



QUARTERLY STATEMENT

As of March 31, 2015
of the Condition and Affairs of the

PROGRESSIVE PREFERRED INSURANCE COMPANY

NAIC Group Code.....155, 155 (Current Period) (Prior Period)	NAIC Company Code..... 37834	Employer's ID Number..... 34-1287020
Organized under the Laws of OH	State of Domicile or Port of Entry OH	Country of Domicile US
Incorporated/Organized..... September 24, 1979	Commenced Business..... April 15, 1980	
Statutory Home Office	6300 WILSON MILLS ROAD, W33..... CLEVELAND OH US 44143-2182 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	
Main Administrative Office	6300 WILSON MILLS ROAD, W33..... CLEVELAND OH US 44143-2182 440-461-5000 <i>(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)</i>	
Mail Address	P.O. BOX 89490..... CLEVELAND OH US 44101-6490 <i>(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)</i>	
Primary Location of Books and Records	6300 WILSON MILLS ROAD, W33..... CLEVELAND OH US 44143-2182 440-395-4460 <i>(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)</i>	
Internet Web Site Address	PROGRESSIVE.COM	
Statutory Statement Contact	MARY BETH ANDREANO <i>(Name)</i> FINANCIAL_REPORTING@PROGRESSIVE.COM <i>(E-Mail Address)</i>	440-395-4460 <i>(Area Code) (Telephone Number) (Extension)</i> 440-4603-5500 <i>(Fax Number)</i>

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

OFFICERS

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

OTHER

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

DIRECTORS OR TRUSTEES

THOMAS HUDSON HOLLYER	KATHRYN MARGARET LEMIEUX	MARK DONALD NIEHAUS	DAVID LLOYD PRATT
DAVID JAMES SKOVE			

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

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

_____ (Signature) DAVID JAMES SKOVE 1. (Printed Name) PRESIDENT _____ (Title)	_____ (Signature) KATHLEEN MARY CERNY 2. (Printed Name) ASSISTANT SECRETARY _____ (Title)	_____ (Signature) JAMES LEE KUSMER 3. (Printed Name) ASSISTANT TREASURER _____ (Title)
-------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------

Subscribed and sworn to before me
This 6TH day of MAY, 2015

a. Is this an original filing? Yes [X] No []
b. If no: 1. State the amendment number _____
2. Date filed _____
3. Number of pages attached _____

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	545,561,617		545,561,617	524,208,345
2. Stocks:				
2.1 Preferred stocks.....			.0	
2.2 Common stocks.....			.0	
3. Mortgage loans on real estate:				
3.1 First liens.....			.0	
3.2 Other than first liens.....			.0	
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			.0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			.0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			.0	
5. Cash (\$.....0), cash equivalents (\$.....14,499,645) and short-term investments (\$.....0).....	14,499,645		14,499,645	24,599,605
6. Contract loans (including \$.....0 premium notes).....			.0	
7. Derivatives.....			.0	
8. Other invested assets.....			.0	
9. Receivables for securities.....	12,520,887		12,520,887	
10. Securities lending reinvested collateral assets.....			.0	
11. Aggregate write-ins for invested assets.....	.0	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	572,582,149	.0	572,582,149	548,807,950
13. Title plants less \$.....0 charged off (for Title insurers only).....			.0	
14. Investment income due and accrued.....	2,163,628		2,163,628	2,421,119
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	13,532,463	1,963,363	11,569,100	8,459,470
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	85,117,104		85,117,104	79,771,896
15.3 Accrued retrospective premiums.....			.0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	951,136		951,136	1,547,354
16.2 Funds held by or deposited with reinsured companies.....			.0	
16.3 Other amounts receivable under reinsurance contracts.....			.0	
17. Amounts receivable relating to uninsured plans.....			.0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....			.0	
18.2 Net deferred tax asset.....	18,466,271		18,466,271	17,928,338
19. Guaranty funds receivable or on deposit.....			.0	
20. Electronic data processing equipment and software.....			.0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....			.0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0	
23. Receivables from parent, subsidiaries and affiliates.....	23,841,112		23,841,112	17,715,042
24. Health care (\$.....0) and other amounts receivable.....			.0	
25. Aggregate write-ins for other than invested assets.....	639,637	319,578	320,059	459,739
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	717,293,500	2,282,941	715,010,559	677,110,908
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
28. Total (Lines 26 and 27).....	717,293,500	2,282,941	715,010,559	677,110,908

DETAILS OF WRITE-INS

1101. ....			.0	
1102. ....			.0	
1103. ....			.0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	.0	.0	.0	.0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	.0	.0	.0	.0
2501. NEW YORK STATE ASSESSMENT RECOVERABLE.....	315,976		315,976	295,089
2502. STATE UNEARNED SURCHARGE RECOVERABLE.....	4,083		4,083	1,744
2503. PREPAID EXPENSES.....	258,975	258,975	.0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	60,603	60,603	.0	162,906
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	639,637	319,578	320,059	459,739

PROGRESSIVE PREFERRED INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$....46,771,247).....	201,441,991	200,361,131
2. Reinsurance payable on paid losses and loss adjustment expenses.....	2,671,073	3,281,386
3. Loss adjustment expenses.....	41,674,691	41,116,542
4. Commissions payable, contingent commissions and other similar charges.....	291,933	753,409
5. Other expenses (excluding taxes, licenses and fees).....	22,859,720	23,441,089
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	4,225,036	4,350,231
7.1 Current federal and foreign income taxes (including \$....855,682 on realized capital gains (losses)).....	7,011,805	7,033,818
7.2 Net deferred tax liability.....		
8. Borrowed money \$.....0 and interest thereon \$.....0.....		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$....174,885,317 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.....	180,159,268	171,068,906
10. Advance premium.....	6,385,107	3,865,460
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	2,569,616	118,360
13. Funds held by company under reinsurance treaties.....		
14. Amounts withheld or retained by company for account of others.....		
15. Remittances and items not allocated.....		
16. Provision for reinsurance (including \$.....0 certified).....		
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....	24,481,418	25,365,292
19. Payable to parent, subsidiaries and affiliates.....		
20. Derivatives.....		
21. Payable for securities.....	12,521,749	
22. Payable for securities lending.....		
23. Liability for amounts held under uninsured plans.....		
24. Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	702,438	478,851
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	506,995,845	481,234,475
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	506,995,845	481,234,475
29. Aggregate write-ins for special surplus funds.....	0	0
30. Common capital stock.....	3,003,300	3,003,300
31. Preferred capital stock.....		
32. Aggregate write-ins for other than special surplus funds.....	0	0
33. Surplus notes.....		
34. Gross paid in and contributed surplus.....	42,712,474	42,712,474
35. Unassigned funds (surplus).....	162,298,940	150,160,659
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 30 \$.....0).....		
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0).....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36).....	208,014,714	195,876,433
38. Totals (Page 2, Line 28, Col. 3).....	715,010,559	677,110,908

