change in book/ adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	125,247,404	299,990
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	125,247,404	299,990

Sch. A-Pt 2
NONE

Sch. A-Pt 3
NONE

Sch. B-Pt 2
NONE

Sch. B-Pt 3
NONE

Sch. BA-Pt 2
NONE

Sch. BA-Pt 3
NONE

SCHEDULE D - PART 3

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

1 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 - Industrial and Miscellaneous									
36161R AE 9	GFCM 2003-1 A5 5.743% 05/12/35		05/22/2014	Deutsche Bank		1,890,579	1,655,000	7,128	1FM
3899999. Total Bonds - Industrial and Miscellaneous						1,890,579	1,655,000	7,128	XXX
8399997. Total Bonds - Part 3						1,890,579	1,655,000	7,128	XXX
8399999. Total Bonds						1,890,579	1,655,000	7,128	XXX
Common Stocks - Industrial and Miscellaneous									
698354 10 7	PANDORA MEDIA INC		06/23/2014	State Street Bank	21,100.000	596,495	XXX		L
887228 10 4	TIME INC		06/09/2014	Spin Off	1,987.500	11,802	XXX		L
9099999. Total Common Stocks - Industrial and Miscellaneous						608,297	XXX	0	XXX
9799997. Total Common Stocks - Part 3						608,297	XXX	0	XXX
9799999. Total Common Stocks						608,297	XXX	0	XXX
9899999. Total Preferred and Common Stocks						608,297	XXX	0	XXX
9999999. Total Bonds, Preferred and Common Stocks						2,498,876	XXX	7,128	XXX

