



ANNUAL STATEMENT

For the Year Ended December 31, 2014

of the Condition and Affairs of the

STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

NAIC Group Code.....0175, 0175 (Current Period) (Prior Period)	NAIC Company Code..... 25135	Employer's ID Number..... 31-4316080
Organized under the Laws of Ohio	State of Domicile or Port of Entry Ohio	Country of Domicile US
Incorporated/Organized..... August 15, 1921	Commenced Business..... September 1, 1921	
Statutory Home Office	518 East Broad Street..... Columbus OH US 43215 (Street and Number) (City or Town, State, Country and Zip Code)	
Main Administrative Office	518 East Broad Street..... Columbus OH US 43215 (Street and Number) (City or Town, State, Country and Zip Code)	614-464-5000 (Area Code) (Telephone Number)
Mail Address	518 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	518 East Broad Street..... Columbus OH US 43215 (Street and Number) (City or Town, State, Country and Zip Code)	614-464-5000 (Area Code) (Telephone Number)
Internet Web Site Address	www.stateauto.com	
Statutory Statement Contact	Tina Marie Stillabower (Name) corporateaccounting@stateauto.com (E-Mail Address)	317-931-7473 (Area Code) (Telephone Number) (Extension) 317-931-6558 (Fax Number)

OFFICERS

Name	Title	Name	Title
1. Robert Paul Restrepo, Jr.	President	2. James Andrew Yano	Secretary
3. Matthew Robert Pollak	Treasurer	4.	

OTHER

Douglas Edward Allen	Vice President	Joel Edward Brown	Senior Vice President
Jessica Elizabeth Buss	Senior Vice President	David William Dalton	Vice President
Steven Eugene English	Senior Vice President	Clyde Howard Fitch, Jr.	Senior Vice President
Steven Ray Hazelbaker	Vice President	Ricky Lee Holbein	Vice President
Stephen Peter Hunckler	Senior Vice President	Scott Alan Jones	Vice President
Karen Lynn Longshore	Vice President	Charles Edward McShane, Jr.	Vice President
Matthew Stanley Mrozek	Vice President	John Michael Petrucci	Vice President
Cynthia Ann Powell	Senior Vice President	Timothy Gerard Reik	Vice President
Mary Jean Reynolds	Vice President	Lyle Dean Rhodebeck	Senior Vice President
Lorraine Margaret Siegworth	Senior Vice President	Angela Elliott Taylor #	Vice President
Larry Emmett Willeford	Vice President		

DIRECTORS OR TRUSTEES

Michael Joseph Fiorile	James Edward Kunk	Paul John Otte	Robert Paul Restrepo, Jr.
Marsha Pasquinely Ryan	Edwin Jesse Simcox	Dwight Eric Smith	Roger Philip Sugarman

State of.....Ohio
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.

Robert Paul Restrepo, Jr. President	James Andrew Yano Secretary	Matthew Robert Pollak Treasurer
Subscribed and sworn to before me	a. Is this an original filing?	Yes [X] No []
This 23rd day of February, 2015	b. If no	1. State the amendment number
		2. Date filed
		3. Number of pages attached

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE

STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	475,636,269	0	475,636,269	447,434,289
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	0	0	0	0
2.2 Common stocks.....	766,866,212	16,858,889	750,007,323	725,244,261
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....	0	0	0	0
3.2 Other than first liens.....	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	23,489,440	0	23,489,440	32,876,257
4.2 Properties held for the production of income (less \$.....0 encumbrances).....	0	0	0	0
4.3 Properties held for sale (less \$.....0 encumbrances).....	8,117,371	0	8,117,371	0
5. Cash (\$.....116,040,130, Schedule E-Part 1), cash equivalents (\$.....0, Schedule E-Part 2) and short-term investments (\$.....0, Schedule DA).....	116,040,130	0	116,040,130	94,013,560
6. Contract loans (including \$.....0 premium notes).....	0	0	0	0
7. Derivatives (Schedule DB).....	0	0	0	0
8. Other invested assets (Schedule BA).....	40,621,041	0	40,621,041	78,289,847
9. Receivables for securities.....	415,437	0	415,437	0
10. Securities lending reinvested collateral assets (Schedule DL).....	0	0	0	0
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	1,431,185,900	16,858,889	1,414,327,011	1,377,858,214
13. Title plants less \$.....0 charged off (for Title insurers only).....	0	0	0	0
14. Investment income due and accrued.....	3,739,338	0	3,739,338	3,703,376
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	247,504,249	142,669	247,361,580	210,676,025
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....2,973,342 earned but unbilled premiums).....	396,375,750	1,334,632	395,041,118	396,252,330
15.3 Accrued retrospective premiums.....	0	0	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	206,384,129	0	206,384,129	188,459,176
16.2 Funds held by or deposited with reinsured companies.....	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts.....	0	0	0	0
17. Amounts receivable relating to uninsured plans.....	0	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon.....	3,072,693	0	3,072,693	1,820,304
18.2 Net deferred tax asset.....	156,731	156,731	0	0
19. Guaranty funds receivable or on deposit.....	132,479	0	132,479	166,151
20. Electronic data processing equipment and software.....	25,054,990	22,393,578	2,661,412	2,865,606
21. Furniture and equipment, including health care delivery assets (\$.....0).....	6,847,530	6,847,530	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates.....	78,263,867	0	78,263,867	22,691,034
24. Health care (\$.....0) and other amounts receivable.....	0	0	0	0
25. Aggregate write-ins for other than invested assets.....	6,495,539	5,407,336	1,088,203	1,443,341
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	2,405,213,195	53,141,365	2,352,071,830	2,205,935,557
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0	0
28. TOTALS (Lines 26 and 27).....	2,405,213,195	53,141,365	2,352,071,830	2,205,935,557
DETAILS OF WRITE-INS				
1101.	0	0	0	0
1102.	0	0	0	0
1103.	0	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. Accounts receivable.....	299,112	292,301	6,811	1,313
2502. Prepaid expenses.....	4,808,679	4,808,679	0	0
2503. Equities and deposits in pools and associations.....	394,825	0	394,825	357,840
2598. Summary of remaining write-ins for Line 25 from overflow page.....	992,923	306,356	686,567	1,084,188
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	6,495,539	5,407,336	1,088,203	1,443,341

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE

STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	420,722,585	408,993,064
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6).....	192,197,017	175,996,269
3. Loss adjustment expenses (Part 2A, Line 35, Column 9).....	99,808,578	95,884,407
4. Commissions payable, contingent commissions and other similar charges.....	8,414,994	16,214,937
5. Other expenses (excluding taxes, licenses and fees).....	19,199,886	12,371,442
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	7,740,814	7,569,585
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....	0	0
7.2 Net deferred tax liability.....	0	0
8. Borrowed money \$.....89,000,000 and interest thereon \$.....851,985.....	89,851,985	89,897,814
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$.....619,616,372 and including warranty reserves of \$.....0 and accrued accident and health experience rating refunds including \$.....0 for medical loss ratio rebate per the Public Health Service Act).....	321,809,230	258,119,454
10. Advance premium.....	11,982,803	12,580,323
11. Dividends declared and unpaid:		
11.1 Stockholders.....	0	0
11.2 Policyholders.....	72,912	55,209
12. Ceded reinsurance premiums payable (net of ceding commissions).....	124,771,075	115,446,224
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19).....	28,175	28,175
14. Amounts withheld or retained by company for account of others.....	7,365,720	6,586,193
15. Remittances and items not allocated.....	1,319,689	831,207
16. Provision for reinsurance (including \$.....0 certified) (Schedule F, Part 8).....	420,000	47,557
17. Net adjustments in assets and liabilities due to foreign exchange rates.....	0	0
18. Drafts outstanding.....	49,878,628	49,620,596
19. Payable to parent, subsidiaries and affiliates.....	85,003,486	49,945,774
20. Derivatives.....	0	0
21. Payable for securities.....	14,022,123	0
22. Payable for securities lending.....	0	0
23. Liability for amounts held under uninsured plans.....	0	0
24. Capital notes \$.....0 and interest thereon \$.....0.....	0	0
25. Aggregate write-ins for liabilities.....	80,697,894	39,495,096
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	1,535,307,594	1,339,683,326
27. Protected cell liabilities.....	0	0
28. Total liabilities (Lines 26 and 27).....	1,535,307,594	1,339,683,326
29. Aggregate write-ins for special surplus funds.....	437,044	391,474
30. Common capital stock.....	0	0
31. Preferred capital stock.....	0	0
32. Aggregate write-ins for other than special surplus funds.....	0	0
33. Surplus notes.....	0	0
34. Gross paid in and contributed surplus.....	0	0
35. Unassigned funds (surplus).....	816,327,192	865,860,757
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 30 \$.....0).....	0	0
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0).....	0	0
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39).....	816,764,236	866,252,231
38. TOTALS (Page 2, Line 28, Col. 3).....	2,352,071,830	2,205,935,557

DETAILS OF WRITE-INS		
2501. Escheated funds payable.....	2,536,475	2,099,979
2502. Premium deficiency reserve.....	0	29,670
2503. Equities and deposits in pools and associations.....	116,721	227,028
2598. Summary of remaining write-ins for Line 25 from overflow page.....	78,044,698	37,138,419
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	80,697,894	39,495,096
2901. Retroactive reinsurance gain (loss).....	437,044	391,474
2902.	0	0
2903.	0	0
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	437,044	391,474
3201.	0	0
3202.	0	0
3203.	0	0
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 thru 3203 plus 3298) (Line 32 above).....	0	0

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE

STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

STATEMENT OF INCOME

UNDERWRITING INCOME		1	2
		Current Year	Prior Year
1.	Premiums earned (Part 1, Line 35, Column 4).....	570,087,433	559,982,166
DEDUCTIONS			
2.	Losses incurred (Part 2, Line 35, Column 7).....	329,705,186	314,495,031
3.	Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	78,146,944	68,912,959
4.	Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	219,347,786	198,301,877
5.	Aggregate write-ins for underwriting deductions.....	(29,670)	(7,590)
6.	Total underwriting deductions (Lines 2 through 5).....	627,170,246	581,702,277
7.	Net income of protected cells.....	0	0
8.	Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	(57,082,813)	(21,720,111)
INVESTMENT INCOME			
9.	Net investment income earned (Exhibit of Net Investment Income, Line 17).....	20,556,234	19,699,710
10.	Net realized capital gains (losses) less capital gains tax of \$.....4,912,833 (Exhibit of Capital Gains (Losses)).....	12,508,683	(4,255,191)
11.	Net investment gain (loss) (Lines 9 + 10).....	33,064,917	15,444,519
OTHER INCOME			
12.	Net gain (loss) from agents' or premium balances charged off (amount recovered \$.....203,828 amount charged off \$.....1,199,109).....	(995,281)	(1,372,828)
13.	Finance and service charges not included in premiums.....	2,915,241	3,261,247
14.	Aggregate write-ins for miscellaneous income.....	(2,463,365)	(72,821)
15.	Total other income (Lines 12 through 14).....	(543,405)	1,815,598
16.	Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	(24,561,301)	(4,459,994)
17.	Dividends to policyholders.....	128,633	86,349
18.	Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17).....	(24,689,934)	(4,546,343)
19.	Federal and foreign income taxes incurred.....	(7,137,427)	(1,741,953)
20.	Net income (Line 18 minus Line 19) (to Line 22).....	(17,552,507)	(2,804,390)
CAPITAL AND SURPLUS ACCOUNT			
21.	Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	866,252,231	748,700,573
22.	Net income (from Line 20).....	(17,552,507)	(2,804,390)
23.	Net transfers (to) from Protected Cell accounts.....	0	0
24.	Change in net unrealized capital gains or (losses) less capital gains tax of \$.....(1,729,897).....	975,434	65,367,909
25.	Change in net unrealized foreign exchange capital gain (loss).....	0	0
26.	Change in net deferred income tax.....	(2,135,638)	8,176,389
27.	Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3).....	(6,643,190)	53,714,186
28.	Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....	(372,443)	30,959
29.	Change in surplus notes.....	0	0
30.	Surplus (contributed to) withdrawn from protected cells.....	0	0
31.	Cumulative effect of changes in accounting principles.....	0	0
32.	Capital changes:		
32.1	Paid in.....	0	0
32.2	Transferred from surplus (Stock Dividend).....	0	0
32.3	Transferred to surplus.....	0	0
33.	Surplus adjustments:		
33.1	Paid in.....	0	0
33.2	Transferred to capital (Stock Dividend).....	0	0
33.3.	Transferred from capital.....	0	0
34.	Net remittances from or (to) Home Office.....	0	0
35.	Dividends to stockholders.....	0	0
36.	Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1).....	0	0
37.	Aggregate write-ins for gains and losses in surplus.....	(23,759,651)	(6,933,395)
38.	Change in surplus as regards policyholders for the year (Lines 22 through 37).....	(49,487,995)	117,551,658
39.	Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	816,764,236	866,252,231
DETAILS OF WRITE-INS			
0501.	Premium deficiency reserve.....	(29,670)	(7,590)
0502.	.....	0	0
0503.	.....	0	0
0598.	Summary of remaining write-ins for Line 5 from overflow page.....	0	0
0599.	Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	(29,670)	(7,590)
1401.	Miscellaneous income (expense).....	746,950	102,741
1402.	Gain (loss) on sale of fixed assets.....	(99,008)	(134,109)
1403.	Governmental fines and penalties.....	(51,877)	(61,101)
1498.	Summary of remaining write-ins for Line 14 from overflow page.....	(3,059,430)	19,648
1499.	Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	(2,463,365)	(72,821)
3701.	Deferred gain on asset transfers between parent and affiliate.....	0	181,376
3702.	Meridian Citizens Mutual - as if Merger effective January 1, 2013.....	0	7,370,497
3703.	Net excess of pension liability over intangible asset.....	0	25,920,178
3798.	Summary of remaining write-ins for Line 37 from overflow page.....	(23,759,651)	(40,405,446)
3799.	Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	(23,759,651)	(6,933,395)

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	607,063,833	525,303,233
2. Net investment income.....	28,270,031	27,721,153
3. Miscellaneous income.....	2,516,025	1,795,946
4. Total (Lines 1 through 3).....	637,849,889	554,820,332
5. Benefit and loss related payments.....	326,351,358	302,027,226
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	294,386,314	264,150,613
8. Dividends paid to policyholders.....	110,930	55,426
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	(972,205)	(2,600,079)
10. Total (Lines 5 through 9).....	619,876,397	563,633,186
11. Net cash from operations (Line 4 minus Line 10).....	17,973,492	(8,812,854)
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	98,079,930	103,011,198
12.2 Stocks.....	49,433,893	19,620,313
12.3 Mortgage loans.....	0	0
12.4 Real estate.....	0	0
12.5 Other invested assets.....	44,402,191	7,902,295
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	0	0
12.7 Miscellaneous proceeds.....	14,022,123	10,000,000
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	205,938,137	140,533,806
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	130,186,728	111,407,851
13.2 Stocks.....	68,231,407	19,739,718
13.3 Mortgage loans.....	0	0
13.4 Real estate.....	2,590,803	372,671
13.5 Other invested assets.....	7,721,588	10,916,475
13.6 Miscellaneous applications.....	415,437	0
13.7 Total investments acquired (Lines 13.1 to 13.6).....	209,145,963	142,436,715
14. Net increase (decrease) in contract loans and premium notes.....	0	0
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	(3,207,826)	(1,902,909)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0
16.3 Borrowed funds.....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	0	0
16.5 Dividends to stockholders.....	0	0
16.6 Other cash provided (applied).....	7,260,904	27,573,052
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	7,260,904	27,573,052
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	22,026,570	16,857,289
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	94,013,560	77,156,271
19.2 End of year (Line 18 plus Line 19.1).....	116,040,130	94,013,560
Note: Supplemental disclosures of cash flow information for non-cash transactions:		
20.0001	0	0

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business		1	2	3	4
		Net Premiums Written per Column 6, Part 1B	Unearned Premiums December 31 Prior Year- per Col. 3, Last Year's Part 1	Unearned Premiums December 31 Current Year- per Col. 5, Part 1A	Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire.....	19,454,171	10,538,198	9,880,324	20,112,045
2.	Allied lines.....	31,110,718	16,732,536	17,414,404	30,428,850
3.	Farmowners multiple peril.....	14,535,136	7,097,447	7,239,688	14,392,895
4.	Homeowners multiple peril.....	79,319,676	17,930,543	64,979,897	32,270,322
5.	Commercial multiple peril.....	84,294,140	38,005,803	40,580,266	81,719,677
6.	Mortgage guaranty.....	0	0	0	0
8.	Ocean marine.....	178,867	101,228	84,224	195,871
9.	Inland marine.....	8,642,171	4,210,573	4,203,174	8,649,570
10.	Financial guaranty.....	0	0	0	0
11.1	Medical professional liability - occurrence.....	0	0	0	0
11.2	Medical professional liability - claims-made.....	3,677,329	1,668,314	2,131,636	3,214,007
12.	Earthquake.....	4,392,848	3,153,039	3,508,832	4,037,055
13.	Group accident and health.....	0	0	0	0
14.	Credit accident and health (group and individual).....	0	0	0	0
15.	Other accident and health.....	1,148	618	542	1,224
16.	Workers' compensation.....	44,549,692	17,055,473	20,151,116	41,454,049
17.1	Other liability - occurrence.....	55,209,602	22,383,787	28,634,297	48,959,092
17.2	Other liability - claims-made.....	5,075,703	1,957,335	2,597,403	4,435,635
17.3	Excess workers' compensation.....	0	0	0	0
18.1	Products liability - occurrence.....	6,106,911	2,589,357	2,586,144	6,110,124
18.2	Products liability - claims-made.....	0	0	0	0
19.1, 19.2	Private passenger auto liability.....	109,758,603	45,399,295	41,498,186	113,659,712
19.3, 19.4	Commercial auto liability.....	60,557,083	25,324,444	31,444,032	54,437,495
21.	Auto physical damage.....	104,029,474	40,769,175	41,993,653	102,804,996
22.	Aircraft (all perils).....	0	0	0	0
23.	Fidelity.....	571,029	306,226	310,877	566,378
24.	Surety.....	2,119,175	1,058,386	754,306	2,423,255
26.	Burglary and theft.....	94,040	47,062	47,884	93,218
27.	Boiler and machinery.....	165,837	65,564	96,089	135,312
28.	Credit.....	0	0	0	0
29.	International.....	0	0	0	0
30.	Warranty.....	0	0	0	0
31.	Reinsurance - nonproportional assumed property.....	(13,355)	0	0	(13,355)
32.	Reinsurance - nonproportional assumed liability.....	0	0	0	0
33.	Reinsurance - nonproportional assumed financial lines.....	0	0	0	0
34.	Aggregate write-ins for other lines of business.....	0	0	0	0
35.	TOTALS.....	633,829,998	256,394,403	320,136,974	570,087,427

DETAILS OF WRITE-INS

3401.	.....	0	0	0	0
3402.	.....	0	0	0	0
3403.	.....	0	0	0	0
3498.	Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0
3499.	Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE

STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business		1	2	3	4	5
		Amount Unearned (Running One Year or Less from Date of Policy) (a)	Amount Unearned (Running More Than One Year from Date of Policy) (a)	Earned But Unbilled Premium	Reserve for Rate Credits and Retrospective Adjustments Based on Experience	Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire.....	9,875,790	4,534	0	0	9,880,324
2.	Allied lines.....	17,315,673	98,731	0	0	17,414,404
3.	Farmowners multiple peril.....	7,239,688	0	0	0	7,239,688
4.	Homeowners multiple peril.....	64,979,897	0	0	0	64,979,897
5.	Commercial multiple peril.....	40,996,980	0	(416,714)	0	40,580,266
6.	Mortgage guaranty.....	0	0	0	0	0
8.	Ocean marine.....	84,224	0	0	0	84,224
9.	Inland marine.....	4,182,777	20,397	0	0	4,203,174
10.	Financial guaranty.....	0	0	0	0	0
11.1	Medical professional liability - occurrence.....	0	0	0	0	0
11.2	Medical professional liability - claims-made.....	2,131,636	0	0	0	2,131,636
12.	Earthquake.....	3,508,569	263	0	0	3,508,832
13.	Group accident and health.....	0	0	0	0	0
14.	Credit accident and health (group and individual).....	0	0	0	0	0
15.	Other accident and health.....	542	0	0	0	542
16.	Workers' compensation.....	20,822,218	0	(671,102)	0	20,151,116
17.1	Other liability - occurrence.....	28,709,685	218,315	(293,703)	0	28,634,297
17.2	Other liability - claims-made.....	2,555,623	41,780	0	0	2,597,403
17.3	Excess workers' compensation.....	0	0	0	0	0
18.1	Products liability - occurrence.....	2,826,698	0	(240,554)	0	2,586,144
18.2	Products liability - claims-made.....	0	0	0	0	0
19.1, 19.2	Private passenger auto liability.....	41,498,186	0	0	0	41,498,186
19.3, 19.4	Commercial auto liability.....	31,277,157	216,140	(49,265)	0	31,444,032
21.	Auto physical damage.....	41,918,585	75,988	(920)	0	41,993,653
22.	Aircraft (all perils).....	0	0	0	0	0
23.	Fidelity.....	269,544	41,333	0	0	310,877
24.	Surety.....	676,426	77,880	0	0	754,306
26.	Burglary and theft.....	46,689	1,195	0	0	47,884
27.	Boiler and machinery.....	96,089	0	0	0	96,089
28.	Credit.....	0	0	0	0	0
29.	International.....	0	0	0	0	0
30.	Warranty.....	0	0	0	0	0
31.	Reinsurance - nonproportional assumed property.....	0	0	0	0	0
32.	Reinsurance - nonproportional assumed liability.....	0	0	0	0	0
33.	Reinsurance - nonproportional assumed financial lines.....	0	0	0	0	0
34.	Aggregate write-ins for other lines of business.....	0	0	0	0	0
35.	TOTALS.....	321,012,676	796,556	(1,672,258)	0	320,136,974
36.	Accrued retrospective premiums based on experience.....					0
37.	Earned but unbilled premiums.....					1,672,258
38.	Balance (sum of Lines 35 through 37).....					321,809,232

DETAILS OF WRITE-INS

3401.	.....	0	0	0	0	0
3402.	.....	0	0	0	0	0
3403.	.....	0	0	0	0	0
3498.	Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0
3499.	Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	0	0	0	0

(a) State here basis of computation used in each case: Pro-rata methods

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**
UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Line of Business		1	Reinsurance Assumed		Reinsurance Ceded		6
		Direct Business (a)	2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
1.	Fire.....	23,231,677	34,028,247	132,424	36,934,729	1,003,448	19,454,171
2.	Allied lines.....	27,586,318	77,434,692	184,346	59,065,277	15,029,361	31,110,718
3.	Farmowners multiple peril.....	40,446,082	2,043,583	0	27,595,692	358,837	14,535,136
4.	Homeowners multiple peril.....	59,252,224	299,848,255	396,902	150,592,424	129,585,281	79,319,676
5.	Commercial multiple peril.....	46,280,668	208,979,535	(25,691)	160,036,702	10,903,670	84,294,140
6.	Mortgage guaranty.....	0	0	0	0	0	0
8.	Ocean marine.....	95,122	423,340	0	339,589	6	178,867
9.	Inland marine.....	8,542,115	16,530,641	0	16,407,600	22,985	8,642,171
10.	Financial guaranty.....	0	0	0	0	0	0
11.1	Medical professional liability - occurrence.....	0	0	0	0	0	0
11.2	Medical professional liability - claims-made.....	0	10,754,040	0	6,981,596	95,115	3,677,329
12.	Earthquake.....	1,896,828	18,263,758	0	8,340,044	7,427,694	4,392,848
13.	Group accident and health.....	0	0	0	0	0	0
14.	Credit accident and health (group and individual).....	0	0	0	0	0	0
15.	Other accident and health.....	5,038	0	0	2,180	1,710	1,148
16.	Workers' compensation.....	28,209,574	100,763,186	1,453,142	84,579,856	1,296,354	44,549,692
17.1	Other liability - occurrence.....	51,255,313	120,836,304	1,366,912	104,818,229	13,430,698	55,209,602
17.2	Other liability - claims-made.....	874,417	15,802,692	0	9,636,478	1,964,928	5,075,703
17.3	Excess workers' compensation.....	0	0	0	0	0	0
18.1	Products liability - occurrence.....	9,596,449	8,148,464	0	11,594,281	43,721	6,106,911
18.2	Products liability - claims-made.....	0	0	0	0	0	0
19.1, 19.2	Private passenger auto liability.....	60,838,721	259,812,970	0	208,382,274	2,510,814	109,758,603
19.3, 19.4	Commercial auto liability.....	51,639,744	124,263,641	403,561	114,970,695	779,168	60,557,083
21.	Auto physical damage.....	64,879,609	236,958,958	(233,593)	197,505,233	70,267	104,029,474
22.	Aircraft (all perils).....	0	0	0	0	0	0
23.	Fidelity.....	811,000	844,157	0	1,084,128	0	571,029
24.	Surety.....	7,059,560	(4,641)	0	4,023,360	912,384	2,119,175
26.	Burglary and theft.....	171,165	101,376	202	178,539	164	94,040
27.	Boiler and machinery.....	2,136,913	14,601	(54)	314,851	1,670,772	165,837
28.	Credit.....	0	0	0	0	0	0
29.	International.....	0	0	0	0	0	0
30.	Warranty.....	0	0	0	0	0	0
31.	Reinsurance - nonproportional assumed property.....	XXX	0	(13,355)	0	0	(13,355)
32.	Reinsurance - nonproportional assumed liability.....	XXX	0	0	0	0	0
33.	Reinsurance - nonproportional assumed financial lines.....	XXX	0	0	0	0	0
34.	Aggregate write-ins for other lines of business.....	0	0	0	0	0	0
35.	TOTALS.....	484,808,537	1,535,847,799	3,664,796	1,203,383,757	187,107,377	633,829,998

DETAILS OF WRITE-INS

3401.	.....	0	0	0	0	0	0
3402.	.....	0	0	0	0	0	0
3403.	.....	0	0	0	0	0	0
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0
3499.	Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above)	0	0	0	0	0	0

(a) Does the company's direct premiums written include premiums recorded on an installment basis? Yes [] No [X]
If yes: 1. The amount of such installment premiums \$.....0.
2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$.....0.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

		Losses Paid Less Salvage				5	6	7	8
		1	2	3	4				
Line of Business		Direct Business	Reinsurance Assumed	Reinsurance Recovered	Net Payments (Cols. 1 + 2 - 3)	Net Losses Unpaid Current Year (Part 2A, Col. 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Cols. 4 + 5 - 6)	Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
1.	Fire.....	13,113,795	16,570,499	19,443,491	10,240,802	5,318,003	7,670,186	7,888,619	39.2
2.	Allied lines.....	19,291,241	24,285,471	29,037,250	14,539,462	5,623,199	5,744,351	14,418,310	47.4
3.	Farmowners multiple peril.....	19,954,057	1,753,860	14,236,425	7,471,492	3,353,453	4,835,463	5,989,482	41.6
4.	Homeowners multiple peril.....	28,964,164	146,118,491	159,140,992	15,941,663	8,051,777	10,559,750	13,433,690	41.6
5.	Commercial multiple peril.....	25,952,524	112,631,133	90,870,689	47,712,968	87,468,774	67,587,549	67,594,193	82.7
6.	Mortgage guaranty.....	0	0	0	0	0	0	0	0.0
8.	Ocean marine.....	14,947	581,287	390,534	205,701	15,104	9,555	211,251	107.9
9.	Inland marine.....	2,986,393	5,092,663	5,291,804	2,787,251	529,751	779,710	2,537,293	29.3
10.	Financial guaranty.....	0	0	0	0	0	0	0	0.0
11.1	Medical professional liability - occurrence.....	0	0	0	0	0	0	0	0.0
11.2	Medical professional liability - claims-made.....	0	2,773,566	1,816,686	956,880	2,867,121	2,538,978	1,285,023	40.0
12.	Earthquake.....	0	0	0	0	0	10,350	(10,350)	(0.3)
13.	Group accident and health.....	0	0	0	0	0	0	0	0.0
14.	Credit accident and health (group and individual).....	0	0	0	0	0	0	0	0.0
15.	Other accident and health.....	10,214	0	6,828	3,386	17,050	19,884	552	45.1
16.	Workers' compensation.....	14,063,974	40,527,752	36,379,335	18,212,391	68,860,645	66,750,752	20,322,283	49.0
17.1	Other liability - occurrence.....	20,522,391	29,899,543	34,591,306	15,830,628	75,508,213	74,781,673	16,557,168	33.8
17.2	Other liability - claims-made.....	16,000	2,425,343	1,604,143	837,200	2,973,475	3,320,062	490,613	11.1
17.3	Excess workers' compensation.....	0	0	0	0	135,691	104,726	30,965	0.0
18.1	Products liability - occurrence.....	1,863,884	2,313,193	2,735,986	1,441,092	5,284,406	5,362,108	1,363,390	22.3
18.2	Products liability - claims-made.....	0	0	0	0	0	0	0	0.0
19.1, 19.2	Private passenger auto liability.....	49,649,023	183,367,992	153,555,393	79,461,622	82,442,394	86,362,506	75,541,511	66.5
19.3, 19.4	Commercial auto liability.....	27,051,025	95,240,772	80,681,295	41,610,502	67,163,346	67,567,970	41,205,878	75.7
21.	Auto physical damage.....	36,322,274	139,582,613	115,224,348	60,680,540	3,651,129	3,518,418	60,813,250	59.2
22.	Aircraft (all perils).....	0	0	0	0	0	0	0	0.0
23.	Fidelity.....	(30,844)	298,268	172,931	94,493	356,585	330,046	121,032	21.4
24.	Surety.....	(141,026)	(6,279)	(96,025)	(51,280)	174,887	226,033	(102,425)	(4.2)
26.	Burglary and theft.....	1,682	99	1,166	614	12,574	16,416	(3,228)	(3.5)
27.	Boiler and machinery.....	482,679	26,072	489,844	18,907	311,153	248,923	81,138	60.0
28.	Credit.....	0	0	0	0	0	0	0	0.0
29.	International.....	0	0	0	0	0	0	0	0.0
30.	Warranty.....	0	0	0	0	0	0	0	0.0
31.	Reinsurance - nonproportional assumed property.....	XXX	(44,423)	0	(44,423)	211,164	293,225	(126,485)	947.1
32.	Reinsurance - nonproportional assumed liability.....	XXX	68,911	45,137	23,774	392,691	354,431	62,034	0.0
33.	Reinsurance - nonproportional assumed financial lines.....	XXX	0	0	0	0	0	0	0.0
34.	Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0.0
35.	TOTALS.....	260,088,395	803,506,827	745,619,557	317,975,665	420,722,585	408,993,063	329,705,187	57.8
DETAILS OF WRITE-INS									
3401.	.....	0	0	0	0	0	0	0	0.0
3402.	.....	0	0	0	0	0	0	0	0.0
3403.	.....	0	0	0	0	0	0	0	0.0
3498.	Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0	0	XXX
3499.	Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0	0	0.0

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

Line of Business		Reported Losses				Incurred But Not Reported			8	9
		1	2	3	4	5	6	7		
		Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable	Net Losses Excluding Incurred but not Reported (Cols. 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1.	Fire.....	6,375,360	6,200,734	8,182,234	4,393,860	201,283	2,713,078	1,990,219	5,318,003	496,475
2.	Allied lines.....	8,984,169	5,960,749	9,849,522	5,095,395	1,437,468	711,981	1,621,645	5,623,199	707,440
3.	Farmowners multiple peril.....	7,375,598	401,165	5,093,780	2,682,983	1,803,000	140,390	1,272,920	3,353,453	287,865
4.	Homeowners multiple peril.....	7,337,700	50,790,328	52,367,078	5,760,950	2,392,077	17,000,882	17,102,132	8,051,777	2,089,528
5.	Commercial multiple peril.....	15,993,589	127,315,509	94,412,136	48,896,962	16,741,020	100,412,011	78,581,218	87,468,774	18,615,286
6.	Mortgage guaranty.....	0	0	0	0	0	0	0	0	0
8.	Ocean marine.....	18,435	4,425	14,973	7,887	1,271	19,649	13,703	15,104	3,114
9.	Inland marine.....	427,848	875,072	853,173	449,747	156,665	75,867	152,527	529,751	46,991
10.	Financial guaranty.....	0	0	0	0	0	0	0	0	0
11.1	Medical professional liability - occurrence.....	0	0	0	0	0	0	0	0	0
11.2	Medical professional liability - claims-made.....	0	4,663,984	3,054,910	1,609,075	0	3,879,809	2,621,763	2,867,121	998,077
12.	Earthquake.....	0	0	0	0	0	0	0	0	0
13.	Group accident and health.....	0	0	0	0	0	0	0	(a).....	0
14.	Credit accident and health (group and individual).....	0	0	0	0	0	0	0	0	0
15.	Other accident and health.....	7,325	0	4,798	2,527	42,095	0	27,572	(a).....	17,050
16.	Workers' compensation.....	41,543,131	56,151,862	70,057,996	27,636,997	35,455,765	84,697,977	78,930,093	68,860,645	14,403,945
17.1	Other liability - occurrence.....	30,044,520	32,368,061	41,510,308	20,902,272	60,233,890	110,403,454	116,031,403	75,508,213	30,176,788
17.2	Other liability - claims-made.....	40,500	1,395,320	940,462	495,358	37,566	8,482,928	6,042,376	2,973,475	1,823,423
17.3	Excess workers' compensation.....	0	0	0	0	0	393,308	257,617	135,691	58,153
18.1	Products liability - occurrence.....	2,152,781	2,258,801	2,889,586	1,521,996	6,385,377	4,520,160	7,143,127	5,284,406	4,958,384
18.2	Products liability - claims-made.....	0	0	0	0	0	0	0	0	0
19.1, 19.2	Private passenger auto liability.....	61,602,179	137,144,253	141,931,800	56,814,633	14,734,252	59,565,050	48,671,540	82,442,394	10,867,677
19.3, 19.4	Commercial auto liability.....	31,958,521	83,411,800	76,935,505	38,434,816	20,399,800	63,980,676	55,651,945	67,163,346	13,174,930
21.	Auto physical damage.....	2,165,625	6,896,657	5,945,386	3,116,896	232,529	1,366,207	1,064,503	3,651,129	896,131
22.	Aircraft (all perils).....	0	0	0	0	0	0	0	0	0
23.	Fidelity.....	549,243	220,057	521,442	247,858	85,795	229,356	206,424	356,585	44,508
24.	Surety.....	302,250	1,843	199,772	104,321	204,539	0	133,973	174,887	125,054
26.	Burglary and theft.....	0	0	0	0	13,174	23,271	23,872	12,574	3,556
27.	Boiler and machinery.....	104,628	(1,517)	103,849	(738)	270,032	633,999	592,140	311,153	31,251
28.	Credit.....	0	0	0	0	0	0	0	0	0
29.	International.....	0	0	0	0	0	0	0	0	0
30.	Warranty.....	0	0	0	0	0	0	0	0	0
31.	Reinsurance - nonproportional assumed property.....	XXX	211,164	0	211,164	XXX	0	0	211,164	0
32.	Reinsurance - nonproportional assumed liability.....	XXX	692,683	453,707	238,975	XXX	445,551	291,836	392,691	0
33.	Reinsurance - nonproportional assumed financial lines.....	XXX	0	0	0	XXX	0	0	0	0
34.	Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0	0
35.	TOTALS.....	216,983,401	516,962,952	515,322,418	218,623,934	160,827,595	459,695,605	418,424,548	420,722,585	99,808,577
DETAILS OF WRITE-INS										
3401.	.....	0	0	0	0	0	0	0	0	0
3402.	.....	0	0	0	0	0	0	0	0	0
3403.	.....	0	0	0	0	0	0	0	0	0
3498.	Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0	0	0	0
3499.	Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0	0	0	0

(a) Including \$.....0 for present value of life indemnity claims.

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct.....	29,602,474	0	0	29,602,474
1.2 Reinsurance assumed.....	106,101,758	0	0	106,101,758
1.3 Reinsurance ceded.....	91,585,341	0	0	91,585,341
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	44,118,891	0	0	44,118,891
2. Commission and brokerage:				
2.1 Direct, excluding contingent.....	0	71,756,922	0	71,756,922
2.2 Reinsurance assumed, excluding contingent.....	0	272,300,898	0	272,300,898
2.3 Reinsurance ceded, excluding contingent.....	0	239,722,811	0	239,722,811
2.4 Contingent - direct.....	0	10,303,766	0	10,303,766
2.5 Contingent - reinsurance assumed.....	0	22,718,579	0	22,718,579
2.6 Contingent - reinsurance ceded.....	0	32,203,126	0	32,203,126
2.7 Policy and membership fees.....	0	0	0	0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7).....	0	105,154,228	0	105,154,228
3. Allowances to manager and agents.....	0	2,269,617	0	2,269,617
4. Advertising.....	988	494,050	0	495,038
5. Boards, bureaus and associations.....	281,372	2,483,190	0	2,764,562
6. Surveys and underwriting reports.....	0	3,331,292	0	3,331,292
7. Audit of assureds' records.....	0	394,320	0	394,320
8. Salary and related items:				
8.1 Salaries.....	16,763,749	49,664,450	76,570	66,504,769
8.2 Payroll taxes.....	1,206,524	3,551,651	5,609	4,763,784
9. Employee relations and welfare.....	5,705,814	12,705,358	155,168	18,566,340
10. Insurance.....	253,169	580,812	6,836	840,817
11. Directors' fees.....	0	1,395,515	0	1,395,515
12. Travel and travel items.....	928,754	2,365,660	20,267	3,314,681
13. Rent and rent items.....	1,530,068	3,738,203	7,167	5,275,438
14. Equipment.....	3,031,329	5,068,416	40,356	8,140,101
15. Cost or depreciation of EDP equipment and software.....	1,783,210	1,986,263	19,976	3,789,449
16. Printing and stationery.....	145,564	452,803	4,213	602,580
17. Postage, telephone and telegraph, exchange and express.....	728,436	3,256,333	19,772	4,004,541
18. Legal and auditing.....	152,010	670,326	1,646,883	2,469,219
19. Totals (Lines 3 to 18).....	32,510,987	94,408,259	2,002,817	128,922,063
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....(6,546).....	0	14,160,584	0	14,160,584
20.2 Insurance department licenses and fees.....	0	1,520,790	0	1,520,790
20.3 Gross guaranty association assessments.....	0	85,031	0	85,031
20.4 All other (excluding federal and foreign income and real estate).....	0	195,762	0	195,762
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	0	15,962,167	0	15,962,167
21. Real estate expenses.....	0	0	4,985,567	4,985,567
22. Real estate taxes.....	0	0	766,093	766,093
23. Reimbursements by uninsured plans.....	0	0	0	0
24. Aggregate write-ins for miscellaneous expenses.....	1,517,066	3,823,134	18,226	5,358,426
25. Total expenses incurred.....	78,146,944	219,347,788	7,772,703	(a) 305,267,435
26. Less unpaid expenses - current year.....	99,808,578	34,409,379	946,315	135,164,272
27. Add unpaid expenses - prior year.....	95,884,407	35,191,318	964,646	132,040,371
28. Amounts receivable relating to uninsured plans, prior year.....	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year.....	0	0	0	0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29).....	74,222,773	220,129,727	7,791,034	302,143,534

DETAILS OF WRITE-INS

2401. Professional consultants.....	1,488,656	3,798,659	16,364	5,303,679
2402. Miscellaneous.....	28,410	24,475	1,862	54,747
2403.	0	0	0	0
2498. Summary of remaining write-ins for Line 24 from overflow page.....	0	0	0	0
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above).....	1,517,066	3,823,134	18,226	5,358,426

(a) Includes management fees of \$.....12,856,941 to affiliates and \$.....444,552 to non-affiliates.

