



PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

ANNUAL STATEMENT
For the Year Ended December 31, 2014
OF THE CONDITION AND AFFAIRS OF THE
GRANGE INDEMNITY INSURANCE COMPANY

NAIC Group Code	00267	00267	NAIC Company Code	10322	Employer's ID Number	31-1432675
	(Current Period)	(Prior Period)				
Organized under the Laws of	Ohio			State of Domicile or Port of Entry		Ohio
Country of Domicile	United States					
Incorporated/Organized	03/10/1995			Commenced Business		08/03/1995
Statutory Home Office	671 South High Street			Columbus, OH, US 43206-1014		
	(Street and Number)			(City or Town, State, Country and Zip Code)		
Main Administrative Office	671 South High Street			Columbus, OH, US 43206-1014		614-445-2900
	(Street and Number)			(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)
Mail Address	671 South High Street, P.O. Box 1218			Columbus, OH, US 43216-1218		
	(Street and Number or P.O. Box)			(City or Town, State, Country and Zip Code)		
Primary Location of Books and Records	671 South High Street			Columbus, OH, US 43206-1014		614-445-2900
	(Street and Number)			(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)
Internet Web Site Address	www.grangeinsurance.com					
Statutory Statement Contact	David Sidney Ackermann			614-445-2900		
	(Name)			(Area Code) (Telephone Number) (Extension)		
	ackermannd@grangeinsurance.com			614-449-3757		
	(E-Mail Address)			(Fax Number)		

OFFICERS

Name	Title	Name	Title
JOHN (NMN) AMMENDOLA	PRESIDENT & CEO	LAVAWN DEE COLEMAN	EVP & SECRETARY
JOHN PAUL MCCAFFREY	EVP & CFO		

OTHER OFFICERS

JOHN CHRISTOPHER MONTGOMERY	VP - INVESTMENTS		
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DIRECTORS OR TRUSTEES

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

State ofOhio.....
County ofFranklin.....

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.

JOHN (NMN) AMMENDOLA PRESIDENT & CEO	LAVAWN DEE COLEMAN EVP & SECRETARY	JOHN PAUL MCCAFFREY EVP & CFO
Subscribed and sworn to before me this 23rd day of February, 2015	a. Is this an original filing? b. If no: 1. State the amendment number 2. Date filed 3. Number of pages attached	Yes [X] No []
Teresa J. Burchwell, Notary Public April 28, 2017		

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE GRANGE INDEMNITY INSURANCE COMPANY

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	78,981,363		78,981,363	74,280,267
2. Stocks (Schedule D):				
2.1 Preferred stocks	0		0	0
2.2 Common stocks	0		0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
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 (\$1,139,515 , Schedule E-Part 1), cash equivalents (\$0 , Schedule E-Part 2) and short-term investments (\$0 , Schedule DA).....	1,139,515		1,139,515	898,554
6. Contract loans (including \$premium notes).....			0	0
7. Derivatives (Schedule DB).....			0	0
8. Other invested assets (Schedule BA)	0		0	0
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets (Schedule DL).....	3,304,040		3,304,040	853,938
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	83,424,918	0	83,424,918	76,032,759
13. Title plants less \$ charged off (for Title insurers only).....			0	0
14. Investment income due and accrued	849,361		849,361	813,478
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	9,588,239	73,225	9,515,014	8,659,208
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$20,633 earned but unbilled premiums).....	21,535	902	20,633	14,433
15.3 Accrued retrospective premiums.....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers			0	0
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset.....	1,581,588		1,581,588	1,610,015
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software.....			0	0
21. Furniture and equipment, including health care delivery assets (\$)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	1,179,408		1,179,408	1,242,642
24. Health care (\$) and other amounts receivable.....			0	0
25. Aggregate write-ins for other-than-invested assets	27,159	0	27,159	21,403
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	96,672,208	74,127	96,598,081	88,393,938
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
28. Total (Lines 26 and 27)	96,672,208	74,127	96,598,081	88,393,938
DETAILS OF WRITE-INS				
1101.			0	0
1102.			0	0
1103.			0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Equities in Pools.....	27,159		27,159	21,403
2502.			0	0
2503.			0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	27,159	0	27,159	21,403

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	18,432,065	16,804,371
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)		0
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	5,221,261	5,021,507
4. Commissions payable, contingent commissions and other similar charges	743,911	815,732
5. Other expenses (excluding taxes, licenses and fees)	1,336,127	1,537,697
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	560,260	557,441
7.1 Current federal and foreign income taxes (including \$ (14,097) on realized capital gains (losses))	1,188,737	1,240,872
7.2 Net deferred tax liability		0
8. Borrowed money \$ and interest thereon \$		0
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$33,089,671 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)	19,307,235	17,938,292
10. Advance premium	(462,763)	(149,029)
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders	53,607	39,803
12. Ceded reinsurance premiums payable (net of ceding commissions)		0
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)		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) (Schedule F, Part 8)	0	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		0
20. Derivatives		0
21. Payable for securities		0
22. Payable for securities lending	3,304,040	853,938
23. Liability for amounts held under uninsured plans		0
24. Capital notes \$ and interest thereon \$		0
25. Aggregate write-ins for liabilities	0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	49,684,481	44,660,624
27. Protected cell liabilities		0
28. Total liabilities (Lines 26 and 27)	49,684,481	44,660,624
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	2,000,000	2,000,000
31. Preferred capital stock		0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes		0
34. Gross paid in and contributed surplus	5,000,000	5,000,000
35. Unassigned funds (surplus)	39,913,600	36,733,314
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		0
36.2 shares preferred (value included in Line 31 \$)		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	46,913,600	43,733,314
38. Totals (Page 2, Line 28, Col. 3)	96,598,081	88,393,938
DETAILS OF WRITE-INS		
2501.		0
2502.		0
2503.		0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0
2901.		0
2902.		0
2903.		0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201.		0
3202.		0
3203.		0
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE GRANGE INDEMNITY INSURANCE COMPANY

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	47,261,246	44,222,225
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)	27,168,891	24,377,375
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	5,410,266	5,228,633
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	14,762,840	14,622,090
5. Aggregate write-ins for underwriting deductions	0	0
6. Total underwriting deductions (Lines 2 through 5)	47,341,997	44,228,098
7. Net income of protected cells		0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	(80,750)	(5,873)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	2,878,138	2,686,069
10. Net realized capital gains (losses) less capital gains tax of \$ (14,097) (Exhibit of Capital Gains (Losses)).....	(26,180)	91,007
11. Net investment gain (loss) (Lines 9 + 10)	2,851,958	2,777,076
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$4,528 amount charged off \$264,536)	(260,008)	(222,539)
13. Finance and service charges not included in premiums	1,792,891	1,375,221
14. Aggregate write-ins for miscellaneous income	265,182	208,918
15. Total other income (Lines 12 through 14)	1,798,065	1,361,600
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	4,569,272	4,132,802
17. Dividends to policyholders	131,600	129,577
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	4,437,672	4,003,225
19. Federal and foreign income taxes incurred	1,202,834	1,191,868
20. Net income (Line 18 minus Line 19) (to Line 22)	3,234,838	2,811,357
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	43,733,314	40,786,493
22. Net income (from Line 20)	3,234,838	2,811,357
23. Net transfers (to) from Protected Cell accounts		0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$		0
25. Change in net unrealized foreign exchange capital gain (loss)		0
26. Change in net deferred income tax	(28,427)	128,511
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	(26,125)	6,952
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	0	0
29. Change in surplus notes		0
30. Surplus (contributed to) withdrawn from protected cells		0
31. Cumulative effect of changes in accounting principles		0
32. Capital changes:		
32.1 Paid in		0
32.2 Transferred from surplus (Stock Dividend)		0
32.3 Transferred to surplus		0
33. Surplus adjustments:		
33.1 Paid in		0
33.2 Transferred to capital (Stock Dividend)		0
33.3 Transferred from capital		0
34. Net remittances from or (to) Home Office		0
35. Dividends to stockholders		0
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)	0	0
37. Aggregate write-ins for gains and losses in surplus	0	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	3,180,286	2,946,820
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	46,913,600	43,733,314
DETAILS OF WRITE-INS		
0501.		0
0502.		0
0503.		0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0
1401. Miscellaneous Income.....	265,182	208,918
1402.		0
1403.		0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	265,182	208,918
3701.		0
3702.		0
3703.		0
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)	0	0

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	47,428,324	44,569,583
2. Net investment income	3,202,685	3,070,799
3. Miscellaneous income	1,798,065	1,361,600
4. Total (Lines 1 through 3)	52,429,073	49,001,982
5. Benefit and loss related payments	25,541,196	23,180,108
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	20,243,923	18,983,377
8. Dividends paid to policyholders	117,796	125,759
9. Federal and foreign income taxes paid (recovered) net of \$ (14,097) tax on capital gains (losses)	1,240,872	820,959
10. Total (Lines 5 through 9)	47,143,787	43,110,202
11. Net cash from operations (Line 4 minus Line 10)	5,285,286	5,891,779
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	9,088,250	9,190,903
12.2 Stocks	0	0
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0
12.7 Miscellaneous proceeds	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	9,088,250	9,190,903
13. Cost of investments acquired (long-term only):		
13.1 Bonds	14,190,053	15,085,744
13.2 Stocks	0	0
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	14,190,053	15,085,744
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(5,101,803)	(5,894,841)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied)	57,477	(222,197)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	57,477	(222,197)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	240,960	(225,259)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	898,554	1,123,813
19.2 End of year (Line 18 plus Line 19.1)	1,139,515	898,554