DETAILS OF WRITE-INS

2501. ESCHEATABLE PROPERTY.....	296,910	162,009
2502. STATE PLAN LIABILITY.....	261,550	197,733
2503. OTHER LIABILITIES.....	143,005	114,835
2598. Summary of remaining write-ins for Line 25 from overflow page.....	973	4,274
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	702,438	478,851
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	0	0
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 thru 3203 plus 3298) (Line 32 above).....	0	0

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct..... (written \$.....159,685,877).....	154,096,111	158,441,111	641,409,165
1.2 Assumed..... (written \$.....156,977,219).....	147,886,857	144,023,572	595,682,612
1.3 Ceded..... (written \$.....159,685,877).....	154,096,111	158,441,111	641,409,165
1.4 Net..... (written \$.....156,977,219).....	147,886,857	144,023,572	595,682,612
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....91,662,928):			
2.1 Direct.....	92,718,150	105,465,849	404,683,055
2.2 Assumed.....	89,155,976	88,019,803	367,276,119
2.3 Ceded.....	92,718,150	105,465,849	404,683,055
2.4 Net.....	89,155,976	88,019,803	367,276,119
3. Loss adjustment expenses incurred.....	15,200,718	14,944,907	60,455,628
4. Other underwriting expenses incurred.....	31,543,561	30,700,683	123,512,802
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	135,900,255	133,665,393	551,244,549
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	11,986,602	10,358,179	44,438,063
INVESTMENT INCOME			
9. Net investment income earned.....	2,478,368	2,818,501	10,238,698
10. Net realized capital gains (losses) less capital gains tax of \$.....855,682.....	1,587,498	4,501,622	8,060,915
11. Net investment gain (loss) (Lines 9 + 10).....	4,065,866	7,320,123	18,299,613
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....179,042 amount charged off \$.....996,405).....	(817,363)	(895,126)	(3,949,121)
13. Finance and service charges not included in premiums.....	2,204,120	2,510,708	10,011,043
14. Aggregate write-ins for miscellaneous income.....	161,066	135,794	1,050,466
15. Total other income (Lines 12 through 14).....	1,547,823	1,751,376	7,112,388
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	17,600,291	19,429,678	69,850,064
17. Dividends to policyholders.....			
18. Net income after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17).....	17,600,291	19,429,678	69,850,064
19. Federal and foreign income taxes incurred.....	6,156,123	5,020,672	20,232,302
20. Net income (Line 18 minus Line 19) (to Line 22).....	11,444,168	14,409,006	49,617,762
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	195,876,433	183,728,738	183,728,738
22. Net income (from Line 20).....	11,444,168	14,409,006	49,617,762
23. Net transfers (to) from Protected Cell accounts.....			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....22,821.....	42,382	84	(38,076)
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....	560,754	(81,963)	(937,400)
27. Change in nonadmitted assets.....	90,977	46,231	205,409
28. Change in provision for reinsurance.....			
29. Change in surplus notes.....			
30. Surplus (contributed to) withdrawn from protected cells.....			
31. Cumulative effect of changes in accounting principles.....			
32. Capital changes:			
32.1 Paid in.....			
32.2 Transferred from surplus (Stock Dividend).....			
32.3 Transferred to surplus.....			
33. Surplus adjustments:			
33.1 Paid in.....			
33.2 Transferred to capital (Stock Dividend).....			
33.3 Transferred from capital.....			
34. Net remittances from or (to) Home Office.....			
35. Dividends to stockholders.....			(36,700,000)
36. Change in treasury stock.....			
37. Aggregate write-ins for gains and losses in surplus.....	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37).....	12,138,281	14,373,358	12,147,695
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	208,014,714	198,102,096	195,876,433
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	0	0	0
1401. MISCELLANEOUS INCOME.....	152,909	124,928	1,006,691
1402. SERVICE BUSINESS REVENUE.....	6,821	8,445	35,284
1403. INTEREST INCOME ON INTERCOMPANY BALANCES.....	1,336	2,421	8,491
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	161,066	135,794	1,050,466
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	0	0	0

CASH FLOW

	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
CASH FROM OPERATIONS			
1. Premiums collected net of reinsurance.....	153,967,774	143,104,658	601,745,009
2. Net investment income.....	3,460,733	4,845,076	13,536,495
3. Miscellaneous income.....	1,375,250	1,553,835	6,964,198
4. Total (Lines 1 through 3).....	158,803,757	149,503,569	622,245,702
5. Benefit and loss related payments.....	88,089,211	84,396,938	360,945,562
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	47,354,170	42,507,903	178,592,098
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$.....801,360 tax on capital gains (losses).....	7,033,818	4,021,325	21,585,915
10. Total (Lines 5 through 9).....	142,477,199	130,926,166	561,123,575
11. Net cash from operations (Line 4 minus Line 10).....	16,326,558	18,577,403	61,122,127
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	148,996,035	282,582,517	631,040,452
12.2 Stocks.....			
12.3 Mortgage loans.....			
12.4 Real estate.....			
12.5 Other invested assets.....			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....			
12.7 Miscellaneous proceeds.....	12,521,749		
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	161,517,784	282,582,517	631,040,452
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	168,565,799	139,803,534	628,517,563
13.2 Stocks.....			
13.3 Mortgage loans.....			
13.4 Real estate.....			
13.5 Other invested assets.....			
13.6 Miscellaneous applications.....	12,520,887	60,114,543	
13.7 Total investments acquired (Lines 13.1 to 13.6).....	181,086,686	199,918,077	628,517,563
14. Net increase or (decrease) in contract loans and premium notes.....			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	(19,568,902)	82,664,440	2,522,889
CASH FROM FINANCING AND MISCELLANEOUS SOURCES			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....			
16.2 Capital and paid in surplus, less treasury stock.....			
16.3 Borrowed funds.....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....			
16.5 Dividends to stockholders.....			36,700,000
16.6 Other cash provided (applied).....	(6,857,616)	(1,243,560)	(2,345,412)
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	(6,857,616)	(1,243,560)	(39,045,412)
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).....	(10,099,960)	99,998,283	24,599,605
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	24,599,605	(0)	(0)
19.2 End of period (Line 18 plus Line 19.1).....	14,499,645	99,998,283	24,599,605

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

20.0001			
---------------	--	--	--

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

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

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

Description	State of Domicile	March 31, 2015	December 31, 2014
Net income			
(1) Net income, state basis	OH	\$ 11,444,168	\$ 49,617,762
(2) Effect of state prescribed practices		--	--
(3) Effect of state permitted practices		--	--
(4) Net income, NAIC SAP basis (1-2-3=4)	OH	\$ 11,444,168	\$ 49,617,762
Surplus			
(5) Policyholders' surplus, state basis	OH	\$ 208,014,714	\$ 195,876,433
(6) Effect of state prescribed practices		--	--
(7) Effect of state permitted practices		--	--
(8) Policyholders' surplus, NAIC SAP basis(5-6-7=8)	OH	\$ 208,014,714	\$ 195,876,433

C. Accounting Policies

6. Loan-backed securities

Loan-backed and structured securities are accounted for as prescribed by Statement of Statutory Accounting Principles No. 43R, Loan-backed and Structured Securities. These securities are generally stated at amortized cost as determined by the estimated value of future cash flows. Prepayment assumptions for loan-backed and structured debt securities are obtained from available market data, broker/dealers, and/or internal estimates, and are consistent with current interest rate and economic trends. See Note 5.D.

