

Motorists Mutual Insurance Company is refiling its 2014 annual statutory financial statement to change the balance sheet and Schedule D presentation of its August 2014 acquisition of Consumers Insurance Group, Inc. The change involves the inclusion of goodwill associated with this acquisition in with affiliated common stock as prescribed in SSAP 68. In the original filing, goodwill was presented separately as an "other invested asset" write-in on the balance sheet and was not included in Schedule D, Part 2. Other affected annual statement schedules and the RBC filing have been adjusted to reflect this change. In addition, we revised responses 3.2 and 3.3 in the general interrogatories on page 15 to reflect the correct dates for the completion and availability of the Ohio Insurance Department's examination of the company.

Please note, these adjustments did not impact the company's total admitted assets, liabilities or surplus values originally reported. If you have questions, please feel free to contact me at 614-225-8327 or joel.kratzer@motoristsgroup.com.



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2014
OF THE CONDITION AND AFFAIRS OF THE

Motorists Mutual Insurance Company

NAIC Group Code 0291 (Current) 0291 (Prior) NAIC Company Code 14621 Employer's ID Number 31-4259550

Organized under the Laws of _____, State of Domicile or Port of Entry _____
Country of Domicile _____ United States of America OH

Incorporated/Organized 11/08/1928 Commenced Business 11/27/1928

Statutory Home Office 471 East Broad Street, Columbus , OH, US 43215
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office _____ 471 East Broad Street
(Street and Number)
Columbus , OH, US 43215 , 614-225-8211
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 471 East Broad Street, Columbus, OH, US 43215
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records _____ 471 East Broad Street
(Street and Number)
Columbus , OH, US 43215 _____, _____ 614-225-8211
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address _____ MotoristsGroup.com

Statutory Statement Contact Joel B. Kratzer, 614-225-8327
(Name) (Area Code) (Telephone Number)
Accounting@MotoristsGroup.com, 614-225-8330
(E-mail Address) (FAX Number)

OFFICERS

President & CEO David Lynn Kaufman Treasurer & CFO Susan Elizabeth Haack #
Secretary Anne Bridges King #

OTHER

Jon Andrew Bright # Sr. VP, Sales & Underwriting Grady Brendan Campbell # Chief Marketing Officer Charles Robert Gaskill General Counsel
John Christopher Kessler # Chief Information Officer Charles Donovan Stapleton # Chief Operating Officer

DIRECTORS OR TRUSTEES

John Jacob Bishop Yvette McGee Brown Larry Lee Forrester
Archie Mason Griffin Susan Elizabeth Haack Sandra Werth Harbrecht
David Lynn Kaufman Robert Lee McCracken Thomas Charles Ogg
Robert Charles Smith Michael Lee Wiseman

State of Ohio SS: _____
County of Franklin

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

David L. Kaufman
Chief Executive Officer

Anne B. King
Secretary

Susan E. Haack
Treasurer

Subscribed and sworn to before me this
21st day of May, 2015

a. Is this an original filing? Yes [] No [X]
b. If no,
1. State the amendment number.....1
2. Date filed05/21/2015
3. Number of pages attached..... 12

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	665,520,368		665,520,368	670,103,810
2. Stocks (Schedule D):				
2.1 Preferred stocks				
2.2 Common stocks	226,082,548	6,495	226,076,053	202,275,482
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				270,120
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances)	0	26,396,930	26,396,930	26,579,010
4.2 Properties held for the production of income (less \$ encumbrances)	0	667,836	667,836	686,026
4.3 Properties held for sale (less \$ encumbrances)	0	1,616,789	1,616,789	
5. Cash (\$ (10,534,676) , Schedule E - Part 1), cash equivalents (\$ 0 , Schedule E - Part 2) and short-term investments (\$ 9,759,712 , Schedule DA)		(774,963)	(774,963)	12,842,172
6. Contract loans (including \$ premium notes)				
7. Derivatives (Schedule DB)				
8. Other invested assets (Schedule BA)	111,417,598		111,417,598	114,680,304
9. Receivable for securities	282		282	588
10. Securities lending reinvested collateral assets (Schedule DL)				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	1,030,927,389	6,495	1,030,920,892	1,027,437,512
13. Title plants less \$ charged off (for Title insurers only)				
14. Investment income due and accrued	6,544,491		6,544,491	6,758,526
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	30,134,212	14,075	30,120,137	22,248,066
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 2,459,700 earned but unbilled premiums)	110,668,357	1,581,565	109,086,791	103,998,918
15.3 Accrued retrospective premiums				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	15,151,780		15,151,780	11,700,511
16.2 Funds held by or deposited with reinsured companies	88,738,713		88,738,713	81,031,669
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset	47,031,674		47,031,674	37,917,147
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software	8,442,245	5,644,456	2,797,790	1,886,700
21. Furniture and equipment, including health care delivery assets (\$ 0)	3,569,242	3,569,242		
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	4,623,988		4,623,988	1,870,434
24. Health care (\$) and other amounts receivable				
25. Aggregate write-ins for other than invested assets	78,537,579	39,669,528	38,868,051	40,983,527
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	1,424,369,669	50,485,360	1,373,884,308	1,335,833,011
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	1,424,369,669	50,485,360	1,373,884,308	1,335,833,011
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)				
2501. ICOLI cash surrender value	35,424,984		35,424,984	38,116,328
2502. Pooled general expenses receivable	3,121,091		3,121,091	2,560,104
2503. Equities and deposits in pools and associations	321,976		321,976	307,095
2598. Summary of remaining write-ins for Line 25 from overflow page	39,669,528	39,669,528	38,868,051	40,983,527
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	78,537,579	39,669,528	38,868,051	40,983,527

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE MOTORISTS MUTUAL INSURANCE COMPANY
CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	486,321,178	472,763,289
2. Net investment income	33,086,151	36,518,822
3. Miscellaneous income	5,472,963	7,163,937
4. Total (Lines 1 through 3)	524,880,292	516,446,048
5. Benefit and loss related payments	272,187,495	258,631,156
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	237,442,328	230,828,731
8. Dividends paid to policyholders	4,387,035	5,878,537
9. Federal and foreign income taxes paid (recovered) net of \$ 12,851,971 tax on capital gains (losses)	6,985,547	188,410
10. Total (Lines 5 through 9)	521,002,405	495,526,833
11. Net cash from operations (Line 4 minus Line 10)	3,877,886	20,919,214
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	129,435,779	135,450,714
12.2 Stocks	50,075,615	65,527,357
12.3 Mortgage loans	270,120	20,213
12.4 Real estate	560,152	
12.5 Other invested assets	11,016,303	4,119,458
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds	335,527	12,475
12.8 Total investment proceeds (Lines 12.1 to 12.7)	191,693,495	205,130,217
13. Cost of investments acquired (long-term only):		
13.1 Bonds	124,766,263	177,286,894
13.2 Stocks	61,378,291	37,523,987
13.3 Mortgage loans		
13.4 Real estate	3,106,797	2,241,126
13.5 Other invested assets	12,253,148	4,975,475
13.6 Miscellaneous applications	(537,660)	26,271
13.7 Total investments acquired (Lines 13.1 to 13.6)	200,966,838	222,053,752
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(9,273,343)	(16,923,535)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	(8,221,678)	(1,506,383)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(8,221,678)	(1,506,383)
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)	(13,617,135)	2,489,296
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	12,842,172	10,352,876
19.2 End of period (Line 18 plus Line 19.1)	(774,963)	12,842,172

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

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE MOTORISTS MUTUAL INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

This statement has been completed in accordance with the accounting practices and procedures prescribed or permitted by the National Association of Insurance Commissioners (NAIC) and the State of Ohio. A reconciliation of the company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Ohio is shown below.

Net Income	State of Domicile	Period Ended	Period Ended
		December 31, 2014	December 31, 2013
(1) Motorists Mutual Insurance Company state basis	Ohio	40,435,392	37,917,852
(2) State Prescribed Practices that increase/(decrease) NAIC SAP	Ohio	-	-
(3) State Permitted Practices that increase/(decrease) NAIC SAP	Ohio	-	-
(4) NAIC SAP	Ohio	40,435,392	37,917,852
<hr/>			
Surplus	State of Domicile	Period Ended	Period Ended
		December 31, 2014	December 31, 2013
(5) Motorists Mutual Insurance Company state basis	Ohio	557,407,808	568,784,291
(6) State Prescribed Practices that increase/(decrease) NAIC SAP	Ohio	-	-
(7) State Permitted Practices that increase/(decrease) NAIC SAP	Ohio	-	-
(8) NAIC SAP	Ohio	557,407,808	568,784,291

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

The preparation of financial statements in conformity with Statutory Accounting Principles as described in the *NAIC Annual Statement Instructions* and the *Accounting Practices and Procedures Manual* requires that management 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 the premiums written. Such reserves are computed using the daily method for direct business and are based on reports received from ceding companies and/or pools for assumed business.

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:

- 1) Short-term investments are stated at amortized cost.
- 2) Bonds not backed by other loans are stated at amortized cost using the scientific amortization method.
- 3) Common stocks are valued at market. However, investments in stocks of uncombined subsidiaries and affiliates in which the company has an interest of 20% or more are valued using the equity basis.
- 4) Preferred stocks are stated in accordance with the guidance provided in SSAP No. 32: Investments in Preferred Stock.
- 5) The company's mortgage loan reflects the outstanding balances of the original loan, which was established using market assessments and information provided by the U.S. Department of Housing and Urban Development.
- 6) Loan-backed securities are stated in accordance with the guidance provided in SSAP No. 43R: Loan-backed and Structured Securities. The retrospective adjustment method is used to value these securities.
- 7) The company owns 70% of the common stock of Motorists Life Insurance Company, a life insurer; 100% of the common stock of MICO Insurance Company, a property/casualty insurer; 100% of the common stock of Motorists Service Corporation, a staffing company; and 100% of Consumers Insurance Group, Inc., the holding company parent of Consumers Insurance USA, Inc., a property/casualty insurer. Motorists Life Insurance Company and MICO Insurance Company are valued on an equity basis as described in Part 5, Section 2ciB1 of the *Securities Valuation Handbook*. Motorists Service Corporation and Consumers Insurance Group, Inc. are valued on an equity basis as described in Part 5, Section 2ciB2 of the *Securities Valuation Handbook*. The acquisition of Consumers Insurance Group and its wholly-owned subsidiary was accounted for as a statutory purchase. Refer to Note 4 for additional details regarding the transaction.
- 8) The company has investments in limited partnerships and limited liability companies. In accordance with SSAP No. 48: Joint Ventures, Partnerships and Limited Liability Companies, the investments are recorded using the equity method of accounting based on the underlying audited U.S. GAAP equity values of the holdings. The company also has partnership investments in low income housing tax credit properties. In accordance with SSAP No. 93: Accounting for Low Income Housing Tax Credit Property Investments, the investments are reported at amortized cost.
- 9) The company does not hold any derivative securities.
- 10) The company anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53: Property/Casualty Contracts – Premiums.
- 11) 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 (IBNR). Such liabilities are necessarily based on assumptions and estimates. While management believes the amounts are adequate, the ultimate liabilities may be in excess of or less than the amounts provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.
- 12) The company has not modified its capitalization policy from the prior period.
- 13) The company does not have any pharmaceutical rebate receivables to report.

2. Accounting Changes and Corrections of Errors

During 2013, Motorists Mutual Insurance Company, Motorists Commercial Mutual Insurance Company, and Iowa Mutual Insurance Company received a collective \$1,099,085 of funds associated with a class action settlement with American International Group (AIG). The settlement effectively compensated the companies for AIG's underreporting of premiums to the National Workers' Compensation Pool between 1985 and 1996. All funds received were accumulated and distributed in accordance with The Motorists Insurance Group's intercompany reinsurance pooling agreement (reference Note 26). The company's pool share of the proceeds (\$774,855) is reflected as an aggregate write-in for gains and losses in surplus (page 4, column 2, line 37).