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS EARNED

Line of Business		1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire .....	.686,329	.346,049	.381,142	.651,236
2.	Allied lines .....	.369,661	.193,250	.207,110	.355,801
3.	Farmowners multiple peril .....	.797,617	.403,574	.411,744	.789,447
4.	Homeowners multiple peril	10,717,432	.5,626,848	.5,948,211	10,396,069
5.	Commercial multiple peril	4,683,505	2,128,951	2,341,959	4,470,497
6.	Mortgage guaranty	0	0	0	0
8.	Ocean marine	0	0	0	0
9.	Inland marine .....	.333,317	.177,759	.176,207	.334,869
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	94,451	.54,296	.51,974	96,774
13.	Group accident and health	2,915	0	0	2,915
14.	Credit accident and health (group and individual)	0	0	0	0
15.	Other accident and health	0	0	0	0
16.	Workers' compensation	1,458,661	.619,010	.644,276	1,433,396
17.1	Other liability-occurrence .....	.689,504	.382,949	.389,610	.682,843
17.2	Other liability-claims-made	200	.65	.50	.215
17.3	Excess workers' compensation.....	0	0	0	0
18.1	Products liability-occurrence	2,699	922	.1,097	2,525
18.2	Products liability-claims-made	0	0	0	0
19.1,19.2	Private passenger auto liability	13,166,148	3,305,139	3,415,654	13,055,633
19.3,19.4	Commercial auto liability	4,237,410	1,655,265	2,026,542	3,866,133
21.	Auto physical damage	11,389,623	3,043,880	3,311,390	11,122,114
22.	Aircraft (all perils)	0	0	0	0
23.	Fidelity	0	0	0	0
24.	Surety	0	0	0	0
26.	Burglary and theft .....	.715	.335	.270	.780
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	0	0	0	0
32.	Reinsurance-nonproportional assumed liability	0	0	0	0
33.	Reinsurance-nonproportional assumed financial lines	0	0	0	0
34.	Aggregate write-ins for other lines of business	0	0	0	0
35.	TOTALS	48,630,189	17,938,292	19,307,235	47,261,246
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
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business		1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned but Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire	381,142				381,142
2.	Allied lines	207,110				207,110
3.	Farmowners multiple peril	411,744				411,744
4.	Homeowners multiple peril	5,948,211				5,948,211
5.	Commercial multiple peril	2,341,959				2,341,959
6.	Mortgage guaranty					0
8.	Ocean marine					0
9.	Inland marine	176,207				176,207
10.	Financial guaranty					0
11.1	Medical professional liability-occurrence					0
11.2	Medical professional liability-claims-made					0
12.	Earthquake	51,974				51,974
13.	Group accident and health					0
14.	Credit accident and health (group and individual) ...					0
15.	Other accident and health					0
16.	Workers' compensation	644,276				644,276
17.1	Other liability-occurrence	389,610				389,610
17.2	Other liability-claims-made	50				50
17.3	Excess workers' compensation					0
18.1	Products liability-occurrence	1,097				1,097
18.2	Products liability-claims-made					0
19.1,19.2	Private passenger auto liability	3,415,654				3,415,654
19.3,19.4	Commercial auto liability	2,026,542				2,026,542
21.	Auto physical damage	3,311,390				3,311,390
22.	Aircraft (all perils)					0
23.	Fidelity					0
24.	Surety					0
26.	Burglary and theft	270				270
27.	Boiler and machinery					0
28.	Credit					0
29.	International					0
30.	Warranty					0
31.	Reinsurance-nonproportional assumed property					0
32.	Reinsurance-nonproportional assumed liability					0
33.	Reinsurance-nonproportional assumed financial lines					0
34.	Aggregate write-ins for other lines of business	0	0	0	0	0
35.	TOTALS	19,307,235	0	0	0	19,307,235
36.	Accrued retrospective premiums based on experience					
37.	Earned but unbilled premiums					
38.	Balance (Sum of Lines 35 through 37)					19,307,235
DETAILS OF WRITE-INS						
3401.	.....					0
3402.	.....					0
3403.	.....					0
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Cols. 1 + 2 + 3 - 4 - 5
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire		686,329				686,329
2. Allied lines		369,661				369,661
3. Farmowners multiple peril		797,617				797,617
4. Homeowners multiple peril		10,717,432				10,717,432
5. Commercial multiple peril		4,683,505				4,683,505
6. Mortgage guaranty						0
8. Ocean marine						0
9. Inland marine		333,317				333,317
10. Financial guaranty						0
11.1 Medical professional liability-occurrence						0
11.2 Medical professional liability-claims-made						0
12. Earthquake		94,451				94,451
13. Group accident and health		2,915				2,915
14. Credit accident and health (group and individual)						0
15. Other accident and health						0
16. Workers' compensation		1,458,661				1,458,661
17.1 Other liability-occurrence		689,504				689,504
17.2 Other liability-claims-made		200				200
17.3 Excess workers' compensation						0
18.1 Products liability-occurrence		2,699				2,699
18.2 Products liability-claims-made						0
19.1,19.2 Private passenger auto liability	16,000,168	13,166,148		15,953,569	46,599	13,166,148
19.3,19.4 Commercial auto liability	40,100,535	4,237,410	30,410	40,027,668	103,277	4,237,410
21. Auto physical damage	21,148,342	11,389,623	630	20,974,364	174,608	11,389,623
22. Aircraft (all perils)						0
23. Fidelity						0
24. Surety						0
26. Burglary and theft		715				715
27. Boiler and machinery						0
28. Credit						0
29. International						0
30. Warranty						0
31. Reinsurance-nonproportional assumed property	XXX					0
32. Reinsurance-nonproportional assumed liability	XXX					0
33. Reinsurance-nonproportional assumed financial lines	XXX					0
34. Aggregate write-ins for other lines of business	0	0	0	0	0	0
35. TOTALS	77,249,045	48,630,189	31,040	76,955,601	324,484	48,630,189
DETAILS OF WRITE-INS						
3401.						0
3402.						0
3403.						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 above)	0	0	0	0	0	0

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

If yes: 1. The amount of such installment premiums \$
2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE GRANGE INDEMNITY INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

		Losses Paid Less Salvage				5	6	7	8
		1	2	3	4				
Line of Business		Direct Business	Reinsurance Assumed	Reinsurance Recovered	Net Payments (Cols. 1 + 2 - 3)	Net Losses Unpaid Current Year (Part 2A, Col. 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Cols. 4 + 5 - 6)	Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
1.	Fire		230,948		230,948	48,427	50,120	229,255	35.2
2.	Allied lines		130,595		130,595	63,716	32,290	162,021	45.5
3.	Farmowners multiple peril		243,012		243,012	120,911	143,350	220,573	27.9
4.	Homeowners multiple peril		5,479,367		5,479,367	1,210,025	1,224,288	5,465,104	52.6
5.	Commercial multiple peril		2,343,195		2,343,195	3,230,223	2,578,724	2,994,694	67.0
6.	Mortgage guaranty				0	0	0	0	0.0
8.	Ocean marine				0	0	0	0	0.0
9.	Inland marine		123,556		123,556	51,032	41,991	132,597	39.6
10.	Financial guaranty				0	0	0	0	0.0
11.1	Medical professional liability-occurrence				0	0	0	0	0.0
11.2	Medical professional liability-claims-made				0	0	0	0	0.0
12.	Earthquake				0	0	0	0	0.0
13.	Group accident and health		2,664		2,664	30,181	25,645	7,200	247.0
14.	Credit accident and health (group and individual)				0	0	0	0	0.0
15.	Other accident and health				0	0	0	0	0.0
16.	Workers' compensation		767,212		767,212	1,463,541	1,501,888	728,864	50.8
17.1	Other liability-occurrence		359,263		359,263	775,512	785,218	349,557	51.2
17.2	Other liability-claims-made		42,013		42,013	10,546	11,684	40,876	19,026.1
17.3	Excess workers' compensation				0	0	0	0	0.0
18.1	Products liability-occurrence		3		3	2,621	2,072	551	21.8
18.2	Products liability-claims-made				0	0	0	0	0.0
19.1,19.2	Private passenger auto liability	9,038,543	7,468,847	9,038,543	7,468,847	7,696,820	7,637,348	7,528,319	57.7
19.3,19.4	Commercial auto liability	11,244,946	1,784,099	11,251,166	1,777,879	3,725,372	2,780,208	2,723,044	70.4
21.	Auto physical damage	12,273,329	6,573,126	12,273,842	6,572,613	3,056	(11,651)	6,587,320	59.2
22.	Aircraft (all perils)		30		30	20	17	33	0.0
23.	Fidelity				0	0	0	0	0.0
24.	Surety				0	33	1,171	(1,137)	0.0
26.	Burglary and theft				0	28	9	19	2.4
27.	Boiler and machinery				0	0	0	0	0.0
28.	Credit				0	0	0	0	0.0
29.	International				0	0	0	0	0.0
30.	Warranty				0	0	0	0	0.0
31.	Reinsurance-nonproportional assumed property	XXX			0	0	0	0	0.0
32.	Reinsurance-nonproportional assumed liability	XXX			0	0	0	0	0.0
33.	Reinsurance-nonproportional assumed financial lines	XXX			0	0	0	0	0.0
34.	Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0.0
35.	TOTALS	32,556,819	25,547,929	32,563,552	25,541,196	18,432,065	16,804,371	27,168,891	57.5
DETAILS OF WRITE-INS									
3401.	.....				0	0	0	0	0.0
3402.	.....				0	0	0	0	0.0
3403.	.....				0	0	0	0	0.0
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	0.0
3499.	Totals (Lines 3401 through 3403 + 3498) (Line 34 above)	0	0	0	0	0	0	0	0.0

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE GRANGE INDEMNITY INSURANCE COMPANY

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

		Reported Losses				Incurred But Not Reported			8	9
		1	2	3	4	5	6	7		
Line of Business		Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable	Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1.	Fire		16,757		16,757		31,670		48,427	25,280
2.	Allied lines		46,331		46,331		17,385		63,716	17,094
3.	Farmowners multiple peril		76,069		76,069		44,842		120,911	47,701
4.	Homeowners multiple peril		781,755		781,755		428,270		1,210,025	462,555
5.	Commercial multiple peril		1,644,532		1,644,532		1,585,691		3,230,223	1,572,605
6.	Mortgage guaranty				0				0	
8.	Ocean marine				0				0	
9.	Inland marine		36,783		36,783		14,250		51,032	9,876
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		0	53
13.	Group accident and health		30,181		30,181				(a) 30,181	88
14.	Credit accident and health (group and individual)				0				0	
15.	Other accident and health				0				(a) 0	
16.	Workers' compensation		852,660		852,660		610,880		1,463,541	307,474
17.1	Other liability-occurrence		438,623		438,623		336,889		775,512	31,809
17.2	Other liability-claims-made		10,458		10,458		88		10,546	141
17.3	Excess workers' compensation				0				0	
18.1	Products liability-occurrence		1,725		1,725		896		2,621	1,015
18.2	Products liability-claims-made				0				0	
19.1,19.2	Private passenger auto liability	7,122,516	5,439,256	7,122,516	5,439,256	1,719,999	2,257,565	1,719,999	7,696,820	1,885,676
19.3,19.4	Commercial auto liability	17,331,479	2,088,753	17,344,634	2,075,598	13,932,648	1,655,134	13,938,008	3,725,372	533,332
21.	Auto physical damage	(36,008)	(352,847)	(36,019)	(352,836)	1,048,981	355,883	1,048,973	3,056	326,557
22.	Aircraft (all perils)		20		20				20	
23.	Fidelity				0				0	
24.	Surety		33		33				33	
26.	Burglary and theft				0		28		28	4
27.	Boiler and machinery				0				0	
28.	Credit				0				0	
29.	International				0				0	
30.	Warranty				0				0	
31.	Reinsurance-nonproportional assumed property	XXX			0	XXX			0	
32.	Reinsurance-nonproportional assumed liability	XXX			0	XXX			0	
33.	Reinsurance-nonproportional assumed financial lines	XXX			0	XXX			0	
34.	Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0	0
35.	TOTALS	24,417,987	11,111,090	24,431,131	11,097,946	16,701,628	7,339,471	16,706,980	18,432,065	5,221,261
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	0	0	0	0	0
3499.	Totals (Lines 3401 through 3403 + 3498) (Line 34 above)	0	0	0	0	0	0	0	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct	3,773,249			3,773,249
1.2 Reinsurance assumed	1,604,873			1,604,873
1.3 Reinsurance ceded	3,773,249			3,773,249
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	1,604,873	0	0	1,604,873
2. Commission and brokerage:				
2.1 Direct, excluding contingent		8,595,996		8,595,996
2.2 Reinsurance assumed, excluding contingent		7,236,874		7,236,874
2.3 Reinsurance ceded, excluding contingent		8,595,996		8,595,996
2.4 Contingent-direct		897,686		897,686
2.5 Contingent-reinsurance assumed		771,335		771,335
2.6 Contingent-reinsurance ceded		897,686		897,686
2.7 Policy and membership fees				0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)	0	8,008,209	0	8,008,209
3. Allowances to manager and agents	674	121,827		122,500
4. Advertising	416	84,649		85,065
5. Boards, bureaus and associations	41,517	97,364	234	139,115
6. Surveys and underwriting reports		460,452		460,452
7. Audit of assureds' records		17,178		17,178
8. Salary and related items:				
8.1 Salaries	2,093,235	2,492,954	38,314	4,624,502
8.2 Payroll taxes	142,180	194,127	4,303	340,610
9. Employee relations and welfare	619,601	689,797	19,807	1,329,205
10. Insurance	31,490	33,019	4,555	69,064
11. Directors' fees	24,029	34,104	622	58,755
12. Travel and travel items	98,275	99,955	1,821	200,051
13. Rent and rent items	100,413	22,125	198,915	321,453
14. Equipment	99,812	178,278		278,091
15. Cost or depreciation of EDP equipment and software	22,772	66,777		89,549
16. Printing and stationery	16,343	43,273	583	60,198
17. Postage, telephone and telegraph, exchange and express	96,345	306,118	7,481	409,943
18. Legal and auditing	16,957	41,394	408	58,759
19. Totals (Lines 3 to 18)	3,404,059	4,983,389	277,041	8,664,489
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$		1,014,956		1,014,956
20.2 Insurance department licenses and fees		65,904		65,904
20.3 Gross guaranty association assessments		(1,517)		(1,517)
20.4 All other (excluding federal and foreign income and real estate)		7,533		7,533
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)	0	1,086,877	0	1,086,877
21. Real estate expenses				0
22. Real estate taxes				0
23. Reimbursements by uninsured plans				0
24. Aggregate write-ins for miscellaneous expenses	401,334	684,366	78,104	1,163,803
25. Total expenses incurred	5,410,266	14,762,840	355,145	(a) 20,528,250
26. Less unpaid expenses-current year	5,221,261	2,636,435	3,864	7,861,560
27. Add unpaid expenses-prior year	5,021,507	2,907,007	3,864	7,932,377
28. Amounts receivable relating to uninsured plans, prior year	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	5,210,511	15,033,412	355,145	20,599,068
DETAILS OF WRITE-INS				
2401. Software Expense.....	184,521	278,013	11,497	474,031
2402. Miscellaneous Expenses.....	132,496	290,347	63,820	486,663
2403. Donations.....	17,153	21,655	396	39,204
2498. Summary of remaining write-ins for Line 24 from overflow page	67,164	94,351	2,391	163,905
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	401,334	684,366	78,104	1,163,803