2. Accounting Changes and Corrections of Errors

No significant change

3. Business Combinations and Goodwill

No significant change

4. Discontinued Operations

No significant change

5. Investments

D. Loan-Backed Securities

- The sources used to determine prepayment assumptions are derived from updated cash flows from widely utilized reputable industry sources. The Company's portfolio managers review the available cash flow data and prepayment assumptions and make adjustments based on current performance indicators on the underlying assets (e.g., delinquency rates, foreclosure rates, and default rates), credit support (via current levels of subordination), and historical credit ratings.
- Intent to Sell or Inability to Hold Securities with a Recognized Other-Than-Temporary Impairment
Not applicable
- As of March 31, 2015, the Company has not recorded an other-than-temporary impairment for loan-backed and structured debt securities during the current year.
- As of March 31, 2015, the Company had \$421,476 of gross unrealized losses in the Company's loan-backed and structured debt securities. The Company currently does not intend to sell the loan-backed and structured debt securities and determined that it is more likely than not that the Company will not be required to sell these securities for the period of time necessary to recover their cost basis. If the Company's strategy was to change and these securities were determined to be other-than-temporarily impaired, the Company would recognize a write-down in accordance with the Company's stated policy.

As of March 31, 2015, the composition of fair value and gross unrealized losses on loan-backed and structured debt securities by the length of time that individual securities have been in a continuous unrealized loss position is as follows:

Description	Amount
a. Aggregate amount of unrealized losses	
1. Less than twelve months	\$ 331,345
2. Twelve months or longer	90,131
Total	\$ 421,476
b. Aggregate fair value of securities with unrealized losses	
1. Less than twelve months	\$ 95,625,892
2. Twelve months or longer	6,448,521
Total	\$ 102,074,413

NOTES TO FINANCIAL STATEMENTS

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

E. Repurchase Agreements and/or Securities Lending Transactions

Not applicable

I. Working Capital Finance Investments

Not applicable

J. Offsetting and Netting of Assets and Liabilities

Not applicable

6. Joint Ventures, Partnerships and Limited Liability Companies

No significant change

7. Investment Income

No significant change

8. Derivative Instruments

No significant change

9. Income Taxes

No significant change

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

No significant change

11. Debt

B. Federal Home Loan Bank Agreements

Not applicable

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

A. Defined Benefit Plan

Not applicable

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

No significant change

14. Contingencies

F. All Other Contingencies

The Company routinely assesses the collectibility of premiums and agents' balances receivable and records a bad debt reserve for amounts exceeding the nonadmitted balance that the Company believes are uncollectible.

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

The following is a discussion of potentially significant pending cases at March 31, 2015. The Company does not consider a loss from these cases to be probable and is unable to estimate a range of loss, if any, at this time.

As of March, 2015, there were two putative statewide class action lawsuit and six cases consolidated into multi-district proceedings alleging that the Company improperly steers automobile repair work to certain auto body repair shops and challenging the labor rates the Company pays to auto body repair shops.

15. Leases

No significant change

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

No significant change

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

B. Transfer and Servicing of Financial Assets

Not applicable

C. Wash Sales

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

NOTES TO FINANCIAL STATEMENTS

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

No significant change

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

No significant change

20. Fair Value Measurements

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

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

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

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

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

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

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

As of March 31, 2015, the Company did not measure and report any securities at fair value on the balance sheet. All bonds were carried at amortized cost.

2. Roll forward of Level 3 Items

Not applicable

3. Policy on Transfers Into and Out of Level 3

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

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

See Note 20A above.

5. Derivative Fair Values

Not applicable

B. Other Fair Value Disclosures

Not applicable

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

The table below represents the fair value of all financial instruments at March 31, 2015, however, not all financial instruments are reported at fair value in the Company's financial statements.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Bonds	\$ 550,290,448	\$ 545,561,617	\$ 122,501,542	\$ 427,788,906	\$ --	\$ --
Cash equivalents	14,499,645	14,499,645	14,499,645	--	--	--
Total	\$ 564,790,093	\$ 560,061,262	\$ 137,001,187	\$ 427,788,906	\$ --	\$ --

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

Not applicable

21. Other Items

No significant change

22. Events Subsequent

Subsequent events have been considered through May 8, 2015 for the statutory statement that was available for issuance by May 15, 2015. There were no subsequent events to report.

23. Reinsurance

No significant change

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

F. Risk-Sharing Provisions of the Affordable Care Act

The Company does not write health insurance.

NOTES TO FINANCIAL STATEMENTS

25. Changes in Incurred Losses and Loss Adjustment Expenses

Incurred losses and LAE attributable to insured events of prior accident years decreased by \$2,604,960 in 2015, which is 1.1% of the total prior year net unpaid losses and LAE of \$241,477,673. The favorable development is primarily due to passenger auto liability originally anticipated severity for accident year 2014 decreasing by less than 1% and less late reported losses than anticipated for physical damage. The LAE reserves developed favorably primarily due to favorable adjusting and other expense reserve development.

26. Intercompany Pooling Arrangements

No significant change

27. Structured Settlements

No significant change

28. Health Care Receivables

No significant change

29. Participating Accident and Health Policies

No significant change

30. Premium Deficiency Reserves

No significant change

31. High Deductibles

No significant change

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

No significant change

33. Asbestos and Environmental Reserves

No significant change

34. Subscriber Savings Accounts

No significant change

35. Multiple Peril Crop Insurance

No significant change

36. Financial Guaranty Insurance

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

Not applicable

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change: _____

- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? If yes, complete Schedule Y, Parts 1 and 1A. Yes [X] No []
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.

- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 4.2 If yes, provide name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? If yes, attach an explanation. Yes [] No [X] N/A []

- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2012
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2012
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 08/06/2013

6.4 By what department or departments?

OHIO

- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with the Department? Yes [] No [] N/A [X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] N/A []
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 7.2 If yes, give full information:

- 8.1 Is the company a subsidiary of a bank holding company regulated with the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

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

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

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

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

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

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

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

9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []
 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 0

INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [] No [X]
 11.2 If yes, give full and complete information relating thereto:

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ 0
 13. Amount of real estate and mortgages held in short-term investments: \$ 0

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [] No [X]

14.2 If yes, please complete the following:

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

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

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

16. For the reporting entity's security lending program, state the amount of the following as of current statement date:

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

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

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

1 Name of Custodian(s)	2 Custodian Address
CITIBANK, N.A.	338 GREENWICH STREET NEW YORK, NY 10013

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

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
NONE		

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes [] No [X]

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

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
NONE			

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

1 Central Registration Depository	2 Name(s)	3 Address
NONE		

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

18.2 If no, list exceptions:

GENERAL INTERROGATORIES (continued)

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? Yes [] No [X] N/A []
2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? Yes [] No [X]
 If yes, attach an explanation.

