



# QUARTERLY STATEMENT

As of September 30, 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

<b>Name</b>	<b>Title</b>	<b>Name</b>	<b>Title</b>
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) PETER JAMES ALBERT _____ 2. (Printed Name) SECRETARY _____ (Title)	_____ (Signature) JAMES LEE KUSMER _____ 3. (Printed Name) ASSISTANT TREASURER _____ (Title)
--	---	---

Subscribed and sworn to before me  
This 10TH day of NOVEMBER, 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.....	569,990,915		569,990,915	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 (\$.....12,899,306) and short-term investments (\$.....0).....	12,899,306		12,899,306	24,599,605
6. Contract loans (including \$.....0 premium notes).....			.0	
7. Derivatives.....			.0	
8. Other invested assets.....			.0	
9. Receivables for securities.....	9,330,341		9,330,341	
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).....	592,220,562	.0	592,220,562	548,807,950
13. Title plants less \$.....0 charged off (for Title insurers only).....			.0	
14. Investment income due and accrued.....	2,960,830		2,960,830	2,421,119
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	15,802,556	1,734,860	14,067,696	8,459,470
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	98,539,637		98,539,637	79,771,896
15.3 Accrued retrospective premiums.....			.0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	93,632		93,632	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.....	19,390,372		19,390,372	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.....	26,073,417		26,073,417	17,715,042
24. Health care (\$.....0) and other amounts receivable.....			.0	
25. Aggregate write-ins for other than invested assets.....	634,107	288,597	345,510	459,739
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	755,715,113	2,023,457	753,691,656	677,110,908
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
28. Total (Lines 26 and 27).....	755,715,113	2,023,457	753,691,656	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.....	334,252		334,252	295,089
2502. STATE UNEARNED SURCHARGE RECOVERABLE.....	11,258		11,258	1,744
2503. PREPAID EXPENSES.....	223,206	223,206	.0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	65,391	65,391	.0	162,906
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	634,107	288,597	345,510	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 \$....106,235,315).....	208,610,247	200,361,131
2. Reinsurance payable on paid losses and loss adjustment expenses.....	2,593,104	3,281,386
3. Loss adjustment expenses.....	43,527,960	41,116,542
4. Commissions payable, contingent commissions and other similar charges.....	654,247	753,409
5. Other expenses (excluding taxes, licenses and fees).....	30,393,510	23,441,089
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	3,278,199	4,350,231
7.1 Current federal and foreign income taxes (including \$....60,056 on realized capital gains (losses)).....	5,881,958	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 \$....206,504,427 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.....	195,238,509	171,068,906
10. Advance premium.....	5,187,387	3,865,460
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	1,216,413	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.....	26,405,667	25,365,292
19. Payable to parent, subsidiaries and affiliates.....		
20. Derivatives.....		
21. Payable for securities.....	2,098,062	
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.....	795,107	478,851
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	525,880,370	481,234,475
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	525,880,370	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).....	182,095,512	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).....	227,811,286	195,876,433
38. Totals (Page 2, Line 28, Col. 3).....	753,691,656	677,110,908

### DETAILS OF WRITE-INS

2501. ESCHEATABLE PROPERTY.....	472,951	162,009
2502. STATE PLAN LIABILITY.....	236,976	197,733
2503. OTHER LIABILITIES.....	85,180	114,835
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	4,274
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	795,107	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

