



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2015
OF THE CONDITION AND AFFAIRS OF THE

Motorists Mutual Insurance Company

NAIC Group Code	0291 (Current)	0291 (Prior)	NAIC Company Code	14621	Employer's ID Number	31-4259550
Organized under the Laws of	Ohio			State of Domicile or Port of Entry		OH
Country of Domicile	United States of America					
Incorporated/Organized	11/08/1928			Commenced Business		11/27/1928
Statutory Home Office	471 East Broad Street (Street and Number)			Columbus , OH, US 43215 (City or Town, State, Country and Zip Code)		
Main Administrative Office	471 East Broad Street (Street and Number)			Columbus , OH, US 43215 (City or Town, State, Country and Zip Code)		
	Columbus , OH, US 43215 (City or Town, State, Country and Zip Code)			614-225-8211 (Area Code) (Telephone Number)		
Mail Address	471 East Broad Street (Street and Number or P.O. Box)			Columbus , OH, US 43215 (City or Town, State, Country and Zip Code)		
Primary Location of Books and Records	471 East Broad Street (Street and Number)			Columbus , OH, US 43215 (City or Town, State, Country and Zip Code)		
	Columbus , OH, US 43215 (City or Town, State, Country and Zip Code)			614-225-8211 (Area Code) (Telephone Number)		
Internet Website Address	MotoristsGroup.com					
Statutory Statement Contact	Joel B. Kratzer (Name)			614-225-8327 (Area Code) (Telephone Number)		
	Accounting@MotoristsGroup.com (E-mail Address)			614-225-8330 (FAX Number)		

OFFICERS

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

OTHER

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

DIRECTORS OR TRUSTEES

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

State of Ohio
County of Franklin SS:

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

David L. Kaufman Chief Executive Officer	Anne B. King Secretary	Susan E. Haack Treasurer
Subscribed and sworn to before me this 17th day of February, 2016		a. Is this an original filing? b. If no, 1. State the amendment number..... 2. Date filed 3. Number of pages attached.....
		Yes [X] No []

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	670,742,727		670,742,727	665,520,368
2. Stocks (Schedule D):				
2.1 Preferred stocks				
2.2 Common stocks	231,746,443	4,894,424	226,852,019	226,076,053
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$0 encumbrances)	26,714,225		26,714,225	26,396,930
4.2 Properties held for the production of income (less \$0 encumbrances)	649,647		649,647	667,836
4.3 Properties held for sale (less \$0 encumbrances)	453,106		453,106	1,616,789
5. Cash (\$(12,369,972) , Schedule E - Part 1), cash equivalents (\$0 , Schedule E - Part 2) and short-term investments (\$11,946,918 , Schedule DA)	(423,054)		(423,054)	(774,963)
6. Contract loans (including \$ premium notes)				
7. Derivatives (Schedule DB)				
8. Other invested assets (Schedule BA)	127,156,299	17,949,895	109,206,403	111,417,598
9. Receivable for securities	393,887		393,887	282
10. Securities lending reinvested collateral assets (Schedule DL)				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	1,057,433,280	22,844,319	1,034,588,961	1,030,920,892
13. Title plants less \$ charged off (for Title insurers only)				
14. Investment income due and accrued	6,894,522		6,894,522	6,544,491
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	39,416,556	2,780	39,413,776	30,120,137
15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including \$2,842,200 earned but unbilled premiums)	115,830,446	1,341,609	114,488,837	109,086,791
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$)				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	14,405,465		14,405,465	15,151,780
16.2 Funds held by or deposited with reinsured companies	83,849,584		83,849,584	88,738,713
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon	226,312		226,312	
18.2 Net deferred tax asset	51,672,276	574,750	51,097,526	47,031,674
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software	7,213,095	4,118,620	3,094,475	2,797,790
21. Furniture and equipment, including health care delivery assets (\$0)	3,925,788	3,925,788		
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	2,287,647		2,287,647	4,623,988
24. Health care (\$) and other amounts receivable				
25. Aggregate write-ins for other than invested assets	74,926,361	37,919,389	37,006,972	38,868,051
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	1,458,081,332	70,727,255	1,387,354,078	1,373,884,309
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	1,458,081,332	70,727,255	1,387,354,078	1,373,884,309
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)				
2501. ICOLI cash surrender value	34,044,229		34,044,229	35,424,984
2502. Pooled general expenses receivable	2,631,059		2,631,059	3,121,091
2503. Equities and deposits in pools and associations	331,683		331,683	321,976
2598. Summary of remaining write-ins for Line 25 from overflow page	37,919,389	37,919,389		
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	74,926,361	37,919,389	37,006,972	38,868,051

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	286,236,131	279,450,789
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	26,555,502	15,050,399
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	70,619,300	69,761,169
4. Commissions payable, contingent commissions and other similar charges	19,723,063	18,329,344
5. Other expenses (excluding taxes, licenses and fees)	5,829,043	5,698,333
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	5,472,240	5,352,283
7.1 Current federal and foreign income taxes (including \$(226,312) on realized capital gains (losses))	2,639,754	280,686
7.2 Net deferred tax liability		
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$104,797,173 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)	224,964,101	227,930,873
10. Advance premium	3,455,932	3,643,324
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders	3,679,842	4,469,352
12. Ceded reinsurance premiums payable (net of ceding commissions)	19,739,521	21,833,025
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)	63,061,256	62,445,690
14. Amounts withheld or retained by company for account of others	4,955,218	4,510,983
15. Remittances and items not allocated	1,329,058	1,032,696
16. Provision for reinsurance (including \$0 certified) (Schedule F, Part 8)	1,894	15,072
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates	5,131,189	1,603,248
20. Derivatives		
21. Payable for securities	326,813	537,660
22. Payable for securities lending		
23. Liability for amounts held under uninsured plans		
24. Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities	89,770,411	94,531,575
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	833,490,269	816,476,501
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	833,490,269	816,476,501
29. Aggregate write-ins for special surplus funds		
30. Common capital stock		
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds		
33. Surplus notes		
34. Gross paid in and contributed surplus		
35. Unassigned funds (surplus)	553,863,809	557,407,808
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		
36.2 shares preferred (value included in Line 31 \$)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	553,863,809	557,407,808
38. TOTALS (Page 2, Line 28, Col. 3)	1,387,354,078	1,373,884,309
DETAILS OF WRITE-INS		
2501. Retiree benefit obligations	81,490,801	86,938,101
2502. Pooled general expenses payable	3,889,878	5,775,203
2503. Miscellaneous liabilities	3,276,730	165,889
2598. Summary of remaining write-ins for Line 25 from overflow page	1,113,002	1,652,382
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	89,770,411	94,531,575
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)		
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. Totals (Lines 3201 thru 3203 plus 3298)(Line 32 above)		

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	494,447,438	489,588,580
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)	255,723,235	258,029,368
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	62,944,348	55,145,749
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	184,425,833	179,789,213
5. Aggregate write-ins for underwriting deductions		(617)
6. Total underwriting deductions (Lines 2 through 5)	503,093,415	492,963,714
7. Net income of protected cells		
8. Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7)	(8,645,977)	(3,375,134)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	31,011,584	27,099,291
10. Net realized capital gains or (losses) less capital gains tax of \$ 3,784,824 (Exhibit of Capital Gains (Losses))	(12,558,508)	13,440,495
11. Net investment gain (loss) (Lines 9 + 10)	18,453,076	40,539,785
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ 12,756 amount charged off \$ 85,068)	(72,312)	(563,183)
13. Finance and service charges not included in premiums	3,978,345	4,938,172
14. Aggregate write-ins for miscellaneous income	(1,446,111)	1,097,974
15. Total other income (Lines 12 through 14)	2,459,922	5,472,963
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	12,267,022	42,637,614
17. Dividends to policyholders	2,692,891	3,534,153
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)	9,574,131	39,103,462
19. Federal and foreign income taxes incurred	1,765,431	(1,331,930)
20. Net income (Line 18 minus Line 19)(to Line 22)	7,808,700	40,435,392
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	557,407,808	568,784,291
22. Net income (from Line 20)	7,808,700	40,435,392
23. Net transfers (to) from Protected Cell accounts		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ (2,415,696)	(1,070,632)	(4,463,956)
25. Change in net unrealized foreign exchange capital gain (loss)	(270,994)	(694,266)
26. Change in net deferred income tax	4,652,194	(8,694,388)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	(20,241,894)	(7,755,219)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	13,178	37,110
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. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)		
37. Aggregate write-ins for gains and losses in surplus	5,565,449	(30,241,156)
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	(3,543,999)	(11,376,483)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	553,863,809	557,407,808
DETAILS OF WRITE-INS		
0501. Change in premium deficiency reserve		(617)
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page		
0599. Totals (Lines 0501 thru 0503 plus 0598)(Line 5 above)		(617)
1401. Miscellaneous income or expense	204,166	(418,757)
1402. Gain / (loss) on equipment disposals	34,206	76,879
1403. Miscellaneous service fees	20,916	31,262
1498. Summary of remaining write-ins for Line 14 from overflow page	(1,705,399)	1,408,590
1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)	(1,446,111)	1,097,974
3701. Net change retiree benefit obligations	4,507,821	(30,241,156)
3702. Prior Period income/ (expense) adjustment	1,057,628	
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page		
3799. Totals (Lines 3701 thru 3703 plus 3798)(Line 37 above)	5,565,449	(30,241,156)

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	482,996,853	486,321,178
2. Net investment income	34,819,398	33,086,151
3. Miscellaneous income	2,459,922	5,472,963
4. Total (Lines 1 through 3)	520,276,174	524,880,292
5. Benefit and loss related payments	239,425,703	272,187,495
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	246,413,408	237,442,328
8. Dividends paid to policyholders	3,482,401	4,387,035
9. Federal and foreign income taxes paid (recovered) net of \$3,882,822 tax on capital gains (losses)	3,417,499	6,985,547
10. Total (Lines 5 through 9)	492,739,011	521,002,405
11. Net cash from operations (Line 4 minus Line 10)	27,537,163	3,877,886
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	139,173,272	129,435,779
12.2 Stocks	34,606,675	50,075,615
12.3 Mortgage loans		270,120
12.4 Real estate	1,616,789	560,152
12.5 Other invested assets	13,631,994	11,016,303
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds	(327,580)	335,527
12.8 Total investment proceeds (Lines 12.1 to 12.7)	188,701,151	191,693,495
13. Cost of investments acquired (long-term only):		
13.1 Bonds	145,195,971	124,766,263
13.2 Stocks	47,889,321	61,378,291
13.3 Mortgage loans		
13.4 Real estate	1,598,071	3,106,797
13.5 Other invested assets	36,810,203	12,253,148
13.6 Miscellaneous applications	210,847	(537,660)
13.7 Total investments acquired (Lines 13.1 to 13.6)	231,704,414	200,966,838
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(43,003,263)	(9,273,343)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	15,818,010	(8,221,678)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	15,818,010	(8,221,678)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	351,909	(13,617,135)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	(774,963)	12,842,172
19.2 End of period (Line 18 plus Line 19.1)	(423,054)	(774,963)

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

20.0001. Capital Assets given to directly owned subsidiary as a capital contribution	10,000,000	0
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ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business		1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire	6,094,351	3,386,773	3,156,471	6,324,653
2.	Allied lines	5,899,884	3,298,482	3,173,893	6,024,473
3.	Farmowners multiple peril	4,701,891	2,183,023	2,218,265	4,666,648
4.	Homeowners multiple peril	82,811,217	49,546,859	45,352,593	87,005,483
5.	Commercial multiple peril	52,954,066	27,456,061	28,398,574	52,011,553
6.	Mortgage guaranty				
8.	Ocean marine	188,848	103,712	99,426	193,134
9.	Inland marine	13,545,368	6,780,868	7,009,651	13,316,585
10.	Financial guaranty				
11.1	Medical professional liability - occurrence				
11.2	Medical professional liability - claims-made				
12.	Earthquake	1,279,767	692,625	691,347	1,281,045
13.	Group accident and health				
14.	Credit accident and health (group and individual)				
15.	Other accident and health	1,707	77		1,784
16.	Workers' compensation	37,105,376	17,207,558	15,883,832	38,429,102
17.1	Other liability - occurrence	56,965,260	24,270,120	27,571,456	53,663,924
17.2	Other liability - claims-made	331,780			331,780
17.3	Excess workers' compensation				
18.1	Products liability - occurrence	4,517,102	1,758,636	2,016,835	4,258,902
18.2	Products liability - claims-made				
19.1, 19.2	Private passenger auto liability	79,868,410	29,309,626	27,423,500	81,754,536
19.3, 19.4	Commercial auto liability	58,097,235	26,217,081	28,040,076	56,274,240
21.	Auto physical damage	79,959,421	34,320,354	32,471,582	81,808,193
22.	Aircraft (all perils)				
23.	Fidelity	720,584	324,190	345,399	699,376
24.	Surety	(2)	134	39	94
26.	Burglary and theft	658,435	303,020	307,988	653,467
27.	Boiler and machinery	710,109	439,164	449,312	699,961
28.	Credit				
29.	International				
30.	Warranty				
31.	Reinsurance - nonproportional assumed property	4,006,188	296,933	275,049	4,028,072
32.	Reinsurance - nonproportional assumed liability	1,063,669	35,577	78,815	1,020,431
33.	Reinsurance - nonproportional assumed financial lines				
34.	Aggregate write-ins for other lines of business				
35.	TOTALS	491,480,668	227,930,873	224,964,101	494,447,439
DETAILS OF WRITE-INS					
3401.	.....			
3402.	.....			
3403.	.....			
3498.	Summary of remaining write-ins for Line 34 from overflow page				
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)				

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business		1	2	3	4	5
		Amount Unearned (Running One Year or Less from Date of Policy) (a)	Amount Unearned (Running More Than One Year from Date of Policy) (a)	Earned But Unbilled Premium	Reserve for Rate Credits and Retrospective Adjustments Based on Experience	Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire	3,156,471				3,156,471
2.	Allied lines	3,173,893				3,173,893
3.	Farmowners multiple peril	2,218,265				2,218,265
4.	Homeowners multiple peril	45,352,593				45,352,593
5.	Commercial multiple peril	28,398,574				28,398,574
6.	Mortgage guaranty					
8.	Ocean marine	99,426				99,426
9.	Inland marine	7,009,651				7,009,651
10.	Financial guaranty					
11.1	Medical professional liability - occurrence					
11.2	Medical professional liability - claims-made					
12.	Earthquake	691,347				691,347
13.	Group accident and health					
14.	Credit accident and health (group and individual)					
15.	Other accident and health					
16.	Workers' compensation	15,883,832				15,883,832
17.1	Other liability - occurrence	27,571,456				27,571,456
17.2	Other liability - claims-made					
17.3	Excess workers' compensation					
18.1	Products liability - occurrence	2,016,835				2,016,835
18.2	Products liability - claims-made					
19.1, 19.2	Private passenger auto liability	27,423,500				27,423,500
19.3, 19.4	Commercial auto liability	28,040,076				28,040,076
21.	Auto physical damage	32,471,582				32,471,582
22.	Aircraft (all perils)					
23.	Fidelity	345,399				345,399
24.	Surety	39				39
26.	Burglary and theft	307,988				307,988
27.	Boiler and machinery	449,312				449,312
28.	Credit					
29.	International					
30.	Warranty					
31.	Reinsurance - nonproportional assumed property	275,049				275,049
32.	Reinsurance - nonproportional assumed liability	78,815				78,815
33.	Reinsurance - nonproportional assumed financial lines					
34.	Aggregate write-ins for other lines of business					
35.	TOTALS	224,964,101				224,964,101
36.	Accrued retrospective premiums based on experience					
37.	Earned but unbilled premiums					
38.	Balance (Sum of Line 35 through 37)					224,964,101
DETAILS OF WRITE-INS						
3401.	.....				
3402.	.....				
3403.	.....				
3498.	Summary of remaining write-ins for Line 34 from overflow page					
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)					

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

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN							
		1	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Cols. 1+2+3-4-5
			2	3	4	5	
Line of Business		Direct Business (a)	From Affiliates	From Non-Affiliates	To Affiliates	To Non-Affiliates	
1.	Fire	2,766,718	6,036,014	416,839	2,802,512	322,709	6,094,351
2.	Allied lines	3,171,485	5,514,317	270,998	2,713,085	343,830	5,899,884
3.	Farmowners multiple peril		6,295,570	679,530	2,162,183	111,026	4,701,891
4.	Homeowners multiple peril	77,343,462	46,739,109	3,382,854	38,081,071	6,573,137	82,811,217
5.	Commercial multiple peril	51,863,494	31,745,527	189,180	24,351,140	6,492,996	52,954,066
6.	Mortgage guaranty						
8.	Ocean marine	294,034			86,843	18,344	188,848
9.	Inland marine	13,531,365	7,822,521	255	6,228,892	1,579,880	13,545,368
10.	Financial guaranty						
11.1	Medical professional liability - occurrence						
11.2	Medical professional liability - claims-made						
12.	Earthquake	1,853,616	192,591	562	588,506	178,496	1,279,767
13.	Group accident and health						
14.	Credit accident and health (group and individual)						
15.	Other accident and health		2,539		785	47	1,707
16.	Workers' compensation	20,039,629	35,306,966	193,522	17,063,056	1,371,685	37,105,376
17.1	Other liability - occurrence	62,189,625	24,126,791	(194,996)	26,195,704	2,960,456	56,965,260
17.2	Other liability - claims-made			484,351	152,571		331,780
17.3	Excess workers' compensation						
18.1	Products liability - occurrence	3,933,121	2,778,577		2,077,207	117,388	4,517,102
18.2	Products liability - claims-made						
19.1, 19.2	Private passenger auto liability	72,619,111	32,807,448	13,055,532	36,727,809	1,885,872	79,868,410
19.3, 19.4	Commercial auto liability	52,756,358	33,379,033	92,167	26,716,247	1,414,076	58,097,235
21.	Auto physical damage	74,813,789	45,414,435	843	36,769,661	3,499,985	79,959,421
22.	Aircraft (all perils)						
23.	Fidelity	1,013,093	58,797		331,364	19,942	720,584
24.	Surety		0		(1)	2	(2)
26.	Burglary and theft	361,142	617,500	222	302,784	17,644	658,435
27.	Boiler and machinery	2,704,295	457,280		326,546	2,124,920	710,109
28.	Credit						
29.	International						
30.	Warranty						
31.	Reinsurance - nonproportional assumed property	XXX		5,848,449	1,842,262		4,006,188
32.	Reinsurance - nonproportional assumed liability	XXX		1,552,801	489,132		1,063,669
33.	Reinsurance - nonproportional assumed financial lines	XXX					
34.	Aggregate write-ins for other lines of business						
35.	TOTALS	441,254,336	279,295,014	25,973,109	226,009,358	29,032,434	491,480,668
DETAILS OF WRITE-INS							
3401.	.....					
3402.	.....					
3403.	.....					
3498.	Summary of remaining write-ins for Line 34 from overflow page						
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)						