- 3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes [] No [X]
- 3.2 If yes, give full and complete information thereto:

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

4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 Disc. Rate	Total Discount				Discount Taken During Period			
			4 Unpaid Losses	5 Unpaid LAE	6 IBNR	7 Total	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 Total
	0.000	0.000								
Total	XXX	XXX								

- 5.1 Operating Percentages:
- 5.1 A&H loss percent 0.000%
- 5.2 A&H cost containment percent 0.000%
- 5.3 A&H expense percent excluding cost containment expenses 0.000%
- 6.1 Do you act as a custodian for health savings accounts? Yes [] No [X]
- 6.2 If yes, please provide the amount of custodial funds held as of the reporting date.
- 6.3 Do you act as an administrator for health savings accounts? Yes [] No [X]
- 6.4 If yes, please provide the amount of funds administered as of the reporting date.

PROGRESSIVE PREFERRED INSURANCE COMPANY
SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Name of Reinsurer	4 Domiciliary Jurisdiction	5 Type of Reinsurer	6 Certified Reinsurer Rating (1 through 6)	7 Effective Date of Certified Reinsurer Rating
All Other Insurers						
25364.....	13-1675535.....	Swiss Reinsurance America Corporation.....	NY.....	Authorized.....	.....	.....

PROGRESSIVE PREFERRED INSURANCE COMPANY

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, Etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year to Date	3 Prior Year to Date	4 Current Year to Date	5 Prior Year to Date	6 Current Year to Date	7 Prior Year to Date
1. Alabama.....AL	N						
2. Alaska.....AK	L						
3. Arizona.....AZ	L	33,439,150	34,244,646	20,085,623	20,868,980	42,570,710	43,205,321
4. Arkansas.....AR	N						
5. California.....CA	N						
6. Colorado.....CO	L	33,152,526	36,684,924	21,536,736	24,362,974	61,897,787	63,234,390
7. Connecticut.....CT	N						
8. Delaware.....DE	L						
9. District of Columbia.....DC	L						
10. Florida.....FL	N						
11. Georgia.....GA	L	1,375,027	1,622,929	543,190	2,002,269	4,310,665	4,746,677
12. Hawaii.....HI	L						
13. Idaho.....ID	L						
14. Illinois.....IL	N						
15. Indiana.....IN	L						
16. Iowa.....IA	L						
17. Kansas.....KS	N						
18. Kentucky.....KY	L						
19. Louisiana.....LA	N						
20. Maine.....ME	L						
21. Maryland.....MD	L						
22. Massachusetts.....MA	N						
23. Michigan.....MI	L						
24. Minnesota.....MN	L	62,740,440	56,349,545	33,870,147	37,326,254	81,203,228	80,658,157
25. Mississippi.....MS	L						
26. Missouri.....MO	L	5,095,735	6,474,584	3,476,680	5,554,522	10,964,609	12,428,745
27. Montana.....MT	L						
28. Nebraska.....NE	L						
29. Nevada.....NV	L	1,158,575	1,305,154	612,747	682,733	1,452,335	2,232,846
30. New Hampshire.....NH	N						
31. New Jersey.....NJ	L						
32. New Mexico.....NM	L	462,349	507,250	211,250	223,243	896,739	1,134,809
33. New York.....NY	L	(1,102)	(8,688)	1,292,359	2,724,164	6,327,146	13,686,056
34. North Carolina.....NC	L						
35. North Dakota.....ND	N						
36. Ohio.....OH	L	8,959,687	7,791,220	4,348,941	5,463,279	8,562,639	10,126,891
37. Oklahoma.....OK	L						
38. Oregon.....OR	L	137,619	149,830	58,920	29,394	77,454	61,884
39. Pennsylvania.....PA	L	13,125,250	13,724,467	8,674,056	8,391,187	21,995,327	21,773,435
40. Rhode Island.....RI	L						
41. South Carolina.....SC	L						
42. South Dakota.....SD	L						
43. Tennessee.....TN	L						
44. Texas.....TX	L						
45. Utah.....UT	L			(200)	(267)		25,410
46. Vermont.....VT	N						
47. Virginia.....VA	L			385	(520)		
48. Washington.....WA	L	40,620	33,242	3,666	6,494	90,409	60,860
49. West Virginia.....WV	L						
50. Wisconsin.....WI	N						
51. Wyoming.....WY	N						
52. American Samoa.....AS	N						
53. Guam.....GU	N						
54. Puerto Rico.....PR	N						
55. US Virgin Islands.....VI	N						
56. Northern Mariana Islands.....MP	N						
57. Canada.....CAN	N						
58. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0
59. Totals.....(a) 37		159,685,877	158,879,103	94,714,502	107,634,706	240,349,047	253,375,480

DETAILS OF WRITE-INS

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

(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer;

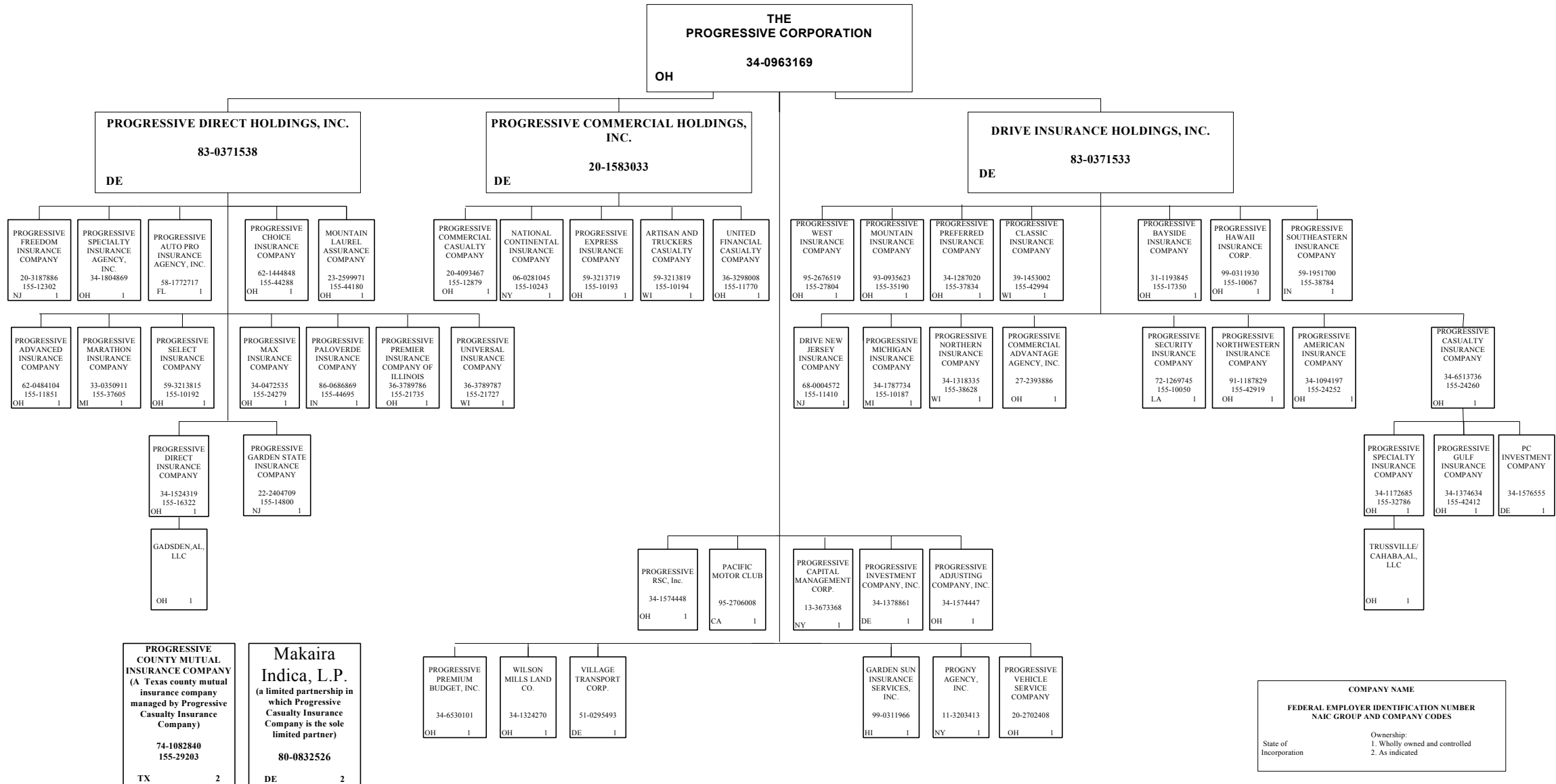
(E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to write business in the state.