# PROGRESSIVE PREFERRED INSURANCE COMPANY STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct..... (written \$.....510,206,412).....	472,997,537	474,281,636	641,409,165
1.2 Assumed..... (written \$.....474,576,042).....	450,406,439	437,391,466	595,682,612
1.3 Ceded..... (written \$.....510,206,412).....	472,997,537	474,281,636	641,409,165
1.4 Net..... (written \$.....474,576,042).....	450,406,439	437,391,466	595,682,612
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....283,341,201):			
2.1 Direct.....	285,854,895	302,491,244	404,683,055
2.2 Assumed.....	276,315,753	271,420,640	367,276,119
2.3 Ceded.....	285,854,895	302,491,244	404,683,055
2.4 Net.....	276,315,753	271,420,640	367,276,119
3. Loss adjustment expenses incurred.....	46,853,202	45,107,370	60,455,628
4. Other underwriting expenses incurred.....	95,375,834	93,052,669	123,512,802
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	418,544,789	409,580,679	551,244,549
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	31,861,650	27,810,787	44,438,063
<b>INVESTMENT INCOME</b>			
9. Net investment income earned.....	8,386,409	7,557,760	10,238,698
10. Net realized capital gains (losses) less capital gains tax of \$.....1,235,300.....	2,293,557	6,631,624	8,060,915
11. Net investment gain (loss) (Lines 9 + 10).....	10,679,966	14,189,384	18,299,613
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....383,059 amount charged off \$.....3,073,374).....	(2,690,315)	(2,990,797)	(3,949,121)
13. Finance and service charges not included in premiums.....	6,914,596	7,539,930	10,011,043
14. Aggregate write-ins for miscellaneous income.....	555,298	434,021	1,050,466
15. Total other income (Lines 12 through 14).....	4,779,579	4,983,154	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).....	47,321,195	46,983,325	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).....	47,321,195	46,983,325	69,850,064
19. Federal and foreign income taxes incurred.....	17,118,106	13,999,846	20,232,302
20. Net income (Line 18 minus Line 19) (to Line 22).....	30,203,089	32,983,479	49,617,762
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year.....	195,876,433	183,728,738	183,728,738
22. Net income (from Line 20).....	30,203,089	32,983,479	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 \$.....(28,256).....	(52,475)	(269,674)	(38,076)
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....	1,433,778	206,758	(937,400)
27. Change in nonadmitted assets.....	350,461	227,244	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).....	31,934,853	33,147,807	12,147,695
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	227,811,286	216,876,545	195,876,433
<b>DETAILS OF WRITE-INS</b>			
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.....	539,030	399,585	1,006,691
1402. SERVICE BUSINESS REVENUE.....	11,356	27,379	35,284
1403. INTEREST INCOME ON INTERCOMPANY BALANCES.....	4,912	7,057	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).....	555,298	434,021	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
<b>CASH FROM OPERATIONS</b>			
1. Premiums collected net of reinsurance.....	453,169,361	446,058,825	601,745,009
2. Net investment income.....	10,901,790	10,992,457	13,536,495
3. Miscellaneous income.....	4,760,693	4,892,853	6,964,198
4. Total (Lines 1 through 3).....	468,831,844	461,944,135	622,245,702
5. Benefit and loss related payments.....	267,301,197	266,833,981	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.....	134,036,391	127,558,353	178,592,098
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$..... 1,976,604 tax on capital gains (losses).....	19,505,266	16,265,656	21,585,915
10. Total (Lines 5 through 9).....	420,842,854	410,657,990	561,123,575
11. Net cash from operations (Line 4 minus Line 10).....	47,988,990	51,286,145	61,122,127
<b>CASH FROM INVESTMENTS</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	287,168,645	503,613,456	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.....	2,098,062	12,848,534	
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	289,266,707	516,461,990	631,040,452
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	332,558,181	528,089,011	628,517,563
13.2 Stocks.....			
13.3 Mortgage loans.....			
13.4 Real estate.....			
13.5 Other invested assets.....			
13.6 Miscellaneous applications.....	9,330,341	175,043	
13.7 Total investments acquired (Lines 13.1 to 13.6).....	341,888,522	528,264,054	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).....	(52,621,815)	(11,802,064)	2,522,889
<b>CASH FROM FINANCING AND MISCELLANEOUS SOURCES</b>			
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).....	(7,067,474)	(785,004)	(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).....	(7,067,474)	(785,004)	(39,045,412)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	(11,700,299)	38,699,078	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).....	12,899,306	38,699,078	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	September 30, 2015	December 31, 2014
<b>Net income</b>			
(1) Net income, state basis	OH	\$ 30,203,089	\$ 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	\$ 30,203,089	\$ 49,617,762
<b>Surplus</b>			
(5) Policyholders' surplus, state basis	OH	\$ 227,811,286	\$ 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	\$ 227,811,286	\$ 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 September 30, 2015, the Company has not recorded an other-than-temporary impairment for loan-backed and structured debt securities during the current year.
- As of September 30, 2015, the Company had \$1,154,295 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 September 30, 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	\$ 651,292
2. Twelve months or longer	503,003
Total	\$ 1,154,295
b. Aggregate fair value of securities with unrealized losses	
1. Less than twelve months	\$ 89,279,837
2. Twelve months or longer	64,571,752
Total	\$ 153,851,589

## 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

G. 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 September 30, 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 September 30, 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.

As of September 30, 2015, there was a putative class action lawsuit alleging the Company improperly applies a preferred provider reduction to medical payment claims.

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.

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

Fair Value Measurements at September 30, 2015:

Asset Description	Level 1	Level 2	Level 3	Total
a. Assets on balance sheet at fair value				
Bonds Industrial & Miscellaneous	\$ --	\$ 24,932,565	\$ --	\$ 24,932,565
Total assets at fair value	\$ --	\$ 24,932,565	\$ --	\$ 24,932,565
b. Liabilities on balance sheet at fair value				
Derivative liabilities	\$ --	\$ --	\$ --	\$ --
Total liabilities at fair value	\$ --	\$ --	\$ --	\$ --

## 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 20.A 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 September 30, 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	\$ 570,094,814	\$ 569,990,915	\$ 71,551,110	\$ 498,543,704	\$ --	\$ --
Cash equivalents	12,899,306	12,899,306	12,899,306	--	--	--
Common stock	--	--	--	--	--	--
Preferred stock	--	--	--	--	--	--
Short-term investments	--	--	--	--	--	--
Total	\$ 582,994,120	\$ 582,890,221	\$ 84,450,416	\$ 498,543,704	\$ --	\$ --

**NOTES TO FINANCIAL STATEMENTS**

---

## 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 November 6, 2015 for the statutory statement that was available for issuance by November 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.

## 25. Changes in Incurred Losses and Loss Adjustment Expenses

Incurred losses and LAE attributable to insured events of prior accident years decreased by \$7,415,580 in 2015, which is 3.1% of the total prior year net unpaid losses and LAE of \$241,477,673. The favorable development is primarily due to private passenger auto liability originally anticipated severity for accident year 2014 decreasing less than 1% and less late reported losses than anticipated for auto 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
	0	

- 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 &amp; CASUALTY INTERROGATORIES

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

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

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

- 3.2 If yes, give full and complete information thereto:

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

- 4.2 If yes, complete the following schedule:

1 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	0	0	0	0	0	0	0	0
Total	XXX	XXX	0	0	0	0	0	0	0	0