(a) Includes management fees of \$ 9,828,292 to affiliates and \$ to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a).....213,329	.....220,294
1.1	Bonds exempt from U.S. tax	(a).....1,061,242	.....1,082,173
1.2	Other bonds (unaffiliated)	(a).....1,918,758	.....1,926,745
1.3	Bonds of affiliates	(a).....0	.....
2.1	Preferred stocks (unaffiliated)	(b).....0	.....
2.11	Preferred stocks of affiliates	(b).....0	.....
2.2	Common stocks (unaffiliated) .....	.....0	.....
2.21	Common stocks of affiliates .....	.....0	.....
3.	Mortgage loans	(c).....	.....
4.	Real estate	(d).....	.....
5.	Contract loans .....	.....	.....
6.	Cash, cash equivalents and short-term investments	(e).....	.....
7.	Derivative instruments	(f).....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income .....	.....4,070	.....4,070
10.	Total gross investment income	3,197,400	3,233,282
11.	Investment expenses		(g).....355,145
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g).....
13.	Interest expense		(h).....
14.	Depreciation on real estate and other invested assets		(i).....
15.	Aggregate write-ins for deductions from investment income .....		.....0
16.	Total deductions (Lines 11 through 15) .....		.....355,145
17.	Net investment income (Line 10 minus Line 16)		2,878,138
DETAILS OF WRITE-INS			
0901.	Securities Lending Income.....	4,072	4,072
0902.	Miscellaneous Investment Income.....	(2)	(2)
0903.	.....	
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	4,070	4,070
1501.	.....	
1502.	.....	
1503.	.....	
1598.	Summary of remaining write-ins for Line 15 from overflow page		0
1599.	Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		0

(a) Includes \$229,741 accrual of discount less \$590,171 amortization of premium and less \$115,028 paid for accrued interest on purchases.
(b) Includes \$ accrual of discount less \$ amortization of premium and less \$0 paid for accrued dividends on purchases.
(c) Includes \$0 accrual of discount less \$0 amortization of premium and less \$ paid for accrued interest on purchases.
(d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
(e) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
(f) Includes \$ accrual of discount less \$ amortization of premium.
(g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes \$ interest on surplus notes and \$ interest on capital notes.
(i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds			0		
1.1	Bonds exempt from U.S. tax			0		
1.2	Other bonds (unaffiliated)	(40,277)		(40,277)		
1.3	Bonds of affiliates	0	0	0	0	0
2.1	Preferred stocks (unaffiliated)	0	0	0	0	0
2.11	Preferred stocks of affiliates	0	0	0	0	0
2.2	Common stocks (unaffiliated)	0	0	0	0	0
2.21	Common stocks of affiliates	0	0	0	0	0
3.	Mortgage loans	0	0	0	0	0
4.	Real estate	0	0	0		0
5.	Contract loans			0		
6.	Cash, cash equivalents and short-term investments			0	0	0
7.	Derivative instruments			0		
8.	Other invested assets	0	0	0	0	0
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	(40,277)	0	(40,277)	0	0
DETAILS OF WRITE-INS						
0901.	.....			0		
0902.	.....			0		
0903.	.....			0		
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0	0	0	0

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans	0	0	0
7. Derivatives (Schedule DB).....	0	0	0
8. Other invested assets (Schedule BA)	0	0	0
9. Receivables for securities	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL).....	0	0	0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13. Title plants (for Title insurers only).....	0	0	0
14. Investment income due and accrued	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	73,225	47,472	(25,753)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	902	530	(372)
15.3 Accrued retrospective premiums.....	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers	0	0	0
16.2 Funds held by or deposited with reinsured companies	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0
17. Amounts receivable relating to uninsured plans	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
18.2 Net deferred tax asset.....	0	0	0
19. Guaranty funds receivable or on deposit	0	0	0
20. Electronic data processing equipment and software.....	0	0	0
21. Furniture and equipment, including health care delivery assets	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
23. Receivables from parent, subsidiaries and affiliates	0	0	0
24. Health care and other amounts receivable.....	0	0	0
25. Aggregate write-ins for other-than-invested assets	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	74,127	48,002	(26,125)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. Total (Lines 26 and 27)	74,127	48,002	(26,125)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0
2501.			
2502.			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE
GRANGE INDEMNITY INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Accounting Practices:

Grange Indemnity Insurance Company (the Company) prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by The Ohio Department of Insurance (the Department). The Department requires that insurance companies domiciled in the State of Ohio 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 Department. The Company does not employ accounting practices that depart from the NAIC Accounting Practices and Procedures Manual.

A reconciliation of the Company’s net income and surplus between NAIC SAP and practices prescribed and permitted by the State of Ohio is shown below.

	State of Domicile	2014	2013
NET INCOME			
(1) Grange Indemnity Insurance Company state basis (Page 4, Line 20, Columns 1 & 2)	Ohio	\$ 3,234,838	\$ 2,811,357
(2) State Prescribed Practices that increase/(decrease) NAIC SAP	Ohio	0	0
(3) State Permitted Practices that increase/(decrease) NAIC SAP	Ohio	0	0
(4) NAIC SAP (1-2-3=4)	Ohio	<u>\$ 3,234,838</u>	<u>\$ 2,811,357</u>
SURPLUS			
(5) Grange Indemnity Insurance Company state basis (Page 3, Line 37, Columns 1 & 2)	Ohio	\$ 46,913,600	\$ 43,733,314
(6) State Prescribed Practices that increase/(decrease) NAIC SAP	Ohio	0	0
(7) State Permitted Practices that increase/(decrease) NAIC SAP	Ohio	0	0
(8) NAIC SAP (5-6-7=8)	Ohio	<u>\$ 46,913,600</u>	<u>\$ 43,733,314</u>

B. Use of Estimates in the Preparation of the Financial Statements:

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

C. Accounting Policy:

Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by daily pro rata methods for direct business and are based on reports received from ceding companies for reinsurance.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

In addition, the Company uses the following accounting policies:

- Short-term investments are stated at amortized cost, which approximates fair value.
- Bonds not backed by other loans are stated at amortized cost using the interest method.
- The Company has no investments in common stocks.
- The Company has no investments in preferred stocks.
- The Company has no investments in mortgage loans.
- Loan-backed securities are stated at either amortized cost or the lower or amortized cost or fair market value. The retrospective adjustment method is used to value all securities except for interest only securities or securities where the yield had become negative, those are valued using the prospective method.
- The Company has no investments in subsidiaries, controlled and affiliated entities.
- The Company has no investments in joint ventures, partnerships and limited liability companies.
- The Company has no investments in derivative instruments.
- The Company does not anticipate investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53, Property-Casualty Contracts - Premiums.
- Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability is continually reviewed and any adjustments are reflected in the period determined.
- The Company has not modified its capitalization policy from the prior period.
- The Company does not have pharmaceutical rebate receivables.

2. ACCOUNTING CHANGES AND CORRECTION OF ERRORS: NONE

3. BUSINESS COMBINATIONS AND GOODWILL: NONE

4. DISCONTINUED OPERATIONS: NONE

5. INVESTMENTS:

A. Mortgage Loans, including Mezzanine Real Estate Loans: None

B. Debt Restructuring: None

C. Reverse Mortgages: None

D. Loan-Backed Securities:

- 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.
- The Company has not recognized any other than temporary impairments on its loan-backed securities.
- The Company has not recognized any other than temporary impairments on its loan-backed securities.
- All 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	(6,622)
2. 12 Months or Longer	(27,463)

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE
GRANGE INDEMNITY INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

b.	The Aggregate Related Fair Value of Securities with Unrealized Losses:	
1.	Less than 12 Months	594,110
2.	12 Months or Longer	1,251,236

5. According to SSAP 43R, 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 held with an intent to sell were other-than-temporarily impaired to current fair value. Securities with a present value greater than amortized cost were not other-than-temporarily impaired.
- E. Repurchase Agreements and/or Securities Lending Transactions:
1. For securities lending agreements: The Company requires a minimum of 102% and 105% of the fair value of the domestic and foreign securities loaned at the outset of the contract as collateral. Cash collateral received is invested in short-term investments and the offsetting collateral liability is included in Collateral From Lending Activities. The fair value of the collateral at December 31, 2014 is \$3,304,034.
2. The Company has no pledged assets as collateral for securities lending transactions.
3. Collateral Received
- a. Aggregate Amount Collateral Received
1. The Company has no repurchase agreements as collateral.
2. Securities lending collateral received:
- | | |
|---------------------------|------------|
| | Fair Value |
| Open | 3,304,040 |
| 30 Days or Less | 0 |
| 31 to 60 Days | 0 |
| 61 to 90 Days | 0 |
| Greater than 90 Days | 0 |
| Sub-Total | 3,304,040 |
| Securities Received | 0 |
| Total Collateral Received | 3,304,040 |
3. The Company has no dollar repurchase agreements as collateral received.
- b. The Company has not sold or re-pledged any collateral.
- c. Securities lending sources and uses of that collateral: The Company receives primarily cash collateral in an amount in excess of the fair value of the securities lent. The Company reinvests the cash collateral into higher yielding short term securities than the collateral received.
4. The Company has no “one-line” reported collateral.
5. Collateral Reinvestment
- a. Aggregate Amount Collateral Reinvested
1. The Company has no repurchase agreements as collateral.
2. Securities Lending
- | | | |
|-----------------------------|----------------|------------|
| | Amortized Cost | Fair Value |
| Open | 3,304,040 | 3,304,034 |
| 30 Days or Less | 0 | 0 |
| 31 to 60 Days | 0 | 0 |
| 61 to 90 Days | 0 | 0 |
| Greater than 90 Days | 0 | 0 |
| Sub-Total | 3,304,040 | 3,304,034 |
| Securities Received | 0 | 0 |
| Total Collateral Reinvested | 3,304,040 | 3,304,034 |
3. The Company has no dollar repurchase agreements as collateral.
- b. The maturity dates of the liabilities matches the invested assets.
6. The Company has no collateral that is not permitted by contract.
7. The Company has no collateral that extends beyond one year from December 31, 2014.
- F. Real Estate: None
- G. Low Income Housing Tax Credits: None

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GRANGE INDEMNITY INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