(a) Insert the number of L responses except for Canada and Other Alien.

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 – ORGANIZATIONAL CHART

Q11



COMPANY NAME
FEDERAL EMPLOYER IDENTIFICATION NUMBER
NAIC GROUP AND COMPANY CODES

Ownership:
1. Wholly owned and controlled
2. As indicated

State of Incorporation

PROGRESSIVE PREFERRED INSURANCE COMPANY

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership Board, Management Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	*
Members														
0155.....	The Progressive Insurance Group...	00000...	34-0963169..		0000080661	New York Stock Exchange..	The Progressive Corporation.....	OH.....	UIP.....	Board, Management.....	Board.....		The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000...	83-0371533..				Drive Insurance Holdings, Inc.....	DE.....	UDP.....	The Progressive Corporation.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	11410...	68-0004572..				Drive New Jersey Insurance Company.....	NJ.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	24252...	34-1094197..				Progressive American Insurance Company.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	17350...	31-1193845..				Progressive Bayside Insurance Company.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	24260...	34-6513736..				Progressive Casualty Insurance Company.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000...	34-1576555..				PC Investment Company.....	DE.....	NIA.....	Progressive Casualty Insurance Company.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	29203...	74-1082840..				Progressive County Mutual Insurance Company.....	TX.....	IA.....	Progressive Casualty Insurance Company.....	Management.....		The Progressive Corporation.	2, 3.....
0155.....	The Progressive Insurance Group...	42412...	34-1374634..				Progressive Gulf Insurance Company.....	OH.....	IA.....	Progressive Casualty Insurance Company.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	32786...	34-1172685..				Progressive Specialty Insurance Company.....	OH.....	IA.....	Progressive Casualty Insurance Company.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000...	20-5716113..				Trussville/Cahaba, AL , LLC.....	OH.....	NIA.....	Progressive Specialty Insurance Company.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	42994...	39-1453002..				Progressive Classic Insurance Company.....	WI.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	10067...	99-0311930..				Progressive Hawaii Insurance Corp.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	10187...	34-1787734..				Progressive Michigan Insurance Company.....	MI.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	35190...	93-0935623..				Progressive Mountain Insurance Company.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	38628...	34-1318335..				Progressive Northern Insurance Company.....	WI.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	42919...	91-1187829..				Progressive Northwestern Insurance Company.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	37834...	34-1287020..				Progressive Preferred Insurance Company.....	OH.....	RE.....	Drive Insurance Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	10050...	72-1269745..				Progressive Security Insurance Company.....	LA.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	38784...	59-1951700..				Progressive Southeastern Insurance Company.....	IN.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	27804...	95-2676519..				Progressive West Insurance Company.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000...	27-2393886..				Progressive Commercial Advantage Agency, Inc.....	OH.....	NIA.....	Drive Insurance Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000...	20-1583033..				Progressive Commercial Holdings, Inc.....	DE.....	NIA.....	The Progressive Corporation.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	10194...	59-3213819..				Artisan and Truckers Casualty Company.....	WI.....	IA.....	Progressive Commercial Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	10243...	06-0281045..				National Continental Insurance Company.....	NY.....	IA.....	Progressive Commercial Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	12879...	20-4093467..				Progressive Commercial Casualty Company.....	OH.....	IA.....	Progressive Commercial Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	10193...	59-3213719..				Progressive Express Insurance Company.....	OH.....	IA.....	Progressive Commercial Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	11770...	36-3298008..				United Financial Casualty Company.....	OH.....	IA.....	Progressive Commercial Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000...	83-0371538..				Progressive Direct Holdings, Inc.....	DE.....	NIA.....	The Progressive Corporation.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	44180...	23-2599971..				Mountain Laurel Assurance Company.....	OH.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	11851...	62-0484104..				Progressive Advanced Insurance Company.....	OH.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000...	58-1727217..				Progressive Auto Pro Insurance Agency, Inc.....	FL.....	NIA.....	Progressive Direct Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	44288...	62-1444848..				Progressive Choice Insurance Company.....	OH.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	16322...	34-1524319..				Progressive Direct Insurance Company.....	OH.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	00000...	20-5716047..				Gadsden, AL, LLC.....	OH.....	NIA.....	Progressive Direct Insurance Company.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....
0155.....	The Progressive Insurance Group...	12302...	20-3187886..				Progressive Freedom Insurance Company.....	NJ.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.	1, 3.....

Q12

PROGRESSIVE PREFERRED INSURANCE COMPANY

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

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

Q12.1

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

**PROGRESSIVE PREFERRED INSURANCE COMPANY
PART 1 - LOSS EXPERIENCE**

Lines of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire.....			0.0	
2. Allied lines.....			0.0	
3. Farmowners multiple peril.....			0.0	
4. Homeowners multiple peril.....	150,764	55,000	36.5	33.8
5. Commercial multiple peril.....			0.0	
6. Mortgage guaranty.....			0.0	
8. Ocean marine.....			0.0	
9. Inland marine.....	1,971,977	558,593	28.3	35.7
10. Financial guaranty.....			0.0	
11.1. Medical professional liability - occurrence.....			0.0	
11.2. Medical professional liability - claims-made.....			0.0	
12. Earthquake.....			0.0	
13. Group accident and health.....			0.0	
14. Credit accident and health.....			0.0	
15. Other accident and health.....			0.0	
16. Workers' compensation.....			0.0	
17.1 Other liability-occurrence.....	1,169,829	553,971	47.4	24.8
17.2 Other liability-claims made.....			0.0	
17.3 Excess workers' compensation.....			0.0	
18.1 Products liability-occurrence.....			0.0	
18.2 Products liability-claims made.....			0.0	
19.1, 19.2 Private passenger auto liability.....	93,644,518	59,101,064	63.1	69.6
19.3, 19.4 Commercial auto liability.....	1,581,131	28,312	1.8	22.1
21. Auto physical damage.....	55,577,892	32,421,209	58.3	64.8
22. Aircraft (all perils).....			0.0	
23. Fidelity.....			0.0	
24. Surety.....			0.0	
26. Burglary and theft.....			0.0	
27. Boiler and machinery.....			0.0	
28. Credit.....			0.0	
29. International.....			0.0	
30. Warranty.....			0.0	
31. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX	XXX
33. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business.....	0	0	0.0	
35. Totals.....	154,096,111	92,718,150	60.2	66.6
DETAILS OF WRITE-INS				
3401.....			0.0	
3402.....			0.0	
3403.....			0.0	
3498. Sum. of remaining write-ins for Line 34 from overflow page.....	0	0	0.0	XXX
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34).....	0	0	0.0	