- 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. \$ 0

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

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

**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
<b>All Other Insurers</b>						
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	97,649,385	96,982,886	62,048,439	60,516,434	40,898,147	42,289,859
4. Arkansas.....AR	N						
5. California.....CA	N						
6. Colorado.....CO	L	97,334,389	107,552,502	64,409,713	75,970,728	60,757,857	64,617,812
7. Connecticut.....CT	N						
8. Delaware.....DE	L						
9. District of Columbia.....DC	L						
10. Florida.....FL	N						
11. Georgia.....GA	L	3,805,432	4,477,762	1,518,913	3,360,979	5,106,446	4,460,915
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	196,563,680	178,189,478	104,135,133	107,344,132	83,939,986	79,163,846
25. Mississippi.....MS	L						
26. Missouri.....MO	L	14,202,232	17,705,990	10,046,700	14,685,834	10,148,506	11,039,538
27. Montana.....MT	L						
28. Nebraska.....NE	L						
29. Nevada.....NV	L	3,458,257	3,938,702	1,959,823	2,746,273	1,519,126	1,488,532
30. New Hampshire.....NH	N						
31. New Jersey.....NJ	L						
32. New Mexico.....NM	L	1,377,486	1,533,748	642,204	1,003,610	903,262	1,045,420
33. New York.....NY	L	(5,675)	(17,021)	2,101,344	5,290,975	4,850,441	9,713,964
34. North Carolina.....NC	L						
35. North Dakota.....ND	N						
36. Ohio.....OH	L	49,751,158	21,661,593	13,834,453	14,267,973	10,540,742	8,693,398
37. Oklahoma.....OK	L						
38. Oregon.....OR	L	319,941	366,214	199,208	123,724	110,175	489
39. Pennsylvania.....PA	L	45,612,190	47,161,661	25,226,973	26,958,367	23,192,615	23,171,421
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			(600)	467		
46. Vermont.....VT	N						
47. Virginia.....VA	L			(182)	3,911		
48. Washington.....WA	L	137,937	148,602	16,064	6,282	94,805	70,700
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		510,206,412	479,702,117	286,138,184	312,279,687	242,062,110	245,755,893

**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;

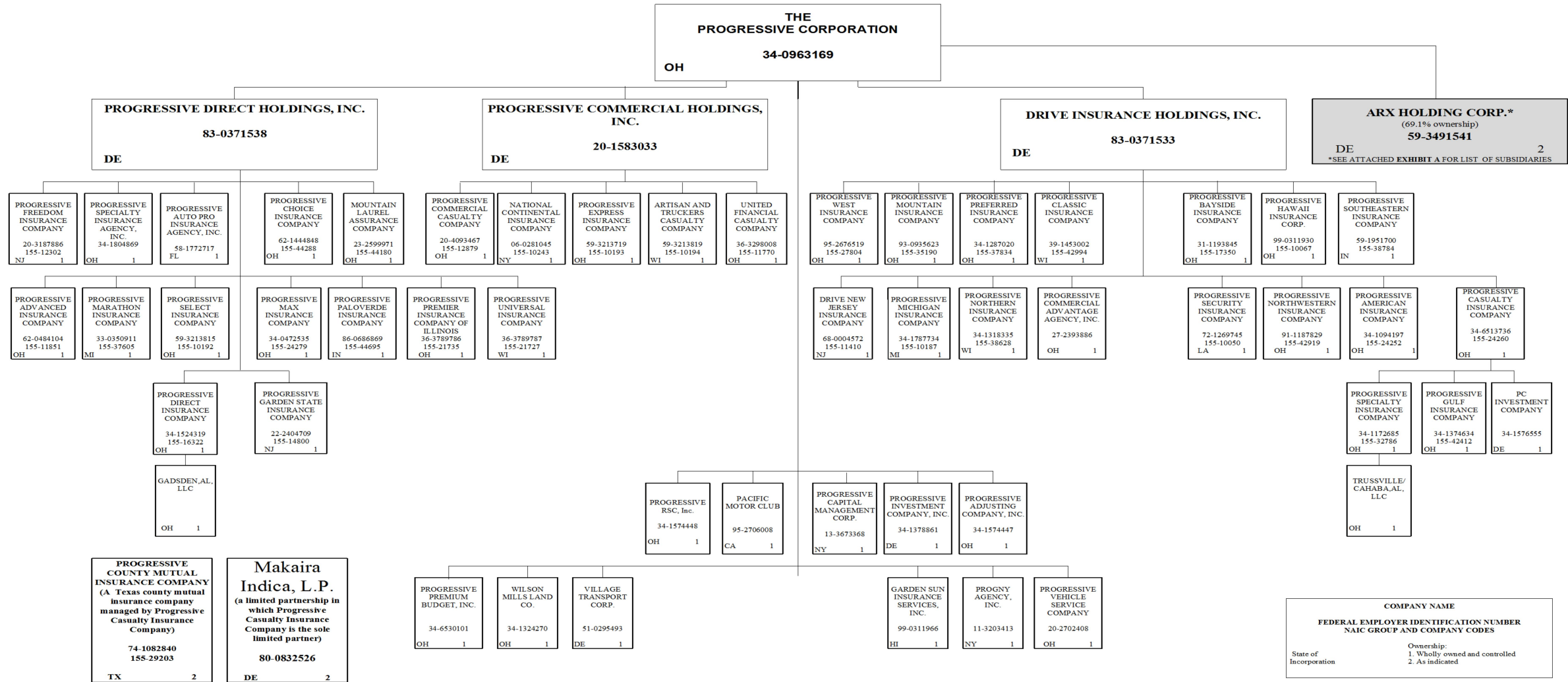
(E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to write business in the state.