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE

STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....2,250,699	.....2,316,761
1.1 Bonds exempt from U.S. tax.....	(a).....3,015,186	.....3,025,066
1.2 Other bonds (unaffiliated).....	(a).....9,137,217	.....9,052,042
1.3 Bonds of affiliates.....	(a).....0	.....0
2.1 Preferred stocks (unaffiliated).....	(b).....0	.....0
2.11 Preferred stocks of affiliates.....	(b).....0	.....0
2.2 Common stocks (unaffiliated).....	.....1,386,505	.....1,431,708
2.21 Common stocks of affiliates.....	.....10,203,442	.....10,203,442
3. Mortgage loans.....	(c).....0	.....0
4. Real estate.....	(d).....9,575,895	.....9,575,895
5. Contract loans.....	.....0	.....0
6. Cash, cash equivalents and short-term investments.....	(e).....3,932	.....3,926
7. Derivative instruments.....	(f).....0	.....0
8. Other invested assets.....	.....1,878,632	.....1,874,728
9. Aggregate write-ins for investment income.....	.....13,055	.....12,885
10. Total gross investment income.....	.....37,464,563	.....37,496,451
11. Investment expenses.....		(g).....7,772,703
12. Investment taxes, licenses and fees, excluding federal income taxes.....		(g).....0
13. Interest expense.....		(h).....5,345,678
14. Depreciation on real estate and other invested assets.....		(i).....3,821,835
15. Aggregate write-ins for deductions from investment income.....		.....0
16. Total deductions (Lines 11 through 15).....		.....16,940,216
17. Net investment income (Line 10 minus Line 16).....		.....20,556,235

DETAILS OF WRITE-INS

0901. Miscellaneous investment income.....	.....13,055	.....12,885
0902. ....	.....0	.....0
0903. ....	.....0	.....0
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....13,055	.....12,885
1501. ....		.....0
1502. ....		.....0
1503. ....		.....0
1598. Summary of remaining write-ins for Line 15 from overflow page.....		.....0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above).....		.....0

- (a) Includes \$.....124,625 accrual of discount less \$.....4,123,609 amortization of premium and less \$.....317,237 paid for accrued interest on purchases.
- (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
- (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$.....9,573,495 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to Segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$.....3,821,835 depreciation on real estate and \$.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. government bonds.....	.....440,185	.....0	.....440,185	.....163,494	.....0
1.1 Bonds exempt from U.S. tax.....	.....6,634	.....0	.....6,634	.....0	.....0
1.2 Other bonds (unaffiliated).....	.....755,259	.....(1,271,407)	.....(516,148)	.....0	.....0
1.3 Bonds of affiliates.....	.....0	.....0	.....0	.....0	.....0
2.1 Preferred stocks (unaffiliated).....	.....0	.....0	.....0	.....0	.....0
2.11 Preferred stocks of affiliates.....	.....0	.....0	.....0	.....0	.....0
2.2 Common stocks (unaffiliated).....	.....19,009,520	.....(754,657)	.....18,254,863	.....(4,927,172)	.....0
2.21 Common stocks of affiliates.....	.....83,712	.....0	.....83,712	.....4,188,101	.....0
3. Mortgage loans.....	.....0	.....0	.....0	.....0	.....0
4. Real estate.....	.....(38,414)	.....0	.....(38,414)	.....0	.....0
5. Contract loans.....	.....0	.....0	.....0	.....0	.....0
6. Cash, cash equivalents and short-term investments.....	.....0	.....0	.....0	.....0	.....0
7. Derivative instruments.....	.....0	.....0	.....0	.....0	.....0
8. Other invested assets.....	.....109,014	.....(918,329)	.....(809,315)	.....(178,885)	.....0
9. Aggregate write-ins for capital gains (losses).....	.....0	.....0	.....0	.....0	.....0
10. Total capital gains (losses).....	.....20,365,910	.....(2,944,394)	.....17,421,516	.....(754,462)	.....0

DETAILS OF WRITE-INS

0901. ....	.....0	.....0	.....0	.....0	.....0
0902. ....	.....0	.....0	.....0	.....0	.....0
0903. ....	.....0	.....0	.....0	.....0	.....0
0998. Summary of remaining write-ins for Line 9 from overflow page....	.....0	.....0	.....0	.....0	.....0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....0	.....0	.....0	.....0	.....0

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE

STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	.....0	.....0	.....0
2. Stocks (Schedule D):			
2.1 Preferred stocks.....	.....0	.....0	.....0
2.2 Common stocks.....	.....16,858,889	.....5,224,930	.....(11,633,959)
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....	.....0	.....0	.....0
3.2 Other than first liens.....	.....0	.....0	.....0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....	.....0	.....0	.....0
4.2 Properties held for the production of income.....	.....0	.....0	.....0
4.3 Properties held for sale.....	.....0	.....0	.....0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	.....0	.....0	.....0
6. Contract loans.....	.....0	.....0	.....0
7. Derivatives (Schedule DB).....	.....0	.....0	.....0
8. Other invested assets (Schedule BA).....	.....0	.....0	.....0
9. Receivables for securities.....	.....0	.....0	.....0
10. Securities lending reinvested collateral assets (Schedule DL).....	.....0	.....0	.....0
11. Aggregate write-ins for invested assets.....	.....0	.....0	.....0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	.....16,858,889	.....5,224,930	.....(11,633,959)
13. Title plants (for Title insurers only).....	.....0	.....0	.....0
14. Investment income due and accrued.....	.....0	.....0	.....0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	.....142,669	.....343,348	.....200,679
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	.....1,334,632	.....1,167,589	.....(167,043)
15.3 Accrued retrospective premiums.....	.....0	.....0	.....0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers.....	.....0	.....0	.....0
16.2 Funds held by or deposited with reinsured companies.....	.....0	.....0	.....0
16.3 Other amounts receivable under reinsurance contracts.....	.....0	.....0	.....0
17. Amounts receivable relating to uninsured plans.....	.....0	.....0	.....0
18.1 Current federal and foreign income tax recoverable and interest thereon.....	.....0	.....0	.....0
18.2 Net deferred tax asset.....	.....156,731	.....562,472	.....405,741
19. Guaranty funds receivable or on deposit.....	.....0	.....0	.....0
20. Electronic data processing equipment and software.....	.....22,393,578	.....27,160,270	.....4,766,692
21. Furniture and equipment, including health care delivery assets.....	.....6,847,530	.....7,255,895	.....408,365
22. Net adjustment in assets and liabilities due to foreign exchange rates.....	.....0	.....0	.....0
23. Receivables from parent, subsidiaries and affiliates.....	.....0	.....0	.....0
24. Health care and other amounts receivable.....	.....0	.....0	.....0
25. Aggregate write-ins for other than invested assets.....	.....5,407,336	.....4,783,672	.....(623,664)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	.....53,141,365	.....46,498,176	.....(6,643,189)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	.....0	.....0	.....0
28. TOTALS (Lines 26 and 27).....	.....53,141,365	.....46,498,176	.....(6,643,189)

DETAILS OF WRITE-INS			
1101. ....	.....0	.....0	.....0
1102. ....	.....0	.....0	.....0
1103. ....	.....0	.....0	.....0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	.....0	.....0	.....0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	.....0	.....0	.....0
2501. Accounts receivable.....	.....292,301	.....405,772	.....113,471
2502. Prepaid expenses.....	.....4,808,679	.....4,168,003	.....(640,676)
2503. Advances.....	.....230,071	.....88,784	.....(141,287)
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.....76,285	.....121,113	.....44,828
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	.....5,407,336	.....4,783,672	.....(623,664)

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies:

A. Accounting Practices:

The accompanying financial statements of State Automobile Mutual Insurance Company (the "Company" or "State Auto Mutual") are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance (the "Department"), which has adopted the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual (NAIC SAP).

A reconciliation of the Company's net income and capital and surplus between the practices prescribed and permitted by the state of Ohio and NAIC SAP is shown below:

Description	State of Domicile	Amount (\$)	
		2014	2013
Net income, OH basis	OH	(17,552,507)	(2,804,390)
State prescribed practice		-	-
State permitted practice		-	-
Net income, NAIC SAP basis	OH	(17,552,507)	(2,804,390)
Statutory surplus, OH basis	OH	816,764,236	866,252,231
State prescribed practice		-	-
State permitted practice		-	-
Statutory surplus, NAIC SAP basis	OH	816,764,236	866,252,231

The Company is a member of the State Auto Holding Company System ("State Auto Group") that is defined at Schedule Y – Information Concerning Activities of Insurer Members of a Holding Company Group. See Schedule Y Part 1 – Organizational Chart. The following member companies of the State Auto Group referred to throughout these notes are defined as follows: State Automobile Mutual Insurance Company ("State Auto Mutual"), State Auto Insurance Company of Wisconsin ("SA Wisconsin"), State Auto Financial Corporation ("State Auto Financial"), State Auto Property & Casualty Insurance Company ("State Auto P&C"), Stateco Financial Services, Inc. ("Stateco"), Milbank Insurance Company ("Milbank"), State Auto Insurance Company of Ohio ("SA Ohio"), Risk Evaluation & Design, LLC ("RED"), Meridian Security Insurance Company ("Meridian Security"), Patrons Mutual Insurance Company of Connecticut ("Patrons Mutual"), Rockhill Holding Company ("RHC"), Rockhill Insurance Company ("Rockhill"), Plaza Insurance Company ("Plaza"), American Compensation Insurance Company ("American Compensation"), and Bloomington Compensation Insurance Company ("Bloomington Compensation"). SA Software Shelf, Inc. ("SA Software") was dissolved on September 16, 2014. Meridian Citizens Mutual ("Meridian Citizens Mutual") was merged with State Auto Mutual on July 2, 2014. CDC Holding, Inc. ("CDC") and its subsidiaries, Network E&S Insurance Brokers, LLC and Partners General Insurance Agency, LLC was purchased by State Auto Mutual on June 1, 2014. Meridian Insurance Group, Inc. ("MIGI") was merged with and into State Auto Holdings, Inc. ("State Auto Holdings") on May 31, 2014. Litchfield Mutual Fire Insurance Company ("Litchfield") was merged with Patrons Mutual on March 31, 2013. Beacon Lloyds, Inc. ("Beacon Lloyds, Inc.") was dissolved on January 11, 2013.

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

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

C. Accounting Policy:

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

Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

Real estate investments are classified in the balance sheet as properties occupied by the company and carried at depreciated cost with the exception of one property which is classified as properties held for sale and carried at depreciated cost.

In addition, the Company uses the following accounting policies:

- Short-term investments: Not applicable.
- Bonds not backed by other loans are stated at amortized cost using the scientific interest method.
- Common stocks, other than investments in stocks of subsidiaries and affiliates, are stated at fair value.
- Preferred stocks: Not applicable.
- Mortgage loans: Not applicable.
- Loan-backed securities are valued at amortized cost using the scientific interest method. The retrospective adjustment method is used to determine the fair value of all loan-backed securities.
- Investments in subsidiaries and affiliated companies: Insurance subsidiary SA Wisconsin is stated at statutory equity value. Holding company subsidiaries, State Auto Holdings, CDC, and RHC, are admitted to the extent allowed by SSAP No. 97 - *Investments in Subsidiary, Controlled and Affiliated Entities, A Replacement of SSAP No.88*. A 62.5% publicly owned holding company subsidiary, State Auto Financial, is stated at statutory equity value. Noninsurance subsidiaries, Facilitators, Inc. ("Facilitators") and RED, are admitted to the extent allowed by SSAP No. 97. At December 31, 2014 and 2013, unamortized goodwill was \$77,678,067 and \$76,799,741, respectively, of which, \$15,896,201 and \$4,551,507 was nonadmitted, respectively.
- The Company has minor ownership interests in partnerships and a trust. The Company carries these interests at the underlying equity of the investee, and for affiliated interests, to the extent allowed by SSAP No. 97 – *Investments in Subsidiary, Controlled and Affiliated Entities, A Replacement of SSAP No.88*.
- Derivatives: Not applicable.
- The Company anticipates investment income as a factor in the premium deficiency calculation, except accident and health business, in accordance with SSAP No. 53 - *Property-Casualty Contracts - Premiums*.
- Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates, and, while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed, and any adjustments are reflected in the period determined.
- The Company has not modified its capitalization policy from the prior period.
- Pharmaceutical rebate receivables: Not applicable.

2. Accounting Changes and Corrections of Errors:

A. Accounting Change:

All employees of the State Auto Group are employees of State Auto P&C, which holds assets and liabilities related to the employee benefit plans of the State Auto Group, and is the plan sponsor of the employee benefit plans. State Auto P&C adopted the provisions of SSAP No. 102 *Accounting for Pensions, A Replacement of SSAP No. 89* effective January 1, 2013. This SSAP requires that any underfunded defined benefit pension amounts, as determined when the projected benefit obligation exceeds the fair value of plan assets, to be recognized as a liability under SSAP No. 5R *Liabilities, Contingencies and Impairments of Assets* ("SSAP No. 5R"). Such liability was required to be reported in the first quarter statutory financial statement after the transition date with a corresponding entry to unassigned funds. At transition, the Company's share of the net liability from unrecognized transition obligations, prior service costs, and unrecognized losses was \$73,436,815 and is included as a component of the ending balance of unassigned funds as of January 1, 2013. This net impact was reflected as a liability as the plan is in an underfunded state.

All employees of the State Auto Group are employees of State Auto P&C, which holds assets and liabilities related to the employee benefit plans of the State Auto Group, and is the plan sponsor of the employee benefit plans. State Auto P&C adopted the provisions of SSAP No. 92 *Accounting for Postretirement Benefits other than Pensions, A Replacement of SSAP No. 14* effective January 1, 2013. This SSAP requires that any underfunded postretirement benefit amounts, as determined when the projected benefit obligation exceeds the fair value of plan assets, to be recognized as a liability under SSAP No. 5R. Such liability was required to be reported in the first quarter statutory financial statement after the transition date with a corresponding entry to unassigned funds. At transition, the Company's share of the contra-liability from unrecognized transition assets, prior service credits, and unrecognized losses was \$10,691,959 and is included as a component of the ending balance of unassigned funds as of January 1, 2013. This net impact was reflected as a liability as the plan is in an underfunded state.

2. Accounting Changes and Corrections of Errors (continued):

According to the NAIC *Accounting Practices and Procedures Manual*, SSAP No. 3 – *Accounting Changes and Corrections of Errors*, relating to mergers, prior years' amounts in the financial statements shall be restated as if the merger had occurred as of January 1, of the prior year. See related discussion regarding the Merger (defined below) at Note 3B – Business Combinations and Goodwill. As a result of the Merger, all prior periods presented have been restated to reflect the operations of the merged entities as if the merger had occurred January 1, 2013.

3. Business Combinations and Goodwill:

A. Statutory Purchase Method:

1.

a.

On February 10, 2009, the Company purchased 100% interest in RHC, a Delaware corporation. RHC writes specially property and casualty business through four insurance subsidiaries, Rockhill, Plaza, American Compensation and Bloomington Compensation and has a subsidiary that is a third party administrator providing workers compensation case and claim management services.
- b.

On June 1, 2014, the Company purchased 100% interest in CDC, a California corporation.
2.

The RHC and CDC transactions described in Note 3A were accounted for as statutory purchases.
3.

a.

The cost of the RHC purchase was \$248,627,800 resulting in goodwill of \$150,178,743, of which \$0 was nonadmitted at December 31, 2014.

b.

The cost of the CDC purchase was \$17,500,000 resulting in goodwill of \$16,776,153, of which \$15,896,201 was nonadmitted at December 31, 2014.
4.

a.

Goodwill amortization for the period ended December 31, 2014 relating to the purchase of RHC was \$15,017,874.

b.

Goodwill amortization for the period ended December 31, 2014 relating to the purchase of CDC was \$983,847.

B. Statutory Merger:

1.

On July 2, 2014, Meridian Citizens Mutual merged with and into the Company (the "Merger"), with the Company continuing as the surviving entity.
2.

The transaction was accounted for as a statutory merger.
3.

There were no shares of stock issued in the transaction.
4.

Pre-merger separate company revenue, net income, and other surplus adjustments for the six months ended June 30, 2014 were \$277,619,406, (\$6,020,534), \$5,704,583 respectively for the Company and \$4,082,837, \$112,968, (\$927), respectively for Meridian Citizens Mutual.
5.

There were no mergers with any companies that previously did not prepare statutory statements.

C. Impairment Loss: Not applicable.

4. Discontinued Operations: Not applicable.

5. Investments:

A. Mortgage Loans: Not applicable.

B. Debt Restructuring: Not applicable.

C. Reverse Mortgages: Not applicable.

D. Loan-Backed Securities:

1.

Prepayment assumptions for mortgage-backed securities, asset-backed securities and collateralized mortgage obligations were generated using a purchased prepayment model. The prepayment model uses a number of factors to estimate prepayment activity including the time of year (seasonality), current levels of interest rates (refinancing incentive), economic activity (including housing turnover) and term and age of the underlying collateral (burnout, seasoning).
2.

The Company has not recognized any other than temporary impairments on its loan-backed securities.
3.

The Company has not recognized any other than temporary impairments on its loan-backed securities.
4.

The Company has loan-backed securities in which the fair value is less than cost or amortized cost for which an other than temporary impairment has not been recognized.

	Amount (\$)
a. The aggregate amount of unrealized losses	
1. Less than 12 Months	(260,607)
2. 12 Months or Longer	(382,750)
b. The aggregate related fair value of securities with unrealized losses	
1. Less than 12 Months	28,930,312
2. 12 Months or Longer	21,032,251

5.

The Company regularly reviews its investment portfolio for factors that may indicate that a decline in fair value of an investment is other than temporary. The Company considers various factors, such as the duration and extent the security has been below cost, underlying credit rating of the issuer, receipt of scheduled principal and interest cash flows, and the Company's ability and intent to hold the security until recovery.

E. Repurchase Agreements: Not applicable.

F. Real Estate: Not applicable.

G. Low Income Housing Tax Credits: Not applicable.

H. Restricted Assets:

1.

Restricted assets (including pledged) summarized by restricted asset category

5. Investments (continued):

	Amount (\$)								Percentage (%)	
	Gross Restricted									
	Current Year									
	1	2	3	4	5	6	7	8	9	10
	Total General Account (G/A)	G/A Supporting S/A Restricted Assets (a)	Total Separate Account (S/A) Restricted Assets	S/A Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
a. Subject to contractual obligation for which liability is not shown	-	-	-	-	-	-	-	-	-	-
b. Collateral held under security lending arrangements	-	-	-	-	-	-	-	-	-	-
c. Subject to repurchase agreements	-	-	-	-	-	-	-	-	-	-
d. Subject to reverse repurchase agreements	-	-	-	-	-	-	-	-	-	-
e. Subject to dollar repurchase agreements	-	-	-	-	-	-	-	-	-	-
f. Subject to dollar reverse repurchase agreements	-	-	-	-	-	-	-	-	-	-
g. Placed under option contracts	-	-	-	-	-	-	-	-	-	-
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock	-	-	-	-	-	-	-	-	-	-
i. FHLB capital stock	4,053,600	-	-	-	4,053,600	3,900,100	153,500	4,053,600	0.17	0.17
j. On deposit with state	8,200,110	-	-	-	8,200,110	10,776,506	(2,576,396)	8,200,110	0.34	0.35
k. On deposit with other regulatory bodies	-	-	-	-	-	-	-	-	-	-
l. Pledged as collateral to FHLB (including assets backing funding agreements)	22,033,477	-	-	-	22,033,477	22,872,852	(839,375)	22,033,477	0.92	0.94
m. Pledged as collateral not captured in other categories	51,627,072	-	-	-	51,627,072	144,417,526	(92,790,454)	51,627,072	2.15	2.19
n. Other restricted assets	-	-	-	-	-	-	-	-	-	-
o. Total restricted assets	85,914,259	-	-	-	85,914,259	181,966,984	(96,052,725)	85,914,259	3.57	3.65

2. Detail of assets pledged as collateral not captured in other categories (reported on line m above)

	Amount (\$)								Percentage (%)	
	Gross Restricted									
	Current Year									
	1	2	3	4	5	6	7	8	9	10
	Total General Account (G/A)	G/A Supporting S/A Restricted Assets (a)	Total Separate Account (S/A) Restricted Assets	S/A Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
Reinsurance	51,627,072	-	-	-	51,627,072	144,417,526	(92,790,454)	51,627,072	2.15	2.19
Total	51,627,072	-	-	-	51,627,072	144,417,526	(92,790,454)	51,627,072	2.15	2.19

- I. Working Capital Finance Investments: Not applicable.
- J. Offsetting and Netting of Assets and Liabilities: Not applicable.
- K. Structured Notes: Not applicable.

6. Joint Ventures, Partnerships and Limited Liability Companies:

- A. The Company has no investments in Joint Ventures, Partnerships and Limited Liability Companies that exceed 10% of its Admitted Assets.
- B. Impairments: Not applicable.

7. Investment Income:

- A. Accrued Investment Income: The Company nonadmits investment income due and accrued if amounts are over 90 days past due.
- B. Amounts Nonadmitted: Not applicable.