In December 2013, Phenix Mutual Fire Insurance Company, an intercompany reinsurance pool participant, discovered it had understated its equity in the Massachusetts FAIR Plan by \$662,269 as of December 31, 2012. The company's pool share of the prior period equity adjustment (\$466,900) is reflected as an aggregate write-in for gains and losses in surplus (page 4, column 2, line 37).

3. Business Combinations and Goodwill

A. Statutory Purchase Method

- 1) On August 31, 2014, Motorists Mutual Insurance Company purchased a 100% interest in Consumers Insurance Group, Inc. and its wholly-owned subsidiary, Consumers Insurance USA, Inc. Consumers Insurance USA is a Tennessee stock property/casualty insurer.
- 2) The transaction was accounted for as a statutory purchase.
- 3) The cost was \$32,371,923, resulting in goodwill in the amount of \$17,174,689.
- 4) Goodwill amortization relating to the purchase totaled \$572,490 for the year ended December 31, 2014.

B. Information concerning statutory mergers is not applicable.

C. The company did not recognize an impairment loss on the transaction described above.

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE MOTORISTS MUTUAL INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

4. Discontinued Operations

The company did not discontinue any of its operations during the periods reported.

5. Investments

- A. The company did not have any mezzanine real estate loans during the periods reported. As of December 31, 2014, the company did not have any residential mortgage loans.
- B. The company was not involved in any debt restructuring during the periods reported.
- C. The company did not have any reverse mortgages during the periods reported.
- D. Loan-Backed Securities
 - 1) Prepayment assumptions for mortgage-backed/loan-backed and structured securities were obtained from market data vendors or broker dealer values.
 - 2) The company held other-than-temporary impaired loan-backed securities as listed below.

			(1)	(2)	(3)
		Amortized Cost Basis Before Other-than-Temporary Impairment	Other-than-Temporary Impairment Recognized in Loss	Fair Value (1 minus 2)	
a.	Intent to Sell	-	-	-	
b.	Inability or Lack of Intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	744,893	-	744,893	
c.	Total 1st Quarter	744,893	-	744,893	
d.	Intent to Sell	-	-	-	
e.	Inability or Lack of Intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	730,445	155,352	575,093	
f.	Total 2nd Quarter	730,445	155,352	575,093	
g.	Intent to Sell	-	-	-	
h.	Inability or Lack of Intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	567,711	16,008	551,703	
i.	Total 3rd Quarter	567,711	16,008	551,703	
j.	Intent to Sell	-	-	-	
k.	Inability or Lack of Intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	539,455	18,769	520,686	
l.	Total 4th Quarter	539,455	18,769	520,686	
Annual Aggregate Total			190,129		

3) The company held loan-backed securities with current year other-than-temporary recognized losses.

(1)	(2)	(3)	(4)	(5)	(6)	(7)
CUSIP	Book/Adjusted Carrying Value	Amortized Cost Before Current Period OTTI	Present Value of Projected Cash Flows	Recognized Other-Than-Temporary Impairment	Amortized Cost After Other-Than-Temporary Impairment	Fair Value at time of OTTI
161542DQ5	157,189	53,615	155,352	53,615	144,543	June-14
161542DQ5	53,615	49,412	1,316	49,412	153,575	December-14
126380AB0	538,770	499,651	16,008	499,651	536,542	September-14
126380AB0	536,542	471,274	17,453	471,274	520,671	December-14
Total	XXX	XXX	190,129	XXX	XXX	XXX

4) The financial impact of the company's impaired securities (fair value is less than cost or amortized cost) for which other-than temporary impairments have 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) is listed below.

- a. The aggregate amount of unrealized losses:
 - 1. Less than 12 months 619,547
 - 2. 12 months or longer 33,635
- b. The aggregate related fair value of securities with unrealized losses:
 - 1. Less than 12 months 31,805,100
 - 2. 12 months or longer 5,023,740

5) The company performed an analysis of loan-backed securities and determined that exposure to credit risk was not a factor and did not warrant any other-than-temporary impairments.

E. The company did not have any repurchase agreements or relevant securities lending transactions during the periods reported.

F. Real Estate

- 1) The company did not recognize any impairment losses for investments in real estate during the periods reported.
- 2) The company purchased and sold two residential homes in conjunction with associate employment contracts. Proceeds from the sales were equal to the costs of the investment. Thus, gains or losses were not recorded. At December 31, 2014, the company owned four residential properties that were purchased in 2014 in conjunction with associate employment contracts. The properties are actively marketed for sale by a real estate broker, and are valued net of anticipated disposal costs at year end.
- 3) The company did not experience any changes to its plans of sale for its real estate investments during the periods reported.
- 4) The company did not engage in retail land sales operations during the periods reported.
- 5) The company did not hold any real estate investments with participating mortgage loan features during the period reported.

G. The company invested in a low income housing tax credit (LIHTC) fund during 2014.

- 1) As of December 31, 2014, the company's LIHTC investments had 4 years of unexpired tax credits remaining. There is not a required holding period for the LIHTC investments.
- 2) As of the date of this publication, there were not any underlying properties in the LIHTC funds known to be under regulatory review.
- 3) In aggregate, the company's LIHTC investments did not exceed 10% of total admitted assets during 2014.
- 4) The company did not recognize any impairment losses on LIHTC investments during 2014.
- 5) The company did not make any write-downs or reclassifications due to forfeitures, ineligibility of low income housing tax credits, or other reasons during 2014.

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE MOTORISTS MUTUAL INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

H. Restricted Assets

1) The company held restricted assets as listed below.

Restricted Asset Category	Gross Restricted					6	7	8	Percentage		
	Current Year								9	10	
	1	2	3	4	5	Total (1 plus 3)	Total From Prior Year	Increase / (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Restricted to Total Admitted Assets
a. Subject to contractual obligation for which liability is not shown	-	-	-	-	-	-	-	-	-	-	
b. Collateral held under security lending agreements	-	-	-	-	-	-	-	-	-	-	
c. Subject to repurchase	-	-	-	-	-	-	-	-	-	-	
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 - excluding FHLB capital stock	-	-	-	-	-	-	-	-	-	-	
i. FHLB capital stock	2,039,300					2,039,300	2,039,300	-	2,039,300	0.14%	0.15%
j. On deposit with states	1,778,221					1,778,221	1,758,333	19,888	1,778,221	0.12%	0.13%
k. On deposit with other regulatory bodies	-	-	-	-	-	-	-	-	-	-	-
l. Pledged as collateral to FHLB (including assets backing)											
m. Pledged as collateral not captured in other categories	25,070,253	-	-	-	-	25,070,253	24,795,133	275,120	25,070,253	1.77%	1.83%
n. Other restricted assets	-	-	-	-	-	-	-	-	-	-	-
o. Total Restricted Assets	28,887,774	-	-	-	-	28,887,774	28,592,766	295,008	28,887,774	1.89%	1.96%

2) The company is a member of the Federal Home Loan Bank (FHLB) of Cincinnati, Ohio. Through its membership, the company has access to cash advances in the amount of \$20,000,000. It is the company's intent to use these funds as a backup source of liquidity.

Description of Asset	Gross Restricted					6	7	8	Percentage		
	Current Year								9	10	
	1	2	3	4	5	Total (1 plus 3)	Total From Prior Year	Increase / (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Restricted to Total Admitted Assets
U S Treasury Notes #912810FR4	1,707,500	0	0	0	0	1,707,500	1,603,175	104,325	1,707,500	0.12%	0.12%
U S Treasury Notes #912810PZ5	3,945,979	0	0	0	0	3,945,979	3,889,389	56,590	3,945,979	0.28%	0.29%
U S Treasury Notes #912828ET3	6,097,243	0	0	0	0	6,097,243	6,100,600	-3,357	6,097,243	0.43%	0.44%
U S Treasury Notes #912828GD6	3,643,215	0	0	0	0	3,643,215	3,636,531	6,684	3,643,215	0.26%	0.27%
U S Treasury Notes #912828JE1	3,537,026	0	0	0	0	3,537,026	3,513,274	23,752	3,537,026	0.25%	0.26%
U S Treasury Notes #912828MY3	6,139,291	0	0	0	0	6,139,291	6,052,164	87,127	6,139,291	0.43%	0.45%
Total	25,070,253	0	0	0	0	25,070,253	24,795,133	275,120	25,070,253	1.77%	1.83%

3) The company did not have any other restricted assets.

I. The company was not involved in any Working Capital Finance Investments during the periods reported.

J. As of December 31, 2014, the company was not involved in any Offsetting and Netting of Assets and Liabilities during the periods reported.

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NOTES TO FINANCIAL STATEMENTS

K. The company held Structured Notes as listed below.

<u>CUSIP Identification</u>	<u>Actual Cost</u>	<u>Fair Value</u>	<u>Book/Adjusted Carrying Value</u>	<u>Mortgage-Referenced Security (YES/NO)</u>
12648NAA0	750,000	748,688	750,000	YES
161542DQ5	49,412	153,575	49,412	YES
225470F73	3,933,281	4,115,280	3,985,325	YES
3137B9BZ7	479,829	479,306	479,829	YES
452570AE4	1,392,297	1,278,421	1,299,166	YES
52108RAE2	5,310,662	5,536,834	5,274,443	YES
646139RD9	445,000	465,000	450,697	NO
912810FD5	2,282,995	2,118,430	2,238,496	NO
912810FQ6	1,172,889	1,428,563	1,233,850	NO
912810FR4	3,387,628	3,623,201	3,486,145	NO
912810FS2	3,435,019	3,561,478	3,502,512	NO
912810PS1	1,664,631	1,948,753	1,771,011	NO
912810PV4	1,977,234	1,796,308	1,958,928	NO
912810PZ5	3,766,635	4,533,887	3,987,830	NO
912810QF8	2,359,135	2,846,489	2,460,200	NO
912810QP6	963,122	1,061,683	973,697	NO
912810QV3	2,372,824	2,654,522	2,462,543	NO
912810RA8	1,182,165	1,281,617	1,193,883	NO
912810RF7	512,663	565,900	512,399	NO
912828B25	3,055,795	3,012,900	3,052,055	NO
912828ET3	6,470,744	6,505,499	6,531,367	NO
912828FL9	1,264,310	1,225,563	1,247,565	NO
912828GD6	3,553,542	3,705,678	3,643,215	NO
912828GX2	1,225,191	1,228,118	1,216,200	NO
912828HN3	1,539,275	1,483,428	1,519,792	NO
912828JE1	3,393,510	3,575,144	3,537,026	NO
912828JX9	921,514	878,606	909,850	NO
912828LA6	1,783,497	1,709,074	1,754,602	NO
912828MF4	1,392,681	1,267,696	1,367,854	NO
912828MY3	5,672,657	6,055,349	6,139,291	NO
912828NM8	2,945,535	2,856,611	2,943,772	NO
912828PP9	5,918,103	5,750,485	5,960,413	NO
912828QD5	816,765	804,292	820,735	NO
912828QV5	3,911,074	3,893,501	4,003,802	NO
912828SA9	5,361,867	5,152,765	5,461,124	NO
912828SQ4	794,531	784,632	800,826	NO
912828TE0	3,585,506	3,309,560	3,643,952	NO
912828UH1	3,968,605	3,978,574	4,052,200	NO
Total	95,012,125	97,375,406	96,676,006	XXX

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. The company did not have any investments in joint ventures, partnerships or limited liability companies that exceeded 10% of admitted assets during the periods reported.
- B. The company did not recognize any impairment write-downs for investments in joint ventures, partnerships or limited liability companies during the periods reported.

7. Investment Income

- A. The company did not exclude any due and accrued investment income from surplus during the periods reported.
- B. The total amount excluded was \$0.

8. Derivative Instruments

The company did not own derivative financial instruments during the periods reported.