(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**

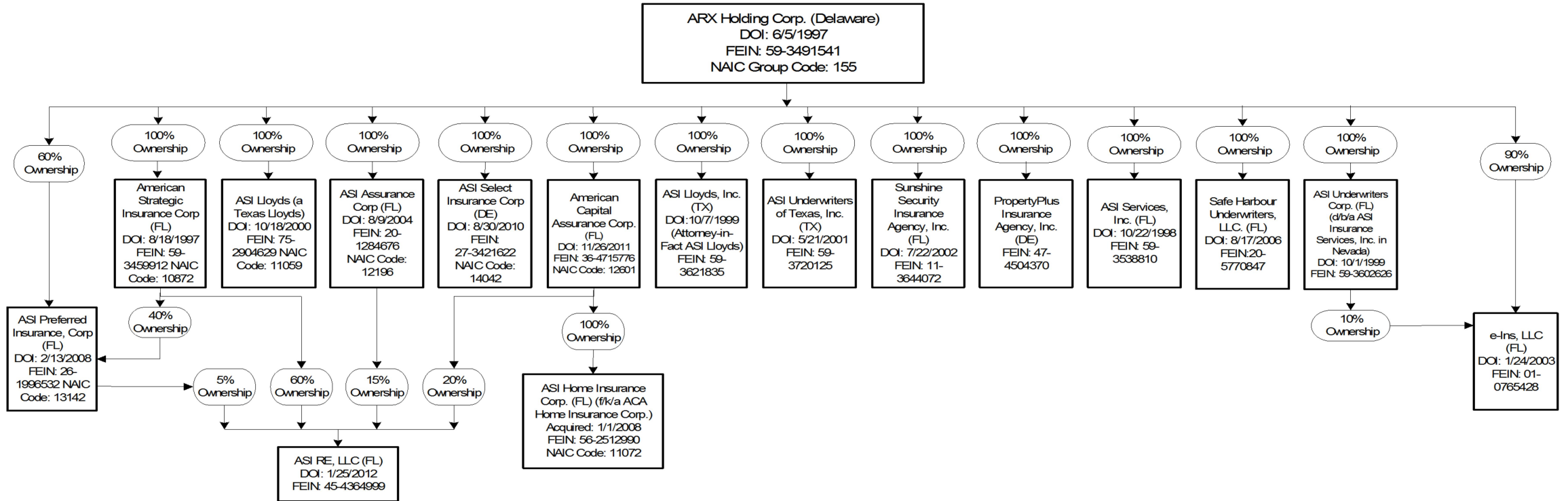
Q11



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

PART 1 – ORGANIZATIONAL CHART

Q11.1



**EXHIBIT A**

**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)	*
<b>Members</b>														
	The Progressive Corporation.....	00000..	34-0963169..		0000080661	NYSE.....	The Progressive Corporation.....	OH.....	UIP.....	Board, Management.....	Board.....		The Progressive Corporation.....	1, 3.....
	The Progressive Corporation.....	00000..	83-0371533..				Drive Insurance Holdings, Inc.....	DE.....	UDP.....	The Progressive Corporation.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	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 Corporation.....	24252..	34-1094197..				Progressive American Insurance Company.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	17350..	31-1193845..				Progressive Bayside Insurance Company.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	24260..	34-6513736..				Progressive Casualty Insurance Company.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
	The Progressive Corporation.....	00000..	34-1576555..				PC Investment Company.....	DE.....	NIA.....	Progressive Casualty Insurance Company.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	29203..	74-1082840..				Progressive County Mutual Insurance Company.....	TX.....	IA.....	Progressive Casualty Insurance Company.....	Management.....		The Progressive Corporation.....	2, 3.....
0155.....	The Progressive Corporation.....	42412..	34-1374634..				Progressive Gulf Insurance Company.....	OH.....	IA.....	Progressive Casualty Insurance Company.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	32786..	34-1172685..				Progressive Specialty Insurance Company.....	OH.....	IA.....	Progressive Casualty Insurance Company.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
	The Progressive Corporation.....	00000..					Trussville/Cahaba, AL , LLC.....	OH.....	NIA.....	Progressive Specialty Insurance Company.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	42994..	39-1453002..				Progressive Classic Insurance Company.....	WI.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	10067..	99-0311930..				Progressive Hawaii Insurance Corp.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	10187..	34-1787734..				Progressive Michigan Insurance Company.....	MI.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	35190..	93-0935623..				Progressive Mountain Insurance Company.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	38628..	34-1318335..				Progressive Northern insurance Company.....	WI.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	42919..	91-1187829..				Progressive Northwestern Insurance Company.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	37834..	34-1287020..				Progressive Preferred Insurance Company.....	OH.....	RE.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	10050..	72-1269745..				Progressive Security Insurance Company.....	LA.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	38784..	59-1951700..				Progressive Southeastern Insurance Company.....	IN.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	27804..	95-2676519..				Progressive West Insurance Company.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
	The Progressive Corporation.....	00000..	27-2393886..				Progressive Commercial Advantage Agency, Inc.....	OH.....	NIA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
	The Progressive Corporation.....	00000..	20-1583033..				Progressive Commercial Holdings, Inc.....	DE.....	NIA.....	The Progressive Corporation.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	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 Corporation.....	10243..	06-0281045..				National Continental Insurance Company.....	NY.....	IA.....	Progressive Commercial Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	12879..	20-4093467..				Progressive Commercial Casualty Company.....	OH.....	IA.....	Progressive Commercial Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	10193..	59-3213719..				Progressive Express Insurance Company.....	OH.....	IA.....	Progressive Commercial Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	11770..	36-3298008..				United Financial Casualty Company.....	OH.....	IA.....	Progressive Commercial Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
	The Progressive Corporation.....	00000..	83-0371538..				Progressive Direct Holdings, Inc.....	DE.....	NIA.....	The Progressive Corporation.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	44180..	23-2599971..				Mountain Laurel Assurance Company.....	OH.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	11851..	62-0484104..				Progressive Advanced Insurance Company.....	OH.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
	The Progressive Corporation.....	00000..	58-1772717..				Progressive Auto Pro Insurance Agency, Inc.....	FL.....	NIA.....	Progressive Direct Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	44288..	62-1444848..				Progressive Choice Insurance Company.....	OH.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	16322..	34-1524319..				Progressive Direct Insurance Company.....	OH.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
	The Progressive Corporation.....	00000..					Gadsden, AL, LLC.....	OH.....	NIA.....	Progressive Direct Insurance Company.....	Ownership.....	100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	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 Corporation.....	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 Corporation.....	37605..	33-0350911..				Progressive Marathon Insurance Company.....	MI.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	24279..	34-0472535..				Progressive Max Insurance Company.....	OH.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	44695..	86-0686869..				Progressive Paloverde Insurance Company.....	IN.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3.....
0155.....	The Progressive Corporation.....	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 Corporation.....	10192..	59-3213815..				Progressive Select Insurance Company.....	OH.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3.....