H. Restricted Assets:										
	Gross Restricted							8	Percentage	
	Current Year					6	7		9	10
	1	2	3	4	5					
Restricted Asset Category	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
a. Subject to contractual obligation for which liability is not shown										
b. Collateral held under security lending agreements	3,304,040				3,304,040	853,938	2,450,102	3,304,040	3.4%	3.4%
c. Subject to repurchase agreements										
d. Subject to reverse repurchase agreements										
e. Subject to dollar repurchase agreements										
f. Subject to dollar reverse repurchase agreements										
g. Placed under option contracts										
h. Letter stock or securities restricted as to sale										
i. FHLB capital Stock										
j. On deposit with states	1,694,271				1,694,271	1,722,698	(28,427)	1,694,271	1.8%	1.8%
k. On deposit with other regulatory bodies										
l. Pledged as collateral to FHLB										
m. Pledged as collateral not captured in other categories										
n. Other restricted assets										
o. Total Restricted Assets	4,998,311				4,998,311	2,576,636	2,421,675	4,998,311	5.2%	5.2%

- I. Working Capital Finance Investments: None
- J. Offsetting and Netting of Assets and Liabilities: None
- K. Structured Notes:

Structured notes as defined per the Purposes and Procedures Manual of the NAIC Investment Analysis Office at December 31, 2014:

CUSIP Identification	Actual Cost	Fair Value	Book/Adjusted Carrying Value	Mortgage-Referenced Security (YES/NO)
313381E35	473,140	485,000	476,987	No
313381ZE8	233,988	248,363	236,971	No
3133825H2	489,844	496,305	490,795	No
3136G0RH6	968,000	994,360	975,478	No
Total	\$2,164,971	\$2,224,028	\$2,180,231	

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES: NONE
7. INVESTMENT INCOME: NONE
8. DERIVATIVE INSTRUMENTS: NONE

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE
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NOTES TO FINANCIAL STATEMENTS

9. FEDERAL INCOME TAXES:

A. The components of the net deferred tax asset/(liability) at December 31 are as follows:

1.		12/31/2014		
		(1)	(2)	(3)
		Ordinary	Capital	(Col 1+2) Total
(a)	Gross Deferred Tax Assets	\$ 1,702,948	\$.....	\$..... 1,702,948
(b)	Statutory Valuation Allowance Adjustments	\$.....	\$.....	\$..... 0
(c)	Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 1,702,948	\$..... 0	\$..... 1,702,948
(d)	Deferred Tax Assets Nonadmitted	\$.....	\$.....	\$..... 0
(e)	Subtotal Net Admitted Deferred Tax Asset (1c -1d)	\$ 1,702,948	\$..... 0	\$..... 1,702,948
(f)	Deferred Tax Liabilities	\$ 121,360	\$.....	\$..... 121,360
(g)	Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 1,581,588	\$..... 0	\$..... 1,581,588
		12/31/2013		
		(4)	(5)	(6)
		Ordinary	Capital	(Col 4+5) Total
(a)	Gross Deferred Tax Assets	\$ 1,721,687	\$..... 0	\$..... 1,721,687
(b)	Statutory Valuation Allowance Adjustments	\$ 0	\$..... 0	\$..... 0
(c)	Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 1,721,687	\$..... 0	\$..... 1,721,687
(d)	Deferred Tax Assets Nonadmitted	\$ 0	\$..... 0	\$..... 0
(e)	Subtotal Net Admitted Deferred Tax Asset (1c -1d)	\$ 1,721,687	\$..... 0	\$..... 1,721,687
(f)	Deferred Tax Liabilities	\$ 111,672	\$..... 0	\$..... 111,672
(g)	Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 1,610,015	\$..... 0	\$..... 1,610,015
		Change		
		(7)	(8)	(9)
		(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total
(a)	Gross Deferred Tax Assets	\$ (18,739)	\$..... 0	\$..... (18,739)
(b)	Statutory Valuation Allowance Adjustments	\$ 0	\$..... 0	\$..... 0
(c)	Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ (18,739)	\$..... 0	\$..... (18,739)
(d)	Deferred Tax Assets Nonadmitted	\$ 0	\$..... 0	\$..... 0
(e)	Subtotal Net Admitted Deferred Tax Asset (1c -1d)	\$ (18,739)	\$..... 0	\$..... (18,739)
(f)	Deferred Tax Liabilities	\$ 9,688	\$..... 0	\$..... 9,688
(g)	Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ (28,427)	\$..... 0	\$..... (28,427)
2.		12/31/2014		
		(1)	(2)	(3)
		Ordinary	Capital	(Col 1+2) Total
Admission Calculation Components SSAP No. 101				
(a)	Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 1,242,641	\$.....	\$..... 1,242,641
(b)	Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	\$ 370,725	\$.....	\$..... 370,725
1.	Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	\$ 370,725	\$.....	\$..... 370,725
2.	Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	\$..... 6,479,037
(c)	Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	\$ 89,582	\$.....	\$..... 89,582
(d)	Deferred Tax Assets Admitted as the result of application of SSAP No. 101.			
	Total (2(a) + 2(b) + 2(c))	\$ 1,702,948	\$..... 0	\$..... 1,702,948

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NOTES TO FINANCIAL STATEMENTS

12/31/2013		
(4)	(5)	(6)
Ordinary	Capital	(Col 4+5) Total

(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 990,428	\$ 0	\$ 990,428
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	\$ 655,845	\$ 0	\$ 655,845
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	\$ 655,845	\$ 0	\$ 655,845
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	\$ 6,479,037
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	\$ 75,414	\$ 0	\$ 75,414
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101.			
Total (2(a) + 2(b) + 2(c))	\$ 1,721,687	\$ 0	\$ 1,721,687

Change		
(7)	(8)	(9)
(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total

(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 252,213	\$ 0	\$ 252,213
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	\$ (285,120)	\$ 0	\$ (285,120)
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	\$ (285,120)	\$ 0	\$ (285,120)
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	\$ 0
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	\$ 14,168	\$ 0	\$ 14,168
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101.			
Total (2(a) + 2(b) + 2(c))	\$ (18,739)	\$ 0	\$ (18,739)

3.

2014	2013
------	------

(a) Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	..... 1,388.700
(b) Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	\$ 43,193,577 \$ 43,733,314

4.

12/31/2014	
(1)	(2)
Ordinary	Capital

Impact of Tax-Planning Strategies

(a) Determination Of Adjusted Gross Deferred Tax Assets And Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.	
1. Adjusted Gross DTAs Amount From Note 9A1(c)	..... 1,702,948 0
2. Percentage Of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies	..... 0.0 0.0
3. Net Admitted Adjusted Gross DTAs Amount From Note 9A1(e)	..... 1,702,948 0
4. Percentage Of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	..... 0.0 0.0

12/31/2013	
(3)	(4)
Ordinary	Capital

(a) Determination Of Adjusted Gross Deferred Tax Assets And Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.	
1. Adjusted Gross DTAs Amount From Note 9A1(c)	..... 1,721,687 0
2. Percentage Of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies	..... 0.0 0.0
3. Net Admitted Adjusted Gross DTAs Amount From Note 9A1(e)	..... 1,721,687 0
4. Percentage Of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies 0.0 0.0

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE
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NOTES TO FINANCIAL STATEMENTS

Change	
(5)	(6)
(Col 1-3) Ordinary	(Col 2-4) Capital

- (a) Determination Of Adjusted Gross Deferred Tax Assets And Net Admitted
Deferred Tax Assets, By Tax Character As A Percentage.

1. Adjusted Gross DTAs Amount From Note 9A1(c)

2. Percentage Of Adjusted Gross DTAs By Tax Character Attributable To The
Impact Of Tax Planning Strategies

3. Net Admitted Adjusted Gross DTAs Amount From Note 9A1(e)

4. Percentage Of Net Admitted Adjusted Gross DTAs By Tax Character
Admitted Because Of The Impact Of Tax Planning Strategies

(18,739)

0.0

(18,739)

0.0

0

0.0

0

0.0
- (b) Does the Company's tax-planning strategies include the use of reinsurance?

Yes.....

No.....X.....

B. Temporary differences for which a DTL has not been established:
NONE

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

(1)	(2)	(3)
12/31/2014	12/31/2013	(Col 1-2) Change

1. Current Income Tax

(a) Federal

(b) Foreign

(c) Subtotal

(d) Federal income tax on net capital gains

(e) Utilization of capital loss carry-forwards

(f) Other

(g) Federal and foreign income taxes incurred

\$..... 1,245,189

\$..... 0

\$..... 1,245,189

\$..... (14,097)

\$..... 0

\$..... (42,355)

\$..... 1,188,737

\$..... 1,166,153

\$..... 0

\$..... 1,166,153

\$..... 49,004

\$..... 0

\$..... 25,715

\$..... 1,240,872

\$.....79,036

\$..... 0

\$.....79,036

\$.....(63,101)

\$..... 0

\$.....(68,070)

\$.....(52,135)
2. Deferred Tax Assets:

(a) Ordinary

(1) Discounting of unpaid losses

(2) Unearned premium reserve

(3) Policyholder reserves

(4) Investments

(5) Deferred acquisition costs

(6) Policyholder dividends accrual

(7) Fixed assets

(8) Compensation and benefits accrual

(9) Pension accrual

(10) Receivables - nonadmitted

(11) Net operating loss carry-forward

(12) Tax credit carry-forward

(13) Other (including items <5% of total ordinary tax assets)

(99) Subtotal

\$..... 327,409

\$..... 1,319,113

\$.....

\$.....

\$..... 30,482

\$.....

\$.....

\$.....

\$.....

\$..... 25,944

\$.....

\$.....

\$.....

\$..... 1,702,948

\$..... 459,638

\$..... 1,245,248

\$..... 0

\$..... 0

\$..... 0

\$..... 0

\$..... 0

\$..... 0

\$..... 0

\$..... 16,801

\$..... 0

\$..... 0

\$..... 1,721,687

\$.....(132,229)

\$.....73,865

\$..... 0

\$..... 0

\$.....30,482

\$..... 0

\$..... 0

\$..... 0

\$..... 0

\$.....9,143

\$..... 0

\$..... 0

\$.....(18,739)

(b) Statutory valuation allowance adjustment

(c) Nonadmitted

\$.....

\$.....

\$..... 0

\$..... 0

\$..... 0

\$..... 0

(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)

\$..... 1,702,948

\$..... 1,721,687

\$.....(18,739)

(e) Capital:

(1) Investments

(2) Net capital loss carry-forward

(3) Real estate

(4) Other (including items <5% of total capital tax assets)

(99) Subtotal

\$.....

\$.....

\$.....

\$.....

\$..... 0

\$..... 0

\$..... 0

\$..... 0

\$..... 0

\$..... 0

(f) Statutory valuation allowance adjustment

(g) Nonadmitted

\$.....

\$.....

\$..... 0

\$..... 0

\$..... 0

\$..... 0

(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)

\$..... 0

\$..... 0

\$..... 0

(i) Admitted deferred tax assets (2d + 2h)

\$..... 1,702,948

\$..... 1,721,687

\$.....(18,739)

3. Deferred Tax Liabilities:

(a) Ordinary

(1) Investments

(2) Fixed assets

(3) Deferred and uncollected premium

(4) Policyholder reserves

(5) Other (including items<5% of total ordinary tax liabilities)

(99) Subtotal

\$..... 110,552

\$.....

\$.....

\$..... 10,808

\$.....