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NOTES TO FINANCIAL STATEMENTS

9. Income Taxes

A. The components of the company's deferred tax assets (DTAs) and deferred tax liabilities (DTLs) and the change between the years are as follows:

	12/31/2014			12/31/2013			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
1									
a	Gross Deferred Tax Assets	76,607,245	864,628	77,934,750	62,656,800	1,756,700	64,413,500	14,413,322	(892,072)
b	Statutory Valuation Allowance Adjustment	5,163,944	-	5,626,821	-	-	-	5,626,821	-
c	Adjusted Gross Deferred Tax Assets(1a-1b)	71,443,301	864,628	72,307,929	62,656,800	1,756,700	64,413,500	8,786,501	(892,072)
d	Deferred Tax Assets Nonadmitted	-	-	-	-	-	-	-	-
e	Subtotal Net Deferred Tax Assets(Liabilities) (1c-1d)	71,443,301	864,628	72,307,929	62,656,800	1,756,700	64,413,500	8,786,501	(892,072)
f	Deferred Tax Liabilities	1,936,248	23,340,007	25,276,255	1,631,349	24,865,004	26,496,353	304,899	(1,524,997)
g	Net Admitted Deferred Tax Assets(Liabilities) (1e-1f)	69,507,053	(22,475,379)	47,031,674	61,025,451	(23,108,304)	37,917,147	8,481,602	632,925
									9,114,527
2	Admission Calculation Components								
a	Federal income taxes paid in prior years recoverable through loss carrybacks (11a)	5,824,887	579,943	6,404,830	719,203	1,471,080	2,190,283	5,105,684	(891,137)
b	Adjusted gross DTAs expected to be realized after application of the threshold limitations (Lesser of 11bi or 11bii below)	39,328,929	-	39,328,929	41,618,255	-	41,618,255	(2,289,326)	-
1	Adjusted gross DTAs expected to be realized following the balance sheet date (11bi)	39,328,929	-	39,328,929	41,618,255	-	41,618,255	(2,289,326)	-
2	Adjusted gross DTAs allowed per limitation threshold (11bii)	73,946,996	-	73,946,996	80,038,099	-	80,038,099	(6,091,103)	-
c	Adjusted gross DTAs offset by gross DTLs (11c)	26,289,485	284,685	26,574,170	20,319,342	285,620	20,604,962	5,970,143	(935)
d	DTAs Admitted as the result of application of SSAP No. 101 (Total 2a+2b+2c)	71,443,301	864,628	72,307,929	62,656,800	1,756,700	64,413,500	8,786,501	(892,072)
									7,894,429
3		2014	2013						
a	Disclosure of ratios used for threshold limitation	764	835						
	ExDTA ACL RBC % used to determine recovery period and threshold limitation amount in 2(b) above	515,554,249	528,980,440						
4	Impact of Tax Planning Strategies								
	On the Determination of:								
a	Adjusted Gross DTAs in 1(c) above	71,443,301	864,628	62,656,800	1,756,700	8,786,501	(892,072)		
	% of Total Adjusted Gross DTAs	21.5%	0.0%	22.8%	0.0%	-1.3%	0.0%		
	Net Admitted Adjusted Gross DTAs in 1(e) above	71,443,301	864,628	62,656,800	1,756,700	8,786,501	(892,072)		
	% of Total Net Admitted Adjusted Gross DTAs	21.5%	0.0%	22.8%	0.0%	-1.3%	0.0%		
b	Does the company's tax-planning strategies include the use of reinsurance?	Yes		No		X			

B. There were no temporary differences for which deferred tax liabilities were not recognized.

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

	Current Income Tax			12/31/2014	12/31/2013	Change
	Federal			(1,331,930)	(4,446,482)	3,114,552
	Foreign			-	-	-
	Subtotal			(1,331,930)	(4,446,482)	3,114,552
	Federal income tax on net capital gains			6,335,424	6,638,147	(302,723)
	Utilization of capital loss carry-forward			-	-	-
	Other			-	-	-
	Federal and foreign income taxes incurred			5,003,494	2,191,665	2,811,829

Deferred income tax assets and liabilities consist of the following major components:

	Deferred tax assets:			12/31/2014	12/31/2013	Change
a	Ordinary					
	Discounting of unpaid losses			12,863,944	13,572,408	(708,464)
	Unearned premium reserve			16,210,194	15,412,934	797,260
	Investments			377,498	148,984	228,514
	Policy holders dividends accruals			1,564,273	1,862,782	(298,509)
	Fixed Assets			1,719,770	1,053,989	665,781
	Compensation and benefit accruals			7,554,022	6,177,191	1,376,831
	Minimum Pension Liability			25,140,182	8,856,264	16,283,918
	Nonadmitted Assets			976,612	839,347	137,265
	Net operating loss and contribution carry-forward			4,854,030	(4,854,030)	
	Foreign tax, LIHC and AMT credit carry-forward			9,451,734	9,158,703	293,031
	Lease early termination			749,016	720,168	28,848
	Other					
99	Subtotal			76,607,245	62,656,800	13,950,445
b	Statutory Valuation Allowance adjustment			5,163,944		5,163,944
c	Nonadmitted					
d	Admitted ordinary deferred tax assets (2a99-2b-2c)			71,443,301	62,656,800	8,786,501
e	Capital					
	Investments			864,628	1,756,700	(892,072)
	Net capital loss carry-forward					
99	Subtotal			864,628	1,756,700	(892,072)
f	Statutory Valuation Allowance adjustment					
g	Nonadmitted					
h	Admitted capital deferred tax assets (2e99-2f-2g)			864,628	1,756,700	(892,072)
i	Admitted deferred tax assets (2d+2h)			72,307,929	64,413,500	7,894,429

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NOTES TO FINANCIAL STATEMENTS

	Deferred Tax Liabilities:				
a	Ordinary				
	Investments	424,960	310,933	114,027	
	Fixed Assets	1,511,288	1,320,416	190,872	
	Other				
99	Subtotal	1,936,248	1,631,349	304,899	
b	Capital				
	Investments	23,340,007	24,865,004	(1,524,997)	
	Other				
99	Subtotal	23,340,007	24,865,004	(1,524,997)	
c	Deferred tax liabilities (3a99+3b99)	25,276,255	26,496,353	(1,220,098)	
	Net deferred tax assets/liabilities (2i-3c)	47,031,674	37,917,147	9,114,527	

D. The company's income tax incurred and change in deferred income tax differs from the amount obtained by applying the federal statutory rate of 35% to income before income taxes as follows:

		12/31/2014	12/31/2013
Current income taxes incurred		5,003,494	2,191,665
Change in deferred income tax (without tax on unrealized gains/losses and min. pension liability)		8,694,388	(12,585,473)
Total income tax reported		<u>13,697,882</u>	<u>(10,393,808)</u>
Income before taxes		45,438,886	40,109,517
Expected income tax expense (benefit) at 35% statutory rate		15,903,610	14,038,331
Increase (decrease) in actual tax resulting from:			
a) Tax exempt interest net of proration		(1,906,148)	(1,903,851)
b) Dividends received deduction net of proration		(357,417)	(1,567,555)
c) Change in deferred tax benefit on nonadmitted assets		(2,714,326)	(447,270)
d) Low income housing and foreign tax credits		(669,354)	(983,692)
e) Affiliated dividends due		(448,683)	(468,388)
f) Recognized partnership income		(3,335,971)	(823,137)
g) Retro Pooling / Prior year AIG settlement		1,400,843	271,199
h) Rate Differential			
i) Treasury Inflation Protection securities		364,692	(105,988)
j) ICOLI		(606,608)	(1,761,617)
k) Nondeductible expenses		243,178	117,074
l) Tax free contribution		(114,131)	(81,923)
m) Change in Valuation Allowance		5,163,944	(17,043,143)
n) Provision to return adjustment		1,062,841	645,248
o) Other		(288,587)	(279,097)
Total income tax reported		<u>13,697,882</u>	<u>(10,393,808)</u>

E. 1) As of December 31, 2014, the company had the following tax credits carry-forwards:

Low income housing credit carry-forwards	Origination Year	Expiration Year	Amount
	2009	2019	1,068,983
	2010	2020	719,737
	2011	2021	572,595
	2012	2022	782,508
	2013	2023	659,083
	2014	2024	652,275
Total			<u>4,455,181</u>
Foreign tax credit carry-forwards	Origination Year	Expiration Year	Amount
	2009	2019	77,608
	2010	2020	12,290
	2011	2021	14,875
	2012	2022	3,765
	2013	2023	13,044
	2014	2024	49
Total			<u>121,631</u>
Research & experimentation credit carry-forwards	Origination Year	Expiration Year	Amount
	2011	2021	166,116
	2012	2022	156,342
Total			<u>322,458</u>

The company has an alternative minimum tax credit carryover in the amount of \$4,531,587. It does not have an expiration date.

2) The amount of federal income taxes incurred that are available for recoupment in the event of future net losses are as follows:

2014 (current year)	5,613,567
2013 (current year - 1)	791,263
2012 (current year - 2)	-

3) The company did not have any deposits admitted under Section 6603 of the Internal Revenue Service (IRS) Code as of December 31, 2014.

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F. 1) The company's federal income tax return was consolidated with the following entities:
MICO Insurance Company
Motorists Service Corporation

2) The method of allocation between the companies is subject to written agreement, approved by the Board of Directors. Allocation is based upon separate return calculations with current credit for net losses. Intercompany tax balances are settled annually when the federal income tax return is filed.

G. As of December 31, 2014, the company did not have any federal or foreign income tax loss contingencies.

10. Information Concerning Parent, Subsidiaries and Affiliates

A. - C. On August 31, 2014, Motorists Mutual Insurance Company purchased a 100% interest in Consumers Insurance Group, Inc. and its wholly-owned subsidiary, Consumers Insurance USA, Inc. The transaction was accounted for as a statutory purchase at a cost of \$32,371,923 with goodwill in the amount of \$17,174,689. On October 20, 2014, Motorists Mutual Insurance Company contributed \$10,000,000 of paid-in-capital to Consumers Insurance USA via Consumers Insurance Group. On December 18, 2014, Consumers Insurance USA became a participant in The Motorists Insurance Group's intercompany pooling arrangement. The integration was applied retroactively to January 1, 2014, and The Group's intercompany pooling agreement was amended accordingly. For more information on the intercompany pooling arrangement, refer to Note 26.

On January 2, 2011, Phenix Mutual Fire Insurance Company sold its 44.8% equity interest in N.E. Corporation, the parent of Casco Indemnity Company, to Ohio Mutual Insurance Company for \$3,824,316 and realized a net capital gain of \$60,511. Per the terms of the sale agreement, Phenix deposited \$448,000 of its proceeds in an escrow account. The funds, which were nonadmitted in Phenix Mutual's financial statements, provided Ohio Mutual protection against adverse loss reserve development and other contractual obligations. The escrow account was settled on May 29, 2014. Of the \$448,000 deposit, \$347,719 was transferred to Ohio Mutual for reserve development and the balance was released to Phenix. The settlement resulted in a net realized capital loss of \$347,719, a \$448,000 reduction in nonadmitted assets, and \$139 of interest earnings, which increased surplus by \$100,420 in 2014.

D. As of December 31, 2014, and 2013, the company reported net amounts due from/(due to) affiliates of \$3,020,740 and \$(969,961), respectively. All amounts were settled within 60 days.

E. The company did not have any guarantees or undertakings for the benefit of an affiliate or related party that resulted in a material contingency exposure to the company or any related parties during the periods reported.

F. During the periods reported, the company had management agreements with Motorists Commercial Mutual Insurance Company, an Ohio-based affiliate; Iowa Mutual Insurance Company, an Iowa-based affiliate; Phenix Mutual Fire Insurance Company, a New Hampshire-based affiliate; and Wilson Mutual Insurance Company, a Wisconsin-based affiliate, whereby the company provided management services to these affiliates. The company had a separate agreement with Motorists Service Corporation (MSC), a wholly owned subsidiary of Motorists, whereby MSC delivered staffing services to the company. The company also had an arrangement with its subsidiaries and affiliates whereby costs for common facilities and support services were shared.

G. The company is a mutual property/casualty insurer that controls its operations. As the lead company of The Motorists Insurance Group, Motorists Mutual Insurance Company also controls its affiliated companies' operations through interlocking boards of directors.