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

If yes: 1. The amount of such installment premiums \$

 2. Amount at which such installment premiums would have been reported had they been reported on an annualized basis \$

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

		Losses Paid Less Salvage				5	6	7	8
		1	2	3	4				
Line of Business		Direct Business	Reinsurance Assumed	Reinsurance Recovered	Net Payments (Cols. 1 + 2 -3)	Net Losses Unpaid Current Year (Part 2A , Col. 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Cols. 4 + 5 - 6)	Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
1.	Fire	702,266	4,789,620	1,729,944	3,761,942	830,449	765,731	3,826,660	60.5
2.	Allied lines	652,831	3,482,927	1,302,792	2,832,965	169,673	409,301	2,593,337	43.0
3.	Farmowners multiple peril		3,166,750	997,526	2,169,224	159,966	772,106	1,557,084	33.4
4.	Homeowners multiple peril	35,313,123	27,595,137	19,887,866	43,020,394	12,373,175	11,664,016	43,729,553	50.3
5.	Commercial multiple peril	28,427,193	18,010,956	17,189,160	29,248,989	19,183,300	17,086,549	31,345,740	60.3
6.	Mortgage guaranty								
8.	Ocean marine	102,547		32,302	70,244	9,587	5,569	74,262	38.5
9.	Inland marine	2,996,938	2,505,479	1,738,966	3,763,451	502,107	614,554	3,651,003	27.4
10.	Financial guaranty								
11.1	Medical professional liability - occurrence								
11.2	Medical professional liability - claims-made								
12.	Earthquake								
13.	Group accident and health					0	0		
14.	Credit accident and health (group and individual)								
15.	Other accident and health		1,849	582	1,266	342	(497)	2,105	118.0
16.	Workers' compensation	9,133,406	20,184,275	9,640,738	19,676,943	64,277,643	68,246,254	15,708,332	40.9
17.1	Other liability - occurrence	14,958,960	6,206,499	8,692,599	12,472,860	50,631,552	47,626,509	15,477,904	28.8
17.2	Other liability - claims-made		84,983	26,770	58,213			58,213	17.5
17.3	Excess workers' compensation								
18.1	Products liability - occurrence	1,401,463	506,845	1,050,077	858,232	5,441,241	6,157,566	141,906	3.3
18.2	Products liability - claims-made								
19.1, 19.2	Private passenger auto liability	48,269,003	28,149,778	25,625,626	50,793,155	55,052,839	56,857,710	48,988,285	59.9
19.3, 19.4	Commercial auto liability	22,953,651	18,440,709	13,048,234	28,346,126	54,675,931	47,527,108	35,494,949	63.1
21.	Auto physical damage	44,761,237	26,514,235	22,534,764	48,740,708	3,211,062	685,258	51,266,511	62.7
22.	Aircraft (all perils)								
23.	Fidelity	169,151	(2,460)	52,508	114,183	154,126	38,360	229,948	32.9
24.	Surety		1,300	410	891	86,264	34,879	52,276	55,618.4
26.	Burglary and theft	51,126	250,346	94,964	206,508	68,845	101,124	174,228	26.7
27.	Boiler and machinery	817,075	(38,560)	818,739	(40,223)	78,615	61,404	(23,011)	(3.3)
28.	Credit								
29.	International								
30.	Warranty								
31.	Reinsurance - nonproportional assumed property	XXX	2,334,722	735,437	1,599,285	4,601,029	4,670,307	1,530,007	38.0
32.	Reinsurance - nonproportional assumed liability	XXX	1,813,923	571,386	1,242,537	14,728,387	16,126,982	(156,057)	(15.3)
33.	Reinsurance - nonproportional assumed financial lines	XXX							
34.	Aggregate write-ins for other lines of business								
35.	TOTALS	210,709,969	163,999,314	125,771,389	248,937,893	286,236,131	279,450,789	255,723,235	51.7
DETAILS OF WRITE-INS									
3401.	.....							
3402.	.....							
3403.	.....							
3498.	Summary of remaining write-ins for Line 34 from overflow page								
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)								

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business		Reported Losses				Incurred But Not Reported			8	9
		1	2	3	4	5	6	7		
		Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable	Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1.	Fire	29,519	985,948	414,404	601,063	33,000	309,865	113,479	830,449	34,287
2.	Allied lines	31,509	523,669	438,964	116,214	72,000	80,630	99,171	169,673	29,013
3.	Farmowners multiple peril		288,750	128,423	160,327		200,922	201,284	159,966	(1,912)
4.	Homeowners multiple peril	8,682,442	7,708,243	7,315,702	9,074,983	3,596,212	2,301,078	2,599,098	12,373,175	2,016,572
5.	Commercial multiple peril	21,137,862	5,965,469	17,086,697	10,016,634	1,642,562	11,886,432	4,362,328	19,183,300	3,465,968
6.	Mortgage guaranty									
8.	Ocean marine	12,500	1,496	4,409	9,587				9,587	1,537
9.	Inland marine	344,387	232,217	207,388	369,215	67,000	127,002	61,111	502,107	84,789
10.	Financial guaranty									
11.1	Medical professional liability - occurrence									
11.2	Medical professional liability - claims-made									
12.	Earthquake									
13.	Group accident and health		0		0				(a) 0	
14.	Credit accident and health (group and individual)									
15.	Other accident and health			3,038	(3,038)		5,000	1,621	(a) 342	
16.	Workers' compensation	16,701,976	39,979,639	20,993,345	35,688,270	15,616,936	27,068,740	14,096,304	64,277,643	10,142,120
17.1	Other liability - occurrence	28,433,000	12,304,932	14,191,942	26,545,990	24,940,729	10,486,676	11,341,843	50,631,552	26,823,312
17.2	Other liability - claims-made									
17.3	Excess workers' compensation									
18.1	Products liability - occurrence	1,595,330	1,672,999	1,029,524	2,238,806	1,600,327	3,091,760	1,489,652	5,441,241	5,719,235
18.2	Products liability - claims-made									
19.1, 19.2	Private passenger auto liability	40,350,780	23,504,805	25,272,880	38,582,705	15,716,273	8,928,880	8,175,018	55,052,839	10,298,114
19.3, 19.4	Commercial auto liability	27,939,085	23,145,929	17,054,570	34,030,444	16,280,005	15,113,379	10,747,897	54,675,931	12,700,147
21.	Auto physical damage	3,669,723	1,930,581	3,133,131	2,467,173	1,012,000	252,273	520,384	3,211,062	(1,074,512)
22.	Aircraft (all perils)									
23.	Fidelity	217,001		68,355	148,646	8,000		2,520	154,126	15,909
24.	Surety		125,000	39,375	85,625		1,000	361	86,264	41,630
26.	Burglary and theft	10,000	25,000	11,025	23,975	3,000	62,503	20,633	68,845	13,131
27.	Boiler and machinery	74,267	40,500	36,152	78,615				78,615	9,600
28.	Credit									
29.	International									
30.	Warranty									
31.	Reinsurance - nonproportional assumed property	XXX	3,380,144	1,064,745	2,315,399	XXX	3,336,686	1,051,056	4,601,029	85,441
32.	Reinsurance - nonproportional assumed liability	XXX	5,910,008	1,861,653	4,048,355	XXX	15,591,286	4,911,255	14,728,387	214,919
33.	Reinsurance - nonproportional assumed financial lines	XXX				XXX				
34.	Aggregate write-ins for other lines of business									
35.	TOTALS	149,229,382	127,725,329	110,355,721	166,598,990	80,588,044	98,844,113	59,795,015	286,236,131	70,619,300
DETAILS OF WRITE-INS										
3401.	.....								
3402.	.....								
3403.	.....								
3498.	Summary of remaining write-ins for Line 34 from overflow page									
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)									

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

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct	13,098,335			13,098,335
1.2 Reinsurance assumed	13,199,111			13,199,111
1.3 Reinsurance ceded	8,560,276			8,560,276
1.4 Net claim adjustment service (1.1 + 1.2 - 1.3)	17,737,169			17,737,169
2. Commission and brokerage:				
2.1 Direct excluding contingent		68,696,546		68,696,546
2.2 Reinsurance assumed, excluding contingent		49,261,799		49,261,799
2.3 Reinsurance ceded, excluding contingent		37,201,263		37,201,263
2.4 Contingent - direct		10,287,219		10,287,219
2.5 Contingent - reinsurance assumed		8,489,267		8,489,267
2.6 Contingent - reinsurance ceded		5,914,593		5,914,593
2.7 Policy and membership fees				
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)		93,618,975		93,618,975
3. Allowances to managers and agents		1,268		1,268
4. Advertising		2,450,820		2,450,820
5. Boards, bureaus and associations	196,678	2,874,249		3,070,928
6. Surveys and underwriting reports		5,926,296		5,926,296
7. Audit of assureds' records		58,613		58,613
8. Salary and related items:				
8.1 Salaries	19,931,764	31,366,034	306,154	51,603,952
8.2 Payroll taxes	1,519,928	2,379,999	22,140	3,922,067
9. Employee relations and welfare	7,451,570	11,288,694	183,311	18,923,575
10. Insurance	160,095	289,609	2,098	451,802
11. Directors' fees	310,838	608,985	6,106	925,929
12. Travel and travel items	1,483,109	2,354,977	13,671	3,851,757
13. Rent and rent items	2,636,845	3,365,135	35,552	6,037,532
14. Equipment	2,847,799	5,855,153	154,877	8,857,830
15. Cost or depreciation of EDP equipment and software	1,183,205	1,844,615	30,445	3,058,264
16. Printing and stationery	199,015	401,659	7,515	608,189
17. Postage, telephone and telegraph, exchange and express	1,148,428	3,197,353	15,639	4,361,419
18. Legal and auditing	138,860	362,192	1,095,592	1,596,644
19. Totals (Lines 3 to 18)	39,208,136	74,625,649	1,873,099	115,706,885
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$(2,935)		10,857,541		10,857,541
20.2 Insurance department licenses and fees		583,561		583,561
20.3 Gross guaranty association assessments		82,143		82,143
20.4 All other (excluding federal and foreign income and real estate)		333,287		333,287
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)		11,856,531		11,856,531
21. Real estate expenses			6,264,969	6,264,969
22. Real estate taxes			723,463	723,463
23. Reimbursements by uninsured plans				
24. Aggregate write-ins for miscellaneous expenses	5,999,043	4,324,678	60,377	10,384,098
25. Total expenses incurred	62,944,348	184,425,834	8,921,909 (a)	256,292,091
26. Less unpaid expenses - current year	70,619,300	29,600,679	1,423,668	101,643,647
27. Add unpaid expenses - prior year	69,761,169	28,006,708	1,373,252	99,141,129
28. Amounts receivable relating to uninsured plans, prior year				
29. Amounts receivable relating to uninsured plans, current year				
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	62,086,217	182,831,864	8,871,493	253,789,574
DETAILS OF WRITE-INS				
2401. Other unallocated expenses	4,050,594			4,050,594
2402. Consulting fees	1,166,289	2,205,228	27,001	3,398,517
2403. Data services	493,083	484,570	15,991	993,644
2498. Summary of remaining write-ins for Line 24 from overflow page	289,077	1,634,880	17,386	1,941,343
2499. Totals (Lines 2401 thru 2403 plus 2498)(Line 24 above)	5,999,043	4,324,678	60,377	10,384,098

(a) Includes management fees of \$0 to affiliates and \$0 to non-affiliates.

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a) .....2,782,868	.....2,683,924
1.1	Bonds exempt from U.S. tax	(a) .....6,487,730	.....6,915,186
1.2	Other bonds (unaffiliated)	(a) .....12,482,992	.....12,427,257
1.3	Bonds of affiliates	(a) .....	.....
2.1	Preferred stocks (unaffiliated)	(b) .....	.....
2.11	Preferred stocks of affiliates	(b) .....	.....
2.2	Common stocks (unaffiliated) .....	.....4,266,841	.....4,422,348
2.21	Common stocks of affiliates .....	.....1,281,951	.....1,172,729
3.	Mortgage loans	(c) .....	.....
4.	Real estate	(d) .....7,794,232	.....7,794,232
5	Contract loans .....	.....	.....
6	Cash, cash equivalents and short-term investments	(e) .....30,287	.....32,086
7	Derivative instruments	(f) .....	.....
8.	Other invested assets .....	.....5,293,141	.....5,293,141
9.	Aggregate write-ins for investment income .....	.....39,803	.....38,450
10.	Total gross investment income	40,459,845	40,779,352
11.	Investment expenses		(g) .....8,198,446
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g) .....723,463
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i) .....845,859
15.	Aggregate write-ins for deductions from investment income .....		.....
16.	Total deductions (Lines 11 through 15) .....		.....9,767,768
17.	Net investment income (Line 10 minus Line 16)		31,011,584
DETAILS OF WRITE-INS			
0901.	Security lending income .....	.....9,543	.....8,190
0902.	Prior year income .....	.....30,242	.....30,242
0903.	Miscellaneous income .....	.....17	.....17
0998.	Summary of remaining write-ins for Line 9 from overflow page .....		.....
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	39,803	38,450
1501.	.....	
1502.	.....	
1503.	.....	
1598.	Summary of remaining write-ins for Line 15 from overflow page .....		.....
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		

- (a) Includes \$1,251,330 accrual of discount less \$4,512,899 amortization of premium and less \$508,509 paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
- (c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (d) Includes \$5,979,738 for company's occupancy of its own buildings; and excludes \$0 interest on encumbrances.
- (e) Includes \$0 accrual of discount less \$0 amortization of premium and less \$0 paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$0 investment expenses and \$0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$845,859 depreciation on real estate and \$0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds .....	.....1,530,637		.....1,530,637	.....(1,536,842)	.....
1.1	Bonds exempt from U.S. tax .....	.....439,621		.....439,621		.....
1.2	Other bonds (unaffiliated) .....	.....1,934,684		.....1,934,684	.....93,131	.....
1.3	Bonds of affiliates .....					.....
2.1	Preferred stocks (unaffiliated) .....					.....
2.11	Preferred stocks of affiliates .....					.....
2.2	Common stocks (unaffiliated) .....	.....6,418,301	.....(357,015)	.....6,061,286	.....(10,213,255)	.....
2.21	Common stocks of affiliates .....				.....(3,466,781)	.....
3.	Mortgage loans .....					.....
4.	Real estate .....					.....
5.	Contract loans .....					.....
6.	Cash, cash equivalents and short-term investments .....					.....
7.	Derivative instruments .....					.....
8.	Other invested assets .....	.....(474,044)	.....(18,331,892)	.....(18,805,935)	.....11,637,422	.....(270,994)
9.	Aggregate write-ins for capital gains (losses) .....	.....66,025		.....66,025		
10.	Total capital gains (losses)	9,915,224	(18,688,907)	(8,773,683)	(3,486,326)	(270,994)
DETAILS OF WRITE-INS						
0901.	Litigation proceeds .....	.....1,452		.....1,452		
0902.	Prior year gains .....	.....64,573		.....64,573		
0903.	.....				
0998.	Summary of remaining write-ins for Line 9 from overflow page					
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	66,025		66,025		

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

EXHIBIT OF NON-ADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks	4,894,424	6,495	(4,887,928)
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			
3.2 Other than first liens.....			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income.....			
4.3 Properties held for sale			
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)			
6. Contract loans			
7. Derivatives (Schedule DB)			
8. Other invested assets (Schedule BA)	17,949,895		(17,949,895)
9. Receivables for securities			
10. Securities lending reinvested collateral assets (Schedule DL)			
11. Aggregate write-ins for invested assets			
12. Subtotals, cash and invested assets (Lines 1 to 11)	22,844,319	6,495	(22,837,824)
13. Title plants (for Title insurers only)			
14. Investment income due and accrued			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	2,780	14,075	11,295
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due	1,341,609	1,581,565	239,956
15.3 Accrued retrospective premiums and contracts subject to redetermination			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			
16.2 Funds held by or deposited with reinsured companies			
16.3 Other amounts receivable under reinsurance contracts			
17. Amounts receivable relating to uninsured plans			
18.1 Current federal and foreign income tax recoverable and interest thereon			
18.2 Net deferred tax asset	574,750		(574,750)
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software	4,118,620	5,644,456	1,525,836
21. Furniture and equipment, including health care delivery assets	3,925,788	3,569,242	(356,547)
22. Net adjustment in assets and liabilities due to foreign exchange rates			
23. Receivables from parent, subsidiaries and affiliates			
24. Health care and other amounts receivable			
25. Aggregate write-ins for other than invested assets	37,919,389	39,669,528	1,750,139
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	70,727,255	50,485,360	(20,241,894)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Lines 26 and 27)	70,727,255	50,485,360	(20,241,894)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page			
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)			
2501. Prepaid pension	32,992,176	35,364,313	2,372,137
2502. Automobiles	2,590,235	2,726,786	136,552
2503. Prepaid post retirement health care	984,939	390,244	(594,696)
2598. Summary of remaining write-ins for Line 25 from overflow page	1,352,039	1,188,184	(163,854)
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	37,919,389	39,669,528	1,750,139

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

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

<u>Net Income</u>	<u>State of Domicile</u>	<u>2015</u>	<u>2014</u>
(1) Motorists Mutual Insurance Company state basis	OH	7,808,699	40,435,392
(2) State Prescribed Practices that increase/(decrease) NAIC SAP	OH	-	-
(3) State Permitted Practices that increase/(decrease) NAIC SAP	OH	-	-
(4) NAIC SAP	OH	7,808,699	40,435,392
<u>Surplus</u>			
(5) Motorists Mutual Insurance Company state basis	OH	553,863,809	557,407,808
(6) State Prescribed Practices that increase/(decrease) NAIC SAP	OH	-	-
(7) State Permitted Practices that increase/(decrease) NAIC SAP	OH	-	-
(8) NAIC SAP	OH	553,863,809	557,407,808

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

The preparation of financial statements in conformity with Statutory Accounting Principles as described in the *NAIC Annual Statement Instructions* and the *Accounting Practices and Procedures Manual* requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of the premiums written. Such reserves are computed using the daily method for direct business and are based on reports received from ceding companies and/or pools for assumed business.