.....	The Progressive Corporation.....	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 Corporation.....	21727..	36-3789787..				Progressive Universal Insurance Company.....	WI.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3.....
.....	The Progressive Corporation.....	00000..	99-0311966..				Garden Sun Insurance Services, LLC.....	HI.....	NIA.....	The Progressive Corporation.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3.....
.....	The Progressive Corporation.....	00000..	95-2706008..				Pacific Motor Club.....	CA.....	NIA.....	The Progressive Corporation.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3.....
.....	The Progressive Corporation.....	00000..	11-3203413..				PROGNY Agency, Inc.....	NY.....	NIA.....	The Progressive Corporation.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3.....
.....	The Progressive Corporation.....	00000..	34-1574447..				Progressive Adjusting Company, Inc.....	OH.....	NIA.....	The Progressive Corporation.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3.....
.....	The Progressive Corporation.....	00000..	13-3673368..				Progressive Capital Management Corp.....	NY.....	NIA.....	The Progressive Corporation.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3.....
.....	The Progressive Corporation.....	00000..	34-1378861..				Progressive Investment Company, Inc.....	DE.....	NIA.....	The Progressive Corporation.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3.....
.....	The Progressive Corporation.....	00000..	34-6530101..				Progressive Premium Budget, Inc.....	OH.....	NIA.....	The Progressive Corporation.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3.....
.....	The Progressive Corporation.....	00000..	34-1574448..				Progressive RSC, Inc.....	OH.....	NIA.....	The Progressive Corporation.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3.....
.....	The Progressive Corporation.....	00000..	20-2702408..				Progressive Vehicle Service Company.....	OH.....	NIA.....	The Progressive Corporation.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3.....
.....	The Progressive Corporation.....	00000..	51-0295493..				Village Transport Corp.....	DE.....	NIA.....	The Progressive Corporation.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3.....
.....	The Progressive Corporation.....	00000..	34-1324270..				Wilson Mills Land Co.....	OH.....	NIA.....	The Progressive Corporation.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3.....
.....	The Progressive Corporation.....	00000..	80-0832526..				Makaira Indica, LP.....	CA.....	NIA.....	Progressive Casualty Insurance Company.....	Other.....	.....	The Progressive Corporation.....	1, 3, 4..
.....	The Progressive Corporation.....	00000..	59-3491541..				ARX Holding Corp.....	DE.....	NIA.....	The Progressive Corporation.....	Ownership.....	...69.100	The Progressive Corporation.....	5.....
0155.....	The Progressive Corporation, ARX Interest...	12601..	36-4715776..				American Capital Assurance Corp.....	FL.....	IA.....	ARX Holding Corp.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3, 5..
0155.....	The Progressive Corporation, ARX Interest...	11072..	56-2512990..				ASI Home Insurance Corp.....	FL.....	IA.....	American Capital Assurance Corp.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3, 5..
.....	The Progressive Corporation, ARX Interest...	00000..	45-4364999..				ASI RE, LLC.....	FL.....	NIA.....	American Capital Assurance Corp.....	Ownership.....	...20.000	The Progressive Corporation.....	1, 3, 5..
.....	The Progressive Corporation, ARX Interest...	00000..	45-4364999..				ASI RE, LLC.....	FL.....	NIA.....	ASI Preferred Insurance Corp.....	Ownership.....	...5.000	The Progressive Corporation.....	1, 3, 5..
.....	The Progressive Corporation, ARX Interest...	00000..	45-4364999..				ASI RE, LLC.....	FL.....	NIA.....	American Strategic Insurance Corp.....	Ownership.....	...60.000	The Progressive Corporation.....	1, 3, 5..
.....	The Progressive Corporation, ARX Interest...	00000..	45-4364999..				ASI RE, LLC.....	FL.....	NIA.....	ASI Assurance Corp.....	Ownership.....	...15.000	The Progressive Corporation.....	1, 3, 5..
0155.....	The Progressive Corporation, ARX Interest...	13142..	26-1996532..				ASI Preferred Insurance Corp.....	FL.....	IA.....	American Strategic Insurance Corp.....	Ownership.....	...40.000	The Progressive Corporation.....	1, 3, 5..
0155.....	The Progressive Corporation, ARX Interest...	13142..	26-1996532..				ASI Preferred Insurance Corp.....	FL.....	IA.....	ARX Holding Corp.....	Ownership.....	...60.000	The Progressive Corporation.....	1, 3, 5..
0155.....	The Progressive Corporation, ARX Interest...	10872..	59-3459912..				American Strategic Insurance Corp.....	FL.....	IA.....	ARX Holding Corp.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3, 5..
0155.....	The Progressive Corporation, ARX Interest...	11059..	75-2904629..				ASI Lloyds.....	TX.....	IA.....	ARX Holding Corp.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3, 5..
0155.....	The Progressive Corporation, ARX Interest...	12196..	20-1284676..				ASI Assurance Corp.....	FL.....	IA.....	ARX Holding Corp.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3, 5..
0155.....	The Progressive Corporation, ARX Interest...	14042..	27-3421622..				ASI Select Insurance Corp.....	DE.....	IA.....	ARX Holding Corp.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3, 5..
.....	The Progressive Corporation, ARX Interest...	00000..	59-3538810..				ASI Services Inc.....	FL.....	NIA.....	ARX Holding Corp.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3, 5..
.....	The Progressive Corporation, ARX Interest...	00000..	20-5770847..				Safe Harbour Underwriters, LLC.....	FL.....	NIA.....	ARX Holding Corp.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3, 5..
.....	The Progressive Corporation, ARX Interest...	00000..	59-3621835..				ASI Lloyds, Inc.....	TX.....	NIA.....	ARX Holding Corp.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3, 5..
.....	The Progressive Corporation, ARX Interest...	00000..	59-3720125..				ASI Underwriters of Texas, Inc.....	TX.....	NIA.....	ARX Holding Corp.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3, 5..