\$..... 121,360

\$..... 96,038

\$..... 0

\$..... 0

\$..... 15,634

\$..... 0

\$..... 111,672

\$.....14,514

\$..... 0

\$..... 0

\$.....(4,826)

\$..... 0

\$.....9,688

14.5

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NOTES TO FINANCIAL STATEMENTS

(b) Capital:			
(1) Investments	\$	\$ 0	\$ 0
(2) Real estate	\$	\$ 0	\$ 0
(3) Other (including items <5% of total capital tax liabilities)	\$	\$ 0	\$ 0
(99) Subtotal	\$ 0	\$ 0	\$ 0
(c) Deferred tax liabilities (3a99 + 3b99)			
	\$ 121,360	\$ 111,672	\$ 9,688
4. Net deferred tax assets/liabilities (2i - 3c)	\$ 1,581,588	\$ 1,610,015	\$ (28,427)

D. Reconciliation of federal income tax rate to actual effective rate:

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

		Amount	Tax Effect	Effective Tax Rate
1. Description:				
(a) Income Before Taxes	\$	4,423,575	\$ 1,548,251	35.00%
(b) Tax-Exempt Interest	\$	(1,082,173)	\$ (378,761)	-8.56%
(c) Dividends Received Deduction	\$	0	\$ 0	0.00%
(d) Proration	\$	162,326	\$ 56,814	1.28%
(e) Meals & Entertainment	\$	0	\$ 0	0.00%
(f) Statutory Valuation Allowance	\$	0	\$ 0	0.00%
(g) Pension (unfunded liability and prepaid)	\$	0	\$ 0	0.00%
(h) Change in Nonadmitted Assets	\$	(26,125)	\$ (9,144)	-0.21%
(i) Other, Including Prior Year True-up	\$	7	\$ 2	0.00%
Total	\$	3,477,610	\$ 1,217,163	27.52%
2. Description:				
(a) Federal Income Tax Incurred [Expense/(Benefit)]			\$ 1,202,834	27.19%
(b) Tax on Capital Gains/(Losses)			\$ (14,097)	-0.32%
(c) Change in Net Deferred Income Tax [Charge/(Benefit)]			\$ 28,427	0.64%
Total			\$ 1,217,163	27.52%

E. Carryforwards, recoverable taxes, and IRC S6603 deposits:

1. At December 31, 2014, the Company had net operating loss carry forwards of:	\$ 0
At December 31, 2014, the Company had capital loss carry forwards of:	\$ 0
At December 31, 2014, the Company had AMT credit carry forwards, which do not expire, in the amount of:	\$ 0

2. The following is income tax expense that is available for recoupment in the event of future net losses:

Year	Ordinary	Capital	Total
2012	\$ 0	\$ 0	\$ 0
2013	\$ 1,123,797	\$ 49,004	\$ 1,172,801
2014	\$ 1,245,189	\$ (14,097)	\$ 1,231,092
Total	\$ 2,368,987	\$ 34,907	\$ 2,403,893

3. Deposits admitted under IRC S6603:
NONE

F. The Company’s federal income tax return is consolidated with the following entities:

1. Grange Mutual Casualty Company
2. The method of allocation among companies is subject to a written agreement, approved by the Board of Directors, whereby allocation is made primarily on a separate company basis with current credit for losses.

G. Federal or foreign income tax loss contingencies:
NONE

10. INFORMATION CONCERNNING PARENT, SUBSIDIARIES AND AFFILIATES:

A. Relationship with Parent, Subsidiaries and Affiliates:

The Company is a 100% owned subsidiary of Grange Mutual Casualty Company (GMCC), an insurance company domiciled in the State of Ohio and a member of the Grange Mutual Casualty Group.

B. Descriptions of transactions with Parent, Subsidiaries and Affiliates: None

C. Amounts of transactions with Parent, Subsidiaries and Affiliates: None

D. Amounts Due From or To Related Parties:

At December 31, 2014, the Company reported \$1.2 million as amounts due from GMCC. The terms of the settlement require that these amounts be settled within 45 days.

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE
GRANGE INDEMNITY INSURANCE COMPANY**

NOTES TO FINANCIAL STATEMENTS

- E. Guarantees or Contingencies for Related Parties: None
- F. Description of material management or service contracts:
The Company maintains a service agreement with GMCC, whereby GMCC provides service for the Company and makes available all services necessary to support its business operations. These services include all necessary financial, actuarial, audit, accounting, tax, information technology, records management and legal and compliance services, other than those provided by third party service providers.
- G. Nature of the control relationship:

The Company participates in a pooling reinsurance agreement detailed in Note 26.
- H. Amount Deducted for Investment in Upstream Company: None
- I. Investments in Affiliates Greater than 10% of Admitted Assets: None
- J. The Company did not recognize any impairment write down for investments in Subsidiary, Controlled or Affiliated Companies during the periods reported.
- K. The Company does not have investments in a foreign insurance subsidiary.
- L. The Company does not have an investment in a downstream noninsurance company.

11. DEBT: NONE

12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS:

All employees are employed by GMCC and participate in the pension and other benefit plans of GMCC. Annual costs are shared via the pooling arrangement.

13. CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUSAI-REORGANIZATIONS:

- 1. The Company has 1,000 shares authorized, 1,000 shares issued and 1,000 shares outstanding. All shares are Class A shares.
- 2. The Company has no preferred stock outstanding.
- 3. The Company doesn't pay dividends to its policyholders. Dividends recorded in these financial statements were paid by other companies within the Grange Mutual Casualty Group.
- 4. No dividends were paid by the Company.
- 5. The Company doesn't pay dividends to its policyholders.
- 6. There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.
- 7. No advances to surplus were made.
- 8. No amounts of stock were held by the Company.
- 9. No special surplus funds are held.
- 10. The Company has no unrealized gains.
- 11. The Company has no surplus notes.
- 12. There has not been a restatement due to prior quasi-reorganizations.
- 13. There has been no quasi-reorganization in the past 10 years.

14. CONTINGENCIES:

- A. Contingent Commitments: None
- B. Assessments:

Guaranty Fund Assessments are recorded by the parent, GMCC.
- C. Gain Contingencies: None
- D. Claims Related Extra Contractual Obligations and Bad Faith Losses Stemming from Lawsuits: None
- E. Product Warranties: None
- F. All Other Contingencies:

Various lawsuits against the Company have arisen in the course of the Company's business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company.

15. LEASES: NONE

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

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE
GRANGE INDEMNITY INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

17. TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES:

- A. Transfers of Receivables Reported as Sales: None
- B. Transfer and Servicing of Financial Assets

1. Loaned Securities:

The Company participates in a securities lending program with JPMorgan Chase Bank as lending agent. Securities on loan as of December 31, 2014 were fixed income bonds, totaling \$3.2M. Collateral received from lending activities is maintained in accordance to the securities lending agreement, whereby the collateral requirement shall be an amount equal to 102% of the then current market value of the relevant loaned securities where securities and collateral are denominated in the same currency, and 105% for all other securities. The Company’s lending agent, JPMorgan Chase Bank, reinvests the cash collateral according to investment guidelines outlined in the securities lending agreement and is reported on-balance sheet. Collateral received in the form of securities are restricted and off-balance sheet. The Company is not able to sell or reinvest the securities received as collateral and according to the MLSA, the borrower bears all the risk associated with said securities.

2. Servicing Assets and Servicing Liabilities: None

3. Servicing Assets and Servicing Liabilities Measured at Fair Value: None

4. Securitizations, Asset-backed Financing Agreements and Similar Transfers with Continued Involvement: None

5. Assets Accounted for as Secured Borrowing: None

6. Receivables with Recourse: None

7. Securities Underlying Repurchase and Reverse Repurchase Agreements: 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

20. FAIR VALUE MEASUREMENTS:

- A. All assets and liabilities of the Company are measured and reported at cost or amortized cost in accordance with footnote 1 above.

1. Fair Value Hierarchy: None

2. Level Three Fair Value Reconciliation: None

3. Level Three Transfers In/Out: None

4. Reported Fair Value of Investments within Level 2 and Level 3: 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 December 31, 2014, the Company did not have any bonds rated NAIC 3 thru 6, and therefore did not report any securities at fair value.

5. Derivative Assets and Liabilities: The Company does not have derivative assets and liabilities.
- B. Other Fair Value Disclosures: None
- C. Fair Values for All Financial Instruments by Levels 1, 2 and 3:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (CV)
Bonds	83,320,017	78,981,363	6,052,388	77,267,629	0	0
Common Stock	0	0	0	0	0	0
Perpetual Preferred	0	0	0	0	0	0
Other Invested Asset	0	0	0	0	0	0
Money Market	0	0	0	0	0	0
TOTAL	83,320,017	78,981,363	6,052,388	77,267,629	0	0
- D. Not Practicable to Estimate Fair Value: None

21. OTHER ITEMS:

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

1. Management Definition of Exposure to Subprime Mortgage Related Risk:

Management defines “subprime” mortgage loans as mortgage loans that are originated with an inherently higher risk profile or have a loan structure that is distinctly different from that of traditional mortgage loans. Management considers the following factors in determining whether or not a mortgage represents a subprime risk: borrowers with low credit ratings (FICO score); unconventionally high initial loan-to-value ratios (LTVs); unconventionally structured loans (option pay adjustable rate mortgages or negative amortizing loans); unconventionally high interest rates; and less than conventional documentation of the borrower’s income and/or assets.

2. The Company has no direct exposure through investments in subprime mortgage loans

3. Estimated Direct Exposure to Subprime Mortgage Risk Through Other Investments.

Management considers the Company's holdings in securities with underlying subprime exposure to be minimal. The majority of residential mortgage backed securities (RMBS) in the portfolio are issued by government-sponsored enterprises (GSEs). The Company did not own securities with collateral that contain subprime characteristics based on low credit (FICO scores less than 620) and/or high LTVs. The Company's bond portfolio does not include any positions in collateralized debt obligations (CDOs) on a direct basis. On a quarterly basis, management reviews all loan-backed and structured securities with an unrealized loss position according to SSAP 43-R. The best estimate of future cash flows using the appropriate discount rate is calculated

NOTES TO FINANCIAL STATEMENTS

	Actual Cost	Book/Adjusted Carrying Value (excluding interest)	Fair Value	Other Than Temporary Impairment Losses Recognized
a. Residential mortgage-backed securities	0	0	0	0
b. Commercial mortgage-backed securities	0	0	0	0
c. Collateralized debt obligations	0	0	0	0
d. Structured securities	0	0	0	0
e. Equity investment in SCAs *	0	0	0	0
f. Other assets	0	0	0	0
g. Total	0	0	0	0

22. EVENTS SUBSEQUENT:

Assessments relating to Section 9010 of the Federal Affordable Care Act:

23. REINSURANCE:

None exceed 3% of Surplus

C. Reinsurance Assumed and Ceded:

d.	Direct unearned Premium Reserve	33,076,605
----	---------------------------------	------------

D. Uncollectible Reinsurance: None

E. Commutation of Ceded Reinsurance: None

F. Retroactive Reinsurance: None

G. Reinsurance Accounted For as a Deposit: None

H. Disclosures for the Transfer of Property and Casualty Run-Off Agreements: None

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation: None

24. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION: NONE

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE
GRANGE INDEMNITY INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

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 \$(0.455) million from \$35.983 million in 2013 to \$35.528 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	2014	2013
BALANCE JANUARY 1	35,982,503	32,093,716
LESS REINSURANCE RECOVERABLES	14,156,625	11,814,025
NET BALANCE JANUARY 1	21,825,878	20,279,691
INCURRED RELATED TO:		
CURRENT YEAR	33,033,952	30,498,530
PRIOR YEAR	(454,797)	(892,522)
TOTAL INCURRED	32,579,155	29,606,008
PAID RELATED TO:		
CURRENT YEAR	20,931,595	18,973,685
PRIOR YEAR	9,820,112	9,086,136
TOTAL PAID	30,751,707	28,059,821
NET BALANCE AT DECEMBER 31	23,653,326	21,825,878
PLUS REINSURANCE RECOVERABLES	12,475,759	14,156,625
BALANCE AT DECEMBER 31	36,129,085	35,982,503

26. INTERCOMPANY POOLING AGREEMENTS:

		Pool	
		NAIC #	Share
Lead Company:	Grange Mutual Casualty Company	14060	84.0%
Affiliates:	Trustgard Insurance Company	40118	3.5%
	Grange Indemnity Insurance Company	10322	4.0%
	Grange Insurance Company of Michigan	11136	2.5%
	Grange Property & Casualty Insurance Company	11982	2.0%
	Integrity Mutual Insurance Company	14303	3.3%
	Integrity Property & Casualty Insurance Company	12986	0.7%

All lines of business are subject to the pooling agreement, with no exceptions. All members of the pool are parties to all reinsurance treaties entered into by the group with non-affiliated reinsurers. There are no discrepancies between the reinsurance schedules of the lead company and the reinsurance schedules of the other participants.