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

In addition, the company uses the following accounting policies:

- 1) Short-term investments are stated at amortized cost.
- 2) Bonds not backed by other loans are stated at amortized cost using the scientific amortization method.
- 3) Common stocks are valued at market. However, investments in stocks of uncombined subsidiaries and affiliates in which the company has an interest of 20% or more are valued using the equity basis.
- 4) Preferred stocks are stated in accordance with the guidance provided in SSAP No. 32: Investments in Preferred Stock.
- 5) The company did not have any mortgage loans.
- 6) Loan-backed securities are stated in accordance with the guidance provided in SSAP No. 43R: Loan-backed and Structured Securities. The retrospective adjustment method is used to value these securities.
- 7) The company owns 70% of the common stock of Motorists Life Insurance Company, a life insurer; 100% of the common stock of MICO Insurance Company, a property/casualty insurer; 100% of the common stock of Motorists Service Corporation, a software services and staffing company; and 100% of Consumers Insurance Group, Inc., the holding company parent of Consumers Insurance USA, Inc., a property/casualty insurer. Motorists Life Insurance Company and MICO Insurance Company are valued on an equity basis as described in Part 5, Section 2ciB1 of the *Securities Valuation Handbook*. Motorists Service Corporation and Consumers Insurance Group, Inc. are valued on an equity basis as described in Part 5, Section 2ciB2 of the *Securities Valuation Handbook*.
- 8) The company has investments in limited partnerships and limited liability companies. In accordance with SSAP No. 48: Joint Ventures, Partnerships and Limited Liability Companies, the investments are recorded using the equity method of accounting based on the underlying audited U.S. GAAP equity values of the holdings. The company also has partnership investments in low income housing tax credit properties. In accordance with SSAP No. 93: Accounting for Low Income Housing Tax Credit Property Investments, the investments are reported at amortized cost.
- 9) The company does not hold any derivative securities.
- 10) The company anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53: Property/Casualty Contracts – Premiums.
- 11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount based on past experience for losses incurred but not reported (IBNR). Such liabilities are necessarily based on assumptions and estimates. While management believes the amounts are adequate, the ultimate liabilities may be in excess of or less than the amounts provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.
- 12) The company modified its capitalization policy to include internal effort costs for two select categories; Computer Software Developed or Modified for Internal Use and Website Development.
- 13) The company does not have any pharmaceutical rebate receivables to report.

2. Accounting Changes and Corrections of Errors

In 2015, Wilson Mutual Insurance Company, an intercompany reinsurance pool participant, became aware of unrecorded liability of \$602,782 related to its involuntary participation in the Wisconsin Insurance Plan for calendar years 2010 through 2013. The recognition of this omission is reflected as a prior period adjustment in the aggregate write-in for gains and losses in surplus (Page 4, column 1, line 37). Motorists Mutual's pool share of this adjustment is a loss of \$395,238.

In 2015, the company also corrected its accounting for several prior year cash distributions received from Park Street Capital Private Equity Fund VIII, LP. The correction involved earnings totaling \$1,452,866 distributed during calendar years 2010 through 2014 which were inadvertently recorded as principal returns. This correction is reflected as a prior period adjustment in the aggregate write-in for gains and losses in surplus (Page 4, column 1, line 37).

3. Business Combinations and Goodwill

A. Statutory Purchase Method

- 1) On August 31, 2014, Motorists Mutual Insurance Company purchased a 100% interest in Consumers Insurance Group, Inc. and its wholly-owned subsidiary, Consumers Insurance USA, Inc. Consumers Insurance USA is a Tennessee stock property/casualty insurer.
- 2) The transaction was accounted for as a statutory purchase.
- 3) The cost was \$32,371,923, resulting in goodwill in the amount of \$17,174,689.
- 4) Goodwill amortization relating to the purchase totaled \$1,717,469 for the year ended December 31, 2015.

B. Information concerning statutory mergers is not applicable.

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

4. Discontinued Operations

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

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

5. Investments

- A. The company did not have any mezzanine real estate loans during the periods reported. As of December 31, 2015, the company did not have any residential mortgage loans.
- B. The company was not involved in any debt restructuring during the periods reported.
- C. The company did not have any reverse mortgages during the periods reported.
- D. Loan-Backed Securities
- 1) Prepayment assumptions for mortgage-backed/loan-backed and structured securities were obtained from market data vendors or broker dealer values.
- 2) The company did not hold any loan-backed securities with other-than-temporary recognized losses.
- 3) The company did not hold any loan-backed securities with current year other-than-temporary recognized losses.
- 4) The financial impact of the company's impaired securities (fair value is less than cost or amortized cost) for which other-than-temporary impairments have not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains) is listed below:
- a. The aggregate amount of unrealized losses:
- | | | |
|----|---------------------|---------|
| 1. | Less than 12 months | 503,937 |
| 2. | 12 months or longer | 880,430 |
- b. The aggregate related fair value of securities with unrealized losses:
- | | | |
|----|---------------------|------------|
| 1. | Less than 12 months | 42,059,256 |
| 2. | 12 months or longer | 31,370,527 |
- 5) The company performed an analysis of loan-backed securities and determined that exposure to credit risk was not a factor and did not warrant any other-than-temporary impairments.
- E. The company did not have any repurchase agreements or relevant securities lending transactions during the periods reported.
- F. Real Estate
- 1) The company did not recognize any impairment losses for investments in real estate during the periods reported.
- 2) The company purchased and sold three residential homes in conjunction with associate employment contracts. Proceeds from the sales were equal to the costs of the investment. Thus, gains or losses were not recorded. At December 31, 2015, the company owned three residential properties that were purchased in 2015 in conjunction with associate employment contracts. The properties are actively marketed for sale by a real estate broker, and are valued net of anticipated disposal costs at year end.
- 3) The company did not experience any changes to its plans of sale for its real estate investments during the periods reported.
- 4) The company did not engage in retail land sales operations during the periods reported.
- 5) The company did not hold any real estate investments with participating mortgage loan features during the period reported.
- G. The company invested in a low income housing tax credit (LIHTC) fund during 2015.
- 1) As of December 31, 2015, the company's LIHTC investments had 3 years of unexpired tax credits remaining. There is not a required holding period for the LIHTC investments.
- 2) As of the date of this publication, there were not any underlying properties in the LIHTC funds known to be under regulatory review.
- 3) In aggregate, the company's LIHTC investments did not exceed 10% of total admitted assets during 2015.
- 4) The company did not recognize any impairment losses on LIHTC investments during 2015.
- 5) The company did not make any write-downs or reclassifications due to forfeitures, ineligibility of low income housing tax credits, or other reasons during 2015.
- H. Restricted Assets
- 1) The company held restricted assets as listed below:

Restricted Asset Category	Gross Restricted							Percentage		
	Current Year					6	7	8	9	10
	1	2	3	4	5					
	Total General Account (G/A)	Supporting Protected Cell Account Activity (a)	Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (Col 1+3)	Total From Prior Year	Increase / (Decrease) (Col 5-6)	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Restricted to Total Admitted Assets
a. Subject to contractual obligation for which liability is not shown	-	-	-	-	-	-	-	-	-	-
b. Collateral held under security lending agreements	-	-	-	-	-	-	-	-	-	-
c. Subject to repurchase agreements	-	-	-	-	-	-	-	-	-	-
d. Subject to reverse repurchase agreements	-	-	-	-	-	-	-	-	-	-
e. Subject to dollar repurchase agreements	-	-	-	-	-	-	-	-	-	-
f. Subject to dollar reverse repurchase agreements	-	-	-	-	-	-	-	-	-	-
g. Placed under option contracts	-	-	-	-	-	-	-	-	-	-
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	-	-	-	-	-	-	-	-	-	-
i. FHLB capital stock	2,039,300				2,039,300	2,039,300	-	2,039,300	0.14%	0.15%
j. On deposit with states	1,787,628				1,787,628	1,778,221	9,407	1,787,628	0.12%	0.13%
k. On deposit with other regulatory bodies	-	-	-	-	-	-	-	-	-	-
l. Pledged as collateral to FHLB (including assets backing funding agreement(s))										
m. Pledged as collateral not captured in other categories	33,274,289	-	-	-	33,274,289	25,070,253	8,204,036	33,274,289	2.28%	2.40%
n. Other restricted assets	-	-	-	-	-	-	-	-	-	-
o. Total Restricted Assets	37,101,216	-	-	-	37,101,216	28,887,774	8,213,442	37,101,216	2.55%	2.67%

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

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

The company has assets held as collateral in a trust to cover net receivables/recoverables from Consumers Insurance USA, Inc.

Description of Asset	Gross Restricted							Percentage	
	Current Year					6	7	8	9
	1	2	3	4	5				
	Total General Account (G/A)	Supporting Protected Cell Account Activity (a)	Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (Col 1+3)	Total From Prior Year	Increase / (Decrease) (Col 5-6)	Total Current Year Admitted Restricted	Gross Restricted to Total Assets
U S Treasury Notes #912810FH6	1,862,602	-	-	-	1,862,602	-	1,862,602	1,862,602	0.13%
U S Treasury Notes #912810FR4	1,625,045	-	-	-	1,625,045	1,707,500	(82,454)	1,625,045	0.11%
U S Treasury Notes #912810PZ5	3,950,995	-	-	-	3,950,995	3,945,979	5,017	3,950,995	0.27%
U S Treasury Notes #912810QV3	1,458,391	-	-	-	1,458,391	-	1,458,391	1,458,391	0.10%
U S Treasury Notes #912810RF7	1,617,455	-	-	-	1,617,455	-	1,617,455	1,617,455	0.11%
U S Treasury Notes #912828ET3	-	-	-	-	-	6,097,243	(6,097,243)	-	0.00%
U S Treasury Notes #912828GD6	3,745,339	-	-	-	3,745,339	3,643,215	102,125	3,745,339	0.26%
U S Treasury Notes #912828H45	1,014,055	-	-	-	1,014,055	-	1,014,055	1,014,055	0.07%
U S Treasury Notes #912828JE1	3,581,323	-	-	-	3,581,323	3,537,026	44,297	3,581,323	0.25%
U S Treasury Notes #912828MY3	-	-	-	-	-	6,139,291	(6,139,291)	-	0.00%
U S Treasury Notes #912828PP9	3,843,781	-	-	-	3,843,781	-	3,843,781	3,843,781	0.26%
U S Treasury Notes #912828UH1	2,343,437	-	-	-	2,343,437	-	2,343,437	2,343,437	0.16%
Total Capital International SA #89153VAL3	4,969,150	-	-	-	4,969,150	-	4,969,150	4,969,150	0.34%
U S Treasury Notes #912828M72	249,548	-	-	-	249,548	-	249,548	249,548	0.02%
Wal-Mart Stores, Inc. #931142DD2	3,013,168	-	-	-	3,013,168	-	3,013,168	3,013,168	0.21%
Total	33,274,289	-	-	-	33,274,289	25,070,253	8,204,036	33,274,289	2.28%

- 3) The company did not have any other restricted assets.
- I. The company was not involved in any Working Capital Finance Investments during the periods reported.
- J. As of December 31, 2015, the company was not involved in any Offsetting and Netting of Assets and Liabilities during the periods reported.
- K. The company held Structured Notes as listed below:

CUSIP Identification	Actual Cost	Fair Value	Book/Adjusted Carrying Value	Mortgage-Referenced Security (YES/NO)
12648NAA0	750,000	745,118	750,000	YES
161542DQ5	41,441	128,400	42,382	YES
3137B9BZ7	346,295	345,907	346,295	YES
31385XNF0	327,919	342,003	327,294	YES
31390UMU7	182,018	193,027	181,853	YES
31402HZ20	191,175	195,570	189,572	YES
31403DYB9	556,176	568,434	550,014	YES
31405QAX6	240,799	252,042	239,749	YES
31414RPK5	278,644	289,109	278,447	YES
38376GDN7	1,515,501	1,507,984	1,545,189	YES
452570AE4	1,132,662	1,045,005	1,134,110	YES
52108RAE2	4,575,066	4,580,824	4,542,641	YES
71713UAW2	5,659,065	5,761,980	5,258,720	NO
912810FD5	1,851,417	1,672,421	1,783,664	NO
912810FH6	1,963,693	1,965,451	1,862,602	NO
912810FQ6	715,457	821,273	747,743	NO
912810FR4	3,387,628	3,514,414	3,467,379	NO
912810FS2	2,324,724	2,194,095	2,283,178	NO
912810PS1	1,542,049	1,531,110	1,541,774	NO
912810PV4	1,878,373	1,649,861	1,841,223	NO
912810PZ5	3,766,635	4,376,702	3,994,236	NO
912810QF8	932,328	937,999	938,031	NO
912810QP6	1,224,332	1,221,633	1,230,908	NO
912810QV3	1,407,688	1,479,540	1,458,391	NO
912810RA8	1,182,165	1,155,577	1,201,433	NO
912810RF7	2,102,895	1,901,437	2,104,209	NO
912810RL4	2,070,421	1,946,050	2,079,096	NO
912828B25	3,826,961	3,779,140	3,837,395	NO
912828C99	4,194,571	4,137,194	4,211,380	NO
912828GD6	5,522,374	5,559,196	5,694,122	NO
912828GX2	1,225,191	1,198,602	1,224,368	NO
912828H45	3,532,315	3,450,493	3,529,054	NO
912828HN3	1,539,275	1,463,529	1,497,281	NO
912828JE1	3,393,510	3,539,873	3,581,323	NO
912828JX9	921,514	879,181	894,529	NO
912828K33	2,693,978	2,657,104	2,698,613	NO
912828LA6	2,689,956	2,577,283	2,640,509	NO
912828MF4	2,094,750	1,943,618	2,047,991	NO
912828NM8	2,933,856	2,846,630	2,918,479	NO
912828PP9	3,848,324	3,699,005	3,843,781	NO
912828QV5	3,590,713	3,558,345	3,679,916	NO
912828SA9	2,687,804	2,596,707	2,738,321	NO
912828SQ4	794,531	783,807	799,940	NO
912828TE0	5,116,384	4,803,550	5,172,352	NO
912828UH1	3,968,605	3,951,787	4,075,543	NO
912828UX6	3,162,653	3,123,176	3,141,135	NO
912828VM9	3,664,984	3,744,043	3,697,763	NO
912828WU0	3,632,190	3,519,869	3,635,169	NO
912828XL9	1,327,088	1,301,175	1,326,616	NO
92977QAD0	4,160,484	4,174,351	4,168,761	YES
Total	112,668,578	111,610,625	112,974,474	XXX

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. The company did not have any investments in joint ventures, partnerships, or limited liability companies that exceeded 10% of admitted assets during the periods reported.
- B. The company recognized an other-than-temporary impairment write-down on the following LLC investment. The fair value was obtained from statements and performance disclosures provided by the investment manager.