Q12.1

## 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)	*
.....	The Progressive Corporation, ARX Interest...	00000...	11-3644072..	.....	.....	.....	Sunshine Security Insurance Agency, Inc.....	FL.....	NIA.....	ARX Holding Corp.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3, 5...
.....	The Progressive Corporation, ARX Interest...	00000...	59-3602626..	.....	.....	.....	ASI Underwriters Corp.....	FL.....	NIA.....	ARX Holding Corp.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3, 5...
.....	The Progressive Corporation, ARX Interest...	00000...	01-0765428..	.....	.....	.....	e-Ins, LLC.....	FL.....	NIA.....	ARX Holding Corp.....	Ownership.....	...90.000	The Progressive Corporation.....	1, 3, 5...
.....	The Progressive Corporation, ARX Interest...	00000...	47-4504370..	.....	.....	.....	PropertyPlus Insurance Agency, Inc.....	DE.....	NIA.....	ARX Holding Corp.....	Ownership.....	...100.000	The Progressive Corporation.....	1, 3, 5...
.....	The Progressive Corporation, ARX Interest...	00000...	01-0765428..	.....	.....	.....	e-Ins, LLC.....	FL.....	NIA.....	ASI Underwriters Corp.....	Ownership.....	...10.000	The Progressive Corporation.....	1, 3, 5...

Asterisk	Explanation
1	Schedule Y Part 1A is a common schedule for all companies of The Progressive Corporation, 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 controlled, but not owned by Progressive Casualty Insurance Company.
3	None of the companies that are part of The Progressive Corporation 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.
5	Effective April 1, 2015, The Progressive Corporation purchased a majority ownership share in the ARX Holding Corp., which now consists of ARX Holding Corp. and 16 subsidiaries.

## 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.....	1,131,022	369,049	32.6	33.5
5. Commercial multiple peril.....			0.0	
6. Mortgage guaranty.....			0.0	
8. Ocean marine.....			0.0	
9. Inland marine.....	6,572,795	3,317,400	50.5	51.3
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.....	3,594,738	1,207,623	33.6	69.2
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.....	281,336,802	168,040,837	59.7	63.8
19.3, 19.4 Commercial auto liability.....	10,544,917	5,677,326	53.8	24.8
21. Auto physical damage.....	169,817,262	107,242,661	63.2	65.4
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.....	472,997,537	285,854,895	60.4	63.8
<b>DETAILS OF WRITE-INS</b>				
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.....	1,082,042	2,747,743	44,180
5. Commercial multiple peril.....			
6. Mortgage guaranty.....			
8. Ocean marine.....			
9. Inland marine.....	2,919,068	9,042,996	6,652,432
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.....	1,240,477	4,106,701	3,761,073
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.....	95,586,695	287,947,859	291,159,396
19.3 19.4 Commercial auto liability.....	10,649,303	25,002,982	4,874,939
21. Auto physical damage.....	61,218,170	181,358,132	173,210,097
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.....	172,695,756	510,206,412	479,702,117
<b>DETAILS OF WRITE-INS</b>			
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	17,560	910	18,470	19,685	887	5,030	25,603	287	(924)	(637)
2. 2013.....	44,608	10,406	55,014	21,355	1,932	23,286	23,455	3,269	4,986	31,710	202	(219)	(17)
3. Subtotals 2013 + Prior.....	81,566	18,158	99,724	38,915	2,842	41,757	43,140	4,156	10,016	57,313	489	(1,143)	(654)
4. 2014.....	108,327	33,427	141,754	58,332	7,115	65,448	46,051	10,010	13,483	69,544	(3,944)	(2,818)	(6,762)
5. Subtotals 2014 + Prior.....	189,893	51,584	241,478	97,247	9,957	107,204	89,191	14,166	23,500	126,858	(3,455)	(3,961)	(7,416)
6. 2015.....	XXX	XXX	XXX	XXX	205,304	205,304	XXX	97,673	27,608	125,281	XXX	XXX	XXX
7. Totals.....	189,893	51,584	241,478	97,247	215,261	312,508	89,191	111,839	51,107	252,138	(3,455)	(3,961)	(7,416)
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. ....(1.8)%	2. ....(7.7)%	3. ....(3.1)%
													Col. 13, Line 7 Line 8
													4. ....(3.8)%

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.