8. Derivative Instruments: Not applicable.

9. Income Taxes:

A. The components of the net deferred tax asset/(liability) at December 31, 2014 and 2013 are as follows:

1.	Amount (\$)								
	2014			2013			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
a. Gross deferred tax assets	112,591,470	2,168,261	114,759,731	92,161,662	3,354,277	95,515,939	20,429,808	(1,186,016)	19,243,792
b. Statutory valuation allowance adjustment	102,581,284	2,011,530	104,592,814	78,694,639	2,791,805	81,486,444	23,886,645	(780,275)	23,106,370
c. Adjusted gross deferred tax assets	10,010,186	156,731	10,166,917	13,467,023	562,472	14,029,495	(3,456,837)	(405,741)	(3,862,578)
d. Deferred tax assets nonadmitted	6,110,211	(5,953,480)	156,731	8,821,160	(8,258,689)	562,471	(2,710,949)	2,305,209	(405,740)
e. Subtotal net admitted deferred tax asset	3,899,975	6,110,211	10,010,186	4,645,863	8,821,161	13,467,024	(745,888)	(2,710,950)	(3,456,838)
f. Deferred tax liabilities	3,899,975	6,110,211	10,010,186	4,377,645	9,089,379	13,467,024	(477,670)	(2,979,168)	(3,456,838)
g. Net admitted deferred tax assets/(liability)	-	-	-	268,218	(268,218)	-	(268,218)	268,218	-

2.	Amount (\$)								
	2014			2013			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Admission calculation components SSAP No. 101									
a. Recovered through loss carrybacks	-	-	-	-	-	-	-	-	-
b. The lesser of 2(b)1 and 2(b)2 below:	-	-	-	-	-	-	-	-	-
1. Adjusted gross DTA's expected to be realized within one or three years	-	-	-	-	-	-	-	-	-
2. Adjusted DTA's allowed per limitation threshold	NA	NA	94,233,698	NA	NA	119,830,137	NA	NA	(25,596,439)
c. Adjusted gross DTA's offset by gross DTLs	3,899,975	6,110,211	10,010,186	4,377,645	9,089,379	13,467,024	(480,547)	(2,979,168)	(3,456,838)
d. Total DTA's admitted	3,899,975	6,110,211	10,010,186	4,377,645	9,089,379	13,467,024	(480,547)	(2,979,168)	(3,456,838)

3.	2014	2013
a. Ratio percentage used to determine recovery period and threshold limitation	383%	543%
b. Amount of adjusted capital & surplus used to determine recovery period and threshold limitation in 2(b)2 above	628,224,656	798,867,580

4.	2014		2013		Change	
	Ordinary	Capital	Ordinary	Capital	Ordinary	Capital
a. Impact of tax planning strategies:						
1. Adjusted gross DTAs	10,010,186	156,731	13,467,023	562,472	(3,456,837)	(405,741)
2. Percentage of total adjusted gross DTAs by tax character attributable to planning	0.0%	100.0%	0.0%	100.0%	0.0%	0.0%
3. Net admitted adjusted gross DTAs	3,899,975	6,110,211	4,645,863	8,821,161	(745,888)	(2,710,950)
4. Percentage of net admitted gross DTAs attributable to planning	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

b. Does the Company's tax-planning strategies include the use of reinsurance? Yes No X

B. Unrecognized Deferred Tax Liabilities: None.

9. Income Taxes (continued):

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

	Amount (\$)		
	2014	2013	Change
1. Current income tax:			
a. Federal	(7,137,427)	(1,741,952)	(5,395,475)
b. Foreign	-	-	-
c. Subtotal	(7,137,427)	(1,741,952)	(5,395,475)
d. Federal Income tax on net capital gains	4,912,833	972,650	3,940,183
e. Utilization of capital loss carry-forwards	-	-	-
f. Other	-	-	-
g. Federal and foreign income taxes incurred	(2,224,594)	(769,302)	(1,455,292)
2. Deferred tax assets:			
a. Ordinary			
1. Discounting of unpaid losses	11,215,718	11,615,373	(399,655)
2. Unearned premium reserve	22,409,588	17,947,609	4,461,979
3. Policyholder reserves	-	-	-
4. Investments	-	-	-
5. Deferred acquisition costs	-	-	-
6. Policyholder dividends accrual	-	-	-
7. Fixed Assets	-	-	-
8. Compensation & benefits accrual	15,001,800	12,632,288	2,369,512
9. Pension accrual	25,618,103	17,937,486	7,680,617
10. Receivables - nonadmitted	587,531	304,581	282,950
11. Net operating loss carry-forward	22,329,899	22,180,344	149,555
12. Tax credit carry-forward	271,432	183,344	88,088
13. Other	15,157,399	9,360,637	5,796,762
Subtotal	112,591,470	92,161,662	20,429,808
b. Statutory valuation allowance adjustment	102,581,284	78,694,639	23,886,645
c. Nonadmitted	6,110,211	8,821,160	(2,710,949)
d. Admitted ordinary deferred tax assets	3,899,975	4,645,863	(745,888)
e. Capital:			
1. Investments	1,099,556	2,715,094	(1,615,538)
2. Net capital loss carry-forward	-	-	-
3. Real estate	1,068,705	639,183	429,522
4. Other	-	-	-
Subtotal	2,168,261	3,354,277	(1,186,016)
f. Statutory valuation allowance adjustment	2,011,530	2,791,805	(780,275)
g. Nonadmitted	(5,953,480)	(8,258,689)	2,305,209
h. Admitted capital deferred tax assets	6,110,211	8,821,161	(2,710,950)
i. Admitted deferred tax assets	10,010,186	13,467,024	(3,456,838)
3. Deferred tax liabilities:			
a. Ordinary			
1. Investments	30,923	15,103	15,820
2. Fixed assets	-	-	-
3. Deferred and uncollected premium	-	-	-
4. Policyholder reserves	-	-	-
5. Other	3,869,052	4,362,542	(493,490)
Subtotal	3,899,975	4,377,645	(477,670)
b. Capital:			
1. Investments	6,110,211	9,089,379	(2,979,168)
2. Real estate	-	-	-
3. Other	-	-	-
Subtotal	6,110,211	9,089,379	(2,979,168)
c. Deferred tax liabilities	10,010,186	13,467,024	(3,456,838)
4. Net deferred tax asset/(liabilities)	-	-	-

D. The significant book to tax adjustments were as follows:

	Amount (\$) Tax Effect @ 35%	Effective Tax Rate
Tax Reconciliation by Effective Rate:		
Income before tax	(6,921,985)	35.0%
Tax exempt interest and dividends received income deduction	(3,584,611)	18.1%
Permanent difference on nonadmitted taxable assets	857,703	-4.3%
STAT unrecognized pension liability	(7,912,479)	40.0%
Unrecognized postretirement	(608,354)	3.1%
Change in valuation allowance	23,106,370	-116.8%
Other	(5,025,600)	25.4%
Total	(88,956)	0.5%
Tax Reconciliation by Statement of Income:		
Federal & foreign tax incurred	(7,137,427)	36.1%
Current taxes on realized gains	4,912,833	-24.8%
Change in net deferred income taxes	2,135,638	-10.8%
Total	(88,956)	0.5%

E. Operating Loss and Tax Credit Carry-forward:

1.
- At December 31, 2014, the Company had \$61,723,881 of operating loss carry-forwards beginning in 2009 through 2014, which expire, if unused, beginning in 2029 through 2034. The Company had alternative minimum tax credits of \$45,104 which do not expire and foreign tax credits of \$226,328 originating in 2009 through 2014 which expire, if unused beginning in 2019 through 2024.
2.
- There is no income tax expense that is available for recoupment in the event of future net losses.
3.
- The Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

9. Income Taxes (continued):

F. Consolidated Federal Income Tax Return:

1. The Company's federal income tax return is consolidated with the following entities:

State Auto Mutual
SA Wisconsin
Facilitators
MIGI
Meridian Security
State Auto Holding
CDC
Eagle Development Corporation
Rockhill
Plaza
American Compensation
Bloomington Compensation
RHC
National Environmental Coverage Corp.
RTW, Inc.
2. The method of allocation among the companies is subject to a written agreement, approved by the Board of Directors, whereby allocation is made primarily on a separate return basis with current credit for any net operating losses or other items utilized in the consolidated tax return.
- G. Federal or Foreign Federal Income Tax Loss Contingencies

The Company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

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

A. Nature of the Relationships:

See Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group, Part 1 Organizational Chart. On May 31, 2014, MIGI merged with and into the surviving entity State Auto Holdings. On June 1, 2014, State Auto Mutual purchased CDC and its subsidiaries, Network E&S Insurance Brokers, LLC and Partners General Insurance Agency, LLC. On July 2, 2014, Meridian Citizens Mutual merged with and into the surviving entity State Auto Mutual. On September 16, 2014, SA Software was dissolved.

B. Details of Transactions Greater than ½% of Admitted Assets:

The Company received quarterly cash dividend payments throughout the year totaling \$10,203,442 and \$10,117,316 in 2014 and 2013, respectively, from State Auto Financial.

On July 2, 2014, Meridian Citizens Mutual merged with and into the Company (the “Merger”), with the Company continuing as the surviving entity. See Note 2 and Note 3B for additional disclosure.

C. Change in Terms of Intercompany Agreements:

The Pooling Arrangement was amended to increase Patrons Mutual's participation percentage to 0.5% from 0.4% due to its merger with Litchfield, effective March 31, 2013. The Pooling Arrangement was amended to increase State Auto Mutual's participation percentage to 34.5% from 34.0% due to its merger with Meridian Citizens Mutual, effective July 2, 2014.

D. Amounts Due to or from Related Parties:

The Company leases buildings from 518 Property & Management Leasing LLC, an affiliate. Rental payments in the amount of approximately \$631,239 will be paid in 2015.

The terms of settlement require that these amounts settle within 60 days after the end of each calendar quarter:

	Amount (\$)			
	December 31, 2014		December 31, 2013	
	Due To:	Due From:	Due To:	Due From:
State Auto P&C	-	45,507,969	-	3,581,036
Milbank	-	26,911,123	-	12,924,392
SA Wisconsin	1,343,547	-	1,840,932	-
SA Ohio	7,012,102	-	8,083,245	-
Meridian Security	11,751,437	-	11,532,550	-
Patrons Mutual	6,035,548	-	5,880,631	-
Plaza	9,846,909	-	3,704,690	-
Rockhill	43,889,330	-	11,396,898	-
American Compensation	1,919,120	-	2,173,163	-
Bloomington Compensation	586,155	-	147,293	-
National Environmental Coverage Corp.	-	1,342,107	-	759,189
Rockhill Underwriting Management, LLC	-	3,425,363	-	4,192,593
RTW, Inc.	2,264,985	-	4,783,839	-
State Auto Financial	-	399,787	-	487,375
Stateco	-	137,007	-	150,988
Other Affiliates	-	186,158	-	203,149

E. Guarantees or Contingencies for Related Parties:

The Company has provided a standing commitment to maintain Plaza's capital and surplus requirements as dictated by the State of New Jersey for a minimum of five years beginning July 1, 2011, as outlined in additional detail in Note 14.

The Company has provided a standing commitment to maintain Bloomington Compensation's capital and surplus requirements as dictated by the State of New Jersey for a minimum of five years beginning May 11, 2012, as outlined in additional detail in Note 14.

F. Management, Service Contracts, Cost Sharing Agreements:

Through contractual agreements with affiliated companies within the State Auto Group, State Auto P&C provides employees, while State Auto Mutual provides data processing and certain other data equipment and facilities as needed.

During 2014 and 2013, the following management and/or cost sharing agreements were effective:

1. the “2005 Management and Operations Agreement” to which State Auto Mutual, State Auto P&C, Milbank, SA Ohio, MIGI, Meridian Security, Patrons Mutual, State Auto Financial, Stateco, and 518 Property Management and Leasing LLC are parties;
2. the “Midwest Management Agreement” to which State Auto Mutual, State Auto P&C, and SA Wisconsin are parties;
3. the “RTW Consulting Services Agreement” to which State Auto Mutual, State Auto P&C, Meridian Security, and Milbank entered into an agreement with RTW, Inc., an affiliate for overall claims case management for the workers’ compensation program;
4. the “RED Underwriting Management Agreement” to which State Auto Mutual, Rockhill, Plaza, American Compensation, Bloomington Compensation, State Auto P&C, Meridian Security, and Milbank entered into with RED to act as underwriting manager to underwrite insurance and reinsurance coverages for the alternative risk and program market;

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties (continued):

5. the "Rockhill Management & Operations Agreement" to which State Auto Mutual, State Auto P&C, Rockhill, Plaza, American Compensation, Bloomington Compensation, RHC, National Environmental Coverage Corporation, RTW, Inc., Rockhill Insurance Services, LLC., and Rockhill Underwriting Management, LLC. are parties;
6. the "Rockhill-RUM Administrative Services Agreement" to which Rockhill and Rockhill Underwriting Management, LLC. are parties;
7. the "Rockhill-RIS Surplus Lines Broker Agreement" to which Rockhill and Rockhill Insurance Services, LLC. are parties;
8. the "Rockhill-NEN Administrative Services Agreement" to which Rockhill and National Environmental Coverage Corporation are parties;
9. the "Rockhill Cost Sharing Agreement" to which Rockhill, RHC, and Rockhill Underwriting Management, LLC. are parties;
10. the "RTW-ACI Intercompany Management Agreement" to which American Compensation and RTW, Inc. are parties;
11. the "RTW-BCI Intercompany Management Agreement" to which Bloomington Compensation and RTW, Inc. are parties;
12. the "RUM Administrative Services Agreement" to which State Auto Mutual and Rockhill Underwriting Management, LLC. are parties;
13. the "Stateco Investment Management Agreement" to which Stateco, a wholly owned subsidiary of State Auto Financial, provides investment management services to the Company for a fee based on the average fair value of the investment portfolio of the Company;
14. the "RUM-ACI Administrative Services Agreement" to which Rockhill Underwriting Management, LLC. and American Compensation are parties;
15. the "RUM Underwriting Services Agreement" to which Rockhill Underwriting Management, LLC. and Plaza are parties;
16. the "RTW Administrative Services Agreement" to which RTW, Inc. and Plaza are parties; and
17. the "Rockhill-PGI Administrative Services Agreement" to which Rockhill and Partners General Insurance Agency, LLC are parties.

Each of the foregoing management and/or cost sharing agreements apportions or apportioned among the parties the actual costs of the services provided. With the exception of the "2005 Management & Operations Agreement", the "Rockhill Management & Operations Agreement", and the "Rockhill Cost Sharing Agreement", the above agreements provide for a management fee for services provided.

G. Nature of Relationships that Could Affect Operations:

The Company is a member of the State Auto Group that is defined in Schedule Y – Information Concerning Activities of Insurer Members of a Holding Company Group. See Schedule Y Part 1 – Organizational Chart.

H. Amount Deducted for Investment in Upstream Company: Not applicable.

I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets:

At December 31, 2014, the Company owned 62.5% of the common stock outstanding of State Auto Financial. The aggregate value of the Company's ownership in State Auto Financial, based on the quoted market price at December 31, 2014 of \$22.22 was \$570,057,390. The Company's investment in State Auto Financial has been reflected in the accompanying statutory financial statements at a statutory equity value at December 31, 2014 of \$435,745,199. At December 31, 2014, based on publicly available financial information of State Auto Financial, the Company's share of the underlying equity in net assets of State Auto Financial was \$545,581,617.

At December 31, 2013, the Company owned 62.1% of the common stock outstanding of State Auto Financial. The aggregate value of the Company's ownership in State Auto Financial, based on the quoted market price at December 31, 2013 of \$21.24 was \$538,078,226. The Company's investment in State Auto Financial has been reflected in the accompanying statutory financial statements at a statutory equity value at December 31, 2013 of \$415,868,068. At December 31, 2013, based on publicly available financial information of State Auto Financial, the Company's share of the underlying equity in net assets of State Auto Financial was \$487,475,591.

Based on publicly available financial information for State Auto Financial, the following provides summarized financial information for the twelve month period ending December 31, 2014 and 2013, respectively:

Description	Amount (\$)	
	December 31, 2014	December 31, 2013
Total assets	2,766,903,235	2,496,425,148
Total liabilities	1,893,972,661	1,711,440,300
Stockholders' equity	872,930,574	784,984,848
Net (loss) income	107,366,120	60,800,923

J. Write-down for Impairments of Investments in Subsidiary, Controlled or Affiliated Companies: Not applicable.

K. Investments in Foreign Insurance Subsidiary: Not applicable.

L. Investments in Downstream Noninsurance Holding Company:

The Company utilizes the look-through approach for the valuation of its downstream holding company, State Auto Holdings, as provided under SSAP 97 – *Investments in Subsidiary, Controlled, and Affiliated Entities, A Replacement of SSAP No. 88*. The Company's carrying value at December 31, 2014 and 2013 was \$68,865,780 and \$67,014,831, respectively. The Company has limited the value of its investment in State Auto Holdings to the value of entities having audited financial statements including adjustments required by SSAP 97. All liabilities, commitments, contingencies, guarantees or obligations of the downstream holding company, which are required to be recorded as liabilities, commitments, contingencies, guarantees, or obligation under applicable accounting guidance, are reflected in the Company's determination of the carrying value of State Auto Holdings, if not already recorded in the financial statements. At December 31, 2014 and 2013, the Company's investment in State Auto Holdings was held at an admitted value of \$68,620,799 and \$66,757,875, respectively, after nonadmitting \$244,981 and \$256,956, respectively.

The Company utilizes the look-through approach for the valuation of its downstream holding company, RHC, as provided under SSAP 97 – *Investments in Subsidiary, Controlled, and Affiliated Entities, A Replacement of SSAP No. 88*. The Company's carrying value at December 31, 2014 and 2013 was \$151,816,844 and \$161,198,607, respectively. All liabilities, commitments, contingencies, guarantees or obligations of the downstream holding company, which are required to be recorded as liabilities, commitments, contingencies, guarantees, or obligation under applicable accounting guidance, are reflected in the Company's determination of the carrying value of RHC, if not already recorded in the financial statements. At December 31, 2014 and 2013, the Company's investment in RHC was held at an admitted value of \$151,816,844 and \$156,647,100, respectively, after nonadmitting \$0 and \$4,551,507 for goodwill, respectively.

11. Debt:

A. In May 2009, the Company borrowed money in the amounts of \$50,000,000 and \$20,000,000 from State Auto P&C and Milbank, respectively. The principal amount is due in 2019. At the option of the Company, early repayment may be made. Interest is due semi-annually at a fixed annual interest rate of 7%. The total loan interest incurred through December 31, 2014 and 2013, was \$4,900,000 and \$4,900,000, respectively.

B. FHLB (Federal Home Loan Bank) Agreements

1. On February 9, 2009, the Company borrowed \$19,000,000 from the Federal Home Loan Bank of Cincinnati ("FHLB") for a period of ten years at a fixed rate of 4.89%. On February 7, 2014, the Company refinanced this loan with FHLB for a period of five years at a fixed rate of 2.05%. This is an interest-only loan with principal due at the maturity date of February 7, 2019. This loan is collateralized by treasury bonds and mortgage-backed securities on deposit with FHLB. The total loan interest incurred through December 31, 2014 and 2013 was \$445,678 and \$929,100, respectively.

2. FHLB Capital Stock

a. Aggregate Totals

	Amount (\$)	
	December 31, 2014	December 31, 2013
Membership stock – Class A	-	-
Membership stock – Class B	3,294,110	3,140,640
Activity stock	759,490	759,460
Excess stock	-	-
Aggregate total	4,053,600	3,900,100
Actual or estimated borrowing capacity as determined by the Company	20,589,588	20,276,382

11. Debt (continued):

The borrowing capacity for each security pledged is provided by FHLB, which is based on a factor of the market value based on the type of investment. Available borrowing capacity is determined by taking the total borrowing capacity provided by FHLB and reducing it by the Company's current total borrowing.

b. Membership Stock (Class A and B) Eligible for Redemption

	Amount (\$)	
	Class A Stock	Class B Stock
Current year total	-	4,053,600
Not eligible for redemption	-	4,053,600
Less than 6 months	-	-
6 months to less than 1 year	-	-
1 year to less than 3 years	-	-
3 to 5 years	-	-

3. Collateral Pledged to FHLB

a. Amount Pledged

	Amount (\$)	
	December 31, 2014	December 31, 2013
General account		
Fair value	21,589,902	21,245,041
Carrying value	22,033,477	22,872,852
Aggregate total borrowing	19,000,000	19,000,000

b. Maximum Amount Pledged

	Amount (\$)	
	December 31, 2014	December 31, 2013
General account		
Fair value	21,589,902	21,245,041
Carrying value	22,033,477	22,872,852
Aggregate total borrowing	19,000,000	19,000,000

4. Borrowing from FHLB

a. Amount Borrowed

	Amount (\$)	
	December 31, 2014	December 31, 2013
General account		
Debt	19,000,000	19,000,000
Funding agreements	-	-
Other	-	-
Aggregate total	19,000,000	19,000,000

b. Maximum Amount Borrowed

	Amount (\$)
	December 31, 2014
General account	
Debt	19,000,000
Funding agreements	-
Other	-
Aggregate total	19,000,000

c. The Company has no prepayment obligations under its debt arrangement.

12. Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Postretirement Benefit Plans:

All employees of the State Auto Group are employees of State Auto P&C, which holds assets and liabilities related to the employee benefit plans of the State Auto Group, and is the plan sponsor of the employee benefit plans.

A. Defined Benefit Plan:

State Auto P&C sponsors a defined benefit plan and a postretirement health care benefit plan. See Note 12G.

B. Investment policies and strategies: Not applicable

C. Fair Value Measurement: Not applicable.

D. Basis Assumption: Not applicable.

E. Defined Contribution Plan:

State Auto P&C sponsors a defined contribution plan. See Note 12G.

F. Multiemployer Plans: Not applicable.

G. Consolidated/Holding Company Plans:

The Company participates in a defined benefit pension plan sponsored by State Auto P&C, an affiliate. In addition, the Company provides certain other postretirement benefits to retired employees through a plan sponsored by State Auto P&C. The Company has no legal obligation for benefits under these plans. State Auto P&C allocates the defined benefit pension plan and postretirement plan's asset or liability amounts to the Company based on the Company's pooling percentage per the Pooling Arrangement. The Company's pooling percentage is 34.5%. The following table summarizes the Company's share of the obligation, fair value of plan assets, and funded status of the defined benefit pension plan and postretirement plan.

	Amount (\$)			
	Pension Benefits		Postretirement Benefits	
	2014	2013	2014	2013
Defined benefit obligation	(155,244,004)	(121,032,063)	(12,673,442)	(11,844,086)
Fair value of plan assets	108,859,039	98,668,911	156,512	691,605
Funded status (underfunded)/overfunded	(46,384,965)	(22,363,152)	(12,516,930)	(11,152,481)

The Company's share of net expense for the defined benefit pension plan was \$8,977,192 and \$10,272,831 in 2014 and 2013, respectively and for postretirement benefit plan was a negative expense of \$451,620 and \$615,066 in 2014 and 2013, respectively.

12. Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Postretirement Benefit Plans (continued):

The Company's share of the supplemental executive retirement plan liability ("SERP") was \$3,146,826 and \$2,908,442 at December 31, 2014 and 2013, respectively. The Company's share of the SERP expense was \$107,307 for 2014 and 2013, respectively.

State Auto P&C maintains a defined contribution plan that covers substantially all of the State Auto Group's employees. The Company has no legal obligation for benefits under this plan. The Company's share of the expense under this plan, allocated based on a percentage of salary, was \$2,711,722 and \$2,462,013 for 2014 and 2013, respectively.

H. Postemployment Benefits and Compensated Absences: Not applicable.

I. Impact of Medicare Modernization Act on Postemployment Benefits (INT 04-17):

1. If unable to determine whether benefits provided by the plan are actuarially equivalent, disclose existence of the Act and whether or not APBO or net periodic postretirement benefit cost reflect any amount associated with the subsidy: Not applicable.
2. Include the effects of the subsidy in measuring the net postretirement benefit cost by disclosing the: reduction in the net postretirement cost for the subsidy related to benefits attributed to former employees, the effect of the subsidy on the measurement of net periodic postretirement benefit cost for the current period and any other disclosures required by paragraph 16(m) of SSAP No. 14: Not applicable.
3. The Company's gross benefit payments for 2014 were \$628,083 including the prescription drug benefits. The Company's subsidy related to Medicare Prescription Drug, Improvement and Modernization Act of 2003 was \$138,327 for 2014 and estimates future annual subsidies to be approximately \$109,097.

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations:

- A. Capital Stock Authorized, Issued and Outstanding as of the Balance Sheet Date: Not applicable.
- B. Dividend Rate of Preferred Stock: Not applicable.
- C. Dividend Restrictions: Not applicable.
- D. Dates and Amounts of Dividends Paid: Not applicable.
- E. Portion of the Company's Profits that may be paid as Ordinary Dividends to Stockholders: Not applicable.
- F. Restrictions Placed on the Unassigned Funds, Including for Whom the Surplus is Being Held: Not applicable.
- G. Mutual Surplus Advances: Not applicable.
- H. Company Stock Held for Special Purposes: Not applicable.
- I. Changes in Special Surplus Funds:

The Company had special surplus funds of \$437,044 and \$391,474 at December 31, 2014 and 2013, respectively. The change in these funds is related to retroactive reinsurance agreements as net loss and LAE incurred were less than originally estimated under the contracts, and the difference was amortized to unassigned funds (surplus).

J. Changes in Unassigned Funds:

The portion of unassigned funds (surplus) represented by cumulative net unrealized gains is \$161,069,148. This excludes any applicable deferred taxes.

K. Surplus Notes: Not applicable.

L. Impact of Restatement Due to Quasi Reorganizations: Not applicable.

M. Effective Date of Quasi Reorganizations: Not applicable.

14. Liabilities, Contingencies and Assessments:

A. Contingent Commitments:

The Company has committed up to \$745,000 in additional capital contributions to Stonehenge Opportunity Fund II, LLC over the next two years, \$1,140,000 in additional capital contributions to Stonehenge Opportunity Fund III, LLC over the next five years, and \$13,770 in additional capital contributions to NCT Ventures Fund I, LP over the next three years (see Schedule BA).

The Company has purchased annuities from life insurers under which various claimants are payees and for which the Company is contingently liable. See related Note 27.

In order to satisfy the requirements of the State of New Jersey, for Plaza to receive a Certificate of Authority, the Company resolved to maintain for a minimum of five years, commencing on the July 1, 2011 date of Plaza's admission in New Jersey, capital and surplus within Plaza that meet or exceed the requirements of the State of New Jersey as amended at any time during the five year period. The minimum capital and surplus required of Plaza by the State of New Jersey are \$3,500,000 and \$2,750,000, respectively.

In order to satisfy the requirements of the State of New Jersey, for Bloomington Compensation to receive a Certificate of Authority, the Company resolved to maintain for a minimum of five years, commencing on the May 11, 2012 date of Bloomington Compensation's admission in New Jersey, capital and surplus within Bloomington Compensation that meet or exceed the requirements of the State of New Jersey as amended at any time during the five year period. The minimum capital and surplus required of Bloomington Compensation by the State of New Jersey are \$1,000,000 and \$1,000,000, respectively. The Company has made no other guaranties on behalf of affiliates.

1	2	3	4	5
Nature and circumstances of guarantee and key attributes, including date and duration of agreement.	Liability recognition of guarantee. (Include amount recognized at inception. If no initial recognition, document exception allowed under SSAP No. 5R.)	Ultimate financial statement impact if action under the guarantee is required.	Maximum potential amount of future payments (undiscounted) the guarantor could be required to make under the guarantee. If unable to develop an estimate, this should be specifically noted.	Current status of payment or performance risk of guarantee. Also provide additional discussion as warranted.
Guarantee the capital and surplus of Plaza to meet the requirements of the State of New Jersey for 5 years, commencing July 1, 2011.	No liability was established, as the triggering event is not certain or probable	Surplus Note	\$ 6,250,000	Plaza currently remains in compliance with the requirements of the State of New Jersey.
Guarantee the capital and surplus of Bloomington Compensation to meet the requirements of the State of New Jersey for 5 years, commencing May 11, 2012.	No liability was established, as the triggering event is not certain or probable	Surplus Note	\$ 2,000,000	Bloomington Compensation currently remains in compliance with the requirements of the State of New Jersey.

14. Liabilities, Contingencies and Assessments (continued):

Description	Amount (\$)
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 above.)	8,250,000
Current Liability Recognized in F/S:	-
Noncontingent Liabilities	-
Contingent Liabilities	-
Ultimate Financial Statement Impact if action under the guarantee is required.	-
Investments in SCA	-
Joint Venture	-
Dividends to Stockholders (capital contribution)	-
Expense	-
Other	8,250,000
Total	8,250,000

B. Guaranty Fund and Other Assessments:

The Company is subject to guaranty fund and other assessments by the states in which it writes business. Guaranty fund assessments should be accrued at the time of insolvencies. On a direct basis, the Company has accrued a liability for guaranty fund assessments of \$867,958 and a related premium tax benefit asset of \$306,718. The liability is expected to be paid over the next five years. The asset is expected to be realized over the next ten years. This represents management's best estimate based on information received from the states in which the Company writes business and may change due to many factors, including the Company's share of the ultimate cost of current insolvencies.

Description	Amount (\$)
Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end	280,285
Decreases current year:	
Policy surcharges collected	-
Policy surcharges charged off	-
Premium tax offset applied	6,546
Increases current year:	
Policy surcharges collected	-
Policy surcharges charged off	-
Premium tax offset applied	32,979
Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end	306,718

C. Gain Contingencies: Not applicable.

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

The Company paid the following amounts to settle claims related extra contractual obligations and bad faith claims resulting from lawsuits during the reporting period.

	Direct (\$)
Claims Related ECO and Bad Faith Losses paid during 2014	275,000

The number of claims where amounts were paid to settle claims related extra contractual obligations or bad faith claims resulting from lawsuits during the reporting period.

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

Claim count information is disclosed: (f) Per claim [X] (g) Per claimant []

E. Product Warranties: Not applicable.

F. Joint and Several Liabilities: Not applicable.

G. All Other Contingencies:

In April 2013, a putative class action lawsuit (Schumacher vs. State Automobile Mutual Insurance Company, et al.) was filed against State Auto Mutual, State Auto Financial and State Auto P&C in Federal District Court in Ohio. Plaintiffs claim that in connection with the homeowners policies of various State Auto companies, the coverage limits and premiums were improperly increased as a result of an insurance to value ("ITV") program and Plaintiffs allege that they purchased coverage in excess of that which was necessary to insure them in the event of loss. Plaintiffs' claims include breach of good faith and fair dealing, negligent misrepresentation and fraud, violation of the Ohio Deceptive Trade Practices Act, and fraudulent inducement. Plaintiffs sought compensatory and punitive damages to be determined by the court, as well as class certification. On February 2, 2015, the Court struck the class allegations. The Company intends to deny any and all liability to plaintiffs or any alleged class and to vigorously defend this lawsuit. Based on the Company's current understanding and assessment of this case, this matter is not expected to have a material adverse effect on results of operations.

The Company is involved in litigation and may become involved in potential litigation arising in the ordinary course of business. Additionally, the Company may be impacted by adverse regulatory actions and adverse court decisions where insurance coverages are expanded beyond the scope originally contemplated in the policies. In the opinion of management, the effects, if any, of such litigation and published court decisions are not expected to be material to the financial statements.

The Company routinely assesses the collectability of premium receivables due from policyholders, agents, and reinsurers. Based upon Company experience of evaluating uncollectability, a provision for uncollectible premiums reserves was recorded totaling \$2,800,372 and \$3,470,853 as of December 31, 2014 and 2013, respectively. The potential for any additional loss is not believed to be material to the Company's financial condition.

15. Leases:

A. Lessee Operating Lease:

1.
2.

- a. The Company leases office facilities, automobiles, and equipment under various operating leases that expire through 2020. Rental expense for 2014 and 2013 was \$9,196,978 and \$8,786,461, respectively.
- b. Contingent rental payments: Not applicable.
- c. Renewal or purchase options and escalation clauses: Certain leases contain a renewal option allowing the Company to renew the lease. Renewal terms are negotiated at such time as the Company notifies the lessor of its intent to renew the lease. Some of the Company's leases contain escalation clauses, which are scheduled rent increases over the lease term.
- d. Restrictions: Not applicable.
- e. Early termination: Not applicable.

- a. At January 1, 2015, future minimum lease payments on noncancellable operating leases are as follows:

	Year Ending December 31	Operating Leases (\$)
1.	2015	5,571,710
2.	2016	2,932,292
3.	2017	2,170,805
4.	2018	1,567,541
5.	2019	1,353,059
6.	Total	13,595,407

- b. Subleases: Not applicable.
3. The Company has not entered into any sales and leaseback arrangements.

B. Lessor Leases:

1. Operating leases: Not applicable.
2. Leveraged leases: Not applicable.

16. Information about Financial Instruments with Off-Balance-Sheet Risk and Financial Instruments with Concentrations of Credit Risk: Not applicable.

17. Sale, Transfer and Servicing of Financial Instruments and Extinguishments of Liabilities:

A. Transfers of Receivables Reported as Sales: Not applicable.

B. Transfers and Servicing of Financial Assets:

1. Loaned Securities: None.
2. Servicing Assets and Servicing Liabilities:

a. Risks: None.

b. Contractually Specified Servicing Fees: None.

c. Assumptions Used to Estimate: None.
3. Servicing Assets and Servicing Liabilities Measured at Fair Value: Not applicable
4. Securitizations, Asset-backed Financing Agreements and Similar Transfers with Continued Involvement:

a. Income Statements Presented: None.

b. Statement of Financial Position Presented: None.
5. Assets Accounted for as Secured Borrowing: See Note 11B.
6. Receivables with Recourse: None.
7. Securities Underlying Repurchase and Reverse Repurchase Agreements: None.

C. Wash Sales: None.

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans: Not applicable.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators: Not applicable.

20. Fair Value Measurement:

A. Inputs Used for Assets and Liabilities Measured and Reported at Fair Value:

Level 1 – Quoted Prices in Active Markets for Identical Assets and Liabilities: This category, for items measured at fair value on a recurring basis, includes exchange-traded common stocks and other invested assets. The estimated fair value of the equity securities within this category are based on unadjusted market prices provided by the Securities Valuation Office (“SVO”) and are thus classified as level 1. The Company’s other invested assets include an investment that consists primarily of holdings in publicly-traded mutual funds. The Company believes that its prices for these publicly-traded mutual funds, which are based on an observable market price for an identical asset in an active market, reflect their fair values.

Level 2 – Significant Other Observable Inputs: This category, for items measured at fair value on a recurring basis, includes other invested assets. The Company’s other invested assets include one international private equity fund, Silchester International Partners Ltd. (“the fund”) that invests in equity securities of foreign issuers and is managed by a third party investment manager. The estimated fair value of the fund within this category is based on net asset value obtained from third party trustee statements and have been classified as level 2 in item 1 below.

Level 3 – Significant Unobservable Inputs: This category, for items measured at fair value on a recurring basis, includes common stocks that are not publically traded. The estimated fair value of the equity securities within this category are based on per share cost and are thus classified as level 3. The Company holds equity securities as a member of FHLB, which is not publicly traded. SVO does not provide a fair value for this security. These equity securities have been disclosed in Level 3 in item 1 below. The company also holds equity securities of BroadStreet Capital that are valued at US GAAP equity value. These equities were sold during 2014 and have been disclosed in Level 3 in item 1 below.

1. The Company has categorized its assets that are measured at fair value into the three-level fair value hierarchy as reflected in the following table. The Company has no liabilities that are measured and reported at fair value. See item 3 below for a discussion of the Company’s transfer policy. See item 4 below for a discussion of Level 2 and Level 3 assets.

Fair Value Measurements at Reporting Date	Amount (\$)			
Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value				
Common stock				
Industrial and misc	78,035,149	-	4,053,600	82,088,749
Total common stocks	78,035,149	-	4,053,600	82,088,749
Any other class of asset	4,999,001	-	-	4,999,001
Partnership interests	-	29,415,969	-	29,415,969
Total other invested assets	4,999,001	29,415,969	-	34,414,970
Total assets at fair value	83,034,150	29,415,969	4,053,600	116,503,719

20. Fair Value Measurement (continued):

2. Fair Value Measurements in (Level 3) of the Fair Value Hierarchy

Description	Amount (\$)									
	Beginning Balance at 01/01/2014	Transfers into Level 3	Transfers out of Level 3	Total gains and (losses) included in Net Income	Total gains and (losses) included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2014
a. Assets:										
Common stock										
Industrial and misc	22,163,157	-	-	8,543,737	-	3,396,819	-	(30,050,113)	-	4,053,600
Total assets	22,163,157	-	-	8,543,737	-	3,396,819	-	(30,050,113)	-	4,053,600

3. Transfers between level categorizations may occur due to changes in the availability of market observable inputs. Transfers in and out of level categorizations are reported as having occurred at the beginning of the quarter in which the transfer occurred. There were no transfers between level categorizations as of December 31, 2014.
4. As of December 31, 2014 and 2013, the reported fair value of the Company's investment in Level 3, equity securities of FHLB, was \$4,053,600 and \$3,900,100, respectively. See item A above for a discussion of valuation techniques and inputs used in determining fair value. Since these equity securities are not publicly traded, they are classified as Level 3. As of December 31, 2014 and 2013, the reported fair value of the Company's investment in Level 3, equity securities of BroadStreet Capital, was \$0 and \$18,263,057, respectively. These equities were sold during 2014. See item A above for a discussion of valuation techniques and inputs used in determining fair value.
5. The Company has no derivative assets or liabilities.

B. Other Fair Value Disclosures: Not applicable.

C. Fair Values for All Financial Instruments by levels 1, 2, and 3:

See Item A for a discussion on valuation techniques for assets and liabilities that are measured and reported at fair value.

The Company utilizes information provided by the SVO to estimate fair value measurements for the majority of its fixed maturities. If market data is not provided by the SVO, fair value is determined by using data provided by a nationally recognized pricing service.

The Company estimates the fair value of the notes payable to affiliates using market quotations for U.S. treasury securities with similar maturity dates and applies an appropriate credit spread.

December 31, 2014

Type of Financial Instrument	Amount (\$)					
	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	483,656,591	475,636,269	-	483,656,591	-	-
Common stocks	82,088,749	82,088,749	78,035,149	-	4,053,600	-
Other invested assets	34,414,970	34,414,970	4,999,001	29,415,969	-	6,206,071
Borrowed money	93,615,765	89,000,000	-	74,614,865	19,000,900	-

December 31, 2013

Type of Financial Instrument	Amount (\$)					
	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	441,145,948	447,434,289	-	441,145,948	-	-
Common stocks	74,322,912	74,322,912	52,159,755	-	22,163,157	-
Cash equivalents and short-term investments	157,095	157,095	157,095	-	-	-
Other invested assets	73,220,494	73,220,494	4,330,552	25,030,324	-	43,859,618
Borrowed money	93,585,407	89,000,000	-	74,570,407	19,015,000	-

D. Financial Instruments for which Not Practical to Estimate Fair Values: Not applicable.

21. Other Items:

A. Extraordinary Items: Not applicable.

B. Troubled Debt Restructuring: Not applicable.

C. Other Disclosures and Unusual Items:

The Company elected to use rounding in reporting amounts in this Annual Statement. The Company also set a tolerance for rounding errors at 10 for validation purposes.

Florida Statute 625.012(5) requires that the Company disclose the amount of Agents' balances or uncollected premiums and the premiums collected from "controlled" or "controlling" persons. The Company had \$247,361,580 and \$210,676,025 at December 31, 2014 and 2013, respectively, of uncollected premiums. No premiums were collected from "controlled" or "controlling persons" during the years ended 2014 and 2013.

Pursuant to Florida Statutes 624.424, the Company is required to disclose any credit in loss reserves taken for anticipated recoveries from the Special Disability Trust Fund. The Company took no credits in the determination of its loss reserves for the years ended 2014 and 2013. Additionally, the Company received no payments from the Special Disability Trust Fund. The Trust Fund made no assessments during the years ended 2014 and 2013.