	Impairment	Fair Value
BlackRock Enhanced Commodity Municipal Fund, LLC	18,066,660	22,483,340

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

7. Investment Income

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

8. Derivative Instruments

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

9. Income Taxes

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

		12/31/2015			12/31/2014			Change		
		Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
1										
a	Gross Deferred Tax Assets	81,385,034	684,623	82,069,657	76,607,245	864,628	77,471,873	4,777,789	(180,005)	4,597,784
b	Statutory Valuation Allowance Adjustment	7,590,771	-	7,590,771	5,163,944	-	5,163,944	2,426,827	-	2,426,827
c	Adjusted Gross Deferred Tax Assets(1a-1b)	73,794,263	684,623	74,478,886	71,443,301	864,628	72,307,929	2,350,962	(180,005)	2,170,957
d	Deferred Tax Assets Nonadmitted	574,750	-	574,750	-	-	-	574,750	-	574,750
e	Subtotal Net Deferred Tax Assets(Liabilities) (1c-1d)	73,219,513	684,623	73,904,136	71,443,301	864,628	72,307,929	1,776,212	(180,005)	1,596,207
f	Deferred Tax Liabilities	1,882,299	20,924,311	22,806,610	1,936,248	23,340,007	25,276,255	(53,949)	(2,415,696)	(2,469,645)
g	Net Admitted Deferred Tax Assets(Liabilities) (1e-1f)	71,337,214	(20,239,688)	51,097,526	69,507,053	(22,475,379)	47,031,674	1,830,161	2,235,691	4,065,852
2	Admission Calculation Components	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
a	Federal income taxes paid in prior years recoverable through loss carrybacks (11a)	10,330,959	484,599	10,815,558	5,824,887	579,943	6,404,830	4,506,072	(95,344)	4,410,728
b	Adjusted gross DTAs expected to be realized after application of the threshold limitations (Lesser of 11bi or 11bii below)	40,281,968	-	40,281,968	39,328,929	-	39,328,929	953,039	-	953,039
1	Adjusted gross DTAs expected to be realized following the balance sheet date (11bi)	40,281,968	-	40,281,968	39,328,929	-	39,328,929	953,039	-	953,039
2	Adjusted gross DTAs allowed per limitation threshold (11bii)	72,718,062	-	72,718,062	73,946,996	-	73,946,996	(1,228,934)	-	(1,228,934)
c	Adjusted gross DTAs offset by gross DTLs (11c)	22,606,586	200,024	22,806,610	26,289,485	284,685	26,574,170	(3,682,899)	(84,661)	(3,767,560)
d	DTAs Admitted as the result of application of SSAP No. 101 (Total 2a+2b+2c)	73,219,513	684,623	73,904,136	71,443,301	864,628	72,307,929	1,776,212	(180,005)	1,596,207
3	Disclosure of ratios used for threshold limitation	2015		2014						
a	ExDTA ACL RBC % used to determine recovery period and threshold limitation amount in 2(b) above	769		764						
b	Amount of adjusted capital and surplus used to determine recovery period threshold limitation in 2(b)2 above	506,860,369		515,554,249						
4	Impact of Tax Planning Strategies	12/31/2015			12/31/2014			Change		
	On the Determination of:	Ordinary	Capital		Ordinary	Capital		Ordinary	Capital	
a	Adjusted Gross DTAs in 1(c) above	73,794,263	684,623		71,443,301	864,628		2,350,962	(180,005)	
	% of Total Adjusted Gross DTAs	20.5%	0.0%		21.5%	0.0%		-1.0%	0.0%	
	Net Admitted Adjusted Gross DTAs in 1(e) above	73,219,513	684,623		71,443,301	864,628		1,776,212	(180,005)	
	% of Total Net Admitted Adjusted Gross DTAs	20.7%	0.0%		21.5%	0.0%		-0.8%	0.0%	
b	Does the company's tax-planning strategies include the use of reinsurance?				Yes				No	X

- B. There were no temporary differences for which deferred tax liabilities were not recognized.
- C. Current income taxes incurred consist of the following major components:

Current Income Tax	12/31/2015	12/31/2014	Change
Federal	1,765,432	(1,331,930)	3,097,362
Foreign	-	-	-
Subtotal	1,765,432	(1,331,930)	3,097,362
Federal income tax on net capital gains	3,784,824	6,335,424	(2,550,600)
Utilization of capital loss carry-forward	-	-	-
Other	-	-	-
Federal and foreign income taxes incurred	5,550,256	5,003,494	546,762

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

	Deferred tax assets:	12/31/2015	12/31/2014	Change
a	Ordinary			
	Discounting of unpaid losses	11,023,134	12,863,944	(1,840,810)
	Unearned premium reserve	15,989,402	16,210,194	(220,792)
	Investments	778,046	377,498	400,548
	Policyholders dividends accruals	1,287,945	1,564,273	(276,328)
	Fixed Assets	1,771,223	1,719,770	51,453
	Compensation and benefit accruals	8,534,411	7,554,022	980,390
	Minimum Pension Liability	22,712,894	25,140,182	(2,427,288)
	Nonadmitted Assets	8,939,261	976,612	7,962,649
	Net operating loss and contribution carry-forward	-	-	-
	Foreign tax, LIHC and AMT credit carry-forward	10,056,339	9,451,734	604,605
	Other	292,378	749,016	(456,638)
99	Subtotal	81,385,034	76,607,245	4,777,789
b	Statutory Valuation Allowance adjustment	7,590,771	5,163,944	2,426,827
c	Nonadmitted	574,750	-	574,750
d	Admitted ordinary deferred tax assets (2a99-2b-2c)	73,219,513	71,443,301	1,776,212
e	Capital			
	Investments	684,623	864,628	(180,005)
	Net capital loss carry-forward	-	-	-
99	Subtotal	684,623	864,628	(180,005)

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f	Statutory Valuation Allowance adjustment	-	-	-
g	Nonadmitted	-	-	-
h	Admitted capital deferred tax assets (2e99-2f-2g)	684,623	864,628	(180,005)
i	Admitted deferred tax assets (2d+2h)	73,904,136	72,307,929	1,596,207
	Deferred Tax Liabilities:			
a	Ordinary			
	Investments	536,065	424,960	111,105
	Fixed Assets	1,346,234	1,511,288	(165,054)
	Other	-	-	-
99	Subtotal	1,882,299	1,936,248	(53,949)
b	Capital			
	Investments	20,924,311	23,340,007	(2,415,696)
	Other	-	-	-
99	Subtotal	20,924,311	23,340,007	(2,415,696)
c	Deferred tax liabilities (3a99+3b99)	22,806,610	25,276,255	(2,469,645)
	Net deferred tax assets/liabilities (2i-3c)	51,097,526	47,031,674	4,065,852

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

	12/31/2015	12/31/2014	Effective Tax Rate	
Current income taxes incurred	5,550,256	5,003,494		
Change in deferred income tax (without tax on unrealized gains/losses and min. pension liability)	(4,652,194)	8,694,388		
Total income tax reported	898,062	13,697,882		
Income before taxes	13,358,955	45,438,886		
Expected income tax expense (benefit) at 35% statutory rate	4,675,634	15,903,610	35.0%	35.0%
Increase (decrease) in actual tax resulting from:				
a) Tax exempt interest net of proration	(2,031,143)	(1,906,148)	-15.2%	-4.2%
b) Dividends received deduction net of proration	(325,688)	(357,447)	-2.4%	-0.8%
c) Change in deferred tax benefit on nonadmitted assets	(6,883,501)	(2,714,326)	-51.5%	-6.0%
d) Low income housing and foreign tax credits	(769,001)	(669,354)	-5.8%	-1.5%
e) Affiliated dividends due	(410,455)	(448,683)	-3.1%	-1.0%
f) Recognized partnership income	1,984,336	(3,335,971)	14.9%	-7.3%
g) Retro Pooling / Prior year AIG settlement	-	1,400,843	0.0%	3.1%
h) Rate Differential	(10,165)	-	-0.1%	0.0%
i) Treasury Inflation Protection securities	(588,625)	364,692	-4.4%	0.8%
j) ICOLI	483,264	(606,608)	3.6%	-1.3%
k) Nondeductible expenses	313,485	243,178	2.3%	0.5%
l) Tax free contribution	(213,190)	(114,131)	-1.6%	-0.3%
m) Change in Valuation Allowance	2,426,827	5,163,944	18.2%	11.4%
n) Provision to return adjustment	2,478,293	1,062,841	18.6%	2.3%
o) Other	(232,009)	(288,557)	-1.7%	-0.6%
Total income tax reported	898,062	13,697,882	6.7%	30.1%

E. 1) As of December 31, 2015, the company had the following tax credits carry-forwards:

Low income housing credit carry-forwards	Origination Year	Expiration Year	Amount
	2009	2029	907,899
	2010	2030	705,505
	2011	2031	554,360
	2012	2032	731,095
	2013	2033	623,327
	2014	2034	623,388
	2015	2035	652,066
	Total		4,797,640
Foreign tax credit carry-forwards	Origination Year	Expiration Year	Amount
	2009	2019	77,608
	2010	2020	12,290
	2011	2021	14,875
	2012	2022	3,765
	2013	2023	13,044
	2014	2024	3,577
	2015	2025	46
	Total		125,205

The company has an alternative minimum tax credit carryover in the amount of \$5,123,089. It does not have an expiration date.

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

2015 (current year)	5,844,291
2014 (current year - 1)	4,913,907
2013 (current year - 2)	57,360

3) The company did not have any deposits admitted under Section 6603 of the Internal Revenue Service (IRS) Code as of December 31, 2015.

F. 1) The company's federal income tax return was consolidated with the following entities:

MICO Insurance Company
Motorists Service Corporation
Consumers Insurance USA, Inc.
Consumers Insurance Group, Inc.

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

G. As of December 31, 2015, the company did not have any federal or foreign income tax loss contingencies.

10. Information Concerning Parent, Subsidiaries and Affiliates

A. - C. On December 31, 2015, Motorists Mutual Insurance Company contributed \$10,000,000 in capital to Motorists Service Corporation, a wholly-owned subsidiary. In addition, Motorists Service Corporation borrowed \$17,949,895 in December from its parent through an intercompany loan agreement. The balances, which were both recorded my Motorists Mutual as non-admitted assets, were used to fund the subsidiary's development of software applications and services.

On August 31, 2014, Motorists Mutual Insurance Company purchased a 100% interest in Consumers Insurance Group, Inc. and its wholly-owned subsidiary, Consumers Insurance USA, Inc. The transaction was accounted for as a statutory purchase at a cost of \$32,371,923 with goodwill in the amount of \$17,174,689. On October 20, 2014, Motorists Mutual Insurance Company contributed \$10,000,000 of paid-in-capital to Consumers Insurance USA via

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Consumers Insurance Group. On December 18, 2014, Consumers Insurance USA became a participant in The Motorists Insurance Group’s intercompany pooling arrangement. The integration was applied retroactively to January 1, 2014, and The Group’s intercompany pooling agreement was amended accordingly. For more information on the intercompany pooling arrangement, refer to Note 26.

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

- D. As of December 31, 2015, and 2014, the company reported net amounts due from/(due to) affiliates of (\$2,843,542) and \$3,020,740, respectively. All amounts were settled within 60 days.
- E. The company had no guarantees or undertakings for the benefit of an affiliate or related party that resulted in a material contingency exposure to the company or any related parties during the periods reported.
- F. During the periods reported, the company had management agreements with Motorists Commercial Mutual Insurance Company, an Ohio-based affiliate; Iowa Mutual Insurance Company, an Iowa-based affiliate; Phenix Mutual Fire Insurance Company, a New Hampshire-based affiliate; and Wilson Mutual Insurance Company, a Wisconsin-based affiliate, whereby the company provided management services to these affiliates. The company had a separate arrangement with Motorists Service Corporation (MSC), a wholly owned subsidiary of Motorists, whereby MSC delivered staffing services to the company. The company also had an arrangement with its subsidiaries and affiliates whereby costs for common facilities and support services were shared.
- G. The company is a mutual property/casualty insurer that controls its operations. As the lead company of The Motorists Insurance Group, Motorists Mutual Insurance Company also controls its affiliated companies’ operations through interlocking boards of directors.
- H. The company did not own any shares, directly or indirectly, of an upstream intermediate entity or ultimate parent during the periods reported.
- I. The company did not have any investments in subsidiary, controlled, or affiliated entities that exceed 10% of admitted assets during the periods reported.
- J. The company did not recognize any impairment write-downs for investments in subsidiary, controlled, or affiliated entities during the periods reported.
- K. The company did not have any investments in foreign insurance subsidiaries during the periods reported.
- L. The company utilizes the look-through approach in valuing its investment in Consumers Insurance Group, Inc. (CIG) at \$46,012,595. CIG is a wholly-owned subsidiary of the company and the parent company of Consumers Insurance USA, Inc. (CIUSA), a Tennessee domiciled property/casualty insurer. This downstream holding company and its insurance subsidiary are audited and valued on a statutory accounting basis in accordance with SSAP No. 97. All liabilities, commitments, contingencies, guarantees, or obligations of CIG and its subsidiary, CIUSA, are reflected in the company’s determination of the carrying value of its investment in CIG, if not already recorded in the subsidiary’s financial statements.

11. Debt

- A. The company did not have any capital notes or other debt obligations outstanding during the periods reported.
- B. Federal Home Loan Bank (FHLB) Agreements
- 1) The company is a member of the Federal Home Loan Bank (FHLB) of Cincinnati, Ohio. Through its membership, the company has access to cash advances in the amount of \$20,000,000. It is the company’s intent to use these funds solely as a backup source of liquidity.
- 2) FHLB Capital Stock
- a. Aggregate Totals:

	1 Total (2+3)	2 General Account	3 Protected Cell Accounts			
1 Current Year:						
(a) Membership Stock (Class A)	-	-	-			
(b) Membership Stock (Class B)	1,648,661	1,648,661	-			
(c) Activity Stock	-	-	-			
(d) Excess Stock	390,639	390,639	-			
(e) Aggregate Total (a+b+c+d)	2,039,300	2,039,300	-			
(f) Actual or Estimated Borrowing Capacity as Determined by the Insurer	20,000,000	XXX	XXX			
2 Prior Year:						
(a) Membership Stock (Class A)	-	-	-			
(b) Membership Stock (Class B)	2,003,750	2,003,750	-			
(c) Activity Stock	-	-	-			
(d) Excess Stock	35,550	35,550	-			
(e) Aggregate Total (a+b+c+d)	2,039,300	2,039,300	-			
(f) Actual Borrowing Capacity as Determined by the Insurer	20,000,000	20,000,000	-			
Membership Stock (Class A & B) Eligible and Not Eligible for Redemption:						
Membership Stock	1 Current Year Total (2+3+4+5+6)	2 Not Eligible for Redemption	Eligible for Redemption			
			3 Less Than 6 Months	4 6 months to Less Than 1 Year	5 1 to Less Than 3 Years	6 3 to 5 Years
1 Class A	-	-	-	-	-	-
2 Class B	1,648,661	1,648,661	-	-	-	-

- 3) Collateral Pledged to FHLB:
- a. Amount Pledged as of Reporting Date

	1 Fair Value	2 Carrying Value	3 Aggregate Total Borrowing
1 Current Year Total General and Protected Cell Accounts Total Collateral Pledged	25,046,326	25,042,423	-
2 Current Year General Account Total Collateral Pledged	25,046,326	25,042,423	-
3 Current Year Protected Cell Accounts Total Collateral Pledged	-	-	-
4 Prior Year-end Total General and Protected Cell Accounts Total Collateral Pledged	25,666,799	25,070,253	-

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b. Maximum Amount Pledged During Reporting Date:

	1 Fair Value	2 Carrying Value	3 Amount Borrowed at Time of Maximum Collateral
1 Current Year Total General and Protected Cell Accounts Maximum Collateral Pledged	-	-	-
2 Current Year General Account Maximum Collateral Pledged	25,046,326	25,042,423	-
3 Current Year Protected Cell Accounts Maximum Collateral Pledged	-	-	-
4 Prior Year-end Total General and Protected Cell Accounts Maximum Collateral Pledged	25,666,799	25,070,253	-

4) Borrowing from FHLB:

a. Amount as of the Reporting Date:

	1 Total 2+3	2 General Account	3 Protected Cell Account	4 Funding Agreements Reserves Established
1 Current Year				
(a) Debt	-	-	-	xxx
(b) Funding Agreements	-	-	-	
(c) Other	-	-	-	xxx
(d) Aggregate Total	-	-	-	
2 Prior Year-end				
(a) Debt	-	-	-	xxx
(b) Funding Agreements	-	-	-	
(c) Other	-	-	-	xxx
(d) Aggregate Total	-	-	-	

b. Maximum Amount during Reporting Period (Current Year):

	1 Total (2+3)	2 General Account	3 Protected Cell Accounts
1 Debt	-	-	-
2 Funding Agreements	-	-	-
3 Other	-	-	-
4 Aggregate Total			

c. FHLB - Prepayment Obligations:

	Does the company have prepayment obligations under the following arrangements (YES/NO)?
1 Debt	NO
2 Funding Agreements	NO
3 Other	NO

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

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

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

A summary of assets, obligations, and assumptions of the plans as December 31, 2015, and 2014, is provided below:

		Overfunded		Underfunded	
1)	Change in benefit obligation	2014	2015	2014	2015
a.	Pension Benefits				
1.	Benefit obligation at beginning of year	-	-	279,141,108	335,821,249
2.	Service cost	-	-	5,788,382	7,550,545
3.	Interest cost	-	-	13,566,182	13,911,994
4.	Contribution by plan participants	-	-	-	-
5.	Actuarial (gain) loss	-	-	56,591,371	(22,070,529)
6.	Foreign currency ex change rate changes	-	-	-	-
7.	Benefits paid	-	-	(19,265,794)	(14,144,879)
8.	Plan amendments	-	-	-	-
9.	Business combinations, divestitures, curtailments, settlements and special termination benefits	-	-	-	-
10.	Benefit obligation at end of year	-	-	335,821,249	321,068,380
b.	Postretirement Benefits				
		2014	2015	2014	2015
1.	Benefit obligation at beginning of year	10,968,391	13,069,045	1,056,142	1,296,889
2.	Service cost	179,199	227,154	10,231	11,865
3.	Interest cost	518,283	592,580	53,395	58,414
4.	Contribution by plan participants	587,251	473,761	70,256	57,024
5.	Actuarial (gain) loss	1,716,987	(273,681)	223,771	(17,810)
6.	Foreign currency ex change rate changes	-	-	-	-
7.	Benefits paid	(901,066)	(996,820)	(116,906)	(129,329)
8.	Plan amendments	-	-	-	-
9.	Business combinations, divestitures, curtailments, settlements and special termination benefits	-	-	-	-
10.	Benefit obligation at end of year	13,069,045	13,092,039	1,296,889	1,277,053