H. The company did not own any shares, directly or indirectly, of an upstream intermediate entity or ultimate parent during the periods reported.

I. The company did not have any investments in subsidiary, controlled or affiliated entities that exceed 10% of admitted assets during the periods reported.

J. The company did not recognize any impairment write-downs for investments in subsidiary, controlled or affiliated entities during the periods reported.

K. The company did not have any investments in foreign insurance subsidiaries during the periods reported.

L. The company utilizes the look-through approach in valuing its investment in Consumers Insurance Group, Inc. (CIG) at \$47,106,032. CIG is a wholly-owned subsidiary of the company and the parent company of Consumers Insurance USA, Inc. (CIUSA), a Tennessee domiciled property/casualty insurer. This downstream holding company and its insurance subsidiary are audited and valued on a statutory accounting basis in accordance with SSAP No. 97. All liabilities, commitments, contingencies, guarantees or obligations of CIG and its subsidiary CIUSA are reflected in the company's determination of the carrying value of its investment in CIG, if not already recorded in the subsidiary's financial statements.

11. Debt

A. The company did not have any capital notes or other debt obligations outstanding during the periods reported.

B. Federal Home Loan Bank (FHLB) Agreements

1) The company is a member of the Federal Home Loan Bank (FHLB) of Cincinnati, Ohio. Through its membership, the company has access to cash advances in the amount of \$20,000,000. It is the company's intent to use these funds solely as a back-up source of liquidity.

	Current Year	Prior Year
2) FHLB Stock purchased/owned as part of the agreement	2,039,300	2,039,300
3) Collateral pledged to the FHLB	24,795,133	24,771,241
4) Borrowing capacity currently available	20,000,000	20,000,000
5) Agreement assets and liabilities		
General Account:		
a) Assets	26,834,433	26,810,541
b) Liabilities	-	-
Separate Account:		
a) Assets	-	-
b) Liabilities	-	-

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NOTES TO FINANCIAL STATEMENTS

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

A. The company sponsored a defined benefit pension plan covering substantially all associates during the periods reported. The company also sponsored a plan providing health benefits to substantially all active and retired associates.

The company had a non-qualified excess benefit plan for certain officers of the company due to IRS limitations on the amount of standard retirement benefits. The company also had a non-qualified early retirement supplement plan for certain officers.

A summary of assets, obligations and assumptions of the plans as December 31, 2014, and 2013, is provided below.

A. Defined Benefit Plan

1) Change in benefit obligation

a. Pension Benefits

1. Benefit obligation at beginning of year
2. Service cost
3. Interest cost
4. Contribution by plan participants
5. Actuarial (gain) loss
6. Foreign currency exchange rate changes
7. Benefits paid
8. Plan amendments
9. Business combinations, divestitures, curtailments, settlements and special termination benefits
10. Benefit obligation at end of year

Overfunded		Underfunded	
<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>
-	-	295,624,717	279,141,108
-	-	6,513,558	5,788,382
-	-	12,502,698	13,566,182
-	-	(26,948,812)	56,591,371
-	-	(13,174,442)	(19,265,794)
-	-	4,623,389	-
-	-	279,141,108	335,821,249

b. Postretirement Benefits

1. Benefit obligation at beginning of year
2. Service cost
3. Interest cost
4. Contribution by plan participants
5. Actuarial (gain) loss
6. Foreign currency exchange rate changes
7. Benefits paid
8. Plan amendments
9. Business combinations, divestitures, curtailments, settlements and special termination benefits
10. Benefit obligation at end of year

Overfunded		Underfunded	
<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>
27,085,358	12,024,533	-	-
425,640	189,430	-	-
1,033,678	571,678	-	-
911,789	657,507	-	-
(2,051,092)	1,940,758	-	-
-	-	-	-
(1,781,087)	(1,017,972)	-	-
(13,599,753)	-	-	-
-	-	-	-
12,024,533	14,365,934	-	-

c. Postemployment & Compensated Absence Benefits

1. Benefit obligation at beginning of year
2. Service cost
3. Interest cost
4. Contribution by plan participants
5. Actuarial (gain) loss
6. Foreign currency exchange rate changes
7. Benefits paid
8. Plan amendments
9. Business combinations, divestitures, curtailments, settlements and special termination benefits
10. Benefit obligation at end of year

Overfunded		Underfunded	
<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>
-	-	21,052,277	20,354,167
-	-	343,086	276,659
-	-	874,844	997,963
-	-	(1,159,659)	5,696,621
-	-	(756,381)	(977,244)
-	-	-	-
-	-	20,354,167	26,348,166

2) Change in plan assets

a. Fair value of plan assets at beginning of year

b. Actual return on plan assets

c. Foreign currency exchange rate changes

d. Reporting entity contribution

e. Plan participants' contributions

f. Benefits paid

g. Business combinations, divestitures, curtailments, settlements and special termination benefits

h. Fair value of plan assets at end of year

Pension Benefits		Postretirement Benefits		Postemployment	
<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>
211,783,728	258,700,053	12,507,093	15,091,998	-	-
39,497,660	24,027,918	2,584,905	1,378,634	-	-
-	-	869,298	250,818	-	-
16,500,000	12,500,000	911,789	657,507	-	-
-	-	(1,781,087)	(1,716,249)	-	-
4,093,107	-	-	-	-	-
258,700,053	275,962,177	15,091,998	15,662,708	-	-

3) Funded status

Overfunded

a. Assets (nonadmitted)

1. Prepaid benefit costs
2. Overfunded plan assets
3. Total assets (nonadmitted)

Pension Benefits		Postretirement Benefits	
<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>
57,844,198	63,877,088	711,314	899,674
-	-	3,067,465	1,296,774

Underfunded:

b. Liabilities recognized

1. Accrued benefit costs
2. Liability of pension benefits
3. Total liabilities recognized

(20,441,055)	(59,859,072)	-	-
(20,441,055)	(59,859,072)	-	-

4) Components of net periodic benefit cost

a. Service cost

Pension Benefits		Postretirement Benefits		Postemployment	
<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>
6,513,558	5,788,382	425,640	189,430	276,659	320,972
12,502,698	13,566,182	1,033,678	571,678	997,963	1,064,286
(16,525,300)	(19,141,224)	(961,604)	(1,105,040)	-	-
8,665	8,665	-	-	-	-
11,864,074	4,983,762	216,255	-	-	-
1,261,343	1,261,343	941,438	(291,887)	247,797	247,797
-	-	-	-	390,316	975,247
15,625,038	6,467,110	1,655,407	(635,819)	1,912,735	2,608,302

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5) Amounts in unassigned funds (surplus) recognized as components of net periodic benefit cost

	Pension Benefits		Postretirement Benefits	
	2013	2014	2013	2014
a. Items not yet recognized as a component of net periodic cost - prior year	137,873,441	78,285,253	4,906,454	(2,356,151)
b. Net transition asset or obligation recognized	(8,665)	(8,665)	-	-
c. Net prior service cost or credit arising during the period	2,745,810	-	(1,309,258)	-
d. Net prior service cost or credit recognized	(1,261,343)	(1,261,343)	(941,438)	291,887
e. Net gain and loss arising during the period	(49,199,916)	51,704,677	(4,795,654)	1,667,164
f. Net gain and loss recognized	(11,864,074)	(4,983,762)	(216,255)	-
g. Items not yet recognized as a component of net periodic cost - current year	78,285,253	123,736,160	(2,356,151)	(397,100)

6) Amounts in unassigned funds (surplus) expected to be recognized in the next fiscal year as components of net periodic benefit cost

	Pension Benefits		Postretirement Benefits	
	2013	2014	2013	2014
a. Net transition asset or obligation	8,665	8,665	-	-
b. Net prior service cost or credit	1,261,343	262,668	(291,887)	(291,887)
c. Net recognized gains and losses	5,069,460	9,590,856	-	43,681

7) Amounts in unassigned funds (surplus) that have not yet been recognized as components of net periodic benefit cost

	Pension Benefits		Postretirement Benefits	
	2013	2014	2013	2014
a. Net transition asset or obligation	60,663	51,998	-	-
b. Net prior service cost or credit	1,592,968	331,625	(2,637,031)	(2,345,144)
c. Net recognized gains and losses	76,631,622	123,352,537	280,880	1,948,044

8) Weighted-average assumptions used to determine net periodic benefit cost as of December 31

	2013	2014
a. Weighted-average discount rate	4.23	5.02
b. Expected long-term rate of return on plan assets	7.75	7.50
c. Rate of compensation increase	6.75 prior to age 30; 3.25 4.5 for ages 30-44; 3.0 for age 45 & older	6.75 prior to age 30; 4.5 for ages 30-44; 3.0 for age 45 & older
Weighted-average assumptions used to determine projected benefit obligations as of December 31		
d. Weighted-average discount rate	5.02	4.21
e. Rate of compensation increase	6.75 prior to age 30; 4.5 for ages 30-44; 3.0 for age 45 & older	6.75 prior to age 30; 4.5 for ages 30-44; 3.0 for age 45 & older

The company has three retiree medical plan options. For measurement purposes, the 2014 assumed annual rate of increase in the per capita cost of covered health care benefits was 8.5% for retirees under age 65, 6.75% for retirees 65 and older not in the MAPD Plan, and 3.0% for retirees 65 and older in the MAPD Plan. The rate was assumed to decrease to 5.0% and remain level thereafter using a 0.5% decrease for retirees under 65 and a 0.25% decrease for retirees not in the MAPD Plan.

9) The amount of accumulated benefit obligation for defined benefit pension plans was \$312,274,739 for the current year and \$261,394,984 for the prior year.

10) Employer retiree healthcare costs assume a 3% increase for all future years to reflect the maximum employer increase in premiums.

11) Assumed health care cost trend rates have a significant effect on the amounts reported for health care plans. A one-percentage-point change in assumed health care cost trend rates would have the following effects:

	1 Percentage Point Increase	1 Percentage Point Decrease
a. Effect on total of service and interest cost components	15,612	(14,243)
b. Effect on postretirement benefit obligation	190,077	(174,785)

12) The following estimated future payments which reflect expected future service, as appropriate, are expected to be paid in the years indicated:

	Pension Benefits	Postretirement Benefits	Postemployment
2015	14,455,311	794,130	1,088,839
2016	14,838,896	801,313	1,081,576
2017	15,237,163	765,548	1,073,658
2018	15,926,887	773,781	1,127,885
2019	16,762,091	805,547	1,265,374
2020-2024	95,580,199	4,266,744	8,345,256

13) The company intends to make \$10,000,000 of contributions to the pension plan in 2015. The company intends to make \$98,938 of contributions to the postretirement plan in 2015.

14) As of December 31, 2014, none of the company's securities or those of related parties were included in the plan assets. The company or related parties did not issue insurance contracts covering plan participants, and there were not any significant transactions between the company or related parties and the plan during the period.

15) The company did not use an alternate amortization method to amortize prior service amount or unrecognized net gains and losses.

16) The company did not use any substantive commitments as a basis for accounting for the benefit obligations.

17) The company did not recognize any special or contractual termination benefits during the period.

18) All significant changes in the company's benefit obligation and assets are presented in the disclosure.

19) The company does not expect the return of any plan assets during the next 12-month period.

20) The company's obligation and liability components as of December 31, 2014 are presented below:

	Pension Benefits	Postretirement Benefits	Postemployment
Benefit Obligation	(335,821,249)	(14,365,934)	(26,348,166)
SSAP 92/103 Deferral	-	-	705,730
Adjusted Benefit Obligation	(335,821,249)	(14,365,934)	(25,642,436)
Plan Assets	275,962,177	15,662,708	-
Unfunded Liability	(59,859,072)	-	(25,642,436)

21) The company adopted SSAP No. 92, Accounting for Postretirement Benefits Other than Pensions - A Replacement of SSAP No. 14 and SSAP No. 102, Accounting for Pensions - A Replacement of SSAP No. 89 as of January 1, 2013, and elected to recognize the cumulative impact using the deferral method. The components of the guidance impact are as follows:

	Pension Benefits	Postretirement Benefits	Postemployment
Initial Transition Liability	20,075,042	14,578,265	2,477,340
Transaction Liability at December 31, 2014	-	-	705,730
Anticipated recognition of transition liability	2015	-	510,496
	2016	-	195,234

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B. The policy, as established by the Pension Committee, is to invest assets per the target allocations stated below. The assets will be reallocated periodically. The investment policy will be reviewed periodically, under the advisement of a certified investment advisor, to determine if the policy should be revised due to changes in factors including, but not limited to, funded ratio and discount rate changes, available asset classes, or market conditions. Allowable assets include, but are not limited to, cash equivalents fixed income securities, equity securities, exchange traded index funds, and GICs.