27. STRUCTURED SETTLEMENTS:

All unassigned structure settlements where the claimant is the payee have amortized values, by company, less than 1% of the Company’s surplus.

28. HEALTH CARE RECEIVABLES: NONE

29. PARTICIPATING POLICIES: NONE

30. PREMIUM DEFICIENCY RESERVES:

- 1. Liability carried for Premium Deficiency Reserves is zero.
- 2. Date of the most recent evaluation of this liability was 12/31/2014.
- 3. Anticipated investment income was not utilized in this calculation.

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:

The Company utilizes a variety of catastrophe mitigation techniques including exposure management, catastrophe modeling, transfer of risk via reinsurance and claims staff preparation. Exposure management includes active management of exposures and loss potentials such as monitoring of changes in insured values, peril avoidance, pricing actions and/or agency realignments. The Company primarily relies on two probabilistic catastrophe models to identify PML and TVaR estimates on an annual basis. A deterministic model augments this effort. The Company has a comprehensive catastrophic reinsurance program in place and we currently purchase coverage well in excess of our 250+ year event outcome. The Company places an emphasis on settlement of claims by Company personnel and these associates receive ongoing training on property claims practices.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes ☒ No ☐
- If yes, complete Schedule Y, Parts 1, 1A and 2.
- 1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes ☒ No ☐ N/A ☐
- 1.3

State Regulating?

Ohio.....
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes ☒ No ☐
- 2.2

If yes, date of change:

.....05/06/2014
- 3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

.....12/31/2014
- 3.2

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

.....12/31/2009
- 3.3

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

.....10/25/2010
- 3.4

By what department or departments? Ohio.....
- 3.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes ☐ No ☐ N/A ☒
- 3.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes ☒ No ☐ N/A ☐
- 4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business? Yes ☐ No ☒

4.12 renewals? Yes ☐ No ☒
- 4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business? Yes ☐ No ☒

4.22 renewals? Yes ☐ No ☒
- 5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒
- 5.2

If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes ☐ No ☒
- 6.2

If yes, give full information
- 7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes ☐ No ☒
- 7.2

If yes,

7.21 State the percentage of foreign control

7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity
.....
.....
.....
.....
.....

GENERAL INTERROGATORIES

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

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

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

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

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
PricewaterhouseCoopers LLP, Columbus, Ohio.....

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

10.2 If the response to 10.1 is yes, provide information related to this exemption:

10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]

10.4 If the response to 10.3 is yes, provide information related to this exemption:

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []

10.6 If the response to 10.5 is no or n/a, please explain

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Kenneth Lin, FCAS, MAAA, Officer of the Reporting Entity.....

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]

12.11 Name of real estate holding company

12.12 Number of parcels involved

12.13 Total book/adjusted carrying value

\$.....

12.2 If yes, provide explanation

13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []

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

a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

c. Compliance with applicable governmental laws, rules and regulations;

d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

e. Accountability for adherence to the code.

14.11 If the response to 14.1 is no, please explain:

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

14.21 If the response to 14.2 is yes, provide information related to amendment(s)

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

14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?
- Yes [] No [X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1	2	3	4
American Bankers Association (ABA) Routing Number	Issuing or Confirming Bank Name	Circumstances That Can Trigger the Letter of Credit	Amount
.....
.....
.....

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof?
- Yes [X] No []
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof?
- Yes [X] No []
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person?
- Yes [X] No []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?
- Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers \$.....
- 20.12 To stockholders not officers \$.....
- 20.13 Trustees, supreme or grand (Fraternal only) \$.....
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers \$.....
- 20.22 To stockholders not officers \$.....
- 20.23 Trustees, supreme or grand (Fraternal only) \$.....
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?
- Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others \$.....
- 21.22 Borrowed from others \$.....
- 21.23 Leased from others \$.....
- 21.24 Other \$.....
- 22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments?
- Yes [] No [X]
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$.....
- 22.22 Amount paid as expenses \$.....
- 22.23 Other amounts paid \$.....
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?
- Yes [X] No []
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:
- \$.....1,179,408

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03)
- Yes [] No [X]
- 24.02 If no, give full and complete information, relating thereto
- On deposit in custodial account.....
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- See Notes to Financial Statement Number 17.....
- 24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?
- Yes [X] No [] NA []
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs.
- \$.....3,304,040
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs.
- \$.....
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?
- Yes [X] No [] NA []
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?
- Yes [X] No [] NA []
- 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?
- Yes [X] No [] NA []
- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....3,304,034
- 24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....3,304,040
- 24.103 Total payable for securities lending reported on the liability page \$.....3,304,040

GENERAL INTERROGATORIES

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

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

25.21 Subject to repurchase agreements

25.22 Subject to reverse repurchase agreements

25.23 Subject to dollar repurchase agreements

25.24 Subject to reverse dollar repurchase agreements

25.25 Placed under option agreements

25.26 Letter stock or securities restricted as to sale – excluding FHLB Capital Stock

25.27 FHLB Capital Stock

25.28 On deposit with states

25.29 On deposit with other regulatory bodies

25.30 Pledged as collateral – excluding collateral pledged to an FHLB

25.31 Pledged as collateral to FHLB – including assets backing funding agreements

25.32 Other

\$

\$

\$

\$

\$

\$

\$

\$1,694,271

\$

\$

\$

\$

\$

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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

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

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

27.2 If yes, state the amount thereof at December 31 of the current year. \$.....

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

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

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

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

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

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

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

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

GENERAL INTERROGATORIES

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

1 Central Registration Depository Number(s)	2 Name	3 Address

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D - Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])?

Yes [] No [X]

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 TOTAL		0

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds.....	78,981,363	83,223,060	4,241,697
30.2 Preferred Stocks.....	0	0	0
30.3 Totals	78,981,363	83,223,060	4,241,697

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

Fair Values obtained primarily from Hub Data, Inc., otherwise fair values from custodian statements are used.....

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?

Yes [X] No []

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?

Yes [X] No []

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

32.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed?

Yes [X] No []

32.2 If no, list exceptions:

GENERAL INTERROGATORIES

OTHER

- 33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$0
- 33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
.....	\$.....
.....	\$.....
.....	\$.....

- 34.1 Amount of payments for legal expenses, if any? \$0
- 34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
.....	\$.....
.....	\$.....
.....	\$.....

- 35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$0
- 35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
.....	\$.....
.....	\$.....
.....	\$.....

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1.1

Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes [] No [X]

1.2

If yes, indicate premium earned on U. S. business only.

\$.....0

1.3

What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$.....

1.31

Reason for excluding

1.4

Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.

\$.....

1.5

Indicate total incurred claims on all Medicare Supplement insurance.

\$.....0

1.6

Individual policies:

Most current three years:

1.61

Total premium earned

\$.....0

1.62

Total incurred claims

\$.....0

1.63

Number of covered lives

.....0

All years prior to most current three years:

1.64

Total premium earned

\$.....0

1.65

Total incurred claims

\$.....0

1.66

Number of covered lives

.....0

1.7

Group policies:

Most current three years:

1.71

Total premium earned

\$.....0

1.72

Total incurred claims

\$.....0

1.73

Number of covered lives

.....0

All years prior to most current three years:

1.74

Total premium earned

\$.....0

1.75

Total incurred claims

\$.....0

1.76

Number of covered lives

.....0

2.

Health Test:

1

Current Year

2

Prior Year

2.1

Premium Numerator

\$.....0

\$.....0

2.2

Premium Denominator

\$.....47,261,246

\$.....44,222,225

2.3

Premium Ratio (2.1/2.2)

.....0.000

.....0.000

2.4

Reserve Numerator

\$.....30,269

\$.....25,733

2.5

Reserve Denominator

\$.....42,960,562

\$.....39,764,170

2.6

Reserve Ratio (2.4/2.5)

.....0.001

.....0.001

3.1

Does the reporting entity issue both participating and non-participating policies?

Yes [] No [X]

3.2

If yes, state the amount of calendar year premiums written on:

3.21

Participating policies

\$.....

3.22

Non-participating policies

\$.....

4.

For Mutual reporting entities and Reciprocal Exchanges only:

4.1

Does the reporting entity issue assessable policies?

Yes [] No [X]

4.2

Does the reporting entity issue non-assessable policies?

Yes [X] No []

4.3

If assessable policies are issued, what is the extent of the contingent liability of the policyholders?

%

4.4

Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.

\$.....

5.

For Reciprocal Exchanges Only:

5.1

Does the exchange appoint local agents?

Yes [] No [X]

5.2

If yes, is the commission paid:

5.21

Out of Attorney's-in-fact compensation

Yes [] No [] N/A [X]

5.22

As a direct expense of the exchange

Yes [] No [] N/A [X]

5.3

What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?

5.4

Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred?

Yes [] No [X]

5.5

If yes, give full information

16

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

6.1

What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss:
Purchased statutory workers' compensation reinsurance.....

6.2

Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:
See Notes to Financial Statement Number 37.....

6.3

What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?.....
See Notes to Financial Statement Number 37.....

6.4

Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence?.....

6.5

If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophe loss
.....

7.1

Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)?.....

7.2

If yes, indicate the number of reinsurance contracts containing such provisions.....

7.3

If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)?.....

8.1

Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured?.....

8.2

If yes, give full information
.....

9.1

Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:

(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;

(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;

(c) Aggregate stop loss reinsurance coverage;

(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;

(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or

(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity.....

9.2

Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessations to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:

(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or

(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract.

9.3

If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:

(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;

(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and

(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.

9.4

Except for transactions meeting the requirements of paragraph 31 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:

(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or

(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?

9.5

If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.

9.6

The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:

(a) The entity does not utilize reinsurance; or,

(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or

(c) The entity has no external cessations and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement.

10.

If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done?

Yes

[X]

No

[]

N/A

[]

16.1

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

11.1

Has the reporting entity guaranteed policies issued by any other entity and now in force:

Yes [] No [X]

11.2

If yes, give full information

12.1

If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:

12.11

Unpaid losses

\$

12.12

Unpaid underwriting expenses (including loss adjustment expenses)

\$

12.2

Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds?

\$

12.3

If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses?

Yes [] No [X] N/A []

12.4

If yes, provide the range of interest rates charged under such notes during the period covered by this statement:

12.41

From

%

12.42

To

%

12.5

Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies?

Yes [] No [X]

12.6

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

12.61

Letters of Credit

\$

12.62

Collateral and other funds

\$

13.1

Largest net aggregate amount insured in any one risk (excluding workers' compensation):

\$2,000,000

13.2

Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision?

Yes [] No [X]

13.3

State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount.

1

14.1

Is the company a cedant in a multiple cedant reinsurance contract?

Yes [X] No []

14.2

If yes, please describe the method of allocating and recording reinsurance among the cedants:
See Notes to Financial Statement Number 26. Catastrophe Excess Loss Agreement allocated based on percentage of participation

14.3

If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts?

Yes [X] No []

14.4

If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements?

Yes [] No []

14.5

If the answer to 14.4 is no, please explain:

15.1

Has the reporting entity guaranteed any financed premium accounts?