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

Statement for June 30, 2014 of the **PROGRESSIVE SPECIALTY 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 11	12	13	14	15	16	17	18	19	20	21	22
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. Government																					
912828 QX 1	US TREASURY NOTE 1.500% 07/31/16		06/23/2014	Barclays Capital		2,039,922	2,000,000	2,081,250	2,052,188		(9,642)		(9,642)		2,042,546		(2,625)	(2,625)	26,934	07/31/2016	1
0599999. Total Bonds - U.S Government						2,039,922	2,000,000	2,081,250	2,052,188	0	(9,642)	0	(9,642)	0	2,042,546	0	(2,625)	(2,625)	26,934	XXX	XXX
Bonds - U.S. States, Territories and Possessions																					
882720 H4 0	TEXAS ST 0.070% 06/01/23		06/02/2014	Call 100.0000		310,000	310,000	310,000					0		310,000			0	78	06/01/2023	1FE
1799999. Total Bonds - U.S. States, Territories and Possessions						310,000	310,000	310,000	0	0	0	0	0	0	310,000	0	0	0	78	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment																					
313921 6F 0	FNGT 2001-W3 A 6.964% 09/01/41		06/01/2014	Paydown		39,412	39,412	41,235	41,385		(1,973)		(1,973)		39,412			0	1,180	09/01/2041	1
31392C MS 0	FNW 2002-W1 2A 6.566% 02/25/42		06/01/2014	Paydown		6,538	6,538	6,871	6,779		(242)		(242)		6,538			0	184	02/25/2042	1
63968M FP 9	NEBRASKA ST INVESTMENT FIN AUT 2.500% 3/1/35		06/01/2014	Call 100.0000		630,000	630,000	639,053	638,041		(8,041)		(8,041)		630,000			0	10,588	03/01/2019	1FE
646129 N6 9	NEW JERSEY ST HSG 5.250% 10/01/37		04/01/2014	Call 100.0000		265,000	265,000	279,254	269,667		(4,667)		(4,667)		265,000			0	6,956	04/01/2017	1FE
658207 CG 8	NORTH CAROLINA HSG 5.750% 01/01/37		06/01/2014	Call 100.0000		590,000	590,000	632,250	595,217		(5,217)		(5,217)		590,000			0	31,098	01/01/2015	1FE
65888M 6B 2	NORTH DAKOTA ST HSG 5.500% 01/01/37		04/01/2014	Call 100.0000		610,000	610,000	643,245	611,901		(1,901)		(1,901)		610,000			0	25,163	01/01/2015	1FE
698476 ET 1	PANHANDLE-PLAINS TX HGH ED LN 1.033% 10/01/20		04/01/2014	Call 100.0000		380,000	380,000	380,000	379,530		470		470		380,000			0	2,012	10/01/2017	1FE
83712D SL 1	SOUTH CAROLINA HSG 4.000% 07/01/34		04/01/2014	Call 100.0000		50,000	50,000	53,032	52,307		(2,307)		(2,307)		50,000			0	1,500	07/01/2019	1FE
88045R WH 1	TENNESSEE HSG DEV 4.500% 07/01/31		06/01/2014	Call 100.0000		220,000	220,000	230,450	228,256		(8,256)		(8,256)		220,000			0	8,100	07/01/2022	1FE
88045R WH 1	TENNESSEE HSG DEV 4.500% 07/01/31		06/01/2014	Prog. Casualty Ins. Co.		2,876,096	2,680,000	2,807,300	2,780,569		(2,077)		(2,077)		2,778,492		97,604	97,604	110,550	07/01/2022	1FE
3199999. Total Bonds - U.S. Special Revenue and Special Assessment						5,667,046	5,470,950	5,712,690	5,603,652	0	(34,211)	0	(34,211)	0	5,569,442	0	97,604	97,604	197,331	XXX	XXX
Bonds - Industrial and Miscellaneous																					
02005B AB 2	ALLYA 2012-5 A2 0.450% 07/15/15		06/15/2014	Paydown		8,387,733	8,387,733	8,391,992	8,389,650		(1,917)		(1,917)		8,387,733			0	15,241	07/15/2015	1FE
07383F Q5 0	BSCMS 2004-PWR5 A5 4.978% 07/11/42		06/01/2014	Paydown		3,703,806	3,703,806	3,997,217	3,741,396		(37,590)		(37,590)		3,703,806			0	74,575	07/11/2042	1FM
07387A GH 2	BSARM 2005-12 25A1 1.795% 05/25/53		05/01/2014	Paydown		906	1,324	823	823		83		83		906			0	9	05/25/2053	1FM
12643C BD 2	CSMC 2010-1R 10A1 3.244% 06/27/47		06/01/2014	Paydown		23,948	23,948	24,441	23,891		56		56		23,948			0	286	06/27/2047	1FM
126673 BL 5	CWL 2004-6 B 3.152% 08/25/34		06/25/2014	Paydown/Return of Capital		78,232	78,232	5,353					0				78,232	78,232	1,070	08/25/2034	1FM
126673 QE 5	CWL 2004-AB2 A3 0.972% 05/25/36		06/25/2014	Paydown		1,048,139	1,048,139	1,020,625	1,034,902		13,237		13,237		1,048,139			0	4,400	05/25/2036	1FM
22540V G6 3	CSFB 2002-9 1A1 7.000% 03/25/40		06/01/2014	Paydown		1,548	1,548	1,569	1,548	51	(51)		0		1,548			0	49	03/25/2040	1FM
33736X BN 8	FUNBC 2000-C2 IO 0.000% 10/15/32		06/01/2014	Paydown/Return of Capital		1,087		4					0				1,087	1,087	3	10/15/2032	6*
33736X CR 8	FUNBC 2001-C2 IO 1.630% 01/12/43		04/01/2014	Paydown				24					0					0		01/12/2043	5FE
33736X CR 8	FUNBC 2001-C2 IO 1.630% 01/12/43		06/01/2014	Paydown				50					0					0	6	01/12/2043	6FE
466247 QC 0	JPMMT 2005-A3 4A1 2.680% 02/25/40		06/01/2014	Paydown		65,188	65,188	63,302	65,737		(549)		(549)		65,188			0	739	02/25/2040	1FM
52108H BZ 6	LBUBS 2000-C4 X IO 1.166% 07/11/32		06/11/2014	Paydown				2,540	474		(474)		(474)					0	192	07/11/2032	5FE
55313U AD 1	MMAF 2009-AA A4 3.510% 01/15/30		06/15/2014	Paydown		1,651,564	1,651,564	1,719,692	1,669,921		(18,357)		(18,357)		1,651,564			0	21,809	01/15/2030	1FE
589929 MK 1	MLMI 1996-C2 IO 2.360% 11/21/28		06/01/2014	Paydown				180					0					0	77	11/21/2028	6*
658262 DV 9	NCSEA 2005-P A1 0.337% 06/01/20		06/01/2014	Paydown		302,500	302,500	298,861	300,398		2,102		2,102		302,500			0	530	06/01/2020	1FE
73328U AD 7	PFAST 2011-1 A4 1.190% 12/17/18		05/16/2014	Paydown		6,125,842	6,125,842	6,124,313	6,125,708		134		134		6,125,842			0	29,440	12/17/2018	1FE
743873 AX 9	PFMLT 2005-1 2A1 2.495% 05/25/35		06/01/2014	Paydown		159,062	159,062	154,464	162,482		(3,420)		(3,420)		159,062			0	1,687	05/25/2035	1FM