Plan Assets	Allowable Allocation Range
Equity Securities	55 - 64 %
Debt Securities	36 - 46 %
Real Estate	0 %
Other	0 %

C. Information regarding fair value hierarchy measurement is provided below:

1) Pension Plan Fair Value Measurement of Plan Assets				
	Level 1	Level 2	Level 3	Total
TIPS ETF	13,057,230	-	-	13,057,230
Large Cap Equity	55,969,406	34,354,589	-	90,323,995
Small Cap Equity	30,226,977	-	-	30,226,977
International Equity	39,617,392	-	-	39,617,392
Money Market Funds	-	-	-	-
Pooled Separate Accounts/Commungled Funds	-	102,736,583	-	102,736,583
Total Plan Assets	138,871,005	137,091,172	-	275,962,177

Postretirement Plan Fair Value Measurement of Plan Assets				
	Level 1	Level 2	Level 3	Total
TIPS ETF	751,587	-	-	751,587
Large Cap Equity	5,344,446	-	-	5,344,446
Small Cap Equity	1,631,810	-	-	1,631,810
International Equity	2,111,444	-	-	2,111,444
Money Market Funds	-	-	-	-
Pooled Separate Accounts/Commungled Funds	-	5,823,421	-	5,823,421
Total Plan Assets	9,839,287	5,823,421	-	15,662,708

2) The company did not have any Level 3 plan assets.

D. The expected long-term rate of return for the plan's total assets is based on the expected return of each category, weighted based on the median of the target allocation for each class.

E. The company sponsored a defined contribution savings plan for the benefit of substantially all associates during the periods reported. The company contributed up to a maximum of 3% of each associate's compensation. Company contributions to the plan were \$1,218,536 and \$1,163,409 for 2014 and 2013, respectively.

F. The company did not participate in any multi-employer plans during the periods reported.

G. The company's subsidiaries and affiliates participated in defined benefit plans sponsored by the company during the years reported. The company allocated amounts to the subsidiaries and affiliates based on a cost sharing arrangement.

H. The company's financial records include adequate accruals for all post-employment benefit obligations and compensated absences.

I. Impact of Medicare Modernization Act on Postretirement Benefits

The company first measured the impact of the Medicare Prescription Drug, Improvement and Modernization Act of 2003, on postretirement benefits as of January 1, 2004. The results of that measurement were included in the company's 2004 financial records. The Act had no impact on the 2014 statutory expense. The Act resulted in statutory expense reduction of \$673,238 in 2013.

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

- 1) Information concerning capital stock is not applicable. The company is a mutual property/casualty insurer.
- 2) Information concerning preferred stock is not applicable. The company is a mutual property/casualty insurer.
- 3) Information concerning stock dividends is not applicable. The company is a mutual property/casualty insurer.
- 4) Information concerning stock dividend payments is not applicable. The company is a mutual property/casualty insurer.
- 5) Information concerning stock dividends is not applicable. The company is a mutual property/casualty insurer.
- 6) There were not any restrictions on the company's surplus during the periods reported.
- 7) There were not any advances to surplus to disclose for the periods reported.
- 8) The company did not hold any stock for special purposes during the periods reported.
- 9) The company did not have any special surplus funds to disclose for the periods reported.
- 10) As of December 31, 2014, the portion of unassigned funds (surplus) represented by cumulative unrealized gains (net of deferred FIT) was \$63,066,875.
- 11) The company did not have any surplus debentures or similar obligations to disclose for the periods reported.
- 12) Information concerning quasi-reorganization is not applicable.
- 13) Information concerning quasi-reorganization is not applicable.

14. Liabilities, Contingencies and Assessments

A. Contingent Commitments

- 1) At December 31, 2014, the company had outstanding commitments associated with joint venture interests totaling \$19,282,556. The company also had contingent commitments that arose from the guarantee of certain insurance agency loans. The contingency for agent loan guarantees was \$5,423,854.
- 2) The aforementioned commitments are not reflected as liabilities in the accompanying financial statement. The figures presented represent the company's maximum potential outlays related to the commitments. Other details are provided below.

Nature and circumstances of guarantee and key attributes, including date and duration of agreement	Liability recognition of guarantee	Ultimate financial statement impact if action under the guarantee is required	Maximum potential amount of future payments (undiscounted)	Current status of payment or performance risk of guarantee
Commercial bank loan guarantee for five agencies with various terms, extending to 2028	-	Increase in miscellaneous expense	5,423,854	All loans are current in payments of principal and interest. The likelihood of the company having to make any payments is remote.
Adams Street 2012 Global Fund LP	-	Increase in other invested assets	10,337,600	All current capital calls have been funded.
HarbourVest Partners, LLC	-	Increase in other invested assets	8,607,456	All current capital calls have been funded.
Park Street Capital Private Equity Fund LP	-	Increase in other invested assets	337,500	All current capital calls have been funded.
Total	-		24,706,410	

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3) Details regarding the impact these commitments had or could potentially have on the company's financial statements are provided below.

a. Aggregate Maximum Potential of Future Payments of All Guarantees (undiscounted) the guarantor could be required to make under guarantees. (Should equal total of Column 4 for (2) above.)	24,706,410
b. Current Liability Recognized in F/S	-
1. Noncontingent Liabilities	-
2. Contingent Liabilities	-
c. Ultimate Financial Statement Impact if action under the guarantee is required.	-
1. Investments in SCA	-
2. Joint Venture	19,282,556
3. Dividends to Stockholders (capital contribution)	-
4. Expense	5,423,854
5. Other	-
6. Total (Should equal (3)a.)	24,706,410

B. Assessments

The company is subject to guaranty fund and other assessments by the states in which it conducts business. Guaranty fund assessments are accrued upon notification of the insolvency. Other assessments are recognized 1) when assessed by a state, 2) when premiums are written for premium-based assessments, or 3) when losses are incurred for loss-based assessments. Incurred assessments are subject to the intercompany pooling arrangement described in Note 26. The company's net paid guaranty fund assessments totaled \$22,996 and \$3,380 for the years ended December 31, 2014, and 2013, respectively. The company's net accrued liabilities for guaranty funds were \$593,368 and \$588,188 as of December 31, 2014, and 2013, respectively. Per the accounting practices and procedures prescribed by the company's state of domicile, receivables for premium tax credits are not reflected in the accompanying financial statements.

C. Gain Contingencies

The company did not have any material gain contingencies to disclose for the periods reported.

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

The company did not make any direct payments to settle claims related extra contractual obligations (ECO) or bad faith claims stemming from lawsuits in the current reporting period.

E. Product Warranties

The company did not have any contingent liabilities associated with product warranties to disclose for the periods reported.

F. Joint and Several Liabilities

The company did not have any joint and several liabilities exposure to disclose for the periods reported.

G. All Other Contingencies

The company did not have any other contingent liabilities arising from litigation, income taxes, or other matters that were material in nature. All assets that the company considered to be impaired were valued at market prior to the closing of the company's financial records.

The potential for losses associated with uncollectible receivable balances is not material to the company's financial position. Premium balances over 90 days past due are recorded as nonadmitted assets.

15. Leases

A. Leasing Arrangements

- 1) The company leases computer-related equipment under various operating lease arrangements and has entered into various agreements for information technology-related services through 2020. The expenses for these commitments for 2014 and 2013 were \$7,639,124 and \$6,674,599, respectively.
- 2) As of December 31, 2014, the company had aggregate commitments of \$34,818,107. Commitments for the next five years are as follows:

Fiscal Year	Commitment
2015	14,445,910
2016	10,779,418
2017	4,215,821
2018	2,166,458
2019	1,650,500

- 3) The company was not involved in sale-leaseback transactions during the periods reported.

- B. The company leased office space in its home office building to non-affiliated parties during the periods reported. This was not a significant part of the company's business activities.

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

The company did not have any investments in financial instruments with off-balance sheet risk during the periods reported.

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

- A. The company did not have any transfers of receivables reported as sales during the periods reported.

B. Transfer and Servicing of Financial Assets

- 1) As of December 31, 2014, the company was not involved in any securities lending programs.
- 2) The company did not have any servicing assets or servicing liabilities to disclose for the periods reported.
- 3) The company did not have any servicing assets or servicing liabilities to disclose for the periods reported.
- 4) The company did not obtain any assets or incur any liabilities due to the transfer of financial assets during the periods reported.
- 5) The company did not securitize any financial assets during the periods reported.
- 6) The company was not involved in any transfers of receivables during the periods reported.
- 7) The company did not have any repurchase or reverse repurchase agreements during the periods reported.

C. Wash Sales

In the course of the company's asset management, there were not any securities sales and reacquisitions made within 30 days of the sale date to enhance the yield on the investment portfolio.

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

The company did not serve as an Administrative Services Only (ASO) or as an Administrative Services Contract (ASC) plan administrator during the periods reported.

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

The company did not write any direct premiums through managing general agents or third party administrators during the periods reported.

20. Fair Value Measurements

A. Fair Value Hierarchy

1) Information regarding assets measured at fair value on a recurring basis is provided below.

Description for each class of asset or liability	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
a. Assets at fair value				
Perpetual Preferred stock				
Industrial and Misc	-	-	-	-
Parents, Subsidiaries and Affiliates	-	-	-	-
Total Perpetual Preferred Stocks	-	-	-	-
Bonds				
U.S. Governments	-	-	-	-
Industrial and Misc	-	1,348,578	-	1,348,578
Hybrid Securities	-	-	-	-
Parents, Subsidiaries and Affiliates	-	-	-	-
Total Bonds	-	1,348,578	-	1,348,578
Common Stock				
Industrial and Misc	124,298,678	-	3,492,055	127,790,733
Parents, Subsidiaries and Affiliates	-	-	98,291,816	98,291,816
Total Common Stocks	124,298,678	-	101,783,872	226,082,549
Other Invested Assets	-	-	86,207,537	86,207,537
Derivative Assets				
Interest rate contract	-	-	-	-
Foreign exchange contracts	-	-	-	-
Credit contracts	-	-	-	-
Commodity future contracts	-	-	-	-
Commodity forward contracts	-	-	-	-
Total Derivatives	-	-	-	-
Separate account assets	-	-	-	-
Total assets at fair value	<u>124,298,678</u>	<u>1,348,578</u>	<u>187,991,409</u>	<u>313,638,665</u>
b. Liabilities at fair value	-	-	-	-
Derivative liabilities	-	-	-	-
Total liabilities at fair value	-	-	-	-

2) Information regarding assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) is provided below.

	Beginning Balance at 01/01/2014	Transfers into Level 3	Transfers out of Level 3	Total gains (losses) Realized	Total gains (losses) Unrealized	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2014
a. Assets										
Loan-Backed and Structured Securities	-	-	-	-	-	-	-	-	-	-
Common Stock	-	-	-	-	-	-	-	-	-	-
Industrial and Misc	3,332,000	-	-	160,055	-	-	-	-	-	3,492,055
Parents, Subsidiaries and Affiliates	51,041,877	-	-	5,450,506	41,799,433	-	-	-	-	98,291,816
Other Invested Assets	93,245,134	-	-	(56,138)	(3,696,395)	6,960,443	-	10,245,506	-	86,207,537
Total Assets	<u>147,619,011</u>	<u>-</u>	<u>-</u>	<u>(56,138)</u>	<u>1,914,166</u>	<u>48,759,876</u>	<u>-</u>	<u>10,245,506</u>	<u>-</u>	<u>187,991,409</u>
b. Liabilities	-	-	-	-	-	-	-	-	-	-
Total Liabilities	-	-	-	-	-	-	-	-	-	-

3) The company did not recognize any transfers into or out of the Level 3 classification during the reporting period. The company's policy is to recognize transfers of this nature on the actual date of the event or change in circumstances that caused the transfer.