Yes [] No [X]

15.2

If yes, give full information

16.1

Does the reporting entity write any warranty business?

Yes [] No [X]

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

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

* Disclose type of coverage:

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

Incurred but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from inclusion in Schedule F – Part 5. Provide the following information for this exemption:

17.11	Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5.....	\$.....
17.12	Unfunded portion of Interrogatory 17.11.....	\$.....
17.13	Paid losses and loss adjustment expenses portion of Interrogatory 17.11	\$.....
17.14	Case reserves portion of Interrogatory 17.11.....	\$.....
17.15	Incurred but not reported portion of Interrogatory 17.11.....	\$.....
17.16	Unearned premium portion of Interrogatory 17.11.....	\$.....
17.17	Contingent commission portion of Interrogatory 17.11.....	\$.....

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

17.18	Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5.....	\$.....
17.19	Unfunded portion of Interrogatory 17.18.....	\$.....
17.20	Paid losses and loss adjustment expenses portion of Interrogatory 17.18	\$.....
17.21	Case reserves portion of Interrogatory 17.18.....	\$.....
17.22	Incurred but not reported portion of Interrogatory 17.18.....	\$.....
17.23	Unearned premium portion of Interrogatory 17.18.....	\$.....
17.24	Contingent commission portion of Interrogatory 17.18.....	\$.....

18.1 Do you act as a custodian for health savings accounts? Yes [] No [X]
18.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$.....
18.3 Do you act as an administrator for health savings accounts? Yes [] No [X]
18.4 If yes, please provide the balance of the funds administered as of the reporting date. \$.....

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE GRANGE INDEMNITY INSURANCE COMPANY

FIVE-YEAR HISTORICAL DATA

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

	1 2014	2 2013	3 2012	4 2011	5 2010
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	75,685,735	61,782,889	45,626,990	43,389,476	48,937,627
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	34,023,069	28,555,948	22,808,636	21,944,077	24,739,915
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	16,198,555	15,050,192	13,777,724	12,907,591	13,308,855
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	2,915	3,884	4,405	4,229	5,524
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
6. Total (Line 35)	125,910,274	105,392,913	82,217,755	78,245,373	86,991,921
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	19,554,622	18,532,353	17,478,808	17,183,547	18,671,548
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	12,874,097	12,005,937	11,059,385	11,042,335	12,272,829
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	16,198,555	15,050,192	13,777,724	12,907,591	13,308,855
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	2,915	3,884	4,405	4,229	5,524
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
12. Total (Line 35)	48,630,189	45,592,367	42,320,322	41,137,702	44,258,756
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	(80,750)	(5,873)	(500,836)	(729,996)	(1,569,898)
14. Net investment gain (loss) (Line 11)	2,851,958	2,777,076	2,690,206	2,429,737	2,188,102
15. Total other income (Line 15)	1,798,065	1,361,600	1,234,453	1,308,007	1,733,235
16. Dividends to policyholders (Line 17)	131,600	129,577	125,951	122,152	129,426
17. Federal and foreign income taxes incurred (Line 19)	1,202,834	1,191,868	763,265	659,842	377,127
18. Net income (Line 20)	3,234,838	2,811,357	2,534,607	2,225,754	1,844,886
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	96,598,081	88,393,938	84,971,968	79,404,574	77,840,548
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	9,515,014	8,659,208	7,801,868	7,348,967	7,778,239
20.2 Deferred and not yet due (Line 15.2)	20,633	14,433	(8,934)	(7,517)	(10,158)
20.3 Accrued retrospective premiums (Line 15.3)	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 26)	49,684,481	44,660,624	44,185,475	41,092,208	41,686,816
22. Losses (Page 3, Line 1)	18,432,065	16,804,371	15,607,103	15,787,268	16,167,083
23. Loss adjustment expenses (Page 3, Line 3)	5,221,261	5,021,507	4,672,588	4,517,855	4,872,717
24. Unearned premiums (Page 3, Line 9)	19,307,235	17,938,292	16,568,151	15,635,092	16,237,353
25. Capital paid up (Page 3, Lines 30 & 31)	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
26. Surplus as regards policyholders (Page 3, Line 37)	46,913,600	43,733,314	40,786,493	38,312,366	36,153,732
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	5,285,286	5,891,779	3,770,266	1,733,034	1,988,488
Risk-Based Capital Analysis					
28. Total adjusted capital	46,913,600	43,733,314	40,786,493	38,312,366	36,153,732
29. Authorized control level risk-based capital	3,339,160	3,304,828	3,039,483	3,028,144	3,268,020
Percentage Distribution of Cash, Cash Equivalents and Invested Assets					
(Page 2, Col. 3)(Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1)	94.7	97.7	92.9	95.4	95.1
31. Stocks (Lines 2.1 & 2.2)	0.0	0.0	0.0	0.0	0.0
32. Mortgage loans on real estate (Lines 3.1 and 3.2)	0.0	0.0	0.0	0.0	0.0
33. Real estate (Lines 4.1, 4.2 & 4.3)	0.0	0.0	0.0	0.0	0.0
34. Cash, cash equivalents and short-term investments (Line 5)	1.4	1.2	1.5	0.9	2.1
35. Contract loans (Line 6)	0.0	0.0	0.0	0.0	0.0
36. Derivatives (Line 7)	0.0	0.0	0.0	0.0	0.0
37. Other invested assets (Line 8)	0.0	0.0	0.0	0.0	0.0
38. Receivables for securities (Line 9)	0.0	0.0	0.0	0.0	0.0
39. Securities lending reinvested collateral assets (Line 10)	4.0	1.1	5.5	3.7	2.7
40. Aggregate write-ins for invested assets (Line 11)	0.0	0.0	0.0	0.0	0.0
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds, (Sch. D, Summary, Line 12, Col. 1)	0	0	0	0	0
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1)	0	0	0	0	0
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1)	0	0	0	0	0
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)	0	0	0	0	0
46. Affiliated mortgage loans on real estate	0	0	0	0	0
47. All other affiliated	0	0	0	0	0
48. Total of above Lines 42 to 47	0	0	0	0	0
49. Total Investment in parent included in Lines 42 to 47 above	0	0	0	0	0
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)	0.0	0.0	0.0	0.0	0.0

FIVE-YEAR HISTORICAL DATA

	1	2	3	4	5
	2014	2013	2012	2011	2010
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)	0	0	0	0	0
52. Dividends to stockholders (Line 35)	0	0	0	0	0
53. Change in surplus as regards policyholders for the year (Line 38)	3,180,286	2,946,820	2,474,128	2,158,634	1,727,314
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	30,704,927	22,493,271	23,213,582	24,521,292	30,333,730
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	19,331,554	14,599,717	12,920,580	13,952,284	14,267,205
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	8,065,603	7,428,557	8,866,535	8,678,409	9,288,890
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	2,664	6,296	7,968	7,396	7,694
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
59. Total (Line 35)	58,104,748	44,527,841	45,008,665	47,159,381	53,897,519
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	10,415,217	9,335,945	9,086,544	10,029,432	10,938,758
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)	7,057,712	6,409,310	6,229,150	6,746,580	6,981,520
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	8,065,603	7,428,557	8,866,535	8,678,409	9,288,890
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	2,664	6,296	7,968	7,396	7,694
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
65. Total (Line 35)	25,541,196	23,180,108	24,190,197	25,461,818	27,216,862
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)	57.5	55.1	58.0	60.1	61.1
68. Loss expenses incurred (Line 3)	11.4	11.8	11.0	10.4	10.6
69. Other underwriting expenses incurred (Line 4)	31.2	33.1	32.2	31.3	31.8
70. Net underwriting gain (loss) (Line 8)	(0.2)	0.0	(1.2)	(1.7)	(3.5)
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)	26.7	29.1	28.6	28.5	28.2
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	68.9	66.9	69.0	70.5	71.7
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0)	103.7	104.3	103.8	107.4	122.4
One Year Loss Development (000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11)	469	(201)	(1,091)	(1,810)	(1,163)
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100.0)	1.1	(0.5)	(2.8)	(5.0)	(3.4)
Two Year Loss Development (000 omitted)					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)	349	(1,044)	(2,079)	(2,060)	(1,165)
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0)	0.9	(2.7)	(5.7)	(6.0)	(3.5)

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

If no, please explain

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

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	Number of Claims Reported Direct and Assumed
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior	XXX	XXX	XXX	312	205	34	1	2	0	13	143	XXX
2. 2005	42,025	1,533	40,492	19,979	198	941	30	3,071	0	1,164	23,763	XXX
3. 2006	43,739	1,813	41,926	22,729	1,022	853	3	3,566	0	1,160	26,122	XXX
4. 2007	45,439	1,549	43,890	25,095	1,030	877	7	3,387	1	1,356	28,320	XXX
5. 2008	44,898	2,076	42,823	28,437	3,214	936	42	3,658	2	1,289	29,772	XXX
6. 2009	46,268	2,334	43,934	27,106	772	814	3	3,663	0	1,422	30,808	XXX
7. 2010	47,097	2,279	44,817	27,651	844	844	1	3,867	0	1,570	31,517	XXX
8. 2011	44,250	2,510	41,740	28,451	3,762	851	16	3,771	1	1,397	29,294	XXX
9. 2012	43,709	2,322	41,387	23,719	1,161	566	10	3,495	1	1,282	26,608	XXX
10. 2013	46,373	2,151	44,222	20,543	438	337	6	3,651	1	1,215	24,087	XXX
11. 2014	49,301	2,039	47,261	17,476	105	148	1	3,415	2	857	20,932	XXX
12. Totals	XXX	XXX	XXX	241,498	12,751	7,201	120	35,547	8	12,725	271,366	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22			
	13	14	15	16	17	18	19	20					
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Salvage and Subrogation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstanding Direct and Assumed
1.	4,719	4,619	7	0	1	5	0	0	21	0	0	124	XXX
2.	418	362	4	0	0	0	12	0	3	0	3	75	XXX
3.	557	518	6	0	0	0	22	0	5	0	7	72	XXX
4.	1,627	1,578	9	0	0	0	37	0	4	0	12	100	XXX
5.	495	294	12	0	0	0	54	0	15	0	18	283	XXX
6.	494	326	28	0	0	0	84	0	12	0	29	291	XXX
7.	1,677	1,343	68	0	0	0	160	0	29	0	47	591	XXX
8.	2,009	1,093	209	15	0	0	270	0	61	0	68	1,441	XXX
9.	3,144	1,372	571	35	0	0	524	0	137	0	114	2,969	XXX
10.	3,684	617	1,491	63	0	0	835	0	276	0	217	5,605	XXX
11.	5,774	128	3,904	112	3	0	1,159	0	1,502	0	733	12,102	XXX
12.	24,598	12,251	6,310	225	4	5	3,157	0	2,065	0	1,249	23,653	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26	27	28	29	30	31	32	33		35	36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1.	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	107	17
2.	24,429	591	23,838	58.1	38.5	58.9	0	0	4.0	60	15
3.	27,738	1,544	26,194	63.4	85.2	62.5	0	0	4.0	45	27
4.	31,037	2,617	28,420	68.3	168.9	64.8	0	0	4.0	59	42
5.	33,608	3,552	30,055	74.9	171.1	70.2	0	0	4.0	213	69
6.	32,201	1,101	31,099	69.6	47.2	70.8	0	0	4.0	195	96
7.	34,296	2,188	32,108	72.8	96.0	71.6	0	0	4.0	402	189
8.	35,621	4,887	30,734	80.5	194.7	73.6	0	0	4.0	1,110	331
9.	32,156	2,579	29,577	73.6	111.1	71.5	0	0	4.0	2,308	661
10.	30,817	1,124	29,692	66.5	52.3	67.1	0	0	4.0	4,494	1,111
11.	33,381	347	33,034	67.7	17.0	69.9	0	0	4.0	9,439	2,663
12.	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	18,432	5,221