	<b>Response</b>
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:**



**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.....	.....65,391	.....65,391	.....0	.....
2505. STATE TAX CREDITS.....	.....	.....	.....0	.....162,906
2597. Summary of remaining write-ins for Line 25.....	.....65,391	.....65,391	.....0	.....162,906

**Additional Write-ins for Liabilities:**

	1 Current Statement Date	2 December 31, Prior Year
2504. UNEARNED FEE RESERVE.....	.....	.....4,274
2597. Summary of remaining write-ins for Line 25.....	.....0	.....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.....	332,558,182	628,517,563
3. Accrual of discount.....	501,000	996,665
4. Unrealized valuation increase (decrease).....	(80,731)	(58,579)
5. Total gain (loss) on disposals.....	3,528,857	12,427,020
6. Deduct consideration for bonds and stocks disposed of.....	287,168,644	631,040,452
7. Deduct amortization of premium.....	3,556,092	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).....	569,990,915	524,208,343
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	569,990,915	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
<b>BONDS</b>								
1. NAIC 1 (a).....	434,185,112	51,074,447	29,807,123	(1,094,923)	461,378,873	434,185,112	454,357,513	474,024,408
2. NAIC 2 (a).....	91,061,540	12,600,160		(61,557)	67,245,039	91,061,540	103,600,143	51,018,061
3. NAIC 3 (a).....	7,446,299			(22,549)	7,472,857	7,446,299	7,423,750	9,834,156
4. NAIC 4 (a).....	21,805,627		4,069,058	(227,754)	23,964,492	21,805,627	17,508,815	13,931,323
5. NAIC 5 (a).....							0	
6. NAIC 6 (a).....							0	
7. Total Bonds.....	554,498,578	63,674,607	33,876,181	(1,406,783)	560,061,261	554,498,578	582,890,221	548,807,948
<b>PREFERRED STOCK</b>								
8. NAIC 1.....							0	
9. NAIC 2.....							0	
10. NAIC 3.....							0	
11. NAIC 4.....							0	
12. NAIC 5.....							0	
13. NAIC 6.....							0	
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock.....	554,498,578	63,674,607	33,876,181	(1,406,783)	560,061,261	554,498,578	582,890,221	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.....	27,398,375	290,091,051
3. Accrual of discount.....	1,326	7,805
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		
6. Deduct consideration received on disposals.....	39,100,000	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).....	12,899,306	24,599,605
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	12,899,306	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)
<b>Bonds - Industrial and Miscellaneous</b>											
151020	AQ	7		08/03/2015	Bank of America Corp.....			7,486,425	7,500,000		2FE.....
375558	BE	2		09/09/2015	JP Morgan Securities.....			3,499,615	3,500,000		1FE.....
46636A	AN	2		08/05/2015	Merrill Lynch.....			9,677,134	8,460,882	13,516	1FM.....
58772P	AB	4		07/15/2015	Mitsubishi Bank of Japan.....			9,999,825	10,000,000		1FE.....
65475W	AB	4		07/15/2015	Citicorp Securities Inc.....			9,999,251	10,000,000		1FE.....
655844	BJ	6		09/30/2015	Wells Fargo Bank.....			2,095,317	2,100,000	700	2FE.....
756109	AK	0		07/08/2015	Wells Fargo Bank.....			3,018,418	2,600,000	72,150	2FE.....
90290X	AB	3		07/21/2015	Royal Bank of Canada.....			4,999,814	5,000,000		1FE.....
3899999. Total Bonds - Industrial and Miscellaneous.....								50,775,799	49,160,882	86,366	XXX
8399997. Total Bonds - Part 3.....								50,775,799	49,160,882	86,366	XXX
8399999. Total Bonds.....								50,775,799	49,160,882	86,366	XXX
9999999. Total Bonds, Preferred and Common Stocks.....								50,775,799	XXX	86,366	XXX