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c.	Special or Contractual Benefits Per SSAP No. 11	Overfunded		Underfunded			
		<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>		
1.	Benefit obligation at beginning of year	-	-	20,354,167	26,348,166		
2.	Service cost	-	-	276,659	320,972		
3.	Interest cost	-	-	997,963	1,064,286		
4.	Contribution by plan participants	-	-	-	-		
5.	Actuarial (gain) loss	-	-	5,696,621	1,564		
6.	Foreign currency exchange rate changes	-	-	-	-		
7.	Benefits paid	-	-	(977,244)	(1,128,656)		
8.	Plan amendments	-	-	-	-		
9.	Business combinations, divestitures, curtailments, settlements and special termination benefits	-	-	-	-		
10.	Benefit obligation at end of year	-	-	26,348,166	26,606,332		
Change in plan assets							
		Pension Benefits		Postretirement Benefits		Special or Contractual Benefits Per SSAP No. 11	
		<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>
a.	Fair value of plan assets at beginning of year	258,700,053	275,962,177	15,091,998	15,662,708	-	-
b.	Actual return on plan assets	24,027,918	(4,527,288)	1,378,634	(181,660)	-	-
c.	Foreign currency exchange rate changes	-	-	-	-	-	-
d.	Reporting entity contribution	12,500,000	10,000,000	250,818	(286,901)	-	-
e.	Plan participants' contributions	-	-	657,507	530,785	-	-
f.	Benefits paid	(19,265,794)	(14,144,879)	(1,716,249)	(1,132,519)	-	-
g.	Business combinations, divestitures, curtailments, settlements and special termination benefits	-	-	-	-	-	-
h.	Fair value of plan assets at end of year	275,962,177	267,290,010	15,662,708	14,592,413	-	-
Funded status							
		Pension Benefits		Postretirement Benefits			
		<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>		
Overfunded							
a.	Assets (nonadmitted)						
1.	Prepaid benefit costs	63,877,088	60,879,789	2,309,358	2,444,183		
2.	Overfunded plan assets	-	-	2,593,663	1,500,374		
3.	Total assets (nonadmitted)	63,877,088	60,879,789	4,903,021	3,944,557		
Underfunded:							
b.	Liabilities recognized						
1.	Accrued benefit costs	-	-	(1,409,684)	(1,551,840)		
2.	Liability of pension benefits	(59,859,072)	(53,778,370)	(1,296,889)	(1,277,053)		
3.	Total liabilities recognized	(59,859,072)	(53,778,370)	(2,706,573)	(2,828,893)		
c.	Unrecognized liabilities	-	-	-	-		
Components of net periodic benefit cost							
		Pension Benefits		Postretirement Benefits		Special or Contractual Benefits Per SSAP No. 11	
		<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>
a.	Service cost	5,788,382	7,550,545	189,430	239,019	276,659	320,972
b.	Interest cost	13,566,182	13,911,994	571,678	650,994	997,963	1,064,286
c.	Expected return on plan assets	(19,141,224)	(18,611,092)	(1,105,040)	(1,139,089)	-	-
d.	Transition asset or obligation	8,665	8,665	-	-	-	-
e.	Gains and losses	4,983,762	9,874,319	-	255,023	-	-
f.	Prior service cost or credit	1,261,343	262,868	(291,887)	(291,887)	247,797	247,797
g.	Gain or loss recognized due to a settlement, curtailment or special termination benefits	-	-	-	-	390,316	975,247
h.	Total net periodic benefit cost	6,467,110	12,997,299	(635,819)	(285,940)	1,912,735	2,608,302
Amounts in unassigned funds (surplus) recognized as components of net periodic benefit cost							
		Pension Benefits		Postretirement Benefits			
		<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>		
a.	Items not yet recognizes as a component of net periodic cost - prior year	78,285,253	123,736,160	(2,356,151)	(397,100)		
b.	Net transition asset or obligation recognized	(8,665)	(8,665)	-	-		
c.	Net prior service cost or credit arising during the period	-	-	-	-		
d.	Net prior service cost or credit recognized	(1,261,343)	(262,868)	291,887	291,887		
e.	Net gain and loss arising during the period	51,704,677	1,067,851	1,667,164	1,029,258		
f.	Net gain and loss recognized	(4,983,762)	(9,874,319)	-	(255,023)		
g.	Items not yet recognizes as a component of net periodic cost - current year	123,736,160	114,658,159	(397,100)	669,022		
Amounts in unassigned funds (surplus) expected to be recognized in the next fiscal year as components of net periodic benefit cost							
		Pension Benefits		Postretirement Benefits			
		<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>		
a.	Net transition asset or obligation	8,665	8,665	-	-		
b.	Net prior service cost or credit	262,868	13,248	(291,887)	(291,887)		
c.	Net recognized gains and losses	9,590,856	8,960,786	43,681	156,123		
Amounts in unassigned funds (surplus) that have not yet been recognized as components of net periodic benefit cost							
		Pension Benefits		Postretirement Benefits			
		<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>		
a.	Net transition asset or obligation	51,998	43,333	-	-		
b.	Net prior service cost or credit	331,625	68,757	(2,345,144)	(2,053,257)		
c.	Net recognized gains and losses	123,352,537	114,546,069	1,948,044	2,722,279		
Weighted-average assumptions used to determine current year net periodic benefit cost as of December 31							
		<u>2014</u>	<u>2015</u>				
a.	Weighted-average discount rate	5.02	4.21				
b.	Expected long-term rate of return on plan assets	7.50	6.78				
c.	Rate of compensation increase	6.75 prior to age 30; 4.5 for ages 30-44; 3.0 for age 45 & older	6.75 prior to age 30; 4.5 for ages 30-44; 3.0 for age 45 & older				
Weighted-average assumptions used to determine projected benefit obligations as of December 31							
d.	Weighted-average discount rate	4.21	4.61				
e.	Rate of compensation increase	6.75 prior to age 30; 4.5 for ages 30-44; 3.0 for age 45 & older	6.75 prior to age 30; 4.5 for ages 30-44; 3.0 for age 45 & older				

The company has three retiree medical plan options. For measurement purposes, the 2015 assumed annual rate of increase in the per capita cost of covered health care benefits was 7.0% for retirees under age 65, 8.9% for retirees 65 and older not in the MAPD Plan, and 11.0% for retirees 65 and older in the MAPD Plan. The rate was assumed to decrease to 4.5% and remain level thereafter using a 0.5% decrease for retirees under 65 and a 0.25% decrease for retirees not in the MAPD Plan.

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- 9) The amount of accumulated benefit obligation for defined benefit pension plans was \$301,412,192 for the current year and \$312,274,739 for the prior year.
- 10) Employer retiree health care costs assume a 3% increase for all future years to reflect the maximum employer increase in premiums.
- 11) Assumed health care cost trend rates have a significant effect on the amounts reported for health care plans. A one-percentage-point change in assumed health care cost trend rates would have the following effects:

	1 Percentage Point Increase	1 Percentage Point Decrease
a. Effect on total of service and interest cost components	18,233	(16,597)
b. Effect on postretirement benefit obligation	200,973	(185,794)

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

	Pension Benefits	Postretirement Benefits	Postemployment
2016	15,792,695	914,338	1,088,494
2017	15,417,469	862,007	1,080,373
2018	16,051,881	817,370	1,236,941
2019	16,897,034	834,312	1,296,964
2020	17,491,435	863,784	1,284,929
2021-2025	98,865,999	4,536,410	9,266,875

- 13) The company intends to make \$10,000,000 of contributions to the pension plan in 2016. The company intends to make \$103,129 of contributions to the postretirement plan in 2016.

- 14) As of December 31, 2015, none of the company's securities or those of related parties were included in the plan assets. The company or related parties did not issue insurance contracts covering plan participate benefits, and there were not any significant transactions between the company or related parties and the plan during the period.

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

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

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

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

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

- 20) The company's obligation and liability components as of December 31, 2015 are presented below:

	Pension Benefits	Postretirement Benefits 401(h) Eligible	Postretirement Benefits	Postemployment
Benefit Obligation	(321,068,380)	(13,075,874)	(1,293,218)	(26,606,332)
SSAP 92/103 Deferral	-	-	-	195,234
Adjusted Benefit Obligation	(321,068,380)	(13,075,874)	(1,293,218)	(26,411,098)
Plan Assets	267,290,010	14,592,413	-	-
Unfunded Liability	(53,778,370)	-	(1,293,218)	(26,411,098)

- 21) The company adopted SSAP No. 92, Accounting for Postretirement Benefits Other Than Pensions - A Replacement of SSAP No. 14 and SSAP No. 102, Accounting for Pensions - A Replacement of SSAP No. 89 as of January 31, 2013, and elected to recognize the surplus impact using the deferral method. The components of the guidance impact are as follows:

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

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

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

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

1)

Pension Plan Fair Value Measurement of Plan Assets

	Level 1	Level 2	Level 3	Total
TIPS ETF	13,505,227	-	-	13,505,227
Large Cap Equity	55,359,155	33,078,235	-	88,437,390
Small Cap Equity	28,313,921	-	-	28,313,921
International Equity	39,798,990	-	-	39,798,990
Federated Prime MMK	34,858	-	-	34,858
Pooled Separate Accounts / Commingled Fund:	-	97,199,625	-	97,199,625
Total Plan Assets	137,012,151	130,277,860	-	267,290,010

Postretirement Plan Fair Value Measurement of Plan Assets

	Level 1	Level 2	Level 3	Total
TIPS ETF	731,017	-	-	731,017
Large Cap Equity	4,911,216	-	-	4,911,216
Small Cap Equity	1,601,033	-	-	1,601,033
International Equity	2,177,380	-	-	2,177,380
Federated Prime MMK	5,266	-	-	5,266
Pooled Separate Accounts / Commingled Fund:	-	5,166,500	-	5,166,500
Total Plan Assets	9,425,912	5,166,500	-	14,592,413

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

- D. The expected long-term rate of return for the plan's total assets is based on the expected return of each category, weighted based on the median of the target allocation for each class.
- E. The company sponsored a defined contribution savings plan for the benefit of substantially all associates during the periods reported. The company contributed up to a maximum of 3% of each associate's compensation. Company contributions to the plan were \$1,337,179 and \$1,218,536 for 2015 and 2014, respectively.
- F. The company did not participate in any multi-employer plans during the periods reported.
- G. The company's subsidiaries and affiliates participated in defined benefit plans sponsored by the company during the years reported. The company allocated amounts to the subsidiaries and affiliates based on a cost sharing arrangement.
- H. The company's financial records include adequate accruals for all post-employment benefit obligations and compensated absences.
- I. Impact of Medicare Modernization Act on Postretirement Benefits:

The company first measured the impact of the Medicare Prescription Drug, Improvement and Modernization Act of 2003, on postretirement benefits as of January 1, 2004. The results of that measurement were included in the company's 2004 financial records. The Act had no impact on the statutory expense for the periods reported.

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

- 1) Information concerning capital stock is not applicable. The company is a mutual property/casualty insurer.
- 2) Information concerning preferred stock is not applicable. The company is a mutual property/casualty insurer.
- 3) Information concerning stock dividends is not applicable. The company is a mutual property/casualty insurer.
- 4) Information concerning stock dividend payments is not applicable. The company is a mutual property/casualty insurer.
- 5) Information concerning stock dividends is not applicable. The company is a mutual property/casualty insurer.
- 6) There were not any restrictions on the company's surplus during the periods reported.
- 7) There were not any advances to surplus to disclose for the periods reported.
- 8) The company did not hold any stock for special purposes during the periods reported.
- 9) The company did not have any special surplus funds to disclose for the periods reported.
- 10) As of December 31, 2015, the portion of unassigned funds (surplus) represented by cumulative unrealized gains (net of deferred FIT) was \$56,837,321.
- 11) The company did not have any surplus debentures or similar obligations to disclose for the periods reported.
- 12) Information concerning quasi-reorganization is not applicable.
- 13) Information concerning quasi-reorganization is not applicable.

14. Liabilities, Contingencies and Assessments

A. Contingent Commitments

- 1) At December 31, 2015, the company had outstanding commitments associated with joint venture interests totaling \$13,198,353. The company also had contingent commitments that arose from the guarantee of certain insurance agency loans. The contingency for agent loan guarantees was \$4,956,605.
- 2) The aforementioned commitments are not reflected as liabilities in the accompanying financial statement. The figures presented represent the company's maximum potential outlays related to the commitments. Other details are provided below:

1	2	3	4	5
Nature and circumstances of guarantee and key attributes, including date and duration of agreement	Liability recognition of guarantee	Ultimate financial statement impact if action under the guarantee is required	Maximum potential amount of future payments (undiscounted)	Current status of payment or performance risk of guarantee
Commercial bank loan guarantee for five agencies with various terms, extending to 2028		Increase in - miscellaneous expense	4,956,605	All loans are current in payments of principal and interest. The likelihood of the company having to make any payments is remote.
Adams Street 2012 Global Fund LP		- Increase in other invested assets	7,073,600	All current capital calls have been funded.
HarbourVest Partners, LLC		Increase in other - invested assets	5,787,253	All current capital calls have been funded.
Park Street Capital Private Equity Fund LP		Increase in other - invested assets	337,500	All current capital calls have been funded.
Total		-	18,154,958	XXX

- 3) Details regarding the impact these commitments had or could potentially have on the company's financial statements are provided below:
 - a. Aggregate Maximum Potential of Future Payments of all Guarantees
(undiscounted) the guarantor could be required to make under guarantees. 18,154,958
(Should equal total of Column 4 for (2) above.)
 - b. Current Liability Recognized in F/S
 - 1. Noncontingent Liabilities -
 - 2. Contingent Liabilities -
 - c. Ultimate Financial Statement Impact if action under the guarantee is required.
 - 1. Investments in SCA -
 - 2. Joint Venture 13,198,353
 - 3. Dividends to Stockholders (capital contribution) -
 - 4. Expense 4,956,605
 - 5. Other -
 - 6. Total (Should equal (3)a.) 18,154,958

B. Assessments

The company is subject to guaranty fund and other assessments by the states in which it conducts business. Guaranty fund assessments are accrued upon notification of the insolvency. Other assessments are recognized 1) when assessed by a state, 2) when premiums are written for premium-based assessments, or 3) when losses are incurred for loss-based assessments. Incurred assessments are subject to the intercompany pooling arrangement described in Note 26. The company's net paid guaranty fund assessments totaled \$118,690 and \$22,996 for the years ended December 31, 2015, and 2014, respectively. The company's net accrued liabilities for guaranty funds were \$557,191 and \$593,368 as of December 31, 2015, and 2014, respectively. Per the accounting practices and procedures prescribed by the company's state of domicile, receivables for premium tax credits are not reflected in the accompanying financial statements.

C. Gain Contingencies

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

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

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

E. Product Warranties

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

F. Joint and Several Liabilities

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

G. All Other Contingencies

The company did not have any other contingent liabilities arising from litigation, income taxes, or other matters that were material in nature. All assets that the company considered to be impaired were valued at market prior to the closing of the company's financial records. The potential for losses associated with uncollectible receivable balances is not material to the company's financial position. Premium balances over 90 days past due are recorded as nonadmitted assets.

15. Leases

A. Leasing Arrangements

- 1) The company leases computer-related equipment under various operating lease arrangements and has entered into various agreements for information technology-related services through 2021. The expenses for these commitments for 2015 and 2014 were \$14,445,910 and \$7,639,124, respectively.

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2) As of December 31, 2015, the company had aggregate commitments of \$58,687,474. Commitments for the next five years are as follows:

Fiscal Year	Commitment
2016	16,299,315
2017	12,761,633
2018	9,813,963
2019	7,585,126
2020	6,226,966

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

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

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

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

- A. The company did not have any transfers of receivables reported as sales during the periods reported.
- B. Transfer and Servicing of Financial Assets
- 1) As of December 31, 2015, the company was not involved in any securities lending programs.
- 2) The company did not have any servicing assets or servicing liabilities to disclose for the periods reported.
- 3) The company did not have any servicing assets or servicing liabilities to disclose for the periods reported.
- 4) The company did not obtain any assets or incur any liabilities due to the transfer of financial assets during the periods reported.
- 5) The company did not securitize any financial assets during the periods reported.
- 6) The company was not involved in any transfers of receivables during the periods reported.
- 7) The company did not have any repurchase or reverse repurchase agreements during the periods reported.
- C. Wash Sales
- In the course of the company's asset management, there were not any securities sales and reacquisitions made within 30 days of the sale date to enhance the yield on the investment portfolio.

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

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

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

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

20. Fair Value Measurements

- A. Fair Value Hierarchy
- 1) Information regarding assets measured at fair value on a recurring basis is provided below:

Fair Value Measurements at December 31, 2015				
Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value				
Perpetual Preferred stock				
Industrial and Misc	-	-	-	-
Parents, Subsidiaries and Affiliates	-	-	-	-
Total Perpetual Preferred Stocks	-	-	-	-
Bonds				
U.S. Governments	-	-	-	-
Industrial and Misc	-	464,014	-	464,014
Hybrid Securities	-	-	-	-
Parents, Subsidiaries and Affiliates	-	-	-	-
Total Bonds	-	464,014	-	464,014
Common Stock				
Industrial and Misc	123,374,074	-	3,547,335	126,921,409
Parents, Subsidiaries and Affiliates	-	-	104,825,034	104,825,034
Total Common Stocks	123,374,074	-	108,372,369	231,746,443
Other invested assets	-	-	83,554,207	83,554,207
Total assets at fair value	123,374,074	464,014	191,926,576	315,764,665
b. Liabilities at fair value				
Total liabilities at fair value	-	-	-	-

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

	Beginning balance at January 1, 2015	Transfers into Level 3	Transfers out of Level 3	Total gains or losses included in Net Income (realized)	Total gains or losses included in Surplus (unrealized)	Purchases	Issuances	Sales	Settlements	Ending balance at December 31, 2015
a. Assets										
Preferred Stock	-	-	-	-	-	-	-	-	-	-
Fixed Maturities	-	-	-	-	-	-	-	-	-	-
Common Stock										
Industrial and Misc	3,492,055	618	-	-	54,354	-	307	-	-	3,547,335
Parents, Subsidiaries and Affiliates	81,689,617	-	-	-	23,135,418	-	-	-	-	104,825,035
Other Invested Assets	86,207,537	-	-	(18,331,892)	10,002,151	18,155,529	(12,479,119)	-	-	83,554,207
Total Assets	171,389,209	618	-	(18,331,892)	33,191,923	18,155,529	(12,478,811)	-	-	191,926,576
b. Liabilities										
Total Liabilities	-	-	-	-	-	-	-	-	-	-

- 3) The company recognized transfers from Level 1 to 3 during the reporting period because of lack of observable market due to re-classification of an asset. The company's policy is to recognize transfers of this nature on the actual date of the event or change in circumstances that caused the transfer.
- 4) The company valued common stocks using the equity method. Other invested assets were valued using equity statements from the respective fund managers.
- 5) The company does not hold any derivative assets or liabilities.
- B. The company did not have any other assets measured at fair value.