D. Business Interruption Insurance Recoveries: Not applicable.

E. State Transferable Tax Credits: Not applicable.

F. Subprime Mortgage Related Risk Exposure:

1. The Company has reviewed and considered possible exposure to subprime mortgage related risk through (1) direct investments in subprime mortgage loans; (2) direct investments in securities with underlying subprime exposure, such as residential mortgage backed securities, commercial mortgage backed securities, collateralized debt obligations, structured securities, hedge funds, credit default swaps, and special investment vehicles; (3) equity investments in subsidiary, controlled or affiliated entities with significant subprime related risk exposure; or (4) underwriting risk on policies issued for Mortgage Guaranty or Financial Guaranty insurance coverage and determined that the Company does not have direct exposure to subprime mortgage related risk.
2. The Company does not have direct exposure through investments in subprime mortgage loans.
3. The Company does not have direct exposure through other investments.
4. The Company does not write Mortgage Guaranty or Financial Guaranty insurance coverage and, therefore, does not have underwriting exposure to subprime mortgage risk related to these types of coverages.

22. Events Subsequent:

Subsequent events have been considered through February 23, 2015 for the statutory statement issued on February 23, 2015.

23. Reinsurance:

A. Unsecured Reinsurance Recoverable:

The following table provides a listing of unsecured reinsurance recoverable that exceed 3% of the Company's policyholders' surplus:

NAIC Code	Federal ID#	Name of Reinsurer	Amount (\$)
25127	57-6010814	State Auto P&C	1,383,762,586
41653	46-0368854	Milbank	379,856,397
26921	22-2005057	Everest Reins Co	25,790,033
00000	AA-9991159	Michigan Catastrophic Claims Assn	34,969,980
25364	13-1675535	Swiss Reins Amer Corp	44,653,522
		Total	1,869,032,518

B. Reinsurance Recoverable in Dispute: Not applicable.

C. Reinsurance Assumed and Ceded:

1. The following table summarizes assumed and ceded unearned premiums and the related commission equity at December 31, 2014, stated in dollars:

	Amount (\$)					
	Assumed		Ceded		Assumed Less Ceded	
	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity
Affiliates	722,476,379	1,597,980	610,971,148	-	111,505,231	1,597,980
All other	356,260	18,052	8,645,225	2,340,122	(8,288,965)	(2,322,070)
Totals	722,832,639	1,616,032	619,616,373	2,340,122	103,216,266	(724,090)
Direct Unearned Premium Reserve: 218,592,963						

2. The additional or return commission, predicated on loss experience or on any other form of profit sharing arrangements in this annual statement as a result of existing contractual arrangements is accrued as follows:

	Amount (\$)			
	Direct	Assumed	Ceded	Net
a. Contingent Commission	-	22,620,547	31,179,693	(8,559,146)
b. Sliding Scale Adjustments	-	-	-	-
c. Other Profit Commission Arrangements	-	-	-	-
Total	-	22,620,547	31,179,693	(8,559,146)

3. Protected Cells: Not applicable.

D. Uncollectible Reinsurance: Not applicable.

E. Commutation of Ceded Reinsurance: Not applicable.

F. Retroactive Reinsurance:

On December 31, 2010, concurrent with the sale of SA National, SA National's participation in the Pooling Arrangement was terminated, and State Auto P&C entered into a 100% quota share and loss portfolio transfer reinsurance agreement ("LPT") on December 31, 2010 to assume liability for the pre and post closing book of business of SA National until all policies were renewed by SA National on third party systems. This assumed business by State Auto P&C is subject to the Pooling Arrangement. The LPT agreement is a retroactive reinsurance transaction with SA National which transferred reserves totaling \$17,072,261 for consideration of \$17,072,261 resulting in no special surplus gain or loss. Retroactive reserves are included in other liabilities on the balance sheet.

On December 31, 2014 State Automobile Mutual Insurance Company entered into an adverse development reinsurance contract ("ADC") to cede losses incurred on Policies incepted between November 15, 2009 and January 13, 2013 written by Restaurant Coverage Association and classified as Liquor Liability business and Commercial General Liability. The ADC agreement is a retroactive reinsurance transaction subject to the Pooling Arrangement. Retroactive reserves are included in other liabilities on the balance sheet. Pre-pooled retroactive reserves ceded by the Company at December 31, 2014 are as follows:

Amount (\$)	
Loss and Expense Reserves	
Accident Year	Commercial Multiple Peril
2009	3,217
2010	622,637
2011	1,898,780
2012	4,188,306
2013	3,287,060
2014	-
Totals	10,000,000

23. Reinsurance (continued):

The retroactive reserves assumed and ceded below represent State Auto Mutual's pooling percentage December 31, 2014.

		Amount (\$)	
		Assumed	Ceded (ADC)
1.			
a. Reserves Transferred:			
1. Initial Reserves (Assumed)/Ceded		(5,889,930)	3,450,000
2. Adjustments – Prior Years		391,474	-
3. Adjustments – Current Year		45,570	-
4. Current Total		(5,452,886)	3,450,000
b. Consideration Received/(Paid)			
1. Initial Consideration		5,889,930	(6,555,000)
2. Adjustments – Prior Years		-	-
3. Adjustments – Current Year		-	-
4. Current Total		5,889,930	(6,555,000)
c. Paid Losses (Reimbursed)/Recovered			
1. Prior Years		(5,283,654)	-
2. Current Year		(96,489)	-
3. Current Total		(5,380,143)	-
d. Special Surplus from Retroactive Reinsurance:			
1. Initial Surplus Gain/(Loss)		-	(3,105,000)
2. Adjustments – Prior Years		391,474	-
3. Adjustments – Current Year		45,570	-
4. Current Year Restricted Surplus		437,044	-
5. Cumulative Total Transferred to Unassigned Funds			3,105,000
e. All Cedents and Reinsurers Involved in all Transactions Included in the Summary Totals Above:			
Entity			
10227 Munich Reins Amer Inc			3,450,000
19530 Hallmark Natl Ins Co		(5,452,885)	
f. Total paid loss/LAE amounts recoverable (for authorized, unauthorized and certified reinsurers), any amounts more than 90 days overdue (for authorized, unauthorized and certified reinsurers), and for amounts recoverable the collateral held (for authorized and certified reinsurers):			
Authorized Reinsurers:	Total Paid/Loss LAE Recoverable	Amounts Over 90 Days Overdue	
10227 Munich Reins Amer Inc	3,450,000	-	
Total	3,450,000	-	
Unauthorized Reinsurers:	Total Paid/Loss LAE Recoverable	Amounts Over 90 Days Overdue	Collateral Held
None	-	-	-
Certified Reinsurers:	Total Paid/Loss LAE Recoverable	Amounts Over 90 Days Overdue	Collateral Held
None	-	-	-

- G. Reinsurance Accounted for as a Deposit: Not applicable.
- H. Run-off Agreements: Not applicable.
- I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation: Not applicable.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination: Not applicable.

25. Changes in Incurred Losses and Loss Adjustment Expenses:

Per Schedule P Part 1-Summary	Amount (\$)		
	All Accident Years	2014 Accident Year	Prior Accident Years
Loss and LAE reserves at 12/31/13	504,877,471	-	504,877,471
Loss and LAE incurred in 2014	407,852,130	387,114,532	20,737,598
Loss and LAE paid in 2014	392,198,438	199,700,992	192,497,446
Loss and LAE reserves at 12/31/14	520,531,163	187,413,540	333,117,623

Incurred losses and loss adjustment expenses attributable to prior accident years increased approximately \$20.7 million during 2014. This increase is the result of subsequent reserve review using more mature claim data. Adverse development of approximately \$48.1 million on program business in run-off was partially offset by favorable development on other segments. The deterioration on program business resulted from a reevaluation of case reserves for the largest programs. This primarily impacted the Commercial Multi Peril Liability and Commercial Auto Other Liability lines. For the remaining favorable development on other segments of \$27.4 million, approximately 25% was attributable to reduced loss adjustment expenses and 10% was from reductions in catastrophe losses, primarily from accident year 2013. Remaining favorable development is attributable primarily to Other Liability, Workers Compensation and Commercial Auto Other Liability, driven by emergence of lower than anticipated claim severity, largely from accident years 2012 and 2013.

26. Intercompany Pooling Arrangements:

The Company participates in a quota share reinsurance pooling arrangement with the following affiliated companies (the “Pooling Arrangement”):

Pool Participant (the “State Auto Pool”)	NAIC Co. Code	Pooling Participation Percentages	
		2013	2014
State Auto Mutual – lead reinsurer	25135	34.5%	34.5%
State Auto P&C	25127	51.0%	51.0%
Milbank	41653	14.0%	14.0%
SA Wisconsin	31755	0.0%	0.0%
SA Ohio	11017	0.0%	0.0%
Meridian Security	23353	0.0%	0.0%
Patrons Mutual	14923	0.5%	0.5%
Rockhill	28053	0.0%	0.0%
Plaza	30945	0.0%	0.0%
American Compensation	45934	0.0%	0.0%
Bloomington Compensation	12311	0.0%	0.0%

Under the terms of the arrangement, the participants cede to State Auto Mutual all of their insurance business, net of assumed and ceded reinsurance, and assume from State Auto Mutual an amount equal to their respective participation percentages outlined in the Pooling Arrangement. All business written by each pool participant, except for State Auto Mutual's unaffiliated voluntary assumed reinsurance program with policies effective prior to January 1, 2009, is subject to the Pooling Arrangement. All premiums, losses, loss adjustment expenses and underwriting expenses are allocated among the participants on the basis of each company's respective participation percentage outlined in the Pooling Arrangement. The Pooling Arrangement provides indemnification against loss or liability relating to insurance risk and has been accounted for as reinsurance.

26. Intercompany Pooling Arrangements (continued):

Per SSAP No. 62R – *Property and Casualty Reinsurance*, ceded reinsurance written premiums payable may be deducted from amounts due from the reinsurer when a legal right of offset exists. As the Pooling Arrangement and affiliated reinsurance agreement provide for the right of offset, the Company has netted within the Statement of Assets and Liabilities the amount due to each State Auto Pool participant under ceded reinsurance written premiums payable with the amount due from the same participant on assumed reinsurance written premiums receivable for transactions under the agreements. The following tabular presentation reflects the ceded reinsurance written premiums payable and assumed reinsurance written premiums receivable at December 31, 2014, between each State Auto Pool participant and State Auto Mutual resulting in the net amount due to or due from State Auto Mutual:

	Amount (\$)		
	Assumed Reinsurance Written Premiums Receivable from State Auto Mutual	Ceded Reinsurance Written Premiums Payable to State Auto Mutual	Net Assumed Reinsurance Written Premiums Receivable/(Net Ceded Reinsurance Written Premiums Payable)
State Auto P&C	279,896,985	161,397,924	118,499,061
Milbank	76,834,466	22,089,024	54,745,442
SA Wisconsin	-	6,030,328	(6,030,328)
SA Ohio	-	15,601,769	(15,601,769)
Meridian Security	-	44,426,571	(44,426,571)
Patrons Mutual	2,744,089	18,032,149	(15,288,060)
Rockhill	-	49,313,592	(49,313,592)
Plaza	-	35,335,064	(35,335,064)
American Compensation	-	14,517,654	(14,517,654)
Bloomington Compensation	-	2,189,886	(2,189,886)

The following tabular presentation reflects the reinsurance receivable and payable on loss and loss adjustment expense paid at December 31, 2014, between each State Auto Pool participant and State Auto Mutual:

	Amount (\$)	
	Assumed Reinsurance Loss and Loss Adjustment Expense Paid from State Auto Mutual	Ceded Reinsurance Loss and Loss Adjustment Expense Paid to State Auto Mutual
State Auto P&C	137,477,975	95,486,834
Milbank	37,739,052	18,515,229
SA Wisconsin	-	4,318,616
SA Ohio	-	8,521,957
Meridian Security	-	31,857,079
Patrons Mutual	1,347,823	8,474,296
Rockhill	-	10,110,621
Plaza	-	14,608,446
American Compensation	-	7,655,539
Bloomington Compensation	-	983,665

The following tabular presentation reflects all other intercompany amounts due from and due to State Auto Mutual from entities participating in the Pooling Arrangement at December 31, 2014:

	Amount (\$)	
	Intercompany Amounts Due from State Auto Mutual	Intercompany Amounts Due to State Auto Mutual
State Auto P&C	-	45,507,969
Milbank	-	26,911,123
SA Wisconsin	1,343,547	-
SA Ohio	7,012,102	-
Meridian Security	11,751,437	-
Patrons Mutual	6,035,548	-
Rockhill	43,889,330	-
Plaza	9,846,909	-
American Compensation	1,919,120	-
Bloomington Compensation	586,155	-

27. Structured Settlements:

A. Reserves Released due to Purchase of Annuities:

The Company has purchased annuities from life insurers under which the claimants are payees.

Amount (\$)	
Reserves Eliminated by Annuities	Unrecorded Loss Contingencies
8,936,551	8,936,551

B. Annuity Insurers with Balances due Greater than 1% of Policyholders' Surplus: None.

Life Insurance Company and Location	Licensed in Company's State of Domicile Yes/No	Statement Value (\$) (i.e., Present Value of Annuities)
None		

28. Health Care Receivables: Not applicable.

29. Participating Policies: Not applicable.

30. Premium Deficiency Reserves:

1. Liability carried for premium deficiency reserves	-
2. Date of the most recent evaluation of this liability	12/31/2014
3. Was anticipated investment income utilized in the calculation?	Yes

The premium deficiency reserve is recorded in the aggregate write-in for liabilities and the change in the reserve is reflected in aggregate write-in for underwriting deductions.

31. High Deductibles:

As of December 31, 2014 and 2013, the amount of reserve credit recorded for high deductibles on unpaid claims was \$1,322,062 and \$1,168,588 respectively, and the amount billed and recoverable on paid claims was \$29,947 and \$34,767, respectively.

32. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses: Not applicable.

33. Asbestos/Environmental Reserves:

A. Does the Company have on the books, or has it ever written an insured for which you have identified a potential for the existence of, a liability due to asbestos losses? Yes.

The Company's exposure to asbestos losses arises from the sale of general liability insurance. The Company tries to estimate the full impact of the asbestos exposure by establishing full case basis reserves on all known losses and estimating incurred but not reported losses based on previous experience. The assumed and ceded historic amounts have been restated to reflect the change in the Pooling Agreement. (See Note 26.)

Direct Basis:	Amount (\$)				
	2010	2011	2012	2013	2014
Beginning reserves	816,578	612,265	602,217	716,882	710,316
Incurred losses and loss adjustment expenses	(172,058)	28,321	166,255	91,173	76,206
Calendar year payments for losses and loss adjustment expenses	32,255	38,369	51,590	97,739	93,240
Ending reserves	612,265	602,217	716,882	710,316	693,282

Assumed Reinsurance Basis:	Amount (\$)				
	2010	2011	2012	2013	2014
Beginning reserves	47,752	38,241	44,950	23,787	31,359
Incurred losses and loss adjustment expenses	(1,510)	9,172	(20,094)	10,301	3,113
Calendar year payments for losses and loss adjustment expenses	8,001	2,463	1,069	2,729	2,090
Ending reserves	38,241	44,950	23,787	31,359	32,382

Net of Ceded Reinsurance Basis:	Amount (\$)				
	2010	2011	2012	2013	2014
Beginning reserves	845,356	631,531	628,192	721,694	739,950
Incurred losses and loss adjustment expenses	(173,569)	37,493	146,161	118,724	79,318
Calendar year payments for losses and loss adjustment expenses	40,256	40,832	52,659	100,468	95,330
Ending reserves	631,531	628,192	721,694	739,950	723,938

B. State the amount of the ending reserves for Bulk + IBNR included in A (Loss & LAE):

	Amount (\$)
Direct Basis	517,500
Assumed Reinsurance Basis	20,705
Net of Ceded Reinsurance Basis	538,205

C. State the amount of the ending reserves for loss adjustment expenses included in A (Case, Bulk + IBNR):

	Amount (\$)
Direct Basis	346,641
Assumed Reinsurance Basis	16,191
Net of Ceded Reinsurance Basis	361,969

D. Does the Company have on the books, or has it ever written an insured for which you have identified a potential for the existence of, a liability due to environmental losses? Yes.

Direct Basis:	Amount (\$)				
	2010	2011	2012	2013	2014
Beginning reserves	4,443,362	4,742,773	5,074,547	4,801,189	5,267,263
Incurred losses and loss adjustment expenses	827,158	964,004	579,180	1,036,905	949,608
Calendar year payments for losses and loss adjustment expenses	527,747	632,230	852,538	570,831	466,865
Ending reserves	4,742,773	5,074,547	4,801,189	5,267,263	5,750,006

Assumed Reinsurance Basis:	Amount (\$)				
	2010	2011	2012	2013	2014
Beginning reserves	-	-	-	-	-
Incurred losses and loss adjustment expenses	-	-	-	-	-
Calendar year payments for losses and loss adjustment expenses	-	-	-	-	-
Ending reserves	-	-	-	-	-

Net of Ceded Reinsurance Basis:	Amount (\$)				
	2010	2011	2012	2013	2014
Beginning reserves	3,702,174	3,793,422	4,148,100	3,773,921	5,131,129
Incurred losses and loss adjustment expenses	618,995	852,839	438,359	1,968,039	887,504
Calendar year payments for losses and loss adjustment expenses	527,747	498,161	852,538	570,831	466,865
Ending reserves	3,793,422	4,148,100	3,733,921	5,131,129	5,551,768

E. State the amount of the ending reserves for Bulk + IBNR included in D (Loss & LAE):

	Amount (\$)
Direct Basis	4,140,000
Assumed Reinsurance Basis	-
Net of Ceded Reinsurance Basis	4,140,000

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

	Amount (\$)
Direct Basis	2,875,003
Assumed Reinsurance Basis	-
Net of Ceded Reinsurance Basis	2,775,884

34. Subscriber Savings Accounts: Not applicable.

35. Multiple Peril Crop Insurance: Not applicable.

36. Financial Guaranty Insurance: Not applicable.

STATE AUTOMOBILE 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?
If yes, complete Schedule Y, Parts 1, 1A and 2.

Yes [X] No []

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 [X] 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 [X]

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).

10/29/2014

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 [X]

3.6

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

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

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 [X]

4.12

renewals?

Yes [] No [X]

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 [X]

4.22

renewals?

Yes [] No [X]

5.1

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

Yes [X] 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 Co. Code	3 State of Domicile
Meridian Citizens Mutual Insurance Company	10502	IN

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 [X]

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 [X]

7.2

If yes,

7.21

State the percentage of foreign control

.....0.000 %

7.22

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

1 Nationality	2 Type of Entity

8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes [] No [X]

8.2

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

8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes [] No [X]

8.4

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

1 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 LLP, 1100 Huntington Center, 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 answer to 10.5 is no or n/a, please explain.

STATE AUTOMOBILE MUTUAL INSURANCE COMPANY
GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

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?
Matthew S. Mrozek, FCAS, 518 East Broad Street, Columbus, Ohio 43215, officer of reporting entity
- 12.1

Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?
12.11 Name of real estate holding company
518 Property Management and Leasing LLC

Yes [X] No []
- 12.12

Number of parcels involved

.....3
- 12.13

Total book/adjusted carrying value

\$.....6,578,780
- 12.2

If yes, provide explanation.
The Company owns 62.5% of State Auto Financial which indirectly owns 100% of 518 Property Management and Leasing LLP.
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?
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.

Yes [X] No []
- 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).
- 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 [X] No []
- 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
071004446	Albany Bank & Trust Co	If principal company does not fulfill requirements, the LOC can be used	180,000
074910854	Farmers State Bank	If principal company does not fulfill requirements, the LOC can be used	105,303
074914407	Community First Bank of Indiana	If principal company does not fulfill requirements, the LOC can be used	81,875
111913426	Frost Bank	If principal company does not fulfill requirements, the LOC can be used	200,000
074901672	Star Financial Bank	If principal company does not fulfill requirements, the LOC can be used	100,000
082904166	Delta Trust	If principal company does not fulfill requirements, the LOC can be used	250,000
071025661	Harris Bank	If principal company does not fulfill requirements, the LOC can be used	87,000
051502748	Bank of Gassaway	If principal company does not fulfill requirements, the LOC can be used	345,000
101114769	Community Bank	If principal company does not fulfill requirements, the LOC can be used	175,000
061101786	Exchange Bank	If principal company does not fulfill requirements, the LOC can be used	250,000
042204110	Greenville National Bank	If principal company does not fulfill requirements, the LOC can be used	90,000
067016257	Preferred Community Bank	If principal company does not fulfill requirements, the LOC can be used	108,666
111011878	Pavillion Bank	If principal company does not fulfill requirements, the LOC can be used	50,000
111319347	First Bank & Trust	If principal company does not fulfill requirements, the LOC can be used	176,349
026007773	Sterling Bank	If principal company does not fulfill requirements, the LOC can be used	43,919
075900973	First National Bank & Trust Company	If principal company does not fulfill requirements, the LOC can be used	150,000
026013576	Signature Bank NA	If principal company does not fulfill requirements, the LOC can be used	125,000
291973645	Share Advantage Credit Union	If principal company does not fulfill requirements, the LOC can be used	71,000
102207439	Four Corners Community Bank	If principal company does not fulfill requirements, the LOC can be used	100,000
081207097	Peoples Bank & Trust	If principal company does not fulfill requirements, the LOC can be used	82,800
042000314	Fifth Third Bank	If principal company does not fulfill requirements, the LOC can be used	151,689

PART 1 - COMMON INTERROGATORIES - BOARD OF DIRECTORS

16.

Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof?

Yes [X] No []
17.

Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof?

Yes [X] No []
18.

Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person?

Yes [X] No []

PART 1 - COMMON INTERROGATORIES - FINANCIAL

19.

Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?

Yes [] No [X]
- 20.1

Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
20.11 To directors or other officers
20.12 To stockholders not officers
20.13 Trustees, supreme or grand (Fraternal only)

\$.....0
\$.....0
\$.....0

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE

STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

PART 1 - COMMON INTERROGATORIES - FINANCIAL

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

\$.....0

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

PART 1 - COMMON INTERROGATORIES - 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.
The loan from the Federal Home Loan Bank of Cincinnati is collateralized by treasury bonds and mortgage-backed securities on deposit with the Federal Home Loan Bank of Cincinnati. Additionally, a grantor trust has been established for a reinsurance agreement with State National at JP Morgan Chase.

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.

\$.....0

24.06

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

\$.....0

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]

24.10

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

24.101

Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.

\$.....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 [X] 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

\$.....4,053,600

25.28

On deposit with states

\$.....8,200,110

25.29

On deposit with other regulatory bodies

\$.....0

25.30

Pledged as collateral - excluding collateral pledged to an FHLB

\$.....51,627,072

25.31

Pledged as collateral to FHLB - including assets backing funding agreements

\$.....22,033,477

25.32

Other

\$.....0

25.3

For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount
		0

26.1

Does the reporting entity have any hedging transactions reported on Schedule DB?

Yes [] No [X]

26.2

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

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

27.1

Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?

Yes [] No [X]

27.2

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

\$.....0

28.

Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes [X] No []

28.01

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

1 Name of Custodian(s)	2 Custodian's Address
JP Morgan Chase Worldwide Securities	1111 Polaris Parkway, Suite 2N, Columbus, Ohio 43240
The Northern Trust Company	50 S. LaSalle Street, B-10, Chicago, Illinois 60675

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)
Federal Home Loan Bank	Cincinnati, OH	Investment required as a provision of obtaining loans

28.03

Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?

Yes [] No [X]

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**

PART 1 - COMMON INTERROGATORIES - INVESTMENT

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

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

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

1	2	3
Central Registration Depository Number(s)	Name	Address
131394	Cortina Asset Management	330 E Kilbourn, Suite 850, Milwaukee, WI 53202

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

Yes [] No [X]

29.2 If yes, complete the following schedule:

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

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

1	2	3	4
Name of Mutual Fund (from the above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to Holding	Date of Valuation
		0	

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	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds.....	475,636,268	483,656,591	8,020,323
30.2 Preferred stocks.....	0	0	0
30.3 Totals.....	475,636,268	483,656,591	8,020,323

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

Pricing services and broker / dealers

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 [] No [X]

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 [] 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:

PART 1 - COMMON INTERROGATORIES - OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?

\$.....2,766,601

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	2
Name	Amount Paid
Insurance Services Offices	1,730,065

34.1 Amount of payments for legal expenses, if any?

\$.....525,629

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	2
Name	Amount Paid
Baker & Hostetler LLP	268,928

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?

\$.....18,907

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	2
Name	Amount Paid
American Freedom Builders, Inc.	12,075

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE

STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

1.1

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

Yes []

No [X]

1.2

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

\$.....0

1.3

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

\$.....0

1.31

Reason for excluding:

1.4

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

\$.....0

1.5

Indicate total incurred claims on all Medicare Supplement insurance.

\$.....0

1.6

Individual policies:

Most current three years:

1.61

Total premium earned

\$.....0

1.62

Total incurred claims

\$.....0

1.63

Number of covered lives

.....0

All years prior to most current three years:

1.64

Total premium earned

\$.....0

1.65

Total incurred claims

\$.....0

1.66

Number of covered lives

.....0

1.7

Group policies:

Most current three years:

1.71

Total premium earned

\$.....0

1.72

Total incurred claims

\$.....0

1.73

Number of covered lives

.....0

All years prior to most current three years:

1.74

Total premium earned

\$.....0

1.75

Total incurred claims

\$.....0

1.76

Number of covered lives

.....0

2.

Health test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator.....	\$.....0	.....0
2.2 Premium Denominator.....	\$.....570,087,433	.....559,982,166
2.3 Premium Ratio (2.1/2.2).....	.....0.0	.....0.0
2.4 Reserve Numerator.....	\$.....17,592	.....20,502
2.5 Reserve Denominator.....	\$.....1,034,537,412	.....946,661,137
2.6 Reserve Ratio (2.4/2.5).....	.....0.0	.....0.0

3.1

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

Yes [X]

No []

3.2

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

3.21

Participating policies

\$.....30,771,809

3.22

Non-participating policies

\$.....454,036,727

4.

FOR MUTUAL REPORTING ENTITIES AND RECIPROCAL EXCHANGES ONLY:

4.1

Does the reporting entity issue assessable policies?

Yes []

No [X]

4.2

Does the reporting entity issue non-assessable policies?

Yes [X]

No []

4.3

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

.....0.0 %

4.4

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

\$.....0

5.

FOR RECIPROCAL EXCHANGES ONLY:

5.1

Does the exchange appoint local agents?

Yes []

No []

5.2

If yes, is the commission paid:

5.21

Out of Attorney's-in-fact compensation

Yes []

No []

N/A []

5.22

As a direct expense of the exchange

Yes []

No []

N/A []

5.3

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

5.4

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

Yes []

No []

5.5

If yes, give full information:

6.1

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

All of the State Auto Group companies writing workers' compensation are included in the casualty excess of loss reinsurance agreement which provides a total of \$9 million coverage in excess of a \$1 million retention. In addition, all companies are party to a catastrophe workers' compensation excess of loss reinsurance agreement which provides an additional \$20 million of coverage for events involving multiple workers.

6.2

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

Computer modeling is performed quarterly by the Companies' property reinsurance broker on a group basis using the combined property exposures of each State Auto Group company. Natural perils that could impact the Companies include a New Madrid or West Coast earthquake, an Atlantic or Gulf Coast hurricane, and severe thunderstorm systems, including tornado/hail damage. Catastrophe models used in the past include those developed by Applied Insurance Research (AIR) and Risk Management Solutions (RMS).

6.3

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

All of the State Auto Group companies are party to a traditional catastrophe reinsurance agreement providing \$285 million in coverage for covered losses above a \$55 million retention, with a 5% co-participation. In addition, State Auto Group had a quota share reinsurance agreement ceding 75% of the homeowners book of business through December 31, 2014.

6.4

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

Yes [X]

No []

6.5

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

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE

STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

7.1

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

7.2

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

.....1

7.3

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

Yes [X] No []

8.1

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

Yes [] No [X]

8.2

If yes, give full information:

9.1

Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;
(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
(c) Aggregate stop loss reinsurance coverage;
(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity?

9.2

Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:
(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract?

9.3

If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:
(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;
(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.

9.4

Except for transactions meeting the requirements of paragraph 31 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?

Yes [] No [X]

9.5

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

9.6

The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
(a) The entity does not utilize reinsurance; or
(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or
(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement.

Yes [] No [X]

Yes [] No [X]

Yes [] No [X]

10.

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

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

11.1

Has this reporting entity guaranteed policies issued by any other reporting entity and now in force?

Yes [] No [X]

11.2

If yes, give full information:

12.1

If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the assets schedule, Page 2, state the amount of corresponding liabilities recorded for:
12.11 Unpaid losses
12.12 Unpaid underwriting expenses (including loss adjustment expenses)

12.2

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

12.3

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

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

12.4

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

.....0.0 %
.....0.0 %

12.5

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

Yes [] No [X]

12.6

If yes, state the amount thereof at December 31 of current year:
12.61 Letters of credit
12.62 Collateral and other funds

\$.....0
\$.....0

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

13.1

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

\$.....1,725,000

13.2

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

Yes [☐] No [☒]

13.3

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

.....3

14.1

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

Yes [☒] No [☐]

14.2

If yes, please describe the method of allocating and recording reinsurance among the cedants:

The Company's reinsurance treaties are written to include multiple members of the State Auto Group. The total ceded premiums for each treaty are calculated based on that contract's definition of subject premium. Each cedant company's portion of the total ceded premiums is based on its contribution to that subject premium base.

14.3

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

Yes [☐] No [☒]

14.4

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

Yes [☐] No [☒]

14.5

If the answer to 14.4 is no, please explain:

As noted in #14.2 above, ceded premiums are allocated based on each cedant company's proportionate share of that contract's calculated subject premium base. Although not specified in each contract, Statutory Accounting Principles logically direct the Company to match each company's costs with that company's benefits under each contract.

15.1

Has the reporting entity guaranteed any financed premium accounts?

Yes [☐] No [☒]

15.2

If yes, give full information:

16.1

Does the reporting entity write any warranty business?

Yes [☐] No [☒]

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

	1 Direct Losses Incurred	2 Direct Losses Unpaid	3 Direct Written Premium	4 Direct Premium Unearned	5 Direct Premium Earned
16.11 Home.....	.....0	.....0	.....0	.....0	.....0
16.12 Products.....	.....0	.....0	.....0	.....0	.....0
16.13 Automobile.....	.....0	.....0	.....0	.....0	.....0
16.14 Other*.....	.....0	.....0	.....0	.....0	.....0

* Disclose type of coverage:

17.1

Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F-Part 3 that it excludes from Schedule F-Part 5?

Yes [☐] No [☒]

Incurred but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from inclusion in Schedule F-Part 5.

Provide the following information for this exemption:

17.11

Gross amount of unauthorized reinsurance in Schedule F-Part 3 excluded from Schedule F-Part 5

\$.....0

17.12

Unfunded portion of Interrogatory 17.11

\$.....0

17.13

Paid losses and loss adjustment expenses portion of Interrogatory 17.11

\$.....0

17.14

Case reserves portion of Interrogatory 17.11

\$.....0

17.15

Incurred but not reported portion of Interrogatory 17.11

\$.....0

17.16

Unearned premium portion of Interrogatory 17.11

\$.....0

17.17

Contingent commission portion of Interrogatory 17.11

\$.....0

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

17.18

Gross amount of unauthorized reinsurance in Schedule F-Part 3 excluded from Schedule F-Part 5

\$.....0

17.19

Unfunded portion of Interrogatory 17.18

\$.....0

17.20

Paid losses and loss adjustment expenses portion of Interrogatory 17.18

\$.....0

17.21

Case reserves portion of Interrogatory 17.18

\$.....0

17.22

Incurred but not reported portion of Interrogatory 17.18

\$.....0

17.23

Unearned premium portion of Interrogatory 17.18

\$.....0

17.24

Contingent commission portion of Interrogatory 17.18

\$.....0

18.1

Do you act as a custodian for health savings account?

Yes [☐] No [☒]

18.2

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

\$.....0

18.3

Do you act as an administrator for health savings accounts?

Yes [☐] No [☒]

18.4

If yes, please provide the balance of the funds administered as of the reporting date.

\$.....0

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE

STATE AUTOMOBILE 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).....	846,019,130	813,300,901	811,242,505	844,659,589	695,346,295
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	509,708,763	512,900,434	498,051,220	495,410,919	454,157,264
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	659,891,480	683,331,545	628,535,372	587,688,816	532,164,681
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	8,715,114	8,755,842	7,974,737	5,590,929	5,332,181
5. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	(13,355)	32,608	(400)	(15,885)	36,287
6. Total (Line 35).....	2,024,321,132	2,018,321,330	1,945,803,434	1,933,334,368	1,687,036,708
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).....	284,934,922	269,805,859	267,875,782	205,854,496	129,677,563
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	167,723,422	166,780,481	158,679,267	119,067,862	85,673,740
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	178,493,656	124,269,545	122,770,060	110,877,524	99,601,784
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	2,691,352	2,848,210	2,679,463	1,462,193	1,008,387
11. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	(13,355)	32,608	(400)	(15,885)	36,287
12. Total (Line 35).....	633,829,998	563,736,703	552,004,172	437,246,190	315,997,761
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8).....	(57,082,813)	(21,720,111)	(51,198,336)	(79,515,549)	(14,904,192)
14. Net investment gain (loss) (Line 11).....	33,064,917	15,444,519	35,552,508	28,677,804	19,345,817
15. Total other income (Line 15).....	(543,405)	1,815,598	1,296,785	2,747,718	620,474
16. Dividends to policyholders (Line 17).....	128,633	86,349	101,971	76,896	111,483
17. Federal and foreign income taxes incurred (Line 19).....	(7,137,427)	(1,741,953)	(4,034,304)	(5,700,425)	(2,547,835)
18. Net income (Line 20).....	(17,552,507)	(2,804,390)	(10,416,710)	(42,466,498)	7,498,451
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3).....	2,352,071,830	2,205,935,557	2,093,759,910	2,156,907,267	1,929,317,615
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 15.1).....	247,361,580	210,676,025	202,708,104	240,690,091	178,097,483
20.2 Deferred and not yet due (Line 15.2).....	395,041,118	396,252,330	378,626,596	337,431,807	333,873,855
20.3 Accrued retrospective premiums (Line 15.3).....	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 26).....	1,535,307,594	1,339,683,326	1,345,059,337	1,371,413,662	895,968,197
22. Losses (Page 3, Line 1).....	420,722,585	408,993,064	392,080,569	373,676,317	168,459,576
23. Loss adjustment expenses (Page 3, Line 3).....	99,808,578	95,884,407	94,075,081	87,553,014	38,338,678
24. Unearned premiums (Page 3, Line 9).....	321,809,230	258,119,454	249,858,057	241,848,022	143,822,964
25. Capital paid up (Page 3, Lines 30 & 31).....	0	0	0	0	0
26. Surplus as regards policyholders (Page 3, Line 37).....	816,764,236	866,252,231	748,700,573	785,493,605	1,033,349,418
Cash Flow (Page 5)					
27. Net cash from operations (Line 11).....	17,973,492	(8,812,854)	(23,206,216)	312,521,269	26,049,647
Risk-Based Capital Analysis					
28. Total adjusted capital.....	816,764,236	866,252,231	748,700,573	785,493,605	1,033,349,418
29. Authorized control level risk-based capital.....	164,371,701	146,978,088	133,493,570	131,512,388	126,371,789
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1).....	33.6	32.5	33.7	15.7	14.5
31. Stocks (Lines 2.1 & 2.2).....	53.0	52.6	50.7	71.7	73.3
32. Mortgage loans on real estate (Lines 3.1 & 3.2).....	0.0	0.0	0.0	0.0	0.0
33. Real estate (Lines 4.1, 4.2 & 4.3).....	2.2	2.4	2.9	4.1	4.0
34. Cash, cash equivalents and short-term investments (Line 5).....	8.2	6.8	6.1	6.3	6.5
35. Contract loans (Line 6).....	0.0	0.0	0.0	0.0	0.0
36. Derivatives (Line 7).....	0.0	0.0	0.0	0.0	0.0
37. Other invested assets (Line 8).....	2.9	5.7	5.8	2.2	1.7
38. Receivable for securities (Line 9).....	0.0	0.0	0.8	0.0	0.0
39. Securities lending reinvested collateral assets (Line 10).....	0.0	0.0	0.0	0.0	0.0
40. Aggregate write-ins for invested assets (Line 11).....	0.0	0.0	0.0	0.0	0.0
41. Cash, cash equivalents and invested assets (Line 12).....	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds (Sch. D, Summary, Line 12, Col. 1).....	0	0	0	0	0
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1).....	0	0	0	0	0
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1).....	684,777,465	656,146,279	603,457,334	745,667,162	850,154,045
45. Affiliated short-term investments (subtotals included in Schedule DA, Verification, Column 5, Line 10).....	0	0	0	0	0
46. Affiliated mortgage loans on real estate.....	0	0	0	0	0
47. All other affiliated.....	0	0	1,000,000	0	0
48. Total of above lines 42 to 47.....	684,777,465	656,146,279	604,457,334	745,667,162	850,154,045
49. Total investment in parent included in Lines 42 to 47 above.....	0	0	0	0	0
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0).....	83.8	75.7	80.7	94.9	82.3

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE

STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

FIVE-YEAR HISTORICAL DATA

(Continued)

	1	2	3	4	5
	2014	2013	2012	2011	2010
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24).....	975,434	65,367,909	(66,635,628)	(130,937,877)	84,615,669
52. Dividends to stockholders (Line 35).....	0	0	0	0	0
53. Change in surplus as regards policyholders for the year (Line 38).....	(49,487,995)	117,551,658	(36,793,032)	(247,855,813)	108,710,434
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).....	469,714,458	468,356,774	454,436,963	310,987,155	335,231,016
55. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	257,246,728	247,791,751	267,384,731	290,680,835	253,922,543
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	336,479,216	322,098,508	349,375,547	443,615,270	302,691,600
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	130,333	1,259,941	547,032	933,680	1,328,449
58. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	24,488	529,745	186,478	231,205	160,191
59. Total (Line 35).....	1,063,595,222	1,040,036,719	1,071,930,751	1,046,448,145	893,333,799
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).....	158,350,314	156,312,831	152,022,435	(63,903,331)	62,065,205
61. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	88,248,669	83,994,279	89,638,227	48,167,947	47,925,180
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	71,350,731	62,151,196	73,748,385	48,244,052	56,610,464
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	46,599	425,394	173,708	6,813	688,327
64. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	(20,649)	448,960	115,894	(31,873)	30,436
65. Total (Line 35).....	317,975,665	303,332,660	315,698,649	32,483,607	167,319,612
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1).....	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2).....	57.8	56.2	61.3	70.1	59.6
68. Loss expenses incurred (Line 3).....	13.7	12.3	13.3	12.2	10.0
69. Other underwriting expenses incurred (Line 4).....	38.5	35.4	34.8	41.2	35.4
70. Net underwriting gain (loss) (Line 8).....	(10.0)	(3.9)	(9.4)	(23.4)	(5.0)
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).....	34.7	34.9	34.1	31.3	33.2
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	71.5	68.5	74.6	82.2	69.6
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).....	77.6	65.1	73.7	55.7	30.6
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).....	23,442	(12,008)	(7,030)	(10,888)	(12,943)
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).....	2.7	(1.6)	(0.9)	(1.1)	(1.4)
Two Year Loss Development (000 omitted)					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12).....	15,045	(16,816)	(19,828)	(29,813)	(22,612)
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).....	2.0	(2.1)	(1.9)	(3.2)	(1.8)

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?

If no, please explain:

Yes [X] No []

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12 Number of Claims Reported- Direct and Assumed
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	.....XXX.....	.....XXX.....	.....XXX.....	.....3,707	.....1,948	.....588	.....59	.....161	.....0	.....68	.....2,448	.....XXX.....
2. 2005.....	.....522,557	.....31,956	.....490,601	.....270,652	.....15,539	.....18,414	.....827	.....29,346	.....329	.....9,550	.....301,718	.....XXX.....
3. 2006.....	.....531,990	.....40,723	.....491,268	.....249,191	.....11,528	.....18,873	.....423	.....30,133	.....230	.....9,546	.....286,016	.....XXX.....
4. 2007.....	.....533,764	.....48,182	.....485,582	.....244,406	.....10,761	.....19,416	.....375	.....30,364	.....396	.....9,626	.....282,654	.....XXX.....
5. 2008.....	.....522,633	.....30,804	.....491,829	.....305,101	.....17,335	.....20,272	.....916	.....36,789	.....962	.....9,493	.....342,949	.....XXX.....
6. 2009.....	.....560,260	.....37,890	.....522,370	.....312,717	.....12,924	.....21,459	.....651	.....34,601	.....70	.....8,175	.....355,132	.....XXX.....
7. 2010.....	.....612,152	.....37,898	.....574,255	.....348,306	.....9,536	.....25,882	.....2,394	.....34,705	.....167	.....8,622	.....396,795	.....XXX.....
8. 2011.....	.....656,807	.....40,651	.....616,156	.....425,797	.....14,570	.....28,248	.....1,781	.....47,370	.....356	.....16,205	.....484,707	.....XXX.....
9. 2012.....	.....684,328	.....131,200	.....553,128	.....356,964	.....66,398	.....22,171	.....1,293	.....43,396	.....4,583	.....15,439	.....350,257	.....XXX.....
10. 2013.....	.....691,134	.....131,151	.....559,982	.....272,870	.....44,595	.....12,696	.....869	.....36,328	.....1,705	.....13,207	.....274,726	.....XXX.....
11. 2014.....	.....699,699	.....129,611	.....570,087	.....197,633	.....35,572	.....7,584	.....556	.....31,866	.....1,254	.....8,291	.....199,701	.....XXX.....
12. Totals.....	.....XXX.....	.....XXX.....	.....XXX.....	.....2,987,345	.....240,707	.....195,602	.....10,146	.....355,059	.....10,050	.....108,224	.....3,277,103	.....XXX.....