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 11	12	13	14	15	16	17	18	19	20	21	22
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)
76112B RM 4	RAMP 2005-EFC1 M2 0.602% 05/25/35		06/25/2014	Paydown		1,198,975	1,198,975	1,188,484	1,192,784		6,191		6,191		1,198,975			0	3,014	05/25/2035	1FM
79548C AR 7	SBM7 2000-C3 X IO 0.788% 12/18/33		06/01/2014	Paydown				17		3	(3)		0					0	30	12/18/2033	5FE
929227 4D 5	WAMU 2003-AR6 A1 2.439% 06/25/33		06/01/2014	Paydown		11,171	11,171	11,339	11,615		(444)		(444)		11,171			0	113	06/25/2033	1FM
3899999. Total Bonds - Industrial and Miscellaneous						22,759,701	22,759,032	23,005,290	22,721,329	54	(41,002)	0	(40,948)	0	22,680,382	0	79,319	79,319	153,270	XXX	XXX
8399997. Total Bonds - Part 4						30,776,669	30,539,982	31,109,230	30,377,169	54	(84,855)	0	(84,801)	0	30,602,370	0	174,298	174,298	377,613	XXX	XXX
8399999. Total Bonds						30,776,669	30,539,982	31,109,230	30,377,169	54	(84,855)	0	(84,801)	0	30,602,370	0	174,298	174,298	377,613	XXX	XXX
Preferred Stocks - Industrial and Miscellaneous																					
92978A AA 0	WACHOVIA CAPITAL		04/15/2014	Wells Fargo Bank	4,000,000.000	3,855,000		1,680,000	1,680,000				0		1,680,000		2,175,000	2,175,000	77,977	XXX	P2VFE.
8499999. Total Preferred Stocks - Industrial and Miscellaneous						3,855,000	XXX	1,680,000	1,680,000	0	0	0	0	0	1,680,000	0	2,175,000	2,175,000	77,977	XXX	XXX
8999997. Total Preferred Stocks - Part 4						3,855,000	XXX	1,680,000	1,680,000	0	0	0	0	0	1,680,000	0	2,175,000	2,175,000	77,977	XXX	XXX
8999999. Total Preferred Stocks						3,855,000	XXX	1,680,000	1,680,000	0	0	0	0	0	1,680,000	0	2,175,000	2,175,000	77,977	XXX	XXX
Common Stocks - Industrial and Miscellaneous																					
26817G 10 2	DYNEGY INC		06/06/2014	Class Action Litigation		687	XXX						0				687	687		XXX	L
887317 30 3	TIME WARNER INC		06/09/2014	Spin Off		11,802	XXX	11,802	45,774	(33,972)			(33,972)		11,802			0		XXX	L
9099999. Total Common Stocks - Industrial and Miscellaneous						12,489	XXX	11,802	45,774	(33,972)	0	0	(33,972)	0	11,802	0	687	687	0	XXX	XXX
9799997 Total Common Stocks - Part 4						12,489	XXX	11,802	45,774	(33,972)	0	0	(33,972)	0	11,802	0	687	687	0	XXX	XXX
9799999. Total Common Stocks						12,489	XXX	11,802	45,774	(33,972)	0	0	(33,972)	0	11,802	0	687	687	0	XXX	XXX
9899999. Total Preferred and Common Stocks						3,867,489	XXX	1,691,802	1,725,774	(33,972)	0	0	(33,972)	0	1,691,802	0	2,175,687	2,175,687	77,977	XXX	XXX
9999999. Total Bonds, Preferred and Common Stocks						34,644,158	XXX	32,801,032	32,102,943	(33,918)	(84,855)	0	(118,773)	0	32,294,172	0	2,349,985	2,349,985	455,590	XXX	XXX

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

Sch. DB-Pt A-Sn 1
NONE

Sch. DB-Pt A-Sn 1-Footnote A
NONE

Sch. DB-Pt A-Sn 1-Footnote B
NONE

Sch. DB-Pt B-Sn 1
NONE

Sch. DB-Pt B-Sn 1-Footnote A
NONE

Sch. DB-Pt B-Sn 1-Footnote B
NONE

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

Sch. DB-Pt D-Sn 1
NONE

Sch. DB-Pt D-Sn 2
NONE

Sch. DL-Pt. 1
NONE

Sch. DL-Pt. 2
NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1		2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
			Rate	Amount of Interest	Amount of Interest Accrued	6	7	8	
Depository		Code	of Interest	Received During Current Quarter	at Current Statement Date	First Month	Second Month	Third Month	*
Open Depositories									
CITIBANK	NEW YORK, NY								XXX
STATE STREET BANK	KANSAS CITY, MO								XXX
0199999. Total Open Depositories		XXX	XXX	0	0	0	0	0	XXX
0399999. Total Cash on Deposit		XXX	XXX	0	0	0	0	0	XXX
0599999. Total Cash		XXX	XXX	0	0	0	0	0	XXX

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
U.S. Government Bonds - Issuer Obligations							
TREASURY BILL		06/04/2014	0.030	07/03/2014	2,099,997		44
TREASURY BILL		06/17/2014	0.020	07/10/2014	23,999,880		245
TREASURY BILL		06/11/2014	0.025	07/17/2014	4,999,944		69
0199999. U.S. Government Bonds - Issuer Obligations					31,099,821	0	358
0599999. Total - U.S. Government Bonds					31,099,821	0	358
Bonds - Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations							
COCA-COLA CO		06/03/2014	0.050	08/28/2014	29,997,583		1,167
TORONTO DOM HLDG		05/28/2014	0.050	07/01/2014	47,000,000		2,219
WAL-MART STORES INC		06/02/2014	0.040	07/01/2014	17,000,000		548
CPPIB CAPITAL INC		06/30/2014	0.050	07/03/2014	150,000		
3299999. Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations					94,147,583	0	3,934
3899999. Total - Industrial and Miscellaneous (Unaffiliated)					94,147,583	0	3,934
Total Bonds							
7799999. Subtotals - Issuer Obligations					125,247,404	0	4,292
8399999. Subtotals - Bonds					125,247,404	0	4,292
8699999. Total - Cash Equivalents					125,247,404	0	4,292