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C. Fair Value Measurement:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	683,329,097	670,742,727	-	683,329,097	-	-
Common Stock	231,746,443	226,852,019	123,374,074	-	108,372,369	-
Other Invested Assets	127,156,298	109,206,403	-	-	83,554,207	43,602,091
	1,042,231,838	1,006,801,149	123,374,074	683,329,097	191,926,576	43,602,091

D. Not Practicable to Estimate Fair Value:

	Carrying Value	Effective Interest Rate	Maturity Date	Explanation
Other Invested Assets				
Low Income Housing	2,507,275	n/a	n/a	Asset is not a marketable financial instrument
Surplus Notes	16,000,000	variable	on demand	Asset is not a marketable financial instrument
Agency Loans	1,104,261	variable	on demand	Asset is not a marketable financial instrument
Private Loan	59,029	variable	on demand	Asset is not a marketable financial instrument
Independent Agency Investment	5,981,632	variable	on demand	Asset is not a marketable financial instrument
Intercompany Loan	17,949,895	variable	on demand	Asset is not a marketable financial instrument
	43,602,091			

21. Other Items

A. Extraordinary Items

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

B. Troubled Debt Restructuring: Debtors

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

C. Other Disclosures and Unusual Items

- 1) The company elected to use rounding in the reporting of amounts in this statement.
- 2) The table below summarizes the company's net unpaid loss and loss adjustment expense reserves for accident years 2001 through 2005 and prior for all applicable statutory categories reported in Schedule P, Part 1, columns 13 through 24 of the Annual Statement. All amounts shown are in thousands:

Schedule P Category	Loss Year	Case Basis	Bulk & IBNR	Def & Cost Containment	Adjusting & Other Exp	Salvage & Subrogation	Loss & Exp Total Unpaid
Part 1A	Prior	4	-	0	6	-	11
Homeowners/	2001	-	-	-	-	-	-
Farmowners	2002	(25)	-	(1)	-	-	(26)
	2003	7	-	0	1	-	8
	2004	9	-	0	0	-	9
	2005	-	-	-	6	-	6
Total		(5)	-	(0)	14	-	8
Part 1B	Prior	407	-	5	22	-	434
Private Passenger	2001	(8)	-	-	-	-	(8)
Auto Liability/Medical	2002	-	-	-	-	-	-
	2003	9	-	0	1	-	10
	2004	14	-	1	0	-	15
	2005	-	2	0	0	-	2
Total		421	2	7	23	-	453
Part 1 C	Prior	38	-	21	1	-	61
Commercial Auto/	2001	(0)	-	(0)	-	-	(0)
Truck Liability/Medical	2002	-	-	-	-	-	-
	2003	-	-	-	-	-	-
	2004	-	-	-	-	-	-
	2005	37	285	150	7	-	480
Total		75	285	172	8	-	540
Part 1D	Prior	10,227	3,774	477	532	-	15,011
Workers' Compensation	2001	(192)	17	(5)	0	-	(181)
	2002	86	31	4	5	-	126
	2003	345	34	11	17	-	408
	2004	256	42	13	13	-	323
	2005	46	2,077	78	88	-	2,289
Total		10,768	5,975	578	655	-	17,976
Part 1E	Prior	258	-	25	14	-	296
Commercial Multiple Peril	2001	(4)	-	(0)	-	-	(4)
	2002	-	-	-	-	-	-
	2003	-	-	-	-	-	-
	2004	3	-	0	0	-	3
	2005	-	4,915	539	352	-	5,806
Total		256	4,915	564	366	-	6,101
Part 1F, Section 1	Prior	-	-	-	-	-	-
Medical Malpractice	2001	-	-	-	-	-	-
	2002	-	-	-	-	-	-
	2003	-	-	-	-	-	-
	2004	-	-	-	-	-	-
	2005	-	-	-	-	-	-
Total		-	-	-	-	-	-

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Schedule P Category	Loss Year	Case Basis	Bulk & IBNR	Def & Cost Containment	Adjusting & Other Exp	Salvage & Subrogation	Loss & Exp Total Unpaid
Part 1G	Prior	1	-	0	-	-	1
Special Liability	2001	-	-	-	-	-	-
	2002	-	-	-	-	-	-
	2003	-	-	-	-	-	-
	2004	-	-	-	-	-	-
	2005	-	-	-	-	-	-
	Total	1	-	0	-	-	1
Part 1H, Section 1	Prior	1,064	1,075	756	85	-	2,980
Other Liability	2001	17	-	18	2	-	37
	2002	-	-	-	-	-	-
	2003	-	-	-	-	-	-
	2004	50	-	11	1	-	63
	2005	55	2,203	1,000	112	-	3,370
	Total	1,186	3,278	1,786	200	-	6,450
Part 1I	Prior	1	-	0	-	-	1
Special Property	2001	(1)	-	(0)	-	-	(1)
	2002	-	-	-	-	-	-
	2003	-	-	-	-	-	-
	2004	-	-	-	-	-	-
	2005	-	-	-	-	-	-
	Total	(1)	-	(0)	-	-	(1)
Part 1J	Prior	5	-	0	-	-	5
Auto Physical	2001	(5)	-	(0)	-	-	(6)
Damage	2002	-	-	-	-	-	-
	2003	-	-	-	-	-	-
	2004	-	-	-	-	-	-
	2005	2	-	0	-	-	2
	Total	2	-	(0)	-	-	2
Part 1K	Prior	-	-	-	-	-	-
Fidelity/Surety	2001	-	-	-	-	-	-
	2002	-	-	-	-	-	-
	2003	-	-	-	-	-	-
	2004	-	-	-	-	-	-
	2005	-	-	-	-	-	-
	Total	-	-	-	-	-	-
Part 1N	Prior	265	324	11	-	-	600
Reinsurance	2001	-	-	-	-	-	-
Nonproportional	2002	-	3	-	-	-	3
Assumed Property	2003	-	4	-	-	-	4
	2004	-	11	-	-	-	11
	2005	-	39	-	-	-	39
	Total	265	382	11	-	-	658
Part 1O	Prior	668	763	28	-	-	1,459
Reinsurance	2001	207	240	9	-	-	456
Nonproportional	2002	156	363	10	-	-	529
Assumed Liability	2003	144	414	11	-	-	568
	2004	492	403	17	-	-	912
	2005	489	546	20	-	-	1,055
	Total	2,156	2,728	95	-	-	4,978
Part 1R, Section 1	Prior	315	-	539	195	-	1,049
Products Liability	2001	2	-	4	1	-	8
	2002	2	-	4	2	-	8
	2003	5	-	8	3	-	16
	2004	-	-	-	-	-	-
	2005	-	818	1,390	507	-	2,716
	Total	324	818	1,946	709	-	3,797

- D. Business Interruption Insurance Recoveries
There were not any business interruption insurance recoveries received during the periods reported.
- E. State Transferable and Non-transferable Tax Credits
The company did not have any state transferable or non-transferable tax credits to disclose for the periods reported.
- F. Subprime-Mortgage-Related Risk Exposure
- 1) The definition of "subprime" is necessarily broad and intended to encompass both Alt-A and subprime. Corporate and equity securities (such as banks and investment banks), which may have underlying subprime exposure, are not included. The company's categorization of CMBS reflects securities backed by commercial real estate. Therefore, these securities are not included in the reported figures.
- The company's portfolio managers monitor the collateral every month in order to determine whether the collateral pools have deteriorated. Credit support levels provide a basis for the deal tranches the company owns. Anticipated lifetime losses are used to determine deal underperformance.
- 2) The company did not have any direct exposure to subprime mortgage related risk through subprime loans during the periods reported.
- 3) The company had direct exposure to subprime mortgage related risk through the investments listed below:

	Actual Cost	Book/Adjusted Carrying Value (excluding interest)	Fair Value	Other-Than- Temporary Impairment Losses Recognized
a. Residential mortgage-backed securities	179,389	179,234	193,792	-
b. Commercial mortgage-backed securities	-	-	-	-
c. Collateralized debt obligations	-	-	-	-
d. Structured securities	-	-	-	-
e. Equity investment in SCA's	-	-	-	-
f. Other Assets	-	-	-	-
g. Total	179,389	179,234	193,792	-

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

22. Events Subsequent

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

23. Reinsurance

- A. Unsecured Reinsurance Recoverables
As of December 31, 2015, the company had unsecured aggregate recoverables for losses paid and unpaid (including IBNR), loss adjustment expenses, and unearned premium with six reinsurers that exceeded 3% of the company's surplus. The reinsurers and the associated recoverable balances are listed below:

Company Name	NAIC Number	Federal ID	Amount Recoverable
Motorists Commercial Mutual Insurance Company	13331	41-0299900	130,386,860
Consumers Insurance USA, Inc.	10204	62-1590861	21,143,815
Iowa Mutual Insurance Company	14338	42-0333120	21,143,815
Phenix Mutual Fire Insurance Company	23175	02-0178290	21,143,815
Wilson Mutual Insurance Company	19950	39-0739760	21,143,815
Everest Reinsurance Company	26921	22-2005057	20,132,932

- B. Reinsurance Recoverable in Dispute
As of December 31, 2015, the company did not have any reinsurance recoverable amounts in dispute from any one reinsurer that exceeded 5% of policyholder surplus.
- C. Reinsurance Assumed and Ceded
- 1) The maximum amount of return commission that would have been due reinsurers if they or the company had cancelled all of the company's reinsurance or if the company or a receiver had cancelled all of the company's assumed contracts as of December 31, 2015, with the return of the unearned premium reserve is illustrated below:

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	132,225,304	20,011,041	103,450,645	16,896,381	28,774,659	3,114,660
b. All Other	6,507,343	1,471,253	1,346,528	25,877	5,160,815	1,445,376
c. Total	138,732,647	21,482,293	104,797,173	16,922,258	33,935,474	4,560,036
d. Direct Unearned Premium Reserve		191,028,628				

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

	Direct	Assumed	Ceded	Net
a. Contingent Commission	9,418,911	10,451,831	6,259,284	13,611,458
b. Sliding Scale Adjustments	-	-	-	-
c. Other Profit Commission Arrangements	-	-	-	-
d. Total	9,418,911	10,451,831	6,259,284	13,611,458

- 3) Information concerning protected cells is not applicable.

- D. Uncollectible Reinsurance
There were not any reinsurance balances written off as uncollectible during the year.
- E. Commutation of Ceded Reinsurance
The company did not commute any ceded reinsurance balances during the year.
- F. Retroactive Reinsurance
The company did not have any retroactive reinsurance contracts in place during the periods reported.
- G. Reinsurance Accounted for as a Deposit
The company did not have any agreements in place that required reinsurance to be accounted for as a deposit during the periods reported.
- H. Disclosures for the Transfer of Property and Casualty Run-off Agreements
The company did not enter into any special run-off agreements.
- I. Certified Reinsurer Downgraded or Status Subject to Revocation
The company has never been classified as a certified reinsurer, and its records do not reflect any certified reinsurers that experienced a rating downgrade or are subject to revocation action.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

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

25. Changes in Incurred Losses and Loss Adjustment Expenses

Reserves for the company's incurred losses and loss adjustment expenses (after intercompany pooling) attributable to insured events of prior years reflect favorable development totaling \$19,466,273. The development can be attributed primarily to the re-estimation of unpaid losses and loss adjustment expenses in the workers' compensation, private passenger auto liability, other liability, auto physical damage, homeowners, and products liability lines of business. The favorable development in these lines was partially offset by further losses in the commercial multiple peril and commercial auto liability lines of business. The changes reflected in these lines were generally the result of recent development trends. Since the company did not have any retrospectively rated contracts in place during the periods reported, there were not any premium adjustments made as a result of this loss and loss adjustment expense development.

26. Intercompany Pooling Arrangements

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

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

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

As of December 31, 2015, the company reported an aggregate pooling-related balance of \$1,251,453 receivable from the other pool participants. The balances due to/from each of the other participants are listed below:

Intercompany Pool Participant	Receivable/(Payable)
Consumers Insurance USA, Inc.	1,310,271
Iowa American Insurance Company	21,920
Iowa Mutual Insurance Company	1,067,970
MICO Insurance Company	(4,237)
Motorists Commercial Mutual Insurance Company	(1,849,640)
Phenix Mutual Fire Insurance Company	266,388
Wilson Mutual Insurance Company	438,781

27. Structured Settlements

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

Loss Reserves Eliminated by Annuities	Unrecorded Loss Contingencies
4,344,170	4,306,134

- B. As of December 31, 2015, there were not any amounts in excess of 1% of the company's surplus due for annuities from any one life insurance company associated with purchased annuities for which the company did not receive a release of liability from the claimant.

28. Health Care Receivables

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

29. Participating Policies

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

30. Premium Deficiency Reserves

Details regarding the premium deficiency reserve reported by the company as of December 31, 2015, are provided below:

1) Liability carried for premium deficiency reserves	\$ 0
2) Date of the most recent evaluation of this liability	January 6, 2016
3) Was anticipated investment income utilized in the calculation?	Yes

31. High Deductibles

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

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

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

33. Asbestos/Environmental Reserves

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

	(1) 2011	(2) 2012	(3) 2013	(4) 2014	(5) 2015
1) Direct Basis:					
a. Beginning Reserves (incl Case, Bulk & IBNR)	9,271,744	8,084,997	8,668,539	8,804,836	8,370,333
b. Incurred losses and loss adjustment expenses	540,727	1,310,064	1,071,423	737,390	374,106
c. Calendar year loss and loss adj. expense payments	1,727,474	726,522	935,126	1,171,893	923,523
d. Ending Reserves (incl Case, Bulk & IBNR)	8,084,997	8,668,539	8,804,836	8,370,333	7,820,916
2) Assumed Reinsurance Basis:					
a. Beginning Reserves (incl Case, Bulk & IBNR)	2,769,987	1,651,450	1,566,449	1,935,166	1,761,319
b. Incurred losses and loss adjustment expenses	(850,671)	19,340	460,981	(51,416)	(319)
c. Calendar year loss and loss adj. expense payments	267,866	104,341	92,264	122,431	85,068
d. Ending Reserves (incl Case, Bulk & IBNR)	1,651,450	1,566,449	1,935,166	1,761,319	1,675,932
3) Net of Ceded Reinsurance Basis:					
a. Beginning Reserves (incl Case, Bulk & IBNR)	10,658,676	9,288,139	10,010,486	10,642,547	10,019,654
b. Incurred losses and loss adjustment expenses	321,853	780,911	1,482,116	565,696	379,277
c. Calendar year loss and loss adj. expense payments	1,692,390	58,564	850,055	1,188,589	916,992
d. Ending Reserves (incl Case, Bulk & IBNR)	9,288,139	10,010,486	10,642,547	10,019,654	9,481,939

- B. The amount of ending reserves for bulk and IBNR included in "A" (Loss and LAE):

1) Direct Basis	7,028,995
2) Assumed Reinsurance Basis	950,091
3) Net of Ceded Reinsurance Basis	7,969,226

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

1) Direct Basis	1,463,551
2) Assumed Reinsurance Basis	51,589
3) Net of Ceded Reinsurance Basis	1,510,210

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

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

	(1)	(2)	(3)	(4)	(5)
	2011	2012	2013	2014	2015
1) Direct Basis:					
a. Beginning Reserves (incl Case, Bulk & IBNR)	1,391,334	2,513,727	3,821,142	3,570,217	2,896,798
b. Incurred losses and loss adjustment expenses	1,432,329	1,676,726	(26,258)	(183,193)	376,950
c. Calendar year loss and loss adj. expense payments	309,936	369,311	224,667	490,226	161,800
d. Ending Reserves (incl Case, Bulk & IBNR)	2,513,727	3,821,142	3,570,217	2,896,798	3,111,948
2) Assumed Reinsurance Basis:	(1)	(2)	(3)	(4)	(5)
	2011	2012	2013	2014	2015
a. Beginning Reserves (incl Case, Bulk & IBNR)	313,561	276,987	280,349	320,755	348,562
b. Incurred losses and loss adjustment expenses	(13,990)	6,850	52,097	45,673	(72,957)
c. Calendar year loss and loss adj. expense payments	22,584	3,488	11,691	17,866	68,240
d. Ending Reserves (incl Case, Bulk & IBNR)	276,987	280,349	320,755	348,562	207,365
3) Net of Ceded Reinsurance Basis:	(1)	(2)	(3)	(4)	(5)
	2011	2012	2013	2014	2015
a. Beginning Reserves (incl Case, Bulk & IBNR)	1,694,876	2,696,563	4,027,670	3,830,474	3,155,476
b. Incurred losses and loss adjustment expenses	1,334,207	1,703,099	28,029	(168,599)	354,423
c. Calendar year loss and loss adj. expense payments	332,520	371,992	225,225	506,399	232,632
d. Ending Reserves (incl Case, Bulk & IBNR)	2,696,563	4,027,670	3,830,474	3,155,476	3,277,267

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

1) Direct Basis	2,635,669
2) Assumed Reinsurance Basis	114,708
3) Net of Ceded Reinsurance Basis	2,722,570

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

1) Direct Basis	998,324
2) Assumed Reinsurance Basis	20,962
3) Net of Ceded Reinsurance Basis	1,005,383

34. Subscriber Savings Accounts

Information concerning subscriber savings accounts is not applicable

35. Multiple Peril Crop Insurance

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

36. Financial Guaranty Insurance

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

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?
If yes, complete Schedule Y, Parts 1, 1A and 2

Yes [X] No []

1.2

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

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

1.3

State Regulating?

Ohio

2.1

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

Yes [] No [X]

2.2

If yes, date of change:

3.1

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

12/31/2013

3.2

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

12/31/2013

3.3

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

11/07/2014

3.4

By what department or departments?
Ohio Department of Insurance

3.5

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

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

3.6

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

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

4.1

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

Yes [] No [X]
Yes [] No [X]

4.2

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

Yes [] No [X]
Yes [] No [X]

5.1

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

Yes [] No [X]

5.2

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

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

6.1

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

Yes [] No [X]

6.2

If yes, give full information:

7.1

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

Yes [] No [X]

7.2

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

1	2
Nationality	Type of Entity

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

GENERAL INTERROGATORIES

8.1

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

Yes [] No [X]

8.2

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

8.3

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

Yes [] No [X]

8.4

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

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

9.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?

Ernst & Young, 41 South High Street, Columbus, Ohio 43215

10.1

Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?

Yes [] No [X]

10.2

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

10.3

Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation?

Yes [] No [X]

10.4

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

10.5

Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?

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

10.6

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

11.

What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?

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

12.1

Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes [] No [X]

12.11

Name of real estate holding company

12.12

Number of parcels involved

12.13

Total book/adjusted carrying value

\$

12.2

If, yes provide explanation:

13.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1

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

13.2

Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

Yes [] No []

13.3

Have there been any changes made to any of the trust indentures during the year?

Yes [] No []

13.4

If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?