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding- Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. Prior.....	.....33,792	.....24,167	.....13,150	.....3,826	.....1,167	.....113	.....2,771	.....717	.....1,861	.....36	.....74	.....23,882	.....XXX.....
2. 2005.....	.....4,121	.....3,044	.....1,414	.....289	.....440	.....32	.....307	.....17	.....177	.....0	.....59	.....3,077	.....XXX.....
3. 2006.....	.....2,511	.....512	.....2,528	.....562	.....349	.....15	.....757	.....67	.....282	.....5	.....85	.....5,265	.....XXX.....
4. 2007.....	.....2,105	.....565	.....5,561	.....981	.....238	.....4	.....1,859	.....213	.....454	.....1	.....112	.....8,452	.....XXX.....
5. 2008.....	.....3,213	.....70	.....5,520	.....1,065	.....362	.....4	.....1,519	.....247	.....432	.....1	.....158	.....9,660	.....XXX.....
6. 2009.....	.....3,325	.....256	.....6,498	.....1,184	.....419	.....4	.....1,582	.....135	.....537	.....4	.....251	.....10,777	.....XXX.....
7. 2010.....	.....9,878	.....568	.....9,419	.....972	.....1,030	.....20	.....2,591	.....209	.....997	.....2	.....352	.....22,143	.....XXX.....
8. 2011.....	.....26,156	.....1,752	.....16,702	.....2,234	.....2,167	.....92	.....5,270	.....686	.....1,941	.....48	.....657	.....47,425	.....XXX.....
9. 2012.....	.....44,702	.....2,586	.....32,599	.....2,626	.....3,805	.....67	.....10,306	.....883	.....3,612	.....176	.....1,204	.....88,686	.....XXX.....
10. 2013.....	.....49,444	.....3,806	.....50,121	.....2,819	.....3,632	.....18	.....12,625	.....861	.....5,619	.....188	.....2,138	.....113,749	.....XXX.....
11. 2014.....	.....88,099	.....11,396	.....81,264	.....6,120	.....4,603	.....14	.....18,280	.....835	.....13,869	.....338	.....6,917	.....187,414	.....XXX.....
12. Totals...	.....267,347	.....48,723	.....224,776	.....22,677	.....18,211	.....383	.....57,867	.....4,870	.....29,783	.....799	.....12,008	.....520,531	.....XXX.....

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves after Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior..	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....0	.....0	.....XXX.....	.....18,949	.....4,933
2. 2005.	.....324,872	.....20,078	.....304,794	.....62.2	.....62.8	.....62.1	.....0	.....0	.....34.50	.....2,202	.....875
3. 2006.	.....304,625	.....13,343	.....291,282	.....57.3	.....32.8	.....59.3	.....0	.....0	.....34.50	.....3,965	.....1,300
4. 2007.	.....304,403	.....13,296	.....291,106	.....57.0	.....27.6	.....59.9	.....0	.....0	.....34.50	.....6,120	.....2,332
5. 2008.	.....373,208	.....20,599	.....352,609	.....71.4	.....66.9	.....71.7	.....0	.....0	.....34.50	.....7,598	.....2,062
6. 2009.	.....381,138	.....15,229	.....365,910	.....68.0	.....40.2	.....70.0	.....0	.....0	.....34.50	.....8,383	.....2,395
7. 2010.	.....432,807	.....13,868	.....418,939	.....70.7	.....36.6	.....73.0	.....0	.....0	.....34.50	.....17,757	.....4,387
8. 2011.	.....553,651	.....21,519	.....532,132	.....84.3	.....52.9	.....86.4	.....0	.....0	.....34.50	.....38,872	.....8,553
9. 2012.	.....517,554	.....78,611	.....438,943	.....75.6	.....59.9	.....79.4	.....0	.....0	.....34.50	.....72,089	.....16,596
10. 2013.	.....443,336	.....54,861	.....388,475	.....64.1	.....41.8	.....69.4	.....0	.....0	.....34.50	.....92,940	.....20,809
11. 2014.	.....443,199	.....56,085	.....387,115	.....63.3	.....43.3	.....67.9	.....0	.....0	.....34.50	.....151,847	.....35,566
12. Totals	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....0	.....0	.....XXX.....	.....420,723	.....99,809

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

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	Incurred Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	One Year	Two Year
1. Prior.....	.....201,783	.....183,501	.....178,326	.....174,074	.....169,280	.....170,096	.....167,932	.....166,858	.....166,892	.....166,309	.....(583)	.....(549)
2. 2005.....	.....297,980	.....290,072	.....278,858	.....277,422	.....276,338	.....275,362	.....276,221	.....276,073	.....275,936	.....275,599	.....(337)	.....(474)
3. 2006.....	.....XXX	.....279,548	.....272,002	.....270,202	.....265,192	.....262,570	.....261,658	.....261,572	.....261,326	.....261,102	.....(225)	.....(470)
4. 2007.....	.....XXX	.....XXX	.....270,328	.....265,489	.....264,320	.....264,250	.....262,673	.....261,553	.....260,932	.....260,685	.....(247)	.....(868)
5. 2008.....	.....XXX	.....XXX	.....XXX	.....340,602	.....324,566	.....319,968	.....318,425	.....317,236	.....316,932	.....316,350	.....(582)	.....(885)
6. 2009.....	.....XXX	.....XXX	.....XXX	.....XXX	.....354,875	.....341,476	.....337,445	.....335,404	.....332,709	.....330,846	.....(1,863)	.....(4,559)
7. 2010.....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....389,963	.....388,293	.....384,889	.....381,140	.....383,406	.....2,266	.....(1,484)
8. 2011.....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....472,863	.....474,801	.....472,826	.....483,225	.....10,398	.....8,424
9. 2012.....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....380,785	.....378,470	.....396,695	.....18,225	.....15,910
10. 2013.....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....352,031	.....348,420	.....(3,610)	.....XXX
11. 2014.....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....342,971	.....XXX	.....XXX
12. Totals.....											.....23,442	.....15,045

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	Cumulative Paid Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014		
1. Prior.....	.....000	.....50,634	.....88,003	.....108,822	.....117,988	.....127,103	.....132,808	.....139,102	.....141,965	.....144,252	.....XXX	.....XXX
2. 2005.....	.....137,708	.....207,866	.....235,499	.....252,663	.....260,771	.....265,526	.....268,562	.....270,337	.....271,849	.....272,700	.....XXX	.....XXX
3. 2006.....	.....XXX	.....151,661	.....205,412	.....226,376	.....239,086	.....247,398	.....251,362	.....253,502	.....254,901	.....256,113	.....XXX	.....XXX
4. 2007.....	.....XXX	.....XXX	.....145,279	.....196,501	.....217,652	.....233,552	.....244,037	.....249,079	.....251,512	.....252,685	.....XXX	.....XXX
5. 2008.....	.....XXX	.....XXX	.....XXX	.....193,179	.....254,084	.....277,326	.....291,427	.....299,031	.....304,894	.....307,121	.....XXX	.....XXX
6. 2009.....	.....XXX	.....XXX	.....XXX	.....XXX	.....195,557	.....256,749	.....286,693	.....307,093	.....315,874	.....320,602	.....XXX	.....XXX
7. 2010.....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....214,151	.....293,255	.....327,499	.....347,612	.....362,257	.....XXX	.....XXX
8. 2011.....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....275,777	.....363,992	.....407,552	.....437,693	.....XXX	.....XXX
9. 2012.....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....182,959	.....266,049	.....311,444	.....XXX	.....XXX
10. 2013.....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....161,544	.....240,102	.....XXX	.....XXX
11. 2014.....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....169,088	.....XXX	.....XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	Bulk and IBNR Reserves on Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)									
	1	2	3	4	5	6	7	8	9	10
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
1. Prior.....	.....98,779	.....65,050	.....45,238	.....35,221	.....28,152	.....24,135	.....19,097	.....15,193	.....12,593	.....11,378
2. 2005.....	.....61,290	.....35,829	.....18,269	.....11,297	.....7,632	.....4,531	.....3,439	.....2,668	.....1,909	.....1,415
3. 2006.....	.....XXX	.....54,009	.....30,422	.....20,305	.....12,456	.....8,293	.....5,688	.....4,274	.....3,624	.....2,655
4. 2007.....	.....XXX	.....XXX	.....50,481	.....31,560	.....21,409	.....14,662	.....10,971	.....8,510	.....7,237	.....6,226
5. 2008.....	.....XXX	.....XXX	.....XXX	.....59,949	.....34,152	.....20,561	.....12,117	.....9,047	.....7,013	.....5,728
6. 2009.....	.....XXX	.....XXX	.....XXX	.....XXX	.....68,232	.....41,704	.....20,322	.....13,092	.....9,303	.....6,762
7. 2010.....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....78,506	.....47,019	.....25,279	.....13,483	.....10,829
8. 2011.....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....91,340	.....52,662	.....22,221	.....19,053
9. 2012.....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....98,565	.....53,537	.....39,397
10. 2013.....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....98,842	.....59,065
11. 2014.....	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....XXX	.....92,590

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**
SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

		1	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4	5	6	7	8	9
			2	3		Direct Losses Paid (Deducting Salvage)	Direct Losses Incurred	Direct Losses Unpaid	Finance and Service Charges not Included in Premiums	Direct Premiums Written for Federal Purchasing Groups (Incl. in Col. 2)
States, Etc.		Active Status	Direct Premiums Written	Direct Premiums Earned	Dividends Paid or Credited to Policyholders on Direct Business					
1.	Alabama.....AL	...L.....	7,115,439	7,272,137	.....0	6,381,024	5,100,598	6,258,907	27,736	.....0
2.	Alaska.....AK	...L.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
3.	Arizona.....AZ	...L.....	3,260,182	3,307,911	.....0	2,009,319	3,963,431	5,983,843	2,192	.....0
4.	Arkansas.....AR	...L.....	17,940,176	17,821,803	.....0	11,225,566	11,237,153	9,211,405	96,133	.....0
5.	California.....CA	...Q.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
6.	Colorado.....CO	...L.....	6,491,786	6,131,739	.....0	3,816,102	5,517,661	4,899,634	19,118	.....0
7.	Connecticut.....CT	...L.....	1,558,198	1,359,389	.....0	444,000	1,047,662	1,559,360	2,239	.....0
8.	Delaware.....DE	...L.....	437,231	275,984	.....0	141,263	297,232	253,509	126	.....0
9.	District of Columbia.....DC	...L.....	396,696	377,702	.....0	93,990	(55,515)	343,514	181	.....0
10.	Florida.....FL	...L.....	1,091,582	1,090,128	.....0	1,285,898	796,476	1,256,139	38	.....0
11.	Georgia.....GA	...L.....	5,759,914	5,462,097	.....0	4,062,064	4,393,230	4,952,826	10,267	.....0
12.	Hawaii.....HI	...L.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
13.	Idaho.....ID	...L.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
14.	Illinois.....IL	...L.....	8,130,204	8,478,414	.....0	5,333,392	3,830,518	20,958,791	10,444	.....0
15.	Indiana.....IN	...L.....	28,789,026	29,120,459	.....0	13,806,464	13,242,525	20,665,516	78,930	.....0
16.	Iowa.....IA	...L.....	1,394,418	1,504,586	23,529	1,295,216	1,300,603	2,102,392	3,227	.....0
17.	Kansas.....KS	...L.....	9,429,474	8,625,500	.....0	5,351,471	6,238,379	3,209,752	42,283	.....0
18.	Kentucky.....KY	...L.....	18,679,157	19,822,160	.....0	7,823,646	6,120,604	12,754,612	43,753	.....0
19.	Louisiana.....LA	...L.....	19,394	67,136	.....0	.....0	470	1,953	.....0	.....0
20.	Maine.....ME	...L.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
21.	Maryland.....MD	...L.....	25,713,776	24,385,650	.....0	12,644,906	13,196,095	15,702,204	102,439	.....0
22.	Massachusetts.....MA	...L.....	1,789,250	1,716,929	.....0	302,319	670,220	959,169	7,066	.....0
23.	Michigan.....MI	...L.....	36,423,978	38,906,018	.....0	30,700,612	23,917,299	58,846,963	139,620	.....0
24.	Minnesota.....MN	...L.....	7,572,859	7,941,031	.....0	6,129,485	5,548,939	8,753,612	17,870	.....0
25.	Mississippi.....MS	...L.....	4,192,617	4,199,534	.....0	2,216,605	2,703,161	2,521,060	6,210	.....0
26.	Missouri.....MO	...L.....	3,420,289	3,401,982	.....0	1,334,875	1,050,041	1,397,536	5,573	.....0
27.	Montana.....MT	...L.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
28.	Nebraska.....NE	...L.....	.....0	2,181	.....0	.....0	66	66	.....0	.....0
29.	Nevada.....NV	...L.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
30.	New Hampshire.....NH	...L.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
31.	New Jersey.....NJ	...L.....	11,041	9,691	.....0	.....0	232	232	.....0	.....0
32.	New Mexico.....NM	...L.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
33.	New York.....NY	...L.....	.....0	14,331	.....0	.....0	1,825	28,021	.....0	.....0
34.	North Carolina.....NC	...L.....	11,738,002	11,076,546	.....0	4,233,130	5,436,421	7,297,740	19,635	.....0
35.	North Dakota.....ND	...L.....	6,551,124	6,554,230	.....0	3,390,785	3,513,734	2,697,534	5,382	.....0
36.	Ohio.....OH	...L.....	137,326,976	139,624,817	35,471	64,790,526	59,109,254	73,447,321	424,149	.....0
37.	Oklahoma.....OK	...L.....	680,402	751,339	.....0	472,345	102,744	2,672,842	337	.....0
38.	Oregon.....OR	...L.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
39.	Pennsylvania.....PA	...L.....	14,834,774	15,961,786	.....0	7,124,111	6,611,397	21,667,246	44,237	.....0
40.	Rhode Island.....RI	...L.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
41.	South Carolina.....SC	...L.....	23,268,156	22,758,182	.....0	14,523,789	15,224,274	9,288,072	128,244	.....0
42.	South Dakota.....SD	...L.....	5,026,619	4,994,330	.....0	2,471,333	1,881,629	2,178,625	5,513	.....0
43.	Tennessee.....TN	...L.....	20,552,674	20,747,571	.....0	5,826,946	5,523,495	22,029,992	49,645	.....0
44.	Texas.....TX	...L.....	64,757,776	62,674,159	.....0	37,546,281	41,208,693	42,735,492	145,641	.....0
45.	Utah.....UT	...L.....	437,215	424,389	.....0	207,636	401,041	656,702	1,157	.....0
46.	Vermont.....VT	...L.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
47.	Virginia.....VA	...L.....	3,430,471	3,071,040	.....0	1,129,910	1,482,700	3,560,392	4,604	.....0
48.	Washington.....WA	...L.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
49.	West Virginia.....WV	...L.....	4,126,062	4,427,183	.....0	1,089,502	1,151,525	3,915,899	6,760	.....0
50.	Wisconsin.....WI	...L.....	2,461,600	2,455,040	53,281	883,888	1,009,426	3,042,126	6,184	.....0
51.	Wyoming.....WY	...L.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
52.	American Samoa.....AS	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
53.	Guam.....GU	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
54.	Puerto Rico.....PR	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
55.	US Virgin Islands.....VI	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
56.	Northern Mariana Islands.....MP	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
57.	Canada.....CAN	...N.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
58.	Aggregate Other Alien.....OT	XXX	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
59.	Totals.....	(a) ...50	484,808,538	486,815,104	112,281	260,088,399	252,775,238	377,810,999	1,456,931	.....0

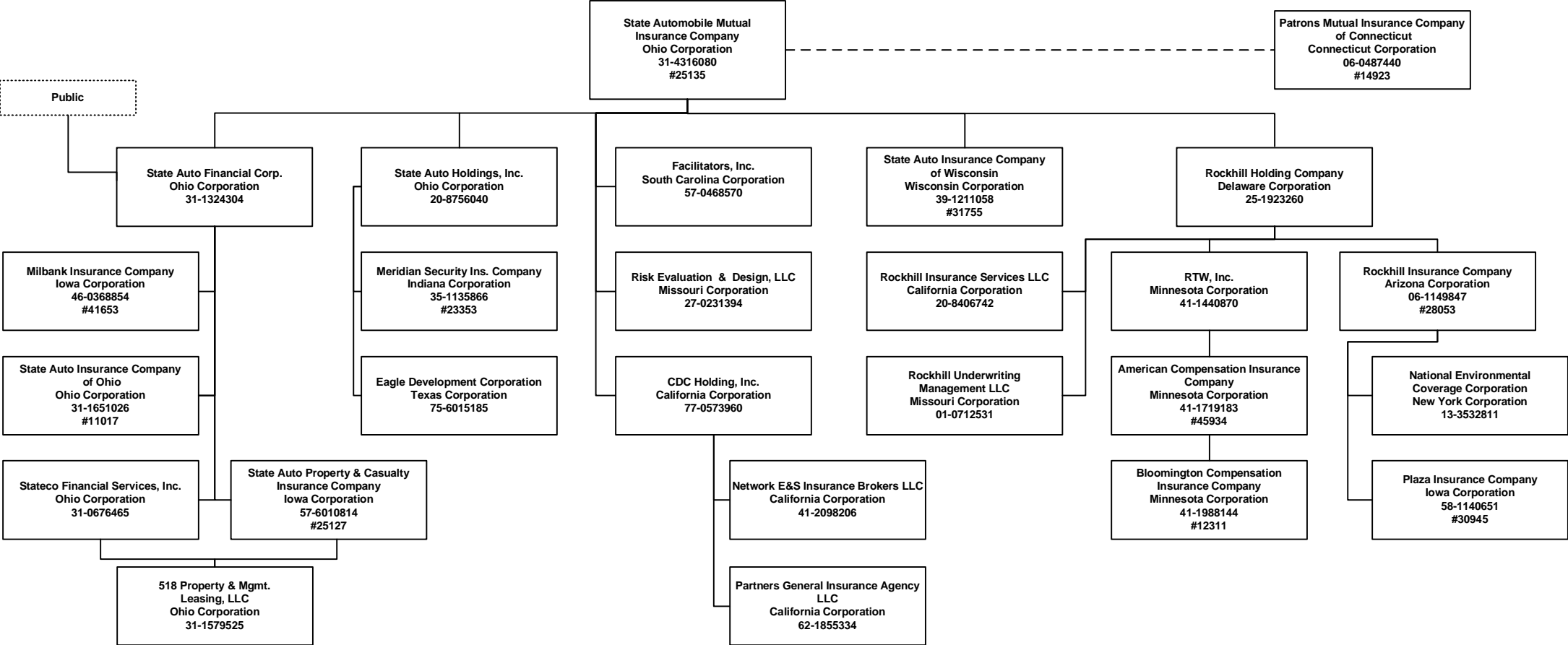
DETAILS OF WRITE-INS

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

(a) Insert the number of "L" responses except for Canada and Other Alien.
(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer;
(E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to write business in the state.
Explanation of Basis of Allocation of Premiums by States, etc.
All Lines: the location of the insured risk controls the state code which is used for all statistical records.

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING GROUP
PART 1 – ORGANIZATIONAL CHART

ORGANIZATIONAL STRUCTURE OF STATE AUTO HOLDING COMPANY SYSTEM



2014 ALPHABETICAL INDEX -- PROPERTY & CASUALTY ANNUAL STATEMENT BLANK

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