4) The company valued common stocks using the equity method. Other invested assets were valued using equity statements from the respective fund managers.

5) The company does not hold any derivative assets or liabilities.

B. The company did not have any other assets measured at fair value.

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C. Fair Value Measurement

Description for each class of asset or liability	Aggregate Fair Value	Admitted Assets	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs	Not Practicable (Carrying Value)
			(Level 1)	(Level 2)	(Level 3)	
Perpetual Preferred stock	-	-	-	-	-	-
Bonds	691,601,902	665,520,368	-	691,601,902	-	-
Common Stock	226,082,549	226,076,054	124,298,678	-	101,783,872	-
Other Invested Assets	111,417,599	111,417,599	-	-	86,207,537	25,210,060
	1,029,102,050	1,003,014,021	124,298,678	691,601,902	187,991,409	25,210,060

D. Not Practicable to Estimate Fair Value:

Type or Class of Financial Instrument	Carrying Value	Effective Interest Rate	Maturity Date	Explanation
Other Invested Assets				
Low Income Housing	3,357,977	n/a	n/a	Asset is not a marketable financial instrument
Surplus Notes	16,000,000	variable	on demand	Asset is not a marketable financial instrument
Agency Loans	1,234,727	variable	on demand	Asset is not a marketable financial instrument
Independent Agency Investment	4,617,356	variable	on demand	Asset is not a marketable financial instrument
	25,210,060			

21. Other Items

A. Extraordinary Items

The company did not have any extraordinary items to disclose for the periods reported.

B. Troubled Debt Restructuring: Debtors

The company did not have any transactions related to troubled debt restructurings during the periods reported.

C. Other Disclosures and Unusual Items

- 1) The company elected to use rounding in the reporting of amounts in this statement.
- 2) The table below summarizes the company's net unpaid loss and loss adjustment expense reserves for accident years 2000 through 2004 and prior for all applicable statutory categories reported in Schedule P, Part 1, columns 13 through 24 of the Annual Statement. All amounts shown are in thousands.

Schedule P Category	Loss Year	Case Basis	Bulk & IBNR	Def & Cost Containment	Adjusting & Other Exp	Salvage & Subrogation	Loss & Exp Total Unpaid
Part 1A	Prior	14	-	2	2	-	17
Homeowners/	2000	10	-	2	1	-	13
Farmowners	2001	(25)	-	(1)	-	-	(26)
	2002	-	-	-	-	-	-
	2003	48	-	6	5	-	59
	2004	69	-	0	4	-	73
	Total	115	-	9	12	-	137
Part 1B	Prior	335	-	7	25	-	367
Private Passenger	2000	26	-	1	2	-	29
Auto Liability/Medical	2001	(8)	-	-	-	-	(8)
	2002	-	-	-	-	-	-
	2003	19	-	0	2	-	21
	2004	19	2	1	3	-	25
	Total	390	2	9	31	-	433
Part 1C	Prior	105	-	71	4	-	179
Commercial Auto/	2000	-	-	-	-	-	-
Truck Liability/Medical	2001	(0)	-	(0)	-	-	(0)
	2002	-	-	-	-	-	-
	2003	0	-	0	-	-	0
	2004	1	270	172	9	-	451
	Total	105	270	242	13	-	630
Part 1D	Prior	10,501	3,853	497	542	-	15,394
Workers'	2000	237	9	10	13	-	268
Compensation	2001	(336)	18	(20)	3	-	(335)
	2002	323	35	14	16	-	387
	2003	444	36	15	20	-	516
	2004	644	2,139	100	121	-	3,005
	Total	11,813	6,090	616	716	-	19,235
Part 1E	Prior	268	-	35	19	-	323
Commercial	2000	-	-	-	-	-	-
Multiple Peril	2001	(4)	-	(0)	-	-	(4)
	2002	-	-	-	-	-	-
	2003	-	-	-	-	-	-
	2004	9	4,781	500	627	-	5,917
	Total	273	4,781	534	647	-	6,236

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Schedule P Category	Loss Year	Case Basis	Bulk & IBNR	Def & Cost Containment	Adjusting & Other Exp	Salvage & Subrogation	Loss & Exp Total Unpaid
Part 1F, Section 1	Prior	-	-	-	-	-	-
Medical Professional	2000	-	-	-	-	-	-
Liability - Occurrence	2001	-	-	-	-	-	-
	2002	-	-	-	-	-	-
	2003	-	-	-	-	-	-
	2004	-	-	-	-	-	-
	Total	-	-	-	-	-	-
Part 1G	Prior	1	-	0	-	-	1
Special Liability	2000	-	-	-	-	-	-
	2001	-	-	-	-	-	-
	2002	-	-	-	-	-	-
	2003	-	-	-	-	-	-
	2004	-	-	-	-	-	-
	Total	1	-	0	-	-	1
Part 1H, Section 1	Prior	1,089	1,254	601	64	-	3,008
Other Liability -	2000	14	-	19	3	-	35
Occurrence	2001	14	-	3	0	-	17
	2002	-	-	-	-	-	-
	2003	-	-	-	-	-	-
	2004	40	2,118	635	73	-	2,866
	Total	1,156	3,372	1,258	141	-	5,927
Part 1I	Prior	1	-	0	-	-	1
Special Property	2000	-	-	-	-	-	-
	2001	(1)	-	(0)	-	-	(1)
	2002	-	-	-	-	-	-
	2003	-	-	-	-	-	-
	2004	2	-	-	-	-	2
	Total	1	-	(0)	-	-	1
Part 1J	Prior	5	-	0	-	-	5
Auto Physical	2000	-	-	-	-	-	-
Damage	2001	(5)	-	(0)	-	-	(6)
	2002	-	-	-	-	-	-
	2003	-	-	-	-	-	-
	2004	-	-	-	-	-	-
	Total	(1)	-	(0)	-	-	(1)
Part 1K	Prior	-	-	-	-	-	-
Fidelity/Surety	2000	-	-	-	-	-	-
	2001	-	-	-	-	-	-
	2002	-	-	-	-	-	-
	2003	-	-	-	-	-	-
	2004	-	-	-	-	-	-
	Total	-	-	-	-	-	-
Part 1N	Prior	248	336	11	-	-	595
Reinsurance	2000	-	-	-	-	-	-
Nonproportional	2001	-	-	-	-	-	-
Assumed Property	2002	-	3	-	-	-	3
	2003	-	4	-	-	-	4
	2004	-	11	-	-	-	11
	Total	248	355	11	-	-	614
Part 1O	Prior	513	742	35	-	-	1,290
Reinsurance	2000	279	84	10	-	-	373
Nonproportional	2001	231	245	13	-	-	490
Assumed Liability	2002	157	363	15	-	-	534
	2003	175	414	17	-	-	605
	2004	598	559	32	-	-	1,190
	Total	1,952	2,408	122	-	-	4,482
Part 1R, Section 1	Prior	487	-	548	145	-	1,180
Products Liability -	2000	19	-	19	5	-	42
Occurrence	2001	5	-	5	1	-	12
	2002	12	-	11	3	-	26
	2003	2	-	3	1	-	6
	2004	17	1,151	1,243	335	-	2,747
	Total	542	1,151	1,829	491	-	4,013

D. Business Interruption Insurance Recoveries

There were not any business interruption insurance recoveries received during the periods reported.

E. State Transferable and Non-transferable Tax Credits

The company did not have any state transferable or non-transferable tax credits to disclose for the periods reported.

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE MOTORISTS MUTUAL INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

F. Subprime-Mortgage-Related Risk Exposure

1) The definition of "subprime" is necessarily broad and intended to encompass both Alt-A and subprime. Corporate and equity securities (such as banks and investment banks), which may have underlying subprime exposure, are not included. The company's categorization of CMBS reflects securities backed by commercial real estate. Therefore, these securities are not included in the reported figures.

The company's portfolio managers monitor the collateral every month in order to determine whether the collateral pools have deteriorated. Credit support levels provide a basis for the deal tranches the company owns. Anticipated lifetime losses are used to determine deal underperformance.

2) The company did not have any direct exposure to subprime mortgage related risk through subprime loans during the periods reported.

3) The company had direct exposure to subprime mortgage related risk through the investment listed below.

Type of Investment	Actual Cost	Book/Adjusted Carrying Value	Fair Value	OTTI Loss Recognized
a. Residential mortgage-backed securities	--	--	--	--
b. Commercial mortgage-backed securities	1,392,297	1,299,166	1,278,421	--
c. Collateralized debt obligations	--	--	--	--
d. Structured securities	49,412	49,412	153,575	156,668
e. Equity investment in SCA's	--	--	--	--
f. Other assets	--	--	--	--
g. Total	1,441,709	1,348,578	1,431,996	156,668

4) The company did not have any underwriting exposure to subprime mortgage risk through mortgage guaranty or financial guaranty insurance coverage during the periods reported.

22. Events Subsequent

There were not any events that occurred subsequent to the closing of the company's financial records that would materially impact the financial information presented.

23. Reinsurance

A. Unsecured Reinsurance Recoverables

As of December 31, 2014, the company had unsecured aggregate recoverables for losses paid and unpaid (including IBNR), loss adjustment expenses, and unearned premium with six reinsurers that exceeded 3% of the company's surplus. The reinsurers and the associated recoverable balances are listed below.

Company Name	NAIC Number	Federal ID	Amount Recoverable
Motorists Commercial Mutual Insurance Company	13331	41-0299900	129,613,791
Everest Reinsurance Company	26921	22-2005057	35,049,710
Consumers Insurance USA, Inc.	10204	62-1590861	21,018,453
Iowa Mutual Insurance Company	14338	42-0333120	21,018,453
Phenix Mutual Fire Insurance Company	23175	02-0178290	21,018,453
Wilson Mutual Insurance Company	19950	39-0739760	21,018,453

B. Reinsurance Recoverable in Dispute

As of December 31, 2014, the company did not have any reinsurance recoverable amounts in dispute from any one reinsurer that exceeded 5% of policyholder surplus.

C. Reinsurance Assumed and Ceded

1) The maximum amount of return commission that would have been due reinsurers if they or the company had cancelled all of the company's reinsurance or if the company or a receiver had cancelled all of the company's assumed contracts as of December 31, 2014, with the return of the unearned premium reserve is illustrated below.

	Assumed Reinsurance		Ceded Reinsurance		Net	
	(1) Premium Reserve	(2) Commission Equity	(3) Premium Reserve	(4) Commission Equity	(5) Premium Reserve	(6) Commission Equity
a. Affiliates	141,059,412	24,419,726	104,814,927	18,914,334	36,244,485	5,505,392
b. All Other	5,659,355	1,354,016	1,232,038	22,214	4,427,317	1,331,802
c. Total	146,718,767	25,773,742	106,046,965	18,936,548	40,671,802	6,837,194
d. Direct UEP		187,259,071				

2) The company's contingent commissions associated with existing contractual arrangements are illustrated below.

	(1) Direct	(2) Assumed	(3) Ceded	(4) Net
a. Contingent Commission	9,314,137	8,500,876	5,611,729	12,203,284
b. Sliding Scale Adjustments	-	-	-	-
c. Other Profit Commission Arrangements	-	-	-	-
d. Total	9,314,137	8,500,876	5,611,729	12,203,284

3) Information concerning protected cells is not applicable.

D. Uncollectible Reinsurance

There were not any reinsurance balances written off as uncollectible during the year.

E. Commutation of Ceded Reinsurance

The company did not commute any ceded reinsurance balances during the year.

F. Retroactive Reinsurance

The company did not have any retroactive reinsurance contracts in place during the periods reported.