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

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE GRANGE INDEMNITY INSURANCE COMPANY

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	One Year	Two Year
1. Prior	8,774	8,219	7,992	7,766	7,697	7,602	7,625	7,662	7,696	7,743	47	81
2. 2005	21,935	21,661	21,263	21,018	20,845	20,746	20,763	20,755	20,743	20,764	21	10
3. 2006	XXX	24,206	23,282	23,023	22,791	22,685	22,640	22,636	22,620	22,624	4	(12)
4. 2007	XXX	XXX	25,912	25,561	25,292	25,118	25,032	25,092	25,011	25,030	19	(62)
5. 2008	XXX	XXX	XXX	26,597	26,771	26,649	26,286	26,344	26,322	26,385	63	41
6. 2009	XXX	XXX	XXX	XXX	28,502	27,935	27,491	27,485	27,448	27,424	(24)	(60)
7. 2010	XXX	XXX	XXX	XXX	XXX	29,357	28,445	28,040	28,133	28,212	80	172
8. 2011	XXX	XXX	XXX	XXX	XXX	XXX	27,427	26,605	26,693	26,903	210	298
9. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	26,063	25,816	25,946	130	(118)
10. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	25,847	25,766	(81)	XXX
11. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	28,119	XXX	XXX
12. Totals											469	349

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014		
1. Prior	000	3,479	5,483	6,441	6,938	7,209	7,319	7,442	7,500	7,640	XXX	XXX
2. 2005	12,814	16,751	18,733	19,854	20,312	20,469	20,587	20,618	20,657	20,692	XXX	XXX
3. 2006	XXX	14,504	19,010	20,864	21,834	22,253	22,436	22,490	22,508	22,556	XXX	XXX
4. 2007	XXX	XXX	16,306	20,921	22,973	24,194	24,516	24,731	24,858	24,934	XXX	XXX
5. 2008	XXX	XXX	XXX	17,207	22,502	24,241	25,282	25,650	26,002	26,117	XXX	XXX
6. 2009	XXX	XXX	XXX	XXX	18,283	23,698	25,443	26,410	26,962	27,145	XXX	XXX
7. 2010	XXX	XXX	XXX	XXX	XXX	18,885	23,827	25,632	26,923	27,650	XXX	XXX
8. 2011	XXX	XXX	XXX	XXX	XXX	XXX	17,826	22,361	24,133	25,523	XXX	XXX
9. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	16,987	21,246	23,114	XXX	XXX
10. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	15,812	20,437	XXX	XXX
11. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	17,518	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1 2005	2 2006	3 2007	4 2008	5 2009	6 2010	7 2011	8 2012	9 2013	10 2014
1. Prior	4,181	1,066	985	543	314	124	50	32	21	7
2. 2005	4,255	1,485	1,021	481	230	92	46	36	20	16
3. 2006	XXX	3,637	2,128	1,004	414	174	82	65	32	29
4. 2007	XXX	XXX	4,524	2,171	950	391	168	118	53	47
5. 2008	XXX	XXX	XXX	4,377	1,995	836	346	198	80	67
6. 2009	XXX	XXX	XXX	XXX	4,681	2,100	828	328	183	112
7. 2010	XXX	XXX	XXX	XXX	XXX	4,855	1,912	838	354	228
8. 2011	XXX	XXX	XXX	XXX	XXX	XXX	4,388	1,741	855	464
9. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,333	2,036	1,060
10. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,332	2,262
11. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,952

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated By States And Territories									
States, etc.	1	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4	5	6	7	8	9
		2	3						
	Active Status	Direct Premiums Written	Direct Premiums Earned	Dividends Paid or Credited to Policyholders on Direct Business	Direct Losses Paid (Deducting Salvage)	Direct Losses Incurred	Direct Losses Unpaid	Finance and Service Charges Not Included in Premiums	Direct Premium Written for Federal Purchasing Groups (Included in Col. 2)
1. Alabama	AL N	.0	.0	.0	.0	.0	.0	.0	
2. Alaska	AK N	.0	.0	.0	.0	.0	.0	.0	
3. Arizona	AZ N	.0	.0	.0	.0	.0	.0	.0	
4. Arkansas	AR N	.0	.0	.0	.0	.0	.0	.0	
5. California	CA N	.0	.0	.0	.0	.0	.0	.0	
6. Colorado	CO N	.0	.0	.0	.0	.0	.0	.0	
7. Connecticut	CT N	.0	.0	.0	.0	.0	.0	.0	
8. Delaware	DE N	.0	.0	.0	.0	.0	.0	.0	
9. Dist. Columbia	DC N	.0	.0	.0	.0	.0	.0	.0	
10. Florida	FL N	.0	.0	.0	.0	.0	.0	.0	
11. Georgia	GA L	13,106,240	11,192,884	.0	6,239,972	10,545,617	7,110,376	334,644	
12. Hawaii	HI N	.0	.0	.0	.0	.0	.0	.0	
13. Idaho	ID N	.0	.0	.0	.0	.0	.0	.0	
14. Illinois	IL L	19,587,748	16,774,405	.0	5,755,397	11,654,694	12,902,285	197,071	
15. Indiana	IN L	11,340,079	10,882,807	.0	6,830,951	8,234,018	5,544,609	481,175	
16. Iowa	IA L	.0	.0	.0	.0	.0	.0	.0	
17. Kansas	KS L	.0	.0	.0	.0	.0	.0	.0	
18. Kentucky	KY L	6,406,925	6,061,020	.0	2,364,383	3,638,234	3,064,233	88,038	
19. Louisiana	LA N	.0	.0	.0	.0	.0	.0	.0	
20. Maine	ME N	.0	.0	.0	.0	.0	.0	.0	
21. Maryland	MD N	.0	.0	.0	.0	.0	.0	.0	
22. Massachusetts	MA N	.0	.0	.0	.0	.0	.0	.0	
23. Michigan	MI N	.0	.0	.0	.0	.0	.0	.0	
24. Minnesota	MN L	.0	.0	.0	.0	.0	.0	.0	
25. Mississippi	MS N	.0	.0	.0	.0	.0	.0	.0	
26. Missouri	MO L	.0	.0	.0	.0	.0	.0	.0	
27. Montana	MT N	.0	.0	.0	.0	.0	.0	.0	
28. Nebraska	NE N	.0	.0	.0	.0	.0	.0	.0	
29. Nevada	NV N	.0	.0	.0	.0	.0	.0	.0	
30. New Hampshire	NH N	.0	.0	.0	.0	.0	.0	.0	
31. New Jersey	NJ N	.0	.0	.0	.0	.0	.0	.0	
32. New Mexico	NM N	.0	.0	.0	.0	.0	.0	.0	
33. New York	NY N	.0	.0	.0	.0	.0	.0	.0	
34. No. Carolina	NC N	.0	.0	.0	.0	.0	.0	.0	
35. No. Dakota	ND N	.0	.0	.0	.0	.0	.0	.0	
36. Ohio	OH L	13,374,743	12,562,792	.0	5,842,229	7,700,655	7,001,900	361,937	
37. Oklahoma	OK N	.0	.0	.0	.0	.0	.0	.0	
38. Oregon	OR N	.0	.0	.0	.0	.0	.0	.0	
39. Pennsylvania	PA L	5,935,775	5,776,944	.0	2,903,563	3,956,366	2,543,620	150,742	
40. Rhode Island	RI N	.0	.0	.0	.0	.0	.0	.0	
41. So. Carolina	SC N	.0	.0	.0	.0	.0	.0	.0	
42. So. Dakota	SD N	.0	.0	.0	.0	.0	.0	.0	
43. Tennessee	TN L	7,497,535	7,058,100	.0	2,620,323	3,761,072	2,952,594	179,284	
44. Texas	TX N	.0	.0	.0	.0	.0	.0	.0	
45. Utah	UT N	.0	.0	.0	.0	.0	.0	.0	
46. Vermont	VT N	.0	.0	.0	.0	.0	.0	.0	
47. Virginia	VA N	.0	.0	.0	.0	.0	.0	.0	
48. Washington	WA N	.0	.0	.0	.0	.0	.0	.0	
49. West Virginia	WV N	.0	.0	.0	.0	.0	.0	.0	
50. Wisconsin	WI L	.0	.0	.0	.0	.0	.0	.0	
51. Wyoming	WY N	.0	.0	.0	.0	.0	.0	.0	
52. American Samoa	AS N	.0	.0	.0	.0	.0	.0	.0	
53. Guam	GU N	.0	.0	.0	.0	.0	.0	.0	
54. Puerto Rico	PR N	.0	.0	.0	.0	.0	.0	.0	
55. U.S. Virgin Islands	VI N	.0	.0	.0	.0	.0	.0	.0	
56. Northern Mariana Islands	MP N	.0	.0	.0	.0	.0	.0	.0	
57. Canada	CAN N	.0	.0	.0	.0	.0	.0	.0	
58. Aggregate other alien	OT XXX	.0	.0	.0	.0	.0	.0	.0	.0
59. Totals	(a) 12	77,249,045	70,308,952	0	32,556,819	49,490,657	41,119,615	1,792,891	0
DETAILS OF WRITE-INS									
58001.	XXX								
58002.	XXX								
58003.	XXX								
58998. Sum. of remaining write-ins for Line 58 from overflow page	XXX	.0	.0	.0	.0	.0	.0	.0	.0
58999. Totals (Lines 58001 through 58003 + 58998) (Line 58 above)	XXX	0	0	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.

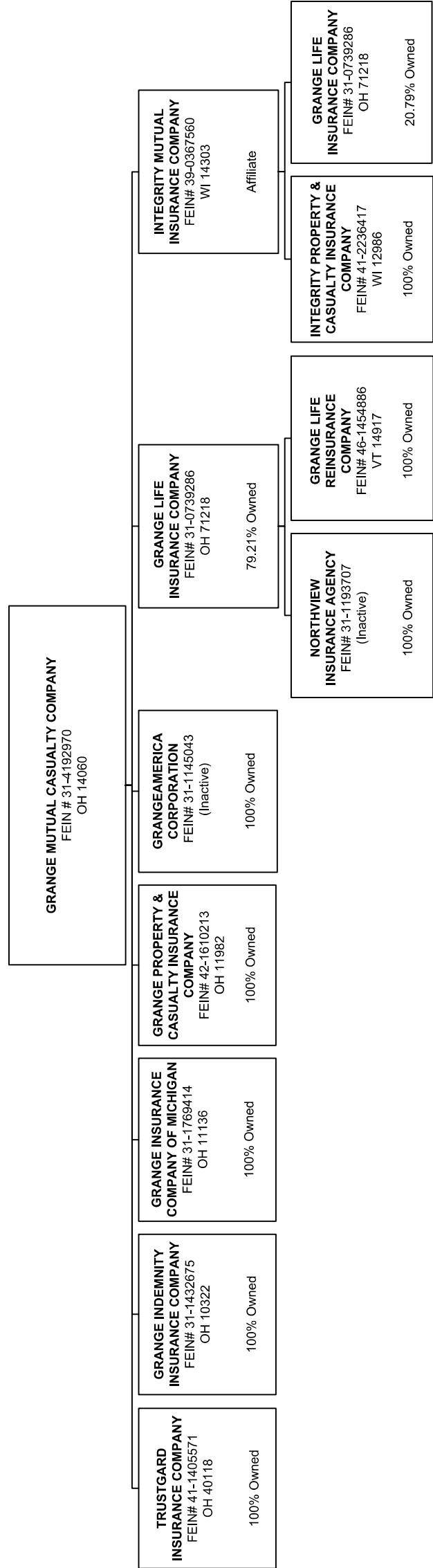
Explanation of basis of allocation of premiums by states, etc.

Location of the risk.

(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

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