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

QE04

**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)
<b>Bonds - U.S. Special Revenue and Special Assessment</b>																					
3137A1	NA 7 FHMS 2010-K008 X1 IO 1.647% 06/25/20		09/01/2015	Paydown				1,870			(1,870)		(1,870)					0	161	06/25/2020	1
3137AT	RX 2 FHMS 2012-K020 X1 IO 1.456% 05/25/22		09/01/2015	Paydown				4,935			(4,935)		(4,935)					0	297	05/25/2022	1
3137B2	HP 8 FHMS 2013-K028 X1 IO 0.367% 02/25/23		09/01/2015	Paydown				15,928			(15,928)		(15,928)					0	782	02/25/2023	1
3137BD	CX 2 FHMS 2014-K039 X1 0.765% 07/25/24		09/01/2015	Paydown				6,488			(6,488)		(6,488)					0	312	07/25/2024	1
3137BF	XU 0 FHMS 2015-K042 X1 IO 1.059% 12/25/24		09/01/2015	Paydown				14,684			(14,684)		(14,684)					0	1,117	12/25/2024	1
392274	VQ 6 GTR ORLANDO FL AVIATION AUTH A 5.000% 10/01/19		08/03/2015	Citicorp Securities Inc		3,248,190	3,000,000	3,350,670	3,243,743		(51,840)		(51,840)		3,191,903		56,287	56,287	127,083	10/01/2019	1FE
49130T	JL 1 KENTUCKY HSG CORP HSG REV 5.000% 01/01/27		09/01/2015	Call 100.0000		275,000	275,000	297,503	285,867		(10,867)		(10,867)		275,000			0	15,333	07/01/2019	1FE
60416Q	EQ 3 MINNESOTA ST HSG FIN AGY 4.000% 01/01/35		09/01/2015	Call 100.0000		490,000	490,000	523,908	510,740		(20,740)		(20,740)		490,000			0	21,183	01/01/2022	1FE
60637B	BD 1 MISSOURI ST HSG DEV COMMN 4.625% 05/01/28		09/01/2015	Call 100.0000		95,000	95,000	101,147	98,706		(3,706)		(3,706)		95,000			0	3,276	05/01/2021	1FE
647200	N5 9 NEW MEXICO MTG FIN AGY 5.000% 09/01/30		09/01/2015	Call 100.0000		170,000	170,000	183,768	178,023		(8,023)		(8,023)		170,000			0	7,938	03/01/2021	1FE
658909	FV 3 NORTH DAKOTA ST HSG FIN AGY 4.000% 07/01/34		07/01/2015	Call 100.0000		140,000	140,000	152,316	150,942		(10,942)		(10,942)		140,000			0	5,600	07/01/2024	1FE
70917S	RR 6 PENNSYLVANIA ST HGR EDUCNTL FA 5.000% 08/15/20		07/22/2015	Citicorp Securities Inc		1,163,350	1,000,000	1,170,180	1,170,180		(5,914)		(5,914)		1,164,266		(916)	(916)	9,444	08/15/2020	1FE
93978H	NR 2 WASHINGTON ST HLTH CARE FACS A 4.000% 08/15/22		09/30/2015	BB&T Capital Markets		2,161,812	1,930,000	2,171,192			(13,393)		(13,393)		2,157,799		4,014	4,014	33,453	08/15/2022	1FE
93978H	NU 5 WASHINGTON ST HLTH CARE FACS A 5.000% 08/15/25		09/30/2015	BB&T Capital Markets		7,064,109	5,850,000	7,069,550			(45,320)		(45,320)		7,024,229		39,880	39,880	126,750	08/15/2025	1FE
3199999. Total Bonds - U.S. Special Revenue and Special Assessment						14,807,461	12,950,000	15,064,139	4,468,021	0	(214,650)	0	(214,650)	0	14,708,197	0	99,265	99,265	352,729	XXX	XXX
<b>Bonds - Industrial and Miscellaneous</b>																					
03072S	TB 1 AMSI 2004-R7 A1 0.634% 08/25/34		09/25/2015	Paydown		944,856	944,856	918,872	929,894		14,961		14,961		944,856			0	3,945	08/25/2034	1FM
12642H	DE 8 CSMC 2009-9R 6A10 2.316% 10/26/36		09/01/2015	Paydown		1,904,098	1,904,098	1,920,650	1,923,253		(19,155)		(19,155)		1,904,098			0	29,263	10/26/2036	1FM
126673	Q8 8 CWL 2005-4 MV2 0.674% 10/25/35		09/25/2015	Paydown		1,597,825	1,597,825	1,520,530	1,573,997		23,827		23,827		1,597,825			0	7,076	10/25/2035	1FM
3137G0	AK 5 STACR 2014-DN1 M1 1.194% 02/25/24		09/25/2015	Paydown		533,846	533,846	534,021	536,135		(2,289)		(2,289)		533,846			0	4,239	02/25/2024	1FE
44921S	AE 2 HALST 2013-A A3 0.660% 06/15/16		07/15/2015	Paydown		931,980	931,980	930,998	931,828		152		152		931,980			0	3,588	06/15/2016	1FE
61763H	AG 6 MSRR 2014-R1 A 2.380% 08/26/36		09/01/2015	Paydown		556,500	556,500	566,934	568,146		(11,647)		(11,647)		556,500			0	8,538	08/26/2036	1FM
73328X	AC 3 PILOT 2013-1 A3 0.700% 08/22/16		09/22/2015	Paydown		7,042,610	7,042,610	7,048,937	7,047,024		(4,414)		(4,414)		7,042,610			0	32,494	08/22/2016	1FE
767754	CH 5 RITE AID CORP 6.125% 04/01/23		07/13/2015	Bank of America Corp		4,145,000	4,000,000	4,072,500			(3,442)		(3,442)		4,069,058		75,942	75,942	70,778	04/01/2023	4FE
84751P	JG 5 SURF 2005-AB3 A2C 0.554% 09/25/36		09/25/2015	Paydown		376,779	376,779	354,643	366,816		9,963		9,963		376,779			0	1,484	09/25/2036	1FM
98160L	AD 5 WOLS 2013-A A3 1.100% 12/15/16		09/15/2015	Paydown		1,210,432	1,210,432	1,210,239	1,210,349		82		82		1,210,432			0	9,807	12/15/2016	1FE
3899999. Total Bonds - Industrial and Miscellaneous						19,243,926	19,098,926	19,078,324	15,087,442	0	8,038	0	8,038	0	19,167,984	0	75,942	75,942	171,212	XXX	XXX
8399997. Total Bonds - Part 4						34,051,387	32,048,926	34,142,463	19,555,463	0	(206,612)	0	(206,612)	0	33,876,181	0	175,207	175,207	523,941	XXX	XXX
8399999. Total Bonds						34,051,387	32,048,926	34,142,463	19,555,463	0	(206,612)	0	(206,612)	0	33,876,181	0	175,207	175,207	523,941	XXX	XXX
9999999. Total Bonds, Preferred and Common Stocks						34,051,387	XXX	34,142,463	19,555,463	0	(206,612)	0	(206,612)	0	33,876,181	0	175,207	175,207	523,941	XXX	XXX

QE05

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

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

**Sch. DB-Pt 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**

**PROGRESSIVE PREFERRED INSURANCE COMPANY**

**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	
<b>Open Depositories</b>								
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
<b>Bonds - Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations</b>							
WALT DISNEY COMPANY .....		.....09/01/2015	.....0.080	.....10/06/2015	6,999,922		.467
CPPIB CAPITAL INC.....		.....09/29/2015	.....0.100	.....11/09/2015	5,399,415		.30
WAL-MART STORES INC.....		.....09/30/2015	.....0.080	.....10/29/2015	499,969		.1
3299999. Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations.....					12,899,306	.0	.498
3899999. Total - Industrial and Miscellaneous (Unaffiliated).....					12,899,306	.0	.498
<b>Total Bonds</b>							
7799999. Subtotals - Issuer Obligations.....					12,899,306	.0	.498
8399999. Subtotals - Bonds.....					12,899,306	.0	.498
8699999. Total - Cash Equivalents.....					12,899,306	.0	.498

QE13