G. Reinsurance Accounted for as a Deposit

The company did not have any agreements in place that required reinsurance to be accounted for as a deposit during the periods reported.

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

The company did not enter into any special run-off agreements.

I. Certified Reinsurer Downgraded or Status Subject to Revocation

The company has never been classified as a certified reinsurer, and its records do not reflect any certified reinsurers that experienced a rating downgrade or are subject to revocation action.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

The company did not have any retrospectively rated contracts or contracts subject to redetermination in place during the periods reported.

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE MOTORISTS MUTUAL INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

25. Changes in Incurred Losses and Loss Adjustment Expenses

Reserves for the company's incurred losses and loss adjustment expenses (after intercompany pooling) attributable to insured events of prior years reflect favorable development totaling \$19,550,937. The development can be attributed primarily to the re-estimation of unpaid losses and loss adjustment expenses in the auto liability and physical damage, workers' compensation, other liability, and commercial multiple peril lines of business. Savings in these lines overshadowed adverse development in the products liability line of business. The changes reflected in these lines were generally the result of recent development trends. Since the company did not have any retrospectively rated contracts in place during the periods reported, there were no premium adjustments made as a result of this loss and loss adjustment expense development.

26. Intercompany Pooling Arrangements

Motorists Mutual Insurance Company (NAIC #14621) and its affiliates, Consumers Insurance USA, Inc. (NAIC #10204), Motorists Commercial Mutual Insurance Company (NAIC #13331), Iowa American Insurance Company (NAIC #31577), Iowa Mutual Insurance Company (NAIC #14338), MICO Insurance Company (NAIC #40932), Phenix Mutual Fire Insurance Company (NAIC #23175), and Wilson Mutual Insurance Company (NAIC #19950), participated in an intercompany pooling arrangement covering premiums, losses, and underwriting expenses for all lines during the year. Related finance and service charge income, agent and premium balance charge-offs, deficiency reserves, and policyholder dividends were also subject to the pooling arrangement. The participation percentages for each company were as follows: 68.5% for Motorists Mutual, 3.0% for Consumers Insurance, 18.5% for Motorists Commercial, 1.0% for Iowa American, 3.0% for Iowa Mutual, 0.0% for MICO, 3.0% for Phenix Mutual, and 3.0% for Wilson Mutual.

Each company recognized facultative and treaty reinsurance cessions with unaffiliated reinsurers prior to the administration of the intercompany pooling agreement. As the lead insurer, Motorists Mutual assumed all net premiums, losses, loss adjustment expenses, and underwriting expenses and then ceded each pool participant its share of the pool. Underwriting-related balance sheet items such as premiums receivable, installments, reinsurance assumed premium receivables and loss payables, reinsurance ceded premium payables and loss receivables, general expense receivables and payables, funds held balances, advanced premiums, and outstanding drafts were also pooled.

As of December 31, 2014, the company reported an aggregate pooling-related balance of \$1,858,590 receivable from the other pool participants. The balances due to/from each of the other participants are listed below.

<u>Intercompany Pool Participant</u>	<u>Receivable/(Payable)</u>
Consumers Insurance USA, Inc.	215,331
Iowa American Insurance Company	(46,787)
Iowa Mutual Insurance Company	2,219,827
MICO Insurance Company	(7,044)
Motorists Commercial Mutual Insurance Company	(52,239)
Phenix Mutual Fire Insurance Company	152,160
Wilson Mutual Insurance Company	(622,658)

27. Structured Settlements

A. The company has purchased annuities for structured settlements under which the claimant is the payee, but for which the company is contingently liable. Details are provided below.

<u>Loss Reserves Eliminated by Annuities</u>	<u>Unrecorded Loss Contingencies</u>
4,344,170	4,332,587

B. As of December 31, 2014, there were not any amounts in excess of 1% of the company's surplus due for annuities from any one life insurance company associated with purchased annuities for which the company did not receive a release of liability from the claimant.

28. Health Care Receivables

The company did not have any health care receivables to disclose for the periods reported.

29. Participating Policies

The company did not write policies with participating contracts during the periods reported.

30. Premium Deficiency Reserves

Details regarding the premium deficiency reserve reported by the company as of December 31, 2014, are provided below.

1) Liability carried for premium deficiency reserves	\$ 0
2) Date of the most recent evaluation of this liability	January 6, 2015
3) Was anticipated investment income utilized in the calculation?	Yes

31. High Deductibles

The company did not have any unpaid claims on policies with high deductibles to disclose for the periods reported.

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

The company did not discount loss and loss adjustment expense reserves during the periods reported.

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE MOTORISTS MUTUAL INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

33. Asbestos/Environmental Reserves

A. The company had exposure to asbestos losses during the periods reported. Direct exposure arose from the sale of general liability business. The company also had exposure through its unaffiliated reinsurance assumed operations and an intercompany pooling arrangement (reference Note 26). The company estimates the impact of its direct exposure by establishing case reserves on all known losses and by computing IBNR losses based on previous experience. The company relies on case and IBNR reserves established by the Excess Casualty Reinsurance Association and the Mutual Reinsurance Bureau to measure its exposure from unaffiliated reinsurance assumed operations.

	(1) 2010	(2) 2011	(3) 2012	(4) 2013	(5) 2014
1) Direct Basis:					
a. Beginning Reserves (incl Case, Bulk & IBNR)	10,162,135	9,271,744	8,084,997	8,668,539	8,804,836
b. Incurred losses and loss adjustment expenses	560,970	540,727	1,310,064	1,071,423	735,880
c. Calendar year loss and loss adj. expense payments	1,451,361	1,727,474	726,522	935,126	1,170,383
d. Ending Reserves (incl Case, Bulk & IBNR)	9,271,744	8,084,997	8,668,539	8,804,836	8,370,333
2) Assumed Reinsurance Basis:	(1) 2010	(2) 2011	(3) 2012	(4) 2013	(5) 2014
a. Beginning Reserves (incl Case, Bulk & IBNR)	2,830,275	2,769,987	1,651,450	1,566,449	1,935,166
b. Incurred losses and loss adjustment expenses	157,008	(850,671)	19,340	460,981	(51,416)
c. Calendar year loss and loss adj. expense payments	217,296	267,866	104,341	92,264	122,431
d. Ending Reserves (incl Case, Bulk & IBNR)	2,769,987	1,651,450	1,566,449	1,935,166	1,761,319
3) Net of Ceded Reinsurance Basis:	(1) 2010	(2) 2011	(3) 2012	(4) 2013	(5) 2014
a. Beginning Reserves (incl Case, Bulk & IBNR)	11,628,256	10,658,676	9,288,139	10,010,486	10,642,547
b. Incurred losses and loss adjustment expenses	543,363	321,853	780,911	1,482,116	583,052
c. Calendar year loss and loss adj. expense payments	1,512,943	1,692,390	58,564	850,055	1,189,482
d. Ending Reserves (incl Case, Bulk & IBNR)	10,658,676	9,288,139	10,010,486	10,642,547	10,036,117
B. The amount of ending reserves for bulk and IBNR included in "A" (Loss and LAE):					
1) Direct Basis					7,401,548
2) Assumed Reinsurance Basis					1,140,596
3) Net of Ceded Reinsurance Basis					8,531,263
C. The amount of ending reserves for loss adjustment expenses included in "A" (Case, Bulk + IBNR):					
1) Direct Basis					1,861,012
2) Assumed Reinsurance Basis					61,579
3) Net of Ceded Reinsurance Basis					1,917,151
D. The company had exposure to environmental losses during the periods reported. Direct exposure arose from the sale of general liability, commercial auto liability, and homeowners business. The company also had exposure through its unaffiliated reinsurance assumed operations and an intercompany pooling arrangement (reference Note 26). The company estimates the impact of its direct exposure by establishing case reserves on all known losses and by computing IBNR losses based on previous experience. The company relies on case and IBNR reserves established by the Excess Casualty Reinsurance Association and the Mutual Reinsurance Bureau to measure its exposure from unaffiliated reinsurance assumed operations.					
1) Direct Basis:	(1) 2010	(2) 2011	(3) 2012	(4) 2013	(5) 2014
a. Beginning Reserves (incl Case, Bulk & IBNR)	1,941,361	1,391,334	2,513,727	3,821,142	3,570,217
b. Incurred losses and loss adjustment expenses	54,438	1,432,329	1,676,726	(26,258)	(183,193)
c. Calendar year loss and loss adj. expense payments	604,465	309,936	369,311	224,667	490,226
d. Ending Reserves (incl Case, Bulk & IBNR)	1,391,334	2,513,727	3,821,142	3,570,217	2,896,798
2) Assumed Reinsurance Basis:	(1) 2010	(2) 2011	(3) 2012	(4) 2013	(5) 2014
a. Beginning Reserves (incl Case, Bulk & IBNR)	266,316	313,561	276,987	280,349	320,755
b. Incurred losses and loss adjustment expenses	106,813	(13,990)	6,850	52,097	45,673
c. Calendar year loss and loss adj. expense payments	59,568	22,584	3,488	11,691	17,866
d. Ending Reserves (incl Case, Bulk & IBNR)	313,561	276,987	280,349	320,755	348,562
3) Net of Ceded Reinsurance Basis:	(1) 2010	(2) 2011	(3) 2012	(4) 2013	(5) 2014
a. Beginning Reserves (incl Case, Bulk & IBNR)	2,202,445	1,694,876	2,696,563	4,027,670	3,830,474
b. Incurred losses and loss adjustment expenses	127,337	1,334,207	1,703,099	28,029	(168,600)
c. Calendar year loss and loss adj. expense payments	634,906	332,520	371,992	225,225	506,399
d. Ending Reserves (incl Case, Bulk & IBNR)	1,694,876	2,696,563	4,027,670	3,830,474	3,155,475

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE MOTORISTS MUTUAL INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

E. The amount of ending reserves for bulk and IBNR included in "D" (Loss and LAE):

1) Direct Basis	2,377,047
2) Assumed Reinsurance Basis	163,914
3) Net of Ceded Reinsurance Basis	2,481,555

F. The amount of ending reserves for loss adjustment expenses included in "D" (Case, Bulk + IBNR):

1) Direct Basis	895,411
2) Assumed Reinsurance Basis	43,030
3) Net of Ceded Reinsurance Basis	908,738

34. Subscriber Savings Accounts

Information concerning subscriber savings accounts is not applicable

35. Multiple Peril Crop Insurance

The company did not write multiple peril crop insurance during the periods reported.

36. Financial Guaranty Insurance

The company did not write financial guaranty insurance during the periods reported.

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE MOTORISTS MUTUAL INSURANCE COMPANY
GENERAL INTERROGATORIES

**PART 1 - COMMON INTERROGATORIES
 GENERAL**

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

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2013

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. 12/31/2013

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). 11/07/2014

3.4 By what department or departments?
 Ohio Department of Insurance

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

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 or government, manager or attorney in fact).

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

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE MOTORISTS MUTUAL INSURANCE COMPANY
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 below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
 Ernst & Young, 41 South High Street, Columbus, Ohio 43215

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?
 Peter A. Weisenberger, FCAS, Assistant Vice President, Actuarial Services and Appointed Actuary, Motorists Mutual Insurance Company, 471 East Broad Street, Columbus, Ohio 43215

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). _____

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE MOTORISTS MUTUAL INSURANCE COMPANY
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 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 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 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.....	\$ 0
20.12	To stockholders not officers.....	\$ 0
20.13	Trustees, supreme or grand (Fraternal Only)	\$ 0

20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21	To directors or other officers.....	\$ 81,592
20.22	To stockholders not officers.....	\$ 0
20.23	Trustees, supreme or grand (Fraternal Only)	\$ 0

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]

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

21.21	Rented from others.....	\$ 0
21.22	Borrowed from others.....	\$ 0
21.23	Leased from others	\$ 0
21.24	Other	\$ 0

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 \$	\$ 0
22.22	Amount paid as expenses	\$ 0
22.23	Other amounts paid	\$ 0

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

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

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
Securities held on deposit with states.