PART 2 - DIRECT PREMIUMS WRITTEN

Lines of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire.....			
2. Allied lines.....			
3. Farmowners multiple peril.....			
4. Homeowners multiple peril.....	583,788	583,788	79,613
5. Commercial multiple peril.....			
6. Mortgage guaranty.....			
8. Ocean marine.....			
9. Inland marine.....	1,592,061	1,592,061	1,284,313
10. Financial guaranty.....			
11.1. Medical professional liability - occurrence.....			
11.2. Medical professional liability - claims made.....			
12. Earthquake.....			
13. Group accident and health.....			
14. Credit accident and health.....			
15. Other accident and health.....			
16. Workers' compensation.....			
17.1 Other liability-occurrence.....	1,111,617	1,111,617	1,098,590
17.2 Other liability-claims made.....			
17.3 Excess workers' compensation.....			
18.1 Products liability-occurrence.....			
18.2 Products liability-claims made.....			
19.1 19.2 Private passenger auto liability.....	96,462,458	96,462,458	97,561,854
19.3 19.4 Commercial auto liability.....	2,975,962	2,975,962	1,748,019
21. Auto physical damage.....	56,959,991	56,959,991	57,106,714
22. Aircraft (all perils).....			
23. Fidelity.....			
24. Surety.....			
26. Burglary and theft.....			
27. Boiler and machinery.....			
28. Credit.....			
29. International.....			
30. Warranty.....			
31. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX
33. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business.....	0	0	0
35. Totals.....	159,685,877	159,685,877	158,879,103
DETAILS OF WRITE-INS			
3401.....			
3402.....			
3403.....			
3498. Sum. of remaining write-ins for Line 34 from overflow page.....	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34).....	0	0	0

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2015 Loss and LAE Payments on Claims Reported as of Prior Year-End	2015 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2015 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2012 + Prior.....	36,958	7,752	44,710	7,402	129	7,532	29,610	583	6,835	37,027	54	(205)	(151)
2. 2013.....	44,608	10,406	55,014	8,885	431	9,316	35,858	1,668	7,981	45,508	136	(326)	(190)
3. Subtotals 2013 + Prior.....	81,566	18,158	99,724	16,288	560	16,848	65,468	2,251	14,816	82,535	190	(531)	(341)
4. 2014.....	108,327	33,427	141,754	31,986	1,452	33,438	74,663	8,781	22,607	106,052	(1,678)	(586)	(2,264)
5. Subtotals 2014 + Prior.....	189,893	51,584	241,478	48,274	2,012	50,286	140,132	11,032	37,423	188,587	(1,488)	(1,117)	(2,605)
6. 2015.....	XXX	XXX	XXX	XXX	52,432	52,432	XXX	40,139	14,391	54,530	XXX	XXX	XXX
7. Totals.....	189,893	51,584	241,478	48,274	54,444	102,718	140,132	51,171	51,814	243,117	(1,488)	(1,117)	(2,605)
8. Prior Year-End's Surplus As Regards Policyholders	195,876										Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1. ....(0.8)%	2. ....(2.2)%	3. ....(1.1)%
													Col. 13, Line 7 Line 8
													4. ....(1.3)%

Q14

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

	Response
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	NO
2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?	NO
3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO
4. Will the Director and Officer Supplement be filed with the state of domicile and the NAIC with this statement?	NO

Explanation:

- 1.
- 2.
- 3.
- 4.

Bar Code:



Statement for March 31, 2015 of the **PROGRESSIVE PREFERRED INSURANCE COMPANY**
Overflow Page for Write-Ins

Additional Write-ins for Assets:

	Current Statement Date			4 December 31, Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
2504. MISCELLANEOUS OTHER ASSETS.....	.....60,603	.....60,603	.....0	.....
2505. STATE TAX CREDITS.....	.....	.....	.....0	.....162,906
2597. Summary of remaining write-ins for Line 25.....	.....60,603	.....60,603	.....0	.....162,906

Additional Write-ins for Liabilities:

	1 Current Statement Date	2 December 31, Prior Year
2504. UNEARNED FEE RESERVE.....	.....973	.....4,274
2597. Summary of remaining write-ins for Line 25.....	.....973	.....4,274

**PROGRESSIVE PREFERRED INSURANCE COMPANY
SCHEDULE A - VERIFICATION**

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Current year change in encumbrances.....		
4. Total gain (loss) on disposals.....		
5. Deduct amounts received on disposals.....		
6. Total foreign exchange change in book/adjusted carrying value.....		
7. Deduct current year's other than temporary impairment recognized.....		
8. Deduct current year's depreciation.....		
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8).....	0	0
10. Deduct total nonadmitted amounts.....		
11. Statement value at end of current period (Line 9 minus Line 10).....	0	0

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year.....	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Capitalized deferred interest and other.....		
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease).....		
6. Total gain (loss) on disposals.....		
7. Deduct amounts received on disposals.....		
8. Deduct amortization of premium and mortgage interest points and commitment fees.....		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest.....		
10. Deduct current year's other than temporary impairment recognized.....		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	0	0
12. Total valuation allowance.....		
13. Subtotal (Line 11 plus Line 12).....	0	0
14. Deduct total nonadmitted amounts.....		
15. Statement value at end of current period (Line 13 minus Line 14).....	0	0

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Capitalized deferred interest and other.....		
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease).....		
6. Total gain (loss) on disposals.....		
7. Deduct amounts received on disposals.....		
8. Deduct amortization of premium and depreciation.....		
9. Total foreign exchange change in book/adjusted carrying value.....		
10. Deduct current year's other than temporary impairment recognized.....		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	0	0
12. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....	0	0

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	524,208,343	516,359,106
2. Cost of bonds and stocks acquired.....	168,565,799	628,517,563
3. Accrual of discount.....	223,209	996,665
4. Unrealized valuation increase (decrease).....	65,203	(58,579)
5. Total gain (loss) on disposals.....	2,443,180	12,427,020
6. Deduct consideration for bonds and stocks disposed of.....	148,996,035	631,040,452
7. Deduct amortization of premium.....	948,083	2,992,980
8. Total foreign exchange change in book/adjusted carrying value.....		
9. Deduct current year's other than temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	545,561,616	524,208,343
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	545,561,616	524,208,343

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a).....	474,024,408	141,664,331	153,733,676	(576,190)	461,378,873			474,024,408
2. NAIC 2 (a).....	51,018,061	31,243,534	14,995,819	(20,737)	67,245,039			51,018,061
3. NAIC 3 (a).....	9,834,156		2,423,360	62,061	7,472,857			9,834,156
4. NAIC 4 (a).....	13,931,323	10,157,500		(124,331)	23,964,492			13,931,323
5. NAIC 5 (a).....								
6. NAIC 6 (a).....								
7. Total Bonds.....	548,807,948	183,065,365	171,152,855	(659,197)	560,061,261	0	0	548,807,948
PREFERRED STOCK								
8. NAIC 1.....								
9. NAIC 2.....								
10. NAIC 3.....								
11. NAIC 4.....								
12. NAIC 5.....								
13. NAIC 6.....								
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock.....	548,807,948	183,065,365	171,152,855	(659,197)	560,061,261	0	0	548,807,948

QS102

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation:

NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

**Sch. DA-Pt 1
NONE**

**Sch. DA-Verification
NONE**

**Sch. DB-Pt A-Verification
NONE**

**Sch. DB-Pt B-Verification
NONE**

**Sch. DB-Pt C-Sn 1
NONE**

**Sch. DB-Pt C-Sn 2
NONE**

**Sch. DB-Verification
NONE**

SCHEDULE E- VERIFICATION

Cash Equivalents

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	24,599,605	
2. Cost of cash equivalents acquired.....	14,499,566	290,091,051
3. Accrual of discount.....	474	7,805
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		
6. Deduct consideration received on disposals.....	24,600,000	265,499,251
7. Deduct amortization of premium.....		
8. Total foreign exchange change in book/ adjusted carrying value.....		
9. Deduct current year's other than temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	14,499,645	24,599,605
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	14,499,645	24,599,605

**Sch. A-Pt 2
NONE**

**Sch. A-Pt 3
NONE**

**Sch. B-Pt 2
NONE**

**Sch. B-Pt 3
NONE**

**Sch. BA-Pt 2
NONE**

**Sch. BA-Pt 3
NONE**

SCHEDULE D - PART 3

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

1	2		3	4	5		6	7	8	9	10
Identification	Description		Foreign	Date Acquired	Name of Vendor		Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
Bonds - U.S. Government											
912828	J4	3		03/06/2015	Barclays Capital			29,435,156	30,000,000	12,840	1
912828	J5	0		03/20/2015	CSFBdirect			9,979,688	10,000,000	8,594	1
912828	J8	4		03/27/2015	CSFBdirect			9,480,475	9,500,000		1
912828	VS	6		03/06/2015	Barclays Capital			51,367	50,000	76	1
0599999. Total Bonds - U.S. Government								48,946,686	49,550,000	21,510	XXX
Bonds - U.S. States, Territories and Possessions											
882723	UK	3		01/14/2015	Morgan Stanley			3,027,360	3,000,000		1FE
1799999. Total Bonds - U.S. States, Territories and Possessions								3,027,360	3,000,000	0	XXX
Bonds - U.S. Special Revenue and Special Assessment											
3137BF	XU	0		01/21/2015	JP Morgan Securities			15,344,640		143,173	1
3199999. Total Bonds - U.S. Special Revenue and Special Assessment								15,344,640	0	143,173	XXX
Bonds - Industrial and Miscellaneous											
05525L	AJ	7		03/09/2015	Various			3,245,078	3,250,000	2,937	1FM
05525L	AL	2		02/20/2015	Merrill Lynch			2,992,500	3,000,000	1,727	1FM
05580P	AD	3		01/07/2015	JP Morgan Securities			20,995,888	21,000,000		1FE
05604F	AS	4		01/30/2015	Union Bank of Switzerland			4,047,627	4,250,000	1,391	1FM
12625E	AA	7		02/02/2015	Morgan Stanley			82,867	83,916	17	1FM
20047R	AQ	6		01/05/2015	Morgan Stanley			246,563	250,000	161	1FM
21870L	AL	0		03/31/2015	Goldman Sachs			2,362,281	2,300,000	1,968	1FE
26867L	AG	5		03/16/2015	JP Morgan Securities			9,982,400	10,000,000		2FE
46636A	AN	2		02/05/2015	Merrill Lynch			5,921,875	5,000,000	7,730	1FM
767754	CH	5		03/23/2015	Various			10,157,500	10,000,000		4FE
87236Y	AE	8		03/04/2015	JP Morgan Securities			9,976,500	10,000,000		1FE
982526	AQ	8		01/05/2015	JP Morgan Securities			5,136,150	5,000,000	36,094	2FE
98956P	AL	6		03/10/2015	Bank of America Corp			9,974,900	10,000,000		1FE
485161	AQ	6	F	03/23/2015	JP Morgan Securities			6,173,784	6,275,000	53,660	2FE
709629	AF	6	F	03/17/2015	Bank of America Corp			9,951,200	10,000,000	80,236	2FE
3899999. Total Bonds - Industrial and Miscellaneous								101,247,113	100,408,916	185,921	XXX
8399997. Total Bonds - Part 3								168,565,799	152,958,916	350,604	XXX
8399999. Total Bonds								168,565,799	152,958,916	350,604	XXX
9999999. Total Bonds, Preferred and Common Stocks								168,565,799	XXX	350,604	XXX

QE04

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

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	For eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Government																					
912828	F5 4		01/21/2015	Barclays Capital.....		16,031,250	16,000,000	16,018,750	16,017,590		(361)		(361)		16,017,229	(361)	14,021	14,021	38,077	10/15/2017	1.....
912828	J4 3		03/31/2015	Goldman Sachs.....		3,007,969	3,000,000	2,943,516			458		458		2,943,974		63,995	63,995	4,565	02/28/2022	1.....
912828	J8 4		03/31/2015	Goldman Sachs.....		9,500,371	9,500,000	9,480,475			9		9		9,480,484		19,887	19,887	357	03/31/2020	1.....
912828	MW 7		03/31/2015	Maturity.....		7,800,000	7,800,000	8,019,375	7,812,898		(12,898)		(12,898)		7,800,000				97,500	03/31/2015	1.....
912828	RE 2		02/06/2015	Barclays Capital.....		812,813	800,000	804,000	802,994		(84)		(84)		802,911		9,902	9,902	5,370	08/31/2018	1.....
912828	SE 1		02/15/2015	Maturity.....		6,550,000	6,550,000	6,506,504	6,548,135		1,865		1,865		6,550,000				8,188	02/15/2015	1.....
0599999 Total Bonds - U.S. Government.....						43,702,403	43,650,000	43,772,620	31,181,617	0	(11,011)	0	(11,011)	0	43,594,598	0	107,805	107,805	154,057	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment																					
3137BF	XU 0		03/01/2015	Paydown.....				10,558			(10,558)		(10,558)						171	12/25/2024	1.....
49130T	JL 1		01/06/2015	Call 100.0000.....		285,000	285,000	308,322	296,262		(11,262)		(11,262)		285,000				7,323	07/01/2019	1FE.....
49130T	ME 3		03/20/2015	Call 100.0000.....		120,000	120,000	129,260	125,443		(5,443)		(5,443)		120,000				3,597	01/01/2023	1FE.....
60416Q	EQ 3		03/01/2015	Call 100.0000.....		535,000	535,000	572,022	557,645		(22,645)		(22,645)		535,000				12,400	01/01/2022	1FE.....
60637B	BD 1		02/01/2015	Call 100.0000.....		95,000	95,000	101,147	98,706		(3,706)		(3,706)		95,000				983	05/01/2021	1FE.....
647200	N5 9		03/01/2015	Call 100.0000.....		130,000	130,000	140,529	136,135		(6,135)		(6,135)		130,000				2,792	03/01/2021	1FE.....
658909	FV 3		01/01/2015	Call 100.0000.....		70,000	70,000	76,158	75,471		(5,471)		(5,471)		70,000				1,400	07/01/2024	1FE.....
686087	QX 8		01/01/2015	Call 100.0000.....		55,000	55,000	59,655	59,185		(4,185)		(4,185)		55,000				1,296	07/01/2024	1FE.....
3199999 Total Bonds - U.S. Special Revenue and Special Assessment.....						1,290,000	1,290,000	1,397,651	1,348,847	0	(69,405)	0	(69,405)	0	1,290,000	0	0	0	29,962	XXX	XXX
Bonds - Industrial and Miscellaneous																					
03072S	TB 1		03/25/2015	Paydown.....		795,342	795,342	773,470	782,749		12,594		12,594		795,342				711	08/25/2034	1FM.....
05604F	AS 4		02/06/2015	Wells Fargo Bank.....		4,080,000	4,250,000	4,047,627			341		341		4,047,968		32,032	32,032	4,636	03/10/2033	1FM.....
06052Y	AC 3		03/15/2015	Paydown.....		2,863,300	2,863,300	2,868,221	2,864,893		(1,593)		(1,593)		2,863,300				3,467	06/15/2016	1FE.....
075887	BD 0		02/06/2015	Stifel Nicolaus.....		5,032,100	5,000,000	5,000,000	5,000,000				0		5,000,000		32,100	32,100	14,000	12/15/2017	2FE.....
12625E	AA 7		03/01/2015	Paydown.....		11,202	11,202	10,971	10,146		229		229		11,202				34	04/12/2035	1FM.....
12642H	DE 8		03/01/2015	Paydown.....		1,011,440	1,011,440	1,020,232	1,021,615		(10,175)		(10,175)		1,011,440				3,732	10/26/2036	1FM.....
126673	Q8 8		03/25/2015	Paydown.....		1,339,131	1,339,131	1,274,350	1,319,161		19,970		19,970		1,339,131				1,495	10/25/2035	1FM.....
17320Q	AL 3		01/30/2015	Various.....		10,705,428	10,756,569	10,089,326	10,113,546		5,035		5,035		10,118,581		586,847	586,847	59,375	05/10/2035	1FM.....
233050	AC 7		03/17/2015	Jefferies & Co.....		4,617,484	4,075,000	4,591,396	4,545,944		(18,619)		(18,619)		4,527,325		90,160	90,160	61,716	11/10/2046	1FM.....
3137G0	AK 5		03/25/2015	Paydown.....		519,608	519,608	519,778	521,835		(2,228)		(2,228)		519,608				1,014	02/25/2024	1FE.....
35803Q	AA 5		02/10/2015	JP Morgan Securities.....		2,475,300	2,230,000	2,439,063	2,377,738	48,818	(3,195)		45,623		2,423,360		51,940	51,940	63,400	02/15/2021	3FE.....
44921S	AE 2		03/15/2015	Paydown.....		3,702,744	3,702,744	3,698,844	3,702,140		604		604		3,702,744				4,137	06/15/2016	1FE.....
58768V	AC 5		03/15/2015	Paydown.....		4,764,924	4,764,924	4,767,716	4,766,251		(1,327)		(1,327)		4,764,924				4,436	02/15/2016	1FE.....
61763H	AG 6		03/01/2015	Paydown.....		473,235	473,235	482,108	483,139		(9,904)		(9,904)		473,235				1,919	08/26/2036	1FM.....
67087M	AA 4		03/19/2015	Wells Fargo Bank.....		20,528,710	18,342,000	20,359,135	20,220,057		(82,418)		(82,418)		20,137,638		391,072	391,072	267,498	07/15/2045	1FM.....
84751P	JG 5		03/25/2015	Paydown.....		565,393	565,393	532,177	550,443		14,950		14,950		565,393				464	09/25/2036	1FM.....
91830C	AL 2		01/30/2015	Various.....		20,507,836	20,400,000	19,501,625	19,526,313		7,563		7,563		19,533,875		973,960	973,960	107,537	11/15/2030	1FM.....
92903P	AC 3		03/25/2015	Wells Fargo Bank.....		10,007,855	9,152,000	9,887,269	9,869,652		(32,279)		(32,279)		9,837,372		170,483	170,483	111,956	09/13/2028	1FM.....

QE05

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
709629 AK 5	PENTAIR FINANCE SA 1.875% 09/15/17	R	03/17/2015	Bank of America Corp.		10,002,600	10,000,000	9,991,872	9,995,366		454		454		9,995,819		6,781	6,781	96,354	09/15/2017	2FE
3899999	Total Bonds - Industrial and Miscellaneous					104,003,632	100,251,888	101,855,180	97,670,988	48,818	(99,998)	0	(51,180)	0	101,668,257	0	2,335,375	2,335,375	807,881	XXX	XXX
8399997	Total Bonds - Part 4					148,996,035	145,191,888	147,025,451	130,201,452	48,818	(180,414)	0	(131,596)	0	146,552,855	0	2,443,180	2,443,180	991,900	XXX	XXX
8399999	Total Bonds					148,996,035	145,191,888	147,025,451	130,201,452	48,818	(180,414)	0	(131,596)	0	146,552,855	0	2,443,180	2,443,180	991,900	XXX	XXX
9999999	Total Bonds, Preferred and Common Stocks					148,996,035	XXX	147,025,451	130,201,452	48,818	(180,414)	0	(131,596)	0	146,552,855	0	2,443,180	2,443,180	991,900	XXX	XXX

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

QE05.1

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

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

**Sch. DB-Pt D-Sn 1
NONE**

**Sch. DB-Pt D-Sn 2
NONE**

**Sch. DL-Pt. 1
NONE**

**Sch. DL-Pt. 2
NONE**

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

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

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
Bonds - Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations							
EXXON MOBIL CORP.....		.....03/30/2015	.....0.040	.....04/10/2015	11,499,885		.26
MITSUB UFJ T&B.....		.....03/24/2015	.....0.080	.....05/07/2015	2,999,760		.53
3299999. Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations.....					14,499,645	.0	.79
3899999. Total - Industrial and Miscellaneous (Unaffiliated).....					14,499,645	.0	.79
Total Bonds							
7799999. Subtotals - Issuer Obligations.....					14,499,645	.0	.79
8399999. Subtotals - Bonds.....					14,499,645	.0	.79
8699999. Total - Cash Equivalents.....					14,499,645	.0	.79

QE13