Yes [] No [] N/A []

14.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes [X] No []

(a)

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

(b)

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

(c)

Compliance with applicable governmental laws, rules and regulations;

(d)

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

(e)

Accountability for adherence to the code.

14.11

If the response to 14.1 is No, please explain:

14.2

Has the code of ethics for senior managers been amended?

Yes [] No [X]

14.21

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

14.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [] No [X]

14.31

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

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

GENERAL INTERROGATORIES

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

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

BOARD OF DIRECTORS

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

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers
- 20.12 To stockholders not officers
- 20.13 Trustees, supreme or grand (Fraternal Only)
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers
- 20.22 To stockholders not officers
- 20.23 Trustees, supreme or grand (Fraternal Only)
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others
- 21.22 Borrowed from others
- 21.23 Leased from others
- 21.24 Other
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments?
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment
- 22.22 Amount paid as expenses
- 22.23 Other amounts paid
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:
- Yes [] No [X]
- \$ 0
- \$ 0
- \$ 0
- \$ 59,029
- \$ 0
- \$ 0
- Yes [] No [X]
- \$ 0
- \$ 0
- \$ 0
- \$ 0
- Yes [X] No []
- \$ 0

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03)
- 24.02 If no, give full and complete information relating thereto
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs.
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs.
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?
- 24.09 Does the reporting entity or the reporting entity 's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending?
- Yes [] No [X] N/A [X]
- \$ 0
- \$ 0
- Yes [] No [] N/A [X]
- Yes [] No [] N/A [X]
- Yes [] No [] N/A [X]

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

GENERAL INTERROGATORIES

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

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

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03).

Yes ☒ No ☐

25.2	If yes, state the amount thereof at December 31 of the current year:	25.21 Subject to repurchase agreements	\$	0
		25.22 Subject to reverse repurchase agreements	\$	0
		25.23 Subject to dollar repurchase agreements	\$	0
		25.24 Subject to reverse dollar repurchase agreements	\$	0
		25.25 Placed under option agreements	\$	0
		25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock	\$	0
		25.27 FHLB Capital Stock	\$	2,039,300
		25.28 On deposit with states	\$	1,787,628
		25.29 On deposit with other regulatory bodies	\$	0
		25.30 Pledged as collateral - excluding collateral pledged to an FHLB	\$	7,982,318
		25.31 Pledged as collateral to FHLB - including assets backing funding agreements	\$	25,042,423
		25.32 Other	\$	0

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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

Yes ☐ No ☒

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

Yes ☐ No ☐ N/A ☒

If no, attach a description with this statement.

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

Yes ☐ No ☒

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

\$

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

Yes ☒ No ☐

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

1 Name of Custodian(s)	2 Custodian's Address
BNY Mellon	500 Grant Street One Mellon Center, Suite #1035, Pittsburgh, PA 15258

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

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

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

Yes ☐ No ☒

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

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

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

1 Central Registration Depository Number(s)	2 Name	3 Address
110638	Diamond Hill Capital Management	325 John H McConnell Blvd, Suite #200, Columbus, OH 43215
		74 Batterson Park Rd, Pondview Corporate Center, Farmington, CT 06032
105900	General Re-New England Asset Management, Inc.	50 South La Salle Street, Chicago, IL 60603
105780	Northern Trust Investments, N.A.	One Financial Center, Floor #44, Boston, MA 02111
109846	HarbourVest	One Federal Street, 24th Floor, Boston, MA 02110
115443	Park Street	11100 Santa Monica Blvd, Suite #2000, Los Angeles, CA 90025
153966	Crescent Capital Group, LP	101 Barclay Street, 20th Floor West, New York, NY 10286
38642	BNY Mellon Alternative Investment Services	One North Wacker Dr, Suite #2200, Chicago, IL 60606
109358	Adams Street Partners, LLC	

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

GENERAL INTERROGATORIES

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

1	2	3
CUSIP #	Name of Mutual Fund	Book/Adjusted Carrying Value
00769G-53-5	LSV Small Cap Value Fund	9,337,429
04314H-75-8	Artisan Small Cap Fund	9,064,626
04314H-85-7	Artisan Intl Val Fund	28,971,009
78467Y-10-7	SPDR S&P MidCap 400 ETF Tr	2,865,571
29.2999 - Total		50,238,636

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

1	2	3	4
Name of Mutual Fund (from above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	Date of Valuation
LSV Small Cap Value Fund	Hancock Holding Company	114,850	09/30/2015
LSV Small Cap Value Fund	Endurance Specialty Holdings Ltd	112,983	09/30/2015
LSV Small Cap Value Fund	Apollo Commercial Real Estate Finance Inc	98,977	09/30/2015
LSV Small Cap Value Fund	Select Income REIT	97,109	09/30/2015
LSV Small Cap Value Fund	Portland General Electric Co	96,176	09/30/2015
Artisan Small Cap Fund	Acuity Brands Inc	491,303	09/30/2015
Artisan Small Cap Fund	DexCom Inc	485,864	09/30/2015
Artisan Small Cap Fund	AthenaHealth Inc	309,104	09/30/2015
Artisan Small Cap Fund	Ultimate Software Group Inc	293,694	09/30/2015
Artisan Small Cap Fund	Guidewire Software Inc	282,816	09/30/2015
Artisan Intl Val Fund	Compass Group PLC	1,402,197	09/30/2015
Artisan Intl Val Fund	UBS Group AG	1,277,621	09/30/2015
Artisan Intl Val Fund	Arch Capital Group Ltd	1,248,650	09/30/2015
Artisan Intl Val Fund	ING Groep N.V.	1,155,943	09/30/2015
Artisan Intl Val Fund	Royal Bank of Scotland Group (The) PLC	1,155,943	09/30/2015
SPDR S&P MidCap 400 ETF Tr	Jarden Corporation Common Stock	22,925	12/30/2015
SPDR S&P MidCap 400 ETF Tr	Extra Space Storage Inc Common Stock	21,205	12/30/2015
SPDR S&P MidCap 400 ETF Tr	Acuity Brands Inc	19,772	12/30/2015
SPDR S&P MidCap 400 ETF Tr	Alaska Air Group, Inc	19,772	12/30/2015
SPDR S&P MidCap 400 ETF Tr	Federal Realty Investment Trust	19,772	12/30/2015

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

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	682,689,645	695,276,015	12,586,370
30.2 Preferred stocks			
30.3 Totals	682,689,645	695,276,015	12,586,370

- 30.4 Describe the sources or methods utilized in determining the fair values:
Fair market values are obtained using an external pricing service, BNY Mellon; or using an external investment service, S&P.
- 31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?
- Yes [X] No []
- 31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?
- Yes [X] No []
- 31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:
.....
- 32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed?
- Yes [X] No []
- 32.2 If no, list exceptions:
.....

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

GENERAL INTERROGATORIES

OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?\$1,800,203

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

1 Name	2 Amount Paid
Insurance Services Office Inc.	956,909
.....

34.1 Amount of payments for legal expenses, if any?\$61,337

34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
.....
.....

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?\$0

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

1 Name	2 Amount Paid
.....
.....

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

1.1

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

Yes [] No [X]

1.2

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

\$

1.3

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

\$

1.31 Reason for excluding
.....

1.4

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

\$

1.5

Indicate total incurred claims on all Medicare Supplement Insurance.

\$

0

1.6

Individual policies:

Most current three years:

1.61 Total premium earned\$0

1.62 Total incurred claims\$0

1.63 Number of covered lives

All years prior to most current three years

1.64 Total premium earned\$0

1.65 Total incurred claims\$0

1.66 Number of covered lives

1.7

Group policies:

Most current three years:

1.71 Total premium earned\$0

1.72 Total incurred claims\$0

1.73 Number of covered lives

All years prior to most current three years

1.74 Total premium earned\$0

1.75 Total incurred claims\$0

1.76 Number of covered lives

2.

Health Test:

1

Current Year

2

Prior Year

2.1 Premium Numerator1,7382,779

2.2 Premium Denominator494,447,438489,588,580

2.3 Premium Ratio (2.1/2.2)0.0000.000

2.4 Reserve Numerator342(420)

2.5 Reserve Denominator608,375,035592,193,230

2.6 Reserve Ratio (2.4/2.5)0.0000.000

3.1

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

Yes [] No [X]

3.2

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

3.21 Participating policies\$

3.22 Non-participating policies\$

4.

For mutual reporting Entities and Reciprocal Exchanges Only:

4.1 Does the reporting entity issue assessable policies?

Yes [] No [X]

4.2 Does the reporting entity issue non-assessable policies?

Yes [X] No []

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

%

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

\$

0

5.

For Reciprocal Exchanges Only:

5.1 Does the Exchange appoint local agents?

Yes [] No []

5.2 If yes, is the commission paid:

5.21 Out of Attorney's-in-fact compensation.....

Yes [] No [] N/A []

5.22 As a direct expense of the exchange.....

Yes [] No [] N/A []

5.3

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

5.4

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

Yes [] No []

5.5

If yes, give full information
.....

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ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

6.1

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

6.2

Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process.
Profiling and probable maximum loss (PML) analysis on the exposures of The Motorists Insurance Group is performed by AON Re Services using the Risk Management Solutions (RMS) RiskLink catastrophe model. Analysis is performed for the perils of wind, hail, and earthquake. The PML arises from wind and hail. The major concentration of exposures is in Ohio. Catastrophe excess of loss reinsurance is purchased to protect

6.3

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

6.4

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

Yes [X] No []

6.5

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

7.1

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

Yes [X] No []

7.2

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

1

7.3

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

Yes [X] No []

8.1

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

Yes [] No [X]

8.2

If yes, give full information
.....

9.1

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

Yes [] No [X]

9.2

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

Yes [] No [X]

9.3

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

9.4

Except for transactions meeting the requirements of paragraph 32 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?

Yes [] No [X]

9.5

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

9.6

The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
(a) The entity does not utilize reinsurance; or,

Yes [] No [X]

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

Yes [] No [X]

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

Yes [] No [X]

10.

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

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

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

11.1

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

Yes [] No [X]

11.2

If yes, give full information

12.1

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

12.11 Unpaid losses

\$

12.12 Unpaid underwriting expenses (including loss adjustment expenses)

\$

12.2

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

\$

12.3

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

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

12.4

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

12.41 From

%

12.42 To

%

12.5

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

Yes [] No [X]

12.6

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

12.61 Letters of credit

\$

12.62 Collateral and other funds

\$

13.1

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

\$1,370,000

13.2

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

Yes [] No [X]

13.3

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

2

14.1

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

Yes [X] No []

14.2

If yes, please describe the method of allocating and recording reinsurance among the cedants:
Premiums are allocated to cedant based on experience weighted earned premiums subject to the contract. Reinsurance recoveries are distributed based on each cedant's share of the aggregate losses subject to the contract.

14.3

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

Yes [] No [X]

14.4

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

Yes [X] No []

14.5

If the answer to 14.4 is no, please explain:

15.1

Has the reporting entity guaranteed any financed premium accounts?

Yes [] No [X]

15.2

If yes, give full information

16.1

Does the reporting entity write any warranty business?

Yes [] No [X]

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

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

* Disclose type of coverage:

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

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

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

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

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

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

18.1 Do you act as a custodian for health savings accounts? Yes [] No [X]

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

FIVE-YEAR HISTORICAL DATA

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

	1 2015	2 2014	3 2013	4 2012	5 2011
Gross Premiums Written (Page 8, Part 1B Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	353,567,235	350,759,404	313,381,818	295,394,218	277,881,269
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	162,785,211	176,736,536	152,542,799	145,273,676	140,965,137
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	221,694,335	228,737,582	222,416,426	214,520,574	212,046,826
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	1,074,429	999,926	930,829	858,907	804,391
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	7,401,251	8,555,913	10,884,735	13,912,536	13,509,859
6. Total (Line 35)	746,522,460	765,789,361	700,156,607	669,959,911	645,207,483
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	236,885,164	233,881,730	218,991,256	205,727,241	193,703,506
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	107,437,227	116,086,946	104,714,561	99,609,371	97,125,176
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	141,366,130	144,424,791	147,949,877	142,390,590	142,030,453
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	722,290	667,668	654,295	603,265	566,041
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	5,069,857	5,850,718	7,673,738	9,808,338	9,524,451
12. Total (Line 35)	491,480,668	500,911,853	479,983,728	458,138,806	442,949,627
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	(8,645,977)	(3,375,134)	(14,991,921)	(31,338,633)	(52,659,663)
14. Net investment gain or (loss) (Line 11)	18,453,076	40,539,785	47,115,859	34,336,305	36,246,817
15. Total other income (Line 15)	2,459,922	5,472,963	7,163,937	6,105,545	(2,450,255)
16. Dividends to policyholders (Line 17)	2,692,891	3,534,153	5,816,505	5,420,331	6,254,682
17. Federal and foreign income taxes incurred (Line 19)	1,765,431	(1,331,930)	(4,446,482)	(3,591,700)	(4,287,664)
18. Net income (Line 20)	7,808,700	40,435,392	37,917,852	7,274,586	(20,830,119)
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	1,387,354,078	1,373,884,308	1,335,833,011	1,272,050,376	1,228,435,140
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	39,413,776	30,120,137	22,248,066	23,483,625	19,793,118
20.2 Deferred and not yet due (Line 15.2)	114,488,837	109,086,791	103,998,918	91,726,514	84,560,244
20.3 Accrued retrospective premiums (Line 15.3)					
21. Total liabilities excluding protected cell business (Page 3, Line 26)	833,490,269	816,476,501	767,048,720	791,489,327	767,588,107
22. Losses (Page 3, Line 1)	286,236,131	279,450,789	295,320,063	300,235,516	310,905,401
23. Loss adjustment expenses (Page 3, Line 3)	70,619,300	69,761,169	77,154,980	79,535,266	88,086,740
24. Unearned premiums (Page 3, Line 9)	224,964,101	227,930,873	216,607,599	203,810,426	194,651,076
25. Capital paid up (Page 3, Lines 30 & 31)					
26. Surplus as regards policyholders (Page 3, Line 37)	553,863,809	557,407,808	568,784,291	480,561,049	460,847,033
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	27,537,163	3,877,886	20,919,214	(13,588,378)	(44,651,858)
Risk-Based Capital Analysis					
28. Total adjusted capital	557,957,895	562,585,923	573,377,501	483,760,484	463,201,079
29. Authorized control level risk-based capital	65,905,122	67,444,352	64,133,117	61,776,110	58,896,887
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line divided by Page 2, Line 12, Col. 3) x100.0					
30. Bonds (Line 1)	64.8	64.6	65.2	65.0	66.1
31. Stocks (Lines 2.1 & 2.2)	21.9	21.9	19.7	19.6	19.5
32. Mortgage loans on real estate (Lines 3.1 and 3.2)			0.0	0.0	0.1
33. Real estate (Lines 4.1, 4.2 & 4.3)	2.7	2.8	2.7	2.7	2.8
34. Cash, cash equivalents and short-term investments (Line 5)	0.0	(0.1)	1.2	1.1	0.7
35. Contract loans (Line 6)					
36. Derivatives (Line 7)					
37. Other invested assets (Line 8)	10.6	10.8	11.2	11.5	10.8
38. Receivables for securities (Line 9)	0.0	0.0	0.0	0.0	0.0
39. Securities lending reinvested collateral assets (Line 10)					
40. Aggregate write-ins for invested assets (Line 11)					
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds (Schedule D, Summary, Line 12, Col. 1)					
43. Affiliated preferred stocks (Schedule D, Summary, Line 18, Col. 1)					
44. Affiliated common stocks (Schedule D, Summary, Line 24, Col. 1)	104,825,034	98,291,815	51,041,877	52,703,689	51,449,362
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)					
46. Affiliated mortgage loans on real estate					
47. All other affiliated		16,000,000	16,000,000	16,000,000	16,000,000
48. Total of above Lines 42 to 47	104,825,034	114,291,815	67,041,877	68,703,689	67,449,362
49. Total Investment in Parent included in Lines 42 to 47 above					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)	18.9	20.5	11.8	14.3	14.6

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2015	2 2014	3 2013	4 2012	5 2011
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)	(1,070,632)	(4,463,956)	14,005,941	14,232,271	(6,462,061)
52. Dividends to stockholders (Line 35)					
53. Change in surplus as regards policyholders for the year (Line 38)	(3,543,999)	(11,376,483)	88,223,242	19,714,015	(42,475,220)
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	170,289,573	170,384,934	162,395,896	175,323,654	156,141,068
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	86,707,003	97,931,903	76,516,792	79,387,030	104,272,020
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	113,394,221	117,777,790	121,689,533	145,165,042	185,263,849
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	169,840	179,631	248,209	368,988	337,499
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)	4,148,646	5,653,146	7,451,292	7,812,455	8,915,567
59. Total (Line 35)	374,709,282	391,927,405	368,301,724	408,057,169	454,930,004
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	112,205,529	121,049,695	112,671,245	120,449,886	108,331,604
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)	59,305,573	67,100,528	53,890,124	54,841,808	69,690,895
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	74,468,628	81,110,533	84,593,534	94,082,486	122,294,974
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	116,340	128,567	174,988	260,136	237,937
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)	2,841,822	4,509,318	5,253,161	5,507,781	6,285,475
65. Total (Line 35)	248,937,893	273,898,642	256,583,052	275,142,097	306,840,884
Operating Percentages (Page 4) (Line divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)	51.7	52.7	53.9	58.9	65.8
68. Loss expenses incurred (Line 3)	12.7	11.3	13.0	12.0	12.1
69. Other underwriting expenses incurred (Line 4)	37.3	36.7	36.4	36.1	33.5
70. Net underwriting gain (loss) (Line 8)	(1.7)	(0.7)	(3.2)	(7.0)	(11.4)
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)	37.0	34.8	33.9	34.0	35.4
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	64.4	64.0	66.8	70.9	77.9
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0)	88.7	89.9	84.4	95.3	96.1
One Year Loss Development (000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P - Part 2 - Summary, Line 12, Col. 11)	(13,964)	(15,134)	(5,045)	(8,213)	(19,135)
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100.0).....	(2.5)	(2.7)	(1.0)	(1.8)	(3.8)
Two Year Loss Development (000 omitted)					
76. Development in estimated losses and loss expenses incurred two years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)	(24,845)	(12,203)	(9,170)	(21,314)	(21,692)
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0)	(4.4)	(2.5)	(2.0)	(4.2)	(4.4)

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

If no, please explain:

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

(\$000 OMITTED)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12
	1 Direct and Assumed	2 Ceded	3 Net (1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	Number of Claims Reported Direct and Assumed
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded	Salvage and Subrogation Received	Total Net Paid Cols (4 - 5 + 6 - 7 + 8 - 9)	
1. Prior.....	XXX	XXX	XXX	5,924	4,392	1,122	197	126	23	241	2,561	XXX
2. 2006.....	487,523	23,072	464,450	245,261	9,363	15,498	794	38,867	223	10,486	289,246	XXX
3. 2007.....	488,367	20,253	468,114	262,140	9,398	17,674	213	39,296	115	13,798	309,385	XXX
4. 2008.....	496,684	21,746	474,938	324,043	37,285	20,116	211	43,808	263	12,171	350,207	XXX
5. 2009.....	506,462	20,775	485,687	305,564	15,514	19,514	1,150	39,699	168	11,941	347,945	XXX
6. 2010.....	517,308	19,642	497,666	295,084	7,423	16,268	231	42,685	23	13,609	346,361	XXX
7. 2011.....	496,420	21,722	474,698	333,229	26,296	12,852	200	45,539	306	13,543	364,819	XXX
8. 2012.....	488,500	24,256	464,244	262,810	10,483	10,294	63	44,253	138	11,757	306,673	XXX
9. 2013.....	503,244	23,549	479,695	232,009	7,008	6,202	6	43,576	4	11,607	274,771	XXX
10. 2014.....	517,761	28,172	489,589	226,080	2,707	3,583	1	42,671	5	10,807	269,622	XXX
11. 2015.....	521,593	27,145	494,447	156,166	2,738	2,087	0	36,598	11	5,695	192,102	XXX
12. Totals	XXX	XXX	XXX	2,648,313	132,606	125,210	3,066	417,119	1,279	115,657	3,053,693	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR						
	13	14	15	16	17	18	19	20	21	22			
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded				Salvage and Subrogation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstanding Direct and Assumed
1. Prior.....	36,765	21,317	18,977	594	0		5,171	14	1,975	0		40,963	XXX
2. 2006.....	1,719	685	1,171	3			474		111			2,786	XXX
3. 2007.....	1,660	137	1,415	126			416		195			3,423	XXX
4. 2008.....	2,068	7	1,804	321	5		792		381			4,722	XXX
5. 2009.....	3,501	23	2,962	552	12		864		486			7,249	XXX
6. 2010.....	7,454	3	3,203	220	14		1,701		847			12,997	XXX
7. 2011.....	10,161	394	4,428	280	19		2,251	4	1,003	1		17,183	XXX
8. 2012.....	13,051	240	7,210	298	133		3,767	22	1,951	6		25,546	XXX
9. 2013.....	21,611	689	11,224	428	100		5,695	31	3,224			40,706	XXX
10. 2014.....	33,118	7,286	22,950	3,517	58		9,116	1,075	5,271	3,387		55,248	XXX
11. 2015.....	75,921	9,652	51,431	797	34		14,040		15,054			146,031	XXX
12. Totals	207,031	40,432	126,774	7,137	374		44,287	1,146	30,497	3,393		356,855	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred /Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26	27	28	29	30	31	32	33		35	36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1. Prior.....	XXX	XXX	XXX	XXX	XXX	XXX			XXX	33,831	7,132
2. 2006.....	303,101	11,068	292,033	62.2	48.0	62.9			68.5	2,202	585
3. 2007.....	322,796	9,988	312,808	66.1	49.3	66.8			68.5	2,812	611
4. 2008.....	393,016	38,087	354,929	79.1	175.1	74.7			68.5	3,544	1,178
5. 2009.....	372,601	17,407	355,194	73.6	83.8	73.1			68.5	5,888	1,362
6. 2010.....	367,258	7,899	359,359	71.0	40.2	72.2			68.5	10,435	2,563
7. 2011.....	409,483	27,481	382,002	82.5	126.5	80.5			68.5	13,916	3,268
8. 2012.....	343,468	11,248	332,220	70.3	46.4	71.6			68.5	19,723	5,823
9. 2013.....	323,642	8,165	315,477	64.3	34.7	65.8			68.5	31,718	8,988
10. 2014.....	342,848	17,978	324,870	66.2	63.8	66.4			68.5	45,265	9,983
11. 2015.....	351,332	13,198	338,134	67.4	48.6	68.4			68.5	116,903	29,128
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX			XXX	286,236	70,619

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

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1 2006	2 2007	3 2008	4 2009	5 2010	6 2011	7 2012	8 2013	9 2014	10 2015	11 One Year	12 Two Year
1. Prior.....	199,768	188,660	187,450	186,191	186,586	187,286	188,092	191,091	190,028	188,983	(1,045)	(2,108)
2. 2006.....	268,892	261,533	257,791	256,715	254,586	253,708	253,554	252,894	253,219	253,278	59	384
3. 2007.....	XXX	286,579	278,144	275,929	274,042	274,483	274,015	273,665	273,772	273,432	(340)	(233)
4. 2008.....	XXX	XXX	318,051	318,275	315,090	312,600	312,490	311,596	311,361	311,004	(357)	(592)
5. 2009.....	XXX	XXX	XXX	321,350	318,647	310,942	313,815	313,284	314,802	315,177	375	1,892
6. 2010.....	XXX	XXX	XXX	XXX	332,415	325,391	321,491	321,727	317,947	315,849	(2,098)	(5,878)
7. 2011.....	XXX	XXX	XXX	XXX	XXX	344,710	339,630	337,830	337,109	335,767	(1,342)	(2,064)
8. 2012.....	XXX	XXX	XXX	XXX	XXX	XXX	294,918	290,185	287,565	286,160	(1,405)	(4,025)
9. 2013.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	280,901	272,237	268,680	(3,557)	(12,221)
10. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	284,572	280,319	(4,253)	XXX
11. 2015.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	286,493	XXX	XXX
12. Totals											(13,964)	(24,845)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment
	1	2	3	4	5	6	7	8	9	10		
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015		
1. Prior.....	.000	50,434	85,263	107,179	121,532	131,604	137,998	142,304	147,538	149,995	XXX	XXX
2. 2006.....	147,640	196,494	217,090	232,795	242,452	245,619	248,007	249,737	250,237	250,603	XXX	XXX
3. 2007.....	XXX	156,803	207,754	233,110	249,039	259,855	266,001	268,163	269,578	270,204	XXX	XXX
4. 2008.....	XXX	XXX	177,882	239,288	268,028	286,572	297,853	303,266	305,806	306,663	XXX	XXX
5. 2009.....	XXX	XXX	XXX	183,702	239,415	262,565	286,858	298,354	304,821	308,414	XXX	XXX
6. 2010.....	XXX	XXX	XXX	XXX	182,036	243,898	269,913	289,621	298,882	303,699	XXX	XXX
7. 2011.....	XXX	XXX	XXX	XXX	XXX	209,254	271,174	294,683	311,444	319,585	XXX	XXX
8. 2012.....	XXX	XXX	XXX	XXX	XXX	XXX	165,983	223,691	249,232	262,558	XXX	XXX
9. 2013.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	158,000	208,522	231,198	XXX	XXX
10. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	173,931	226,955	XXX	XXX
11. 2015.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	155,516	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1	2	3	4	5	6	7	8	9	10
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. Prior.....	106,723	70,368	52,960	42,583	36,382	33,364	31,224	27,089	25,173	23,540
2. 2006.....	64,531	36,470	19,952	11,451	6,250	3,942	3,007	2,010	1,855	1,641
3. 2007.....	XXX	71,490	40,308	22,196	12,355	6,448	4,206	2,625	2,135	1,705
4. 2008.....	XXX	XXX	72,234	43,820	22,804	12,399	7,134	4,067	2,757	2,275
5. 2009.....	XXX	XXX	XXX	74,804	45,583	22,367	13,569	6,476	4,149	3,273
6. 2010.....	XXX	XXX	XXX	XXX	81,649	42,856	22,496	12,871	7,756	4,684
7. 2011.....	XXX	XXX	XXX	XXX	XXX	71,180	36,348	19,445	10,668	6,395
8. 2012.....	XXX	XXX	XXX	XXX	XXX	XXX	63,902	33,832	18,476	10,657
9. 2013.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	63,503	31,200	16,460
10. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	56,413	27,474
11. 2015.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	64,673

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories									
States, Etc.	1	Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies Not Taken		4	5	6	7	8	9
		2	3						
	Active Status	Direct Premiums Written	Direct Premiums Earned	Dividends Paid or Credited to Policyholders on Direct Business	Direct Losses Paid (Deducting Salvage)	Direct Losses Incurred	Direct Losses Unpaid	Finance and Service Charges Not Included in Premiums	Direct Premiums Written for Federal Purchasing Groups (Included in Column 2)
1. Alabama	AL	Q							
2. Alaska	AK	N							
3. Arizona	AZ	N							
4. Arkansas	AR	N							
5. California	CA	Q							
6. Colorado	CO	N							
7. Connecticut	CT	Q							
8. Delaware	DE	Q							
9. District of Columbia	DC	N							
10. Florida	FL	N							
11. Georgia	GA	Q							
12. Hawaii	HI	N							
13. Idaho	ID	N							
14. Illinois	IL	Q							
15. Indiana	IN	L	42,401,033	43,160,924	18,018,892	21,878,552	32,438,179	184,129	
16. Iowa	IA	Q							
17. Kansas	KS	N							
18. Kentucky	KY	L	57,849,541	57,988,614	29,996,336	27,295,291	30,456,892	240,706	
19. Louisiana	LA	N							
20. Maine	ME	Q							
21. Maryland	MD	Q							
22. Massachusetts	MA	Q							
23. Michigan	MI	L	15,711,841	13,727,390	7,474,662	8,309,962	9,411,283	23,995	
24. Minnesota	MN	N							
25. Mississippi	MS	N							
26. Missouri	MO	Q							
27. Montana	MT	Q							
28. Nebraska	NE	Q							
29. Nevada	NV	N							
30. New Hampshire	NH	Q							
31. New Jersey	NJ	Q							
32. New Mexico	NM	N							
33. New York	NY	Q							
34. North Carolina	NC	Q							
35. North Dakota	ND	N							
36. Ohio	OH	L	240,273,932	239,400,178	106,883,045	111,026,804	88,314,508	1,968,524	
37. Oklahoma	OK	Q							
38. Oregon	OR	Q							
39. Pennsylvania	PA	L	64,941,983	62,947,067	557,262	42,123,936	46,955,022	60,229,138	389,543
40. Rhode Island	RI	Q							
41. South Carolina	SC	Q							
42. South Dakota	SD	Q							
43. Tennessee	TN	Q							
44. Texas	TX	Q							
45. Utah	UT	Q							
46. Vermont	VT	Q							
47. Virginia	VA	Q							
48. Washington	WA	N							
49. West Virginia	WV	L	20,076,006	20,260,606	6,213,098	7,937,776	8,967,426	55,993	
50. Wisconsin	WI	Q							
51. Wyoming	WY	N							
52. American Samoa	AS	N							
53. Guam	GU	N							
54. Puerto Rico	PR	N							
55. U.S. Virgin Islands	VI	N							
56. Northern Mariana Islands	MP	N							
57. Canada	CAN	N							
58. Aggregate other alien ..	OT	XXX							
59. Totals	(a) 6	441,254,336	437,484,780	557,262	210,709,969	223,403,407	229,817,425	2,862,889	
DETAILS OF WRITE-INS									
58001.	XXX								
58002.	XXX								
58003.	XXX								
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX								
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX								

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

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

Premiums are assigned to state based on the following methods:

1) the location of the risk for lines 1, 2, 4, 5, 8, 9, 12, 16, 26, and 27

2) the location of the insured's operation for lines 17 and 18

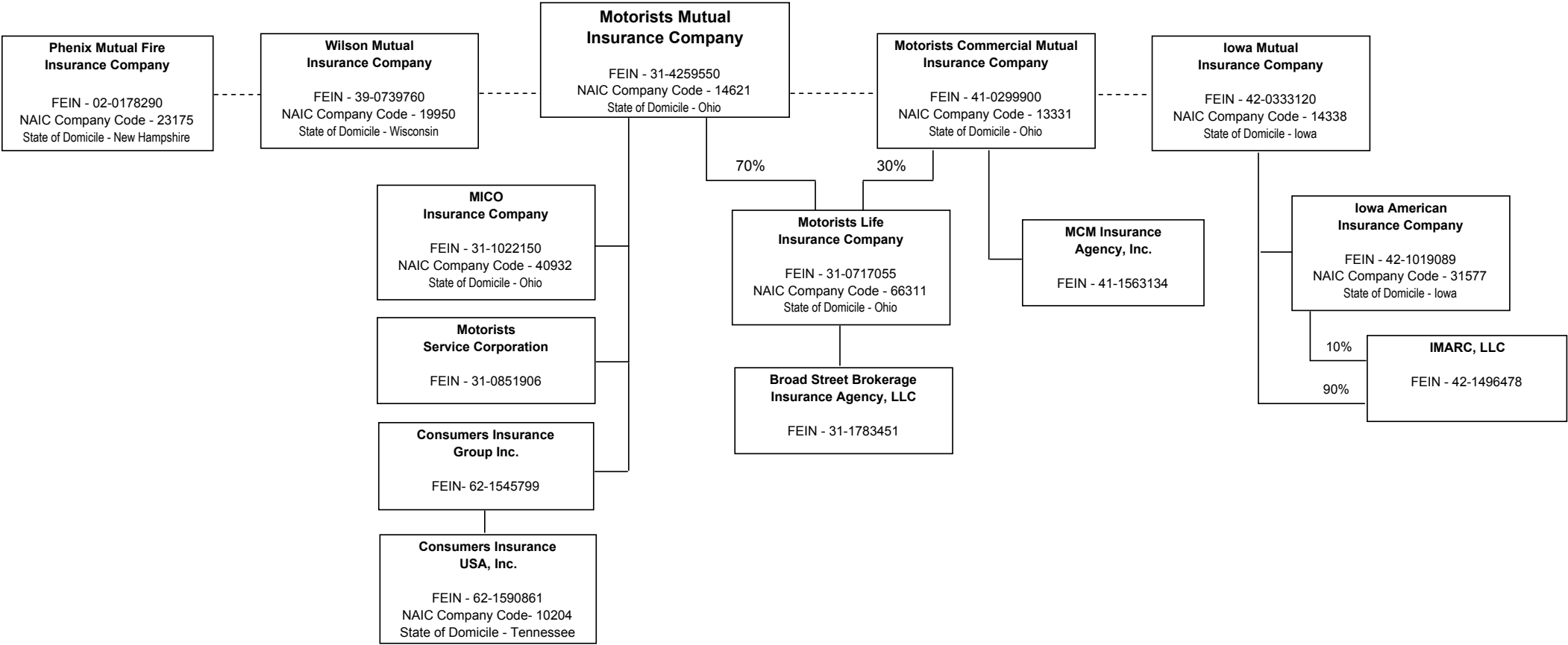
3) the principal garaging location for lines 19 and 21

4) the location of the employer for line 23

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

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

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



ANNUAL STATEMENT FOR THE YEAR 2015 OF THE MOTORISTS MUTUAL INSURANCE COMPANY

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 25

		Current Year			Prior Year
		1	2	3	4
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
2504.	Prepaid pension	32,992,176	32,992,176		
2505.	Automobiles	2,590,235	2,590,235		
2506.	Prepaid post retirement health care	984,939	984,939		
2507.	Prepaid expenses	894,032	894,032		
2508.	Leasehold improvements	300,356	300,356		
2509.	Employee advances	124,212	124,212		
2510.	Miscellaneous receivables	21,497	21,497		
2511.	Tenant allowances	11,942	11,942		
2597.	Summary of remaining write-ins for Line 25 from overflow page	37,919,389	37,919,389		

Additional Write-ins for Liabilities Line 25

		1	2
		Current Year	Prior Year
2504.	State surcharges payable	498,661	550,068
2505.	Escheatable funds	222,631	492,135
2506.	Reinsurance assumed overhead payable	218,116	318,151
2507.	Low income housing obligations	81,991	81,991
2508.	Obligations in pools and associations	80,319	181,093
2509.	Tenant allowances payable	11,283	28,944
2597.	Summary of remaining write-ins for Line 25 from overflow page	1,113,002	1,652,382

Additional Write-ins for Statement of Income Line 14

		1	2
		Current Year	Prior Year
1404.	Interest on assets other than securities	351	425
1405.	Penalties and assessments	5	
1406.	ICOLI death benefit pceeds		4,424,510
1407.	Surplus note interest credit	(325,000)	(325,000)
1408.	Change in ICOLI cash surrender value	(1,380,755)	(2,691,344)
1497.	Summary of remaining write-ins for Line 14 from overflow page	(1,705,399)	1,408,590

Additional Write-ins for Underwriting and Investment Exhibit Part 3 Line 24

		1	2	3	4
		Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
2404.	Donations and contributions	424,661	496,630	10,700	931,991
2405.	Temporary labor	342,774	493,901	6,685	843,361
2406.	Reinsurance assumed overhead		630,810		630,810
2407.	Policy administration / servicing fees		13,539		13,539
2408.	Unallocated aggregate stop-loss recovery	(478,357)			(478,357)
2497.	Summary of remaining write-ins for Line 24 from overflow page	289,077	1,634,880	17,386	1,941,343

Additional Write-ins for Exhibit of Nonadmitted Assets Line 25

		1	2	3
		Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
2504.	Prepaid expenses	894,032	629,515	(264,518)
2505.	Leasehold improvements	300,356	272,845	(27,512)
2506.	Employee advances	124,212	118,097	(6,115)
2507.	Miscellaneous receivables	21,497	20,009	(1,488)
2508.	Tenant allowances	11,942	147,719	135,777
2597.	Summary of remaining write-ins for Line 25 from overflow page	1,352,039	1,188,184	(163,854)

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK

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