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

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

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

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

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE MOTORISTS MUTUAL INSURANCE COMPANY
GENERAL INTERROGATORIES

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

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$ 0
24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$ 0
24.103 Total payable for securities lending reported on the liability page	\$ 0

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 [] No []

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

25.21 Subject to repurchase agreements	\$ 0
25.22 Subject to reverse repurchase agreements	\$ 0
25.23 Subject to dollar repurchase agreements	\$ 0
25.24 Subject to reverse dollar repurchase agreements	\$ 0
25.25 Placed under option agreements	\$ 0
25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock	\$ 0
25.27 FHLB Capital Stock	\$ 2,039,300
25.28 On deposit with states	\$ 1,778,221
25.29 On deposit with other regulatory bodies	\$ 0
25.30 Pledged as collateral - excluding collateral pledged to an FHLB	\$ 0
25.31 Pledged as collateral to FHLB - including assets backing funding agreements	\$ 25,066,840
25.32 Other	\$ 0

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 []

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

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

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 [] 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
BNY Mellon	500 Grant Street One Mellon Center, Suite #1035, Pittsburgh, PA 15258

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

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

28.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of brokers/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
110638	Diamond Hill Capital Management	325 John H McConnell Blvd, Suite #200, Columbus, OH 43215
105900	General Re-New England Asset Management, Inc.	74 Batterson Park Rd, Pondview Corporate Center, Farmington, CT 06032
105780	Northern Trust Investments, N.A.	50 South La Salle Street, Chicago, IL 60603
109846	HarbourVest	One Financial Center, Floor #44, Boston, MA 02111
115443	Park Street	One Federal Street, 24th Floor, Boston, MA 02110
153966	Crescent Capital Group, LP	11100 Santa Monica Blvd, Suite #2000, Los Angeles, CA 90025
38642	BNY Mellon Alternative Investment Services	101 Barclay Street, 20th Floor West, New York, NY 10286
109358	Adams Street Partners, LLC	One North Wacker Dr, Suite #2200, Chicago, IL 60606

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE MOTORISTS MUTUAL INSURANCE COMPANY
GENERAL INTERROGATORIES

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

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
00769G-53-5	LSV Small Cap Value Fund	11,315,144
04314H-75-8	Artisan Small Cap Fund	9,030,486
04314H-85-7	Artisan Intl Val Fund	26,932,540
78467Y-10-7	SPDR S&P MidCap 400 ETF Tr	3,241,552
29.2999 - Total		50,519,721

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
LSV Small Cap Value Fund	Avista Corp	144,834	09/30/2014 ..
LSV Small Cap Value Fund	Dupont Fabros Technology Inc	138,045	09/30/2014 ..
LSV Small Cap Value Fund	Portland General Electric Co	135,782	09/30/2014 ..
LSV Small Cap Value Fund	Select Medical Holdings Corp	113,151	09/30/2014 ..
LSV Small Cap Value Fund	UIL Holdings Corp	112,020	09/30/2014 ..
Artisan Small Cap Fund	DexCom Inc	369,347	09/30/2014 ..
Artisan Small Cap Fund	Acuity Brands Inc	360,316	09/30/2014 ..
Artisan Small Cap Fund	Cognex Corp	360,316	09/30/2014 ..
Artisan Small Cap Fund	Concur Technologies	339,546	09/30/2014 ..
Artisan Small Cap Fund	Teledyne Technologies Inc	309,746	09/30/2014 ..
Artisan Intl Val Fund	Compass Group PLC	1,273,909	09/30/2014 ..
Artisan Intl Val Fund	Reed Elsevier PLC	1,106,927	09/30/2014 ..
Artisan Intl Val Fund	ING Groep N.V.	1,050,369	09/30/2014 ..
Artisan Intl Val Fund	Royal Bank of Scotland Group PLC	999,197	09/30/2014 ..
Artisan Intl Val Fund	Covidien PLC	993,811	09/30/2014 ..
SPDR S&P MidCap 400 ETF Tr	Skyworks Solutions Inc	25,511	11/30/2014 ..
SPDR S&P MidCap 400 ETF Tr	Equinix Inc	24,830	11/30/2014 ..
SPDR S&P MidCap 400 ETF Tr	Henry Schein Inc	23,210	11/30/2014 ..
SPDR S&P MidCap 400 ETF Tr	Hanesbrands Inc	23,015	11/30/2014 ..
SPDR S&P MidCap 400 ETF Tr	Endo Intl PLC	22,399	11/30/2014 ..

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	675,280,080	700,487,369	25,207,289
30.2 Preferred stocks			
30.3 Totals	675,280,080	700,487,369	25,207,289

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

Fair market values are obtained using an external pricing service, BNY Mellon; using an external investment service, Bloomberg, Inc.; or by contacting individual brokers.

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:

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE MOTORISTS MUTUAL INSURANCE COMPANY
GENERAL INTERROGATORIES

OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?\$ 1,661,347

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
Insurance Services Office Inc.863,867

34.1 Amount of payments for legal expenses, if any?\$ 78,215

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
Baker & Hostetler LLP46,364
Squire Sanders (US) LLP34,404

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
.....

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE MOTORISTS MUTUAL 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)	350,759,404	313,381,818	295,394,218	277,881,269	312,385,831
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	176,736,536	152,542,799	145,273,676	140,965,137	154,193,822
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	228,737,582	222,416,426	214,520,574	212,046,826	225,668,670
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	999,926	930,829	858,907	804,391	1,089,126
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	8,555,913	10,884,735	13,912,536	13,509,859	11,257,932
6. Total (Line 35)	765,789,361	700,156,607	669,959,911	645,207,483	704,595,382
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)	233,881,730	218,991,256	205,727,241	193,703,506	216,933,331
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	116,086,946	104,714,561	99,609,371	97,125,176	107,344,193
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	144,424,791	147,949,877	142,390,590	142,030,453	154,046,687
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	667,668	654,295	603,265	566,041	758,313
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	5,850,718	7,673,738	9,808,338	9,524,451	7,936,842
12. Total (Line 35)	500,911,853	479,983,728	458,138,806	442,949,627	487,019,365
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	(3,375,134)	(14,991,921)	(31,338,633)	(52,659,663)	(44,011,065)
14. Net investment gain or (loss) (Line 11)	40,539,785	47,115,859	34,336,305	36,246,817	39,883,437
15. Total other income (Line 15)	5,472,963	7,163,937	6,105,545	(2,450,255)	4,008,904
16. Dividends to policyholders (Line 17)	3,534,153	5,816,505	5,420,331	6,254,682	6,464,602
17. Federal and foreign income taxes incurred (Line 19)	(1,331,930)	(4,446,482)	(3,591,700)	(4,287,664)	(7,307,537)
18. Net income (Line 20)	40,435,392	37,917,852	7,274,586	(20,830,119)	724,212
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	1,373,884,308	1,335,833,011	1,272,050,376	1,228,435,140	1,292,840,558
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	30,120,137	22,248,066	23,483,625	19,793,118	24,791,272
20.2 Deferred and not yet due (Line 15.2)	109,086,791	103,998,918	91,726,514	84,560,244	86,885,021
20.3 Accrued retrospective premiums (Line 15.3)					
21. Total liabilities excluding protected cell business (Page 3, Line 26)	816,476,501	767,048,720	791,489,327	767,588,107	789,518,304
22. Losses (Page 3, Line 1)	279,450,789	295,320,063	300,235,516	310,905,401	314,623,708
23. Loss adjustment expenses (Page 3, Line 3)	69,761,169	77,154,980	79,535,266	88,086,740	94,512,507
24. Unearned premiums (Page 3, Line 9)	227,930,873	216,607,599	203,810,426	194,651,076	212,154,362
25. Capital paid up (Page 3, Lines 30 & 31)					
26. Surplus as regards policyholders (Page 3, Line 37)	557,407,808	568,784,291	480,561,049	460,847,033	503,322,254
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	3,877,886	20,919,214	(13,588,378)	(44,651,858)	12,318,265
Risk-Based Capital Analysis					
28. Total adjusted capital	562,585,923	573,377,501	483,760,484	463,201,079	505,529,303
29. Authorized control level risk-based capital	67,444,352	64,133,117	61,776,110	58,896,887	59,943,280
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line divided by Page 2, Line 12, Col. 3) x100.0					
30. Bonds (Line 1)	64.6	65.2	65.0	66.1	67.5
31. Stocks (Lines 2.1 & 2.2)	21.9	19.7	19.6	19.5	19.0
32. Mortgage loans on real estate (Lines 3.1 and 3.2)		0.0	0.0	0.1	0.1
33. Real estate (Lines 4.1, 4.2 & 4.3)	2.8	2.7	2.7	2.8	2.7
34. Cash, cash equivalents and short-term investments (Line 5)	(0.1)	1.2	1.1	0.7	0.2
35. Contract loans (Line 6)					
36. Derivatives (Line 7)					
37. Other invested assets (Line 8)	10.8	11.2	11.5	10.8	10.5
38. Receivables for securities (Line 9)	0.0	0.0	0.0	0.0	0.0
39. Securities lending reinvested collateral assets (Line 10)					
40. Aggregate write-ins for invested assets (Line 11)					
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds (Schedule D, Summary, Line 12, Col. 1)					
43. Affiliated preferred stocks (Schedule D, Summary, Line 18, Col. 1)					
44. Affiliated common stocks (Schedule D, Summary, Line 24, Col. 1)	98,291,815	51,041,877	52,703,689	51,449,362	49,888,862
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)					
46. Affiliated mortgage loans on real estate					
47. All other affiliated	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000
48. Total of above Lines 42 to 47	114,291,815	67,041,877	68,703,689	67,449,362	65,888,862
49. Total Investment in Parent included in Lines 42 to 47 above					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)	20.5	11.8	14.3	14.6	13.1

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2014	2 2013	3 2012	4 2011	5 2010
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)	(4,463,956)	14,005,941	14,232,271	(6,462,061)	19,734,137
52. Dividends to stockholders (Line 35)					
53. Change in surplus as regards policyholders for the year (Line 38)	(11,376,483)	88,223,242	19,714,015	(42,475,220)	15,833,916
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)	170,384,934	162,395,896	175,323,654	156,141,068	164,877,070
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	97,931,903	76,516,792	79,387,030	104,272,020	84,787,318
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	117,777,790	121,689,533	145,165,042	185,263,849	146,146,289
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	179,631	248,209	368,988	337,499	486,522
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)	5,653,146	7,451,292	7,812,455	8,915,567	5,962,958
59. Total (Line 35)	391,927,405	368,301,724	408,057,169	454,930,004	402,260,156
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)	121,049,695	112,671,245	120,449,886	108,331,604	112,634,375
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)	67,100,528	53,890,124	54,841,808	69,690,895	59,755,299
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	81,110,533	84,593,534	94,082,486	122,294,974	101,631,379
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	128,567	174,988	260,136	237,937	342,998
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)	4,509,318	5,253,161	5,507,781	6,285,475	4,203,886
65. Total (Line 35)	273,898,642	256,583,052	275,142,097	306,840,884	278,567,936
Operating Percentages (Page 4) (Line 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)	52.7	53.9	58.9	65.8	60.1
68. Loss expenses incurred (Line 3)	11.3	13.0	12.0	12.1	13.4
69. Other underwriting expenses incurred (Line 4)	36.7	36.4	36.1	33.5	35.6
70. Net underwriting gain (loss) (Line 8)	(0.7)	(3.2)	(7.0)	(11.4)	(9.1)
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)	34.8	33.9	34.0	35.4	34.6
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	64.0	66.8	70.9	77.9	73.5
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)	89.9	84.4	95.3	96.1	96.8
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)	(15,134)	(5,045)	(8,213)	(19,135)	(10,480)
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)	(2.7)	(1.0)	(1.8)	(3.8)	(2.1)
Two Year Loss Development (000 omitted)					
76. Development in estimated losses and loss expenses incurred two years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)	(12,203)	(9,170)	(21,314)	(21,692)	(14,270)
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0)	(2.5)	(2.0)	(4.2)	(4.4)	(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: