

Annual Statement for the year 2015 of the **STATE AUTOMOBILE 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).....	569,788,010	0	569,788,010	475,636,269
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	0	0	0	0
2.2 Common stocks.....	799,035,868	23,270,238	775,765,630	750,007,323
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....	0	0	0	0
3.2 Other than first liens.....	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	22,561,206	0	22,561,206	23,489,440
4.2 Properties held for the production of income (less \$.....0 encumbrances).....	0	0	0	0
4.3 Properties held for sale (less \$.....0 encumbrances).....	4,935,000	0	4,935,000	8,117,371
5. Cash (\$....51,191,820, Schedule E-Part 1), cash equivalents (\$.....0, Schedule E-Part 2) and short-term investments (\$.....0, Schedule DA).....	51,191,820	0	51,191,820	116,040,130
6. Contract loans (including \$.....0 premium notes).....	0	0	0	0
7. Derivatives (Schedule DB).....	0	0	0	0
8. Other invested assets (Schedule BA).....	56,266,230	0	56,266,230	40,621,041
9. Receivables for securities.....	0	0	0	415,437
10. Securities lending reinvested collateral assets (Schedule DL).....	0	0	0	0
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	1,503,778,134	23,270,238	1,480,507,896	1,414,327,011
13. Title plants less \$.....0 charged off (for Title insurers only).....	0	0	0	0
14. Investment income due and accrued.....	4,520,268	0	4,520,268	3,739,338
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	251,114,796	114,053	251,000,743	247,361,580
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$....3,230,677 earned but unbilled premiums).....	393,366,807	961,659	392,405,148	395,041,118
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....	0	0	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	193,136,252	0	193,136,252	206,384,129
16.2 Funds held by or deposited with reinsured companies.....	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts.....	0	0	0	0
17. Amounts receivable relating to uninsured plans.....	0	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon.....	2,167,576	0	2,167,576	3,072,693
18.2 Net deferred tax asset.....	436,170	436,170	0	0
19. Guaranty funds receivable or on deposit.....	59,690	0	59,690	132,479
20. Electronic data processing equipment and software.....	27,272,075	23,610,361	3,661,714	2,661,412
21. Furniture and equipment, including health care delivery assets (\$.....0).....	5,590,583	5,590,583	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates.....	57,533,908	800	57,533,108	78,263,867
24. Health care (\$.....0) and other amounts receivable.....	0	0	0	0
25. Aggregate write-ins for other than invested assets.....	7,678,534	6,261,292	1,417,242	1,088,203
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	2,446,654,793	60,245,156	2,386,409,637	2,352,071,830
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0	0
28. TOTALS (Lines 26 and 27).....	2,446,654,793	60,245,156	2,386,409,637	2,352,071,830

DETAILS OF WRITE-INS

1101.....	0	0	0	0
1102.....	0	0	0	0
1103.....	0	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. Accounts receivable.....	342,422	330,045	12,377	6,811
2502. Prepaid expenses.....	5,659,036	5,659,036	0	0
2503. Equities and deposits in pools and associations.....	428,076	0	428,076	394,825
2598. Summary of remaining write-ins for Line 25 from overflow page.....	1,249,000	272,211	976,789	686,567
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	7,678,534	6,261,292	1,417,242	1,088,203

Annual Statement for the year 2015 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**
LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	455,541,845	420,722,585
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6).....	211,641,099	192,197,017
3. Loss adjustment expenses (Part 2A, Line 35, Column 9).....	107,159,175	99,808,578
4. Commissions payable, contingent commissions and other similar charges.....	3,030,242	8,414,994
5. Other expenses (excluding taxes, licenses and fees).....	19,483,829	19,199,886
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	7,493,585	7,740,814
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....	0	0
7.2 Net deferred tax liability.....	0	0
8. Borrowed money \$....89,000,000 and interest thereon \$....851,985.....	89,851,985	89,851,985
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$....627,510,718 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).....	323,522,427	321,809,230
10. Advance premium.....	12,277,466	11,982,803
11. Dividends declared and unpaid:		
11.1 Stockholders.....	0	0
11.2 Policyholders.....	112,051	72,912
12. Ceded reinsurance premiums payable (net of ceding commissions).....	140,626,048	124,771,075
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19).....	38,318	28,175
14. Amounts withheld or retained by company for account of others.....	7,225,705	7,365,720
15. Remittances and items not allocated.....	813,516	1,319,689
16. Provision for reinsurance (including \$.....0 certified) (Schedule F, Part 8).....	41,574	420,000
17. Net adjustments in assets and liabilities due to foreign exchange rates.....	0	0
18. Drafts outstanding.....	46,941,985	49,878,628
19. Payable to parent, subsidiaries and affiliates.....	74,364,177	85,003,486
20. Derivatives.....	0	0
21. Payable for securities.....	9,675,015	14,022,123
22. Payable for securities lending.....	0	0
23. Liability for amounts held under uninsured plans.....	0	0
24. Capital notes \$.....0 and interest thereon \$.....0.....	0	0
25. Aggregate write-ins for liabilities.....	51,903,273	80,697,894
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	1,561,743,315	1,535,307,594
27. Protected cell liabilities.....	0	0
28. Total liabilities (Lines 26 and 27).....	1,561,743,315	1,535,307,594
29. Aggregate write-ins for special surplus funds.....	469,110	437,044
30. Common capital stock.....	0	0
31. Preferred capital stock.....	0	0
32. Aggregate write-ins for other than special surplus funds.....	0	0
33. Surplus notes.....	0	0
34. Gross paid in and contributed surplus.....	0	0
35. Unassigned funds (surplus).....	824,197,212	816,327,192
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 30 \$.....0).....	0	0
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0).....	0	0
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39).....	824,666,322	816,764,236
38. TOTALS (Page 2, Line 28, Col. 3).....	2,386,409,637	2,352,071,830

DETAILS OF WRITE-INS

2501. Escheated funds payable.....	2,436,814	2,536,475
2502. Equities and deposits in pools and associations.....	71,333	116,721
2503. Miscellaneous liabilities.....	648,341	141,548
2598. Summary of remaining write-ins for Line 25 from overflow page.....	48,746,785	77,903,150
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	51,903,273	80,697,894
2901. Retroactive reinsurance gain (loss).....	469,110	437,044
2902.	0	0
2903.	0	0
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	469,110	437,044
3201.	0	0
3202.	0	0
3203.	0	0
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 thru 3203 plus 3298) (Line 32 above).....	0	0

Annual Statement for the year 2015 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**
STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4).....	674,329,442	570,087,433
DEDUCTIONS		
2. Losses incurred (Part 2, Line 35, Column 7).....	374,920,553	329,705,186
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	86,911,265	78,146,944
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	231,850,322	219,347,786
5. Aggregate write-ins for underwriting deductions.....	0	(29,670)
6. Total underwriting deductions (Lines 2 through 5).....	693,682,140	627,170,246
7. Net income of protected cells.....	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	(19,352,698)	(57,082,813)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	21,026,845	20,556,234
10. Net realized capital gains (losses) less capital gains tax of \$....1,434,097 (Exhibit of Capital Gains (Losses)).....	(1,685,997)	12,508,683
11. Net investment gain (loss) (Lines 9 + 10).....	19,340,848	33,064,917
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$....130,935 amount charged off \$....997,649).....	(866,714)	(995,281)
13. Finance and service charges not included in premiums.....	2,574,157	2,915,241
14. Aggregate write-ins for miscellaneous income.....	694,124	(2,463,365)
15. Total other income (Lines 12 through 14).....	2,401,567	(543,405)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	2,389,717	(24,561,301)
17. Dividends to policyholders.....	141,567	128,633
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).....	2,248,150	(24,689,934)
19. Federal and foreign income taxes incurred.....	(2,961,472)	(7,137,427)
20. Net income (Line 18 minus Line 19) (to Line 22).....	5,209,622	(17,552,507)
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	816,764,236	866,252,231
22. Net income (from Line 20).....	5,209,622	(17,552,507)
23. Net transfers (to) from Protected Cell accounts.....	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$....(2,253,442).....	3,129,233	975,434
25. Change in net unrealized foreign exchange capital gain (loss).....	0	0
26. Change in net deferred income tax.....	(1,974,003)	(2,135,638)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3).....	(7,103,791)	(6,643,190)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....	378,426	(372,443)
29. Change in surplus notes.....	0	0
30. Surplus (contributed to) withdrawn from protected cells.....	0	0
31. Cumulative effect of changes in accounting principles.....	0	0
32. Capital changes:		
32.1 Paid in.....	0	0
32.2 Transferred from surplus (Stock Dividend).....	0	0
32.3 Transferred to surplus.....	0	0
33. Surplus adjustments:		
33.1 Paid in.....	0	0
33.2 Transferred to capital (Stock Dividend).....	0	0
33.3. Transferred from capital.....	0	0
34. Net remittances from or (to) Home Office.....	0	0
35. Dividends to stockholders.....	0	0
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1).....	0	0
37. Aggregate write-ins for gains and losses in surplus.....	8,262,599	(23,759,651)
38. Change in surplus as regards policyholders for the year (Lines 22 through 37).....	7,902,086	(49,487,995)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	824,666,322	816,764,236

DETAILS OF WRITE-INS

0501. Premium deficiency reserve.....	0	(29,670)
0502.	0	0
0503.	0	0
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	0	(29,670)
1401. Miscellaneous income (expense).....	204,881	746,950
1402. Gain (loss) on sale of fixed assets.....	(2,597,780)	(99,008)
1403. Governmental fines and penalties.....	(50,043)	(51,877)
1498. Summary of remaining write-ins for Line 14 from overflow page.....	3,137,066	(3,059,430)
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	694,124	(2,463,365)
3701. Unrecognized pension.....	7,367,541	(21,859,848)
3702. Unrecognized retiree medical.....	895,058	(1,899,803)
3703.	0	0
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	8,262,599	(23,759,651)

Annual Statement for the year 2015 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**
CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	651,665,660	607,063,833
2. Net investment income.....	25,158,284	28,270,031
3. Miscellaneous income.....	(735,499)	2,516,025
4. Total (Lines 1 through 3).....	676,088,445	637,849,889
5. Benefit and loss related payments.....	307,429,836	326,351,358
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	276,961,455	294,386,314
8. Dividends paid to policyholders.....	102,428	110,930
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	(2,432,492)	(972,205)
10. Total (Lines 5 through 9).....	582,061,227	619,876,397
11. Net cash from operations (Line 4 minus Line 10).....	94,027,218	17,973,492
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	110,322,713	98,079,930
12.2 Stocks.....	38,176,588	49,433,893
12.3 Mortgage loans.....	0	0
12.4 Real estate.....	0	0
12.5 Other invested assets.....	1,421,553	44,402,191
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	0	0
12.7 Miscellaneous proceeds.....	415,437	14,022,123
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	150,336,291	205,938,137
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	207,488,757	130,186,728
13.2 Stocks.....	66,416,342	68,231,407
13.3 Mortgage loans.....	0	0
13.4 Real estate.....	905,199	2,590,803
13.5 Other invested assets.....	17,582,145	7,721,588
13.6 Miscellaneous applications.....	4,347,109	415,437
13.7 Total investments acquired (Lines 13.1 to 13.6).....	296,739,552	209,145,963
14. Net increase (decrease) in contract loans and premium notes.....	0	0
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	(146,403,261)	(3,207,826)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0
16.3 Borrowed funds.....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	0	0
16.5 Dividends to stockholders.....	0	0
16.6 Other cash provided (applied).....	(12,472,267)	7,260,904
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(12,472,267)	7,260,904
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	(64,848,310)	22,026,570
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	116,040,130	94,013,560
19.2 End of year (Line 18 plus Line 19.1).....	51,191,820	116,040,130

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

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Annual Statement for the year 2015 of the **STATE AUTOMOBILE 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 December 31 Prior Year- per Col. 3, Last Year's Part 1	3 Unearned Premiums December 31 Current Year- per Col. 5, Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1. Fire.....	18,250,520	9,880,324	9,325,603	18,805,240
2. Allied lines.....	27,860,959	17,414,404	15,861,765	29,413,598
3. Farmowners multiple peril.....	14,993,622	7,239,688	7,693,915	14,539,395
4. Homeowners multiple peril.....	115,781,961	64,979,897	62,295,208	118,466,650
5. Commercial multiple peril.....	83,978,333	40,580,266	40,626,081	83,932,518
6. Mortgage guaranty.....	0	0	0	0
8. Ocean marine.....	139,786	84,224	69,854	154,156
9. Inland marine.....	8,145,167	4,203,174	4,044,356	8,303,985
10. Financial guaranty.....	0	0	0	0
11.1 Medical professional liability - occurrence.....	0	0	0	0
11.2 Medical professional liability - claims-made.....	3,264,403	2,131,636	2,068,741	3,327,298
12. Earthquake.....	3,938,118	3,508,832	2,937,123	4,509,826
13. Group accident and health.....	0	0	0	0
14. Credit accident and health (group and individual).....	0	0	0	0
15. Other accident and health.....	1,096	.542	.529	1,108
16. Workers' compensation.....	49,265,134	20,151,116	21,995,239	47,421,010
17.1 Other liability - occurrence.....	62,804,032	28,634,297	32,452,404	58,985,925
17.2 Other liability - claims-made.....	5,846,183	2,597,403	3,358,372	5,085,214
17.3 Excess workers' compensation.....	(2,653)	0	0	(2,653)
18.1 Products liability - occurrence.....	6,299,482	2,586,144	2,584,058	6,301,568
18.2 Products liability - claims-made.....	0	0	0	0
19.1, 19.2 Private passenger auto liability.....	100,752,681	41,498,186	38,552,559	103,698,308
19.3, 19.4 Commercial auto liability.....	69,817,258	31,444,032	34,929,707	66,331,583
21. Auto physical damage.....	103,816,830	41,993,653	42,419,246	103,391,236
22. Aircraft (all perils).....	0	0	0	0
23. Fidelity.....	.560,723	310,877	302,884	.568,716
24. Surety.....	184,056	.754,306	.88,834	.849,529
26. Burglary and theft.....	.83,152	47,884	40,741	.90,295
27. Boiler and machinery.....	128,776	96,089	70,135	154,730
28. Credit.....	0	0	0	0
29. International.....	0	0	0	0
30. Warranty.....	0	0	0	0
31. Reinsurance - nonproportional assumed property.....	.208	0	0	.208
32. Reinsurance - nonproportional assumed liability.....	0	0	0	0
33. Reinsurance - nonproportional assumed financial lines.....	0	0	0	0
34. Aggregate write-ins for other lines of business.....	0	0	0	0
35. TOTALS.....	675,909,826	320,136,974	321,717,354	674,329,445

DETAILS OF WRITE-INS

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

STATE AUTOMOBILE MUTUAL INSURANCE COMPANY
UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned But Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1. Fire.....	9,312,122	13,481	0	0	9,325,603
2. Allied lines.....	15,601,848	259,917	0	0	15,861,765
3. Farmowners multiple peril.....	7,693,915	0	0	0	7,693,915
4. Homeowners multiple peril.....	62,295,208	0	0	0	62,295,208
5. Commercial multiple peril.....	41,088,267	0	(462,186)	0	40,626,081
6. Mortgage guaranty.....	0	0	0	0	0
8. Ocean marine.....	69,854	0	0	0	69,854
9. Inland marine.....	4,044,043	313	0	0	4,044,356
10. Financial guaranty.....	0	0	0	0	0
11.1 Medical professional liability - occurrence.....	0	0	0	0	0
11.2 Medical professional liability - claims-made.....	2,068,741	0	0	0	2,068,741
12. Earthquake.....	2,933,911	3,213	0	0	2,937,123
13. Group accident and health.....	0	0	0	0	0
14. Credit accident and health (group and individual).....	0	0	0	0	0
15. Other accident and health.....	529	0	0	0	529
16. Workers' compensation.....	22,502,494	229,272	(736,527)	0	21,995,239
17.1 Other liability - occurrence.....	32,100,140	666,535	(314,271)	0	32,452,404
17.2 Other liability - claims-made.....	3,316,614	41,758	0	0	3,358,372
17.3 Excess workers' compensation.....	0	0	0	0	0
18.1 Products liability - occurrence.....	2,861,894	667	(278,504)	0	2,584,058
18.2 Products liability - claims-made.....	0	0	0	0	0
19.1, 19.2 Private passenger auto liability.....	38,552,559	0	0	0	38,552,559
19.3, 19.4 Commercial auto liability.....	34,880,820	62,471	(13,585)	0	34,929,707
21. Auto physical damage.....	42,415,233	4,014	0	0	42,419,246
22. Aircraft (all perils).....	0	0	0	0	0
23. Fidelity.....	264,339	38,545	0	0	302,884
24. Surety.....	25,478	63,356	0	0	88,834
26. Burglary and theft.....	39,696	1,045	0	0	40,741
27. Boiler and machinery.....	69,906	229	0	0	70,135
28. Credit.....	0	0	0	0	0
29. International.....	0	0	0	0	0
30. Warranty.....	0	0	0	0	0
31. Reinsurance - nonproportional assumed property.....	0	0	0	0	0
32. Reinsurance - nonproportional assumed liability.....	0	0	0	0	0
33. Reinsurance - nonproportional assumed financial lines.....	0	0	0	0	0
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0
35. TOTALS.....	322,137,611	1,384,816	(1,805,073)	0	321,717,354
36. Accrued retrospective premiums based on experience.....					0
37. Earned but unbilled premiums.....					1,805,073
38. Balance (sum of Lines 35 through 37).....					323,522,427

DETAILS OF WRITE-INS

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

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

Annual Statement for the year 2015 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**
UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire.....	21,949,780	32,422,862	114,524	34,649,538	1,587,108	18,250,520
2. Allied lines.....	26,426,555	67,726,578	160,496	52,895,443	13,557,227	27,860,959
3. Farmowners multiple peril.....	42,523,775	2,270,828	0	28,466,152	1,334,829	14,993,622
4. Homeowners multiple peril.....	54,624,187	283,410,854	375,611	219,817,924	2,810,767	115,781,961
5. Commercial multiple peril.....	44,805,693	210,472,283	0	159,437,122	11,862,521	83,978,333
6. Mortgage guaranty.....	0	0	0	0	0	0
8. Ocean marine.....	60,647	346,302	0	265,390	1,773	139,786
9. Inland marine.....	8,201,006	15,569,478	0	15,464,011	161,306	8,145,167
10. Financial guaranty.....	0	0	0	0	0	0
11.1 Medical professional liability - occurrence.....	0	0	0	0	0	0
11.2 Medical professional liability - claims-made.....	0	10,947,310	0	6,197,637	1,485,270	3,264,403
12. Earthquake.....	1,608,989	15,348,522	0	7,476,716	5,542,677	3,938,118
13. Group accident and health.....	0	0	0	0	0	0
14. Credit accident and health (group and individual).....	0	0	0	0	0	0
15. Other accident and health.....	4,885	0	0	2,079	1,710	1,096
16. Workers' compensation.....	27,870,116	114,432,395	1,270,105	93,532,362	775,120	49,265,134
17.1 Other liability - occurrence.....	52,932,518	158,016,091	21,876	119,236,641	28,929,812	62,804,032
17.2 Other liability - claims-made.....	1,029,431	20,430,097	0	11,099,274	4,514,071	5,846,183
17.3 Excess workers' compensation.....	0	(7,689)	0	(5,036)	0	(2,653)
18.1 Products liability - occurrence.....	9,729,354	8,574,211	0	11,959,887	44,196	6,299,482
18.2 Products liability - claims-made.....	0	0	0	0	0	0
19.1, 19.2 Private passenger auto liability.....	53,592,914	239,372,862	0	191,284,076	929,019	100,752,681
19.3, 19.4 Commercial auto liability.....	50,808,318	152,885,567	129,200	132,551,604	1,454,223	69,817,258
21. Auto physical damage.....	61,965,925	239,082,753	11,706	197,101,517	142,037	103,816,830
22. Aircraft (all perils).....	0	0	0	0	0	0
23. Fidelity.....	753,192	872,092	0	1,064,561	0	560,723
24. Surety.....	1,300,064	0	0	349,440	766,568	184,056
26. Burglary and theft.....	123,987	116,931	139	157,869	36	83,152
27. Boiler and machinery.....	2,126,322	8,863	0	244,486	1,761,923	128,776
28. Credit.....	0	0	0	0	0	0
29. International.....	0	0	0	0	0	0
30. Warranty.....	0	0	0	0	0	0
31. Reinsurance - nonproportional assumed property.....	XXX	0	208	0	0	208
32. Reinsurance - nonproportional assumed liability.....	XXX	0	0	0	0	0
33. Reinsurance - nonproportional assumed financial lines.....	XXX	0	0	0	0	0
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0
35. TOTALS.....	462,437,658	1,572,299,190	2,083,865	1,283,248,694	77,662,193	675,909,826

DETAILS OF WRITE-INS

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

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

If yes: 1. The amount of such installment premiums \$.....0.

2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$.....0.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire.....	5,392,871	13,520,899	12,401,455	6,512,315	4,352,232	5,318,003	5,546,544	29.5
2. Allied lines.....	16,395,357	19,108,545	23,295,072	12,208,830	5,390,352	5,623,199	11,975,982	40.7
3. Farmowners multiple peril.....	17,214,673	802,470	11,801,338	6,215,805	3,282,311	3,353,453	6,144,662	42.3
4. Homeowners multiple peril.....	18,098,640	135,765,357	111,312,376	42,551,621	17,600,409	8,051,777	52,100,253	44.0
5. Commercial multiple peril.....	19,813,319	122,210,475	93,112,371	48,911,423	82,756,076	87,468,774	44,198,725	52.7
6. Mortgage guaranty.....	0	0	0	0	0	0	0	0.0
8. Ocean marine.....	83,380	98,870	119,374	62,876	8,701	15,104	56,473	36.6
9. Inland marine.....	2,769,911	4,744,804	4,947,671	2,567,044	183,270	529,751	2,220,563	26.7
10. Financial guaranty.....	0	0	0	0	0	0	0	0.0
11.1 Medical professional liability - occurrence.....	0	0	0	0	0	0	0	0.0
11.2 Medical professional liability - claims-made.....	0	3,369,973	2,207,332	1,162,641	4,073,349	2,867,121	2,368,869	71.2
12. Earthquake.....	0	0	0	0	0	0	0	0.0
13. Group accident and health.....	0	0	0	0	0	0	0	0.0
14. Credit accident and health (group and individual).....	0	0	0	0	0	0	0	0.0
15. Other accident and health.....	7,914	0	5,473	2,440	13,738	17,050	(872)	(78.6)
16. Workers' compensation.....	13,569,298	41,946,205	37,090,747	18,424,756	74,504,388	68,860,645	24,068,499	50.8
17.1 Other liability - occurrence.....	24,200,972	37,863,841	44,465,478	17,599,335	87,722,179	75,508,213	29,813,301	50.5
17.2 Other liability - claims-made.....	522	2,701,845	1,770,051	932,317	3,846,075	2,973,475	1,804,917	35.5
17.3 Excess workers' compensation.....	0	0	0	0	102,090	135,691	(33,601)	1,266.7
18.1 Products liability - occurrence.....	1,678,954	4,519,918	4,060,261	2,138,611	4,750,248	5,284,406	1,604,453	25.5
18.2 Products liability - claims-made.....	0	0	0	0	0	0	0	0.0
19.1, 19.2 Private passenger auto liability.....	43,127,711	182,307,830	148,253,475	77,182,067	84,129,507	82,442,394	78,869,180	76.1
19.3, 19.4 Commercial auto liability.....	30,499,720	99,235,562	85,763,409	43,971,873	75,992,892	67,163,346	52,801,419	79.6
21. Auto physical damage.....	35,244,080	136,374,617	112,406,758	59,211,939	5,278,806	3,651,129	60,839,616	58.8
22. Aircraft (all perils).....	0	0	0	0	0	0	0	0.0
23. Fidelity.....	288,772	93,136	254,309	127,599	148,403	356,585	(80,582)	(14.2)
24. Surety.....	588,031	133,867	473,380	248,518	449,543	174,887	523,174	61.6
26. Burglary and theft.....	19,632	61,563	53,182	28,012	25,777	12,574	41,215	45.6
27. Boiler and machinery.....	730,161	50,229	756,998	23,392	328,044	311,153	40,283	26.0
28. Credit.....	0	0	0	0	0	0	0	0.0
29. International.....	0	0	0	0	0	0	0	0.0
30. Warranty.....	0	0	0	0	0	0	0	0.0
31. Reinsurance - nonproportional assumed property.....	XXX.	(9,444)	0	(9,444)	207,419	211,164	(13,189)	(6,340.8)
32. Reinsurance - nonproportional assumed liability.....	XXX.	79,199	51,875	27,324	396,035	392,691	30,668	0.0
33. Reinsurance - nonproportional assumed financial lines.....	XXX.	0	0	0	0	0	0	0.0
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0.0
35. TOTALS.....	229,723,919	804,979,760	694,602,385	340,101,294	455,541,845	420,722,585	374,920,553	55.6

DETAILS OF WRITE-INS

3401.	0	0	0	0	0	0	0	0.0
3402.	0	0	0	0	0	0	0	0.0
3403.	0	0	0	0	0	0	0	0.0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0	0	XXX.....
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0	0	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses				Incurred But Not Reported			8	9
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excluding Incurred but not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire.....	7,099,920	4,057,153	7,252,775	3,904,297	(132,881)	1,818,669	1,237,853	4,352,232	559,796
2. Allied lines.....	6,845,980	7,065,238	9,138,572	4,772,646	859,121	931,350	1,172,765	5,390,352	675,707
3. Farmowners multiple peril.....	7,052,894	268,417	4,795,459	2,525,852	1,969,000	223,633	1,436,175	3,282,311	416,867
4. Homeowners multiple peril.....	6,192,787	43,666,337	37,238,144	12,620,979	1,573,998	15,420,009	12,014,577	17,600,409	2,470,535
5. Commercial multiple peril.....	14,987,764	117,661,811	87,045,418	45,604,156	18,261,612	89,950,627	71,060,319	82,756,076	17,843,272
6. Mortgage guaranty.....	0	0	0	0	0	0	0	0	0
8. Ocean marine.....	0	23,868	15,633	8,234	(933)	2,286	.886	8,701	1,920
9. Inland marine.....	250,752	.606,405	.561,198	.295,959	63,607	(390,242)	(213,946)	183,270	30,366
10. Financial guaranty.....	0	0	0	0	0	0	0	0	0
11.1 Medical professional liability - occurrence.....	0	0	0	0	0	0	0	0	0
11.2 Medical professional liability - claims-made.....	0	8,985,665	5,934,925	3,050,740	0	3,237,011	2,214,402	4,073,349	1,098,499
12. Earthquake.....	0	0	0	0	0	0	0	0	0
13. Group accident and health.....	0	0	0	0	0	0	0	(a).....	0
14. Credit accident and health (group and individual).....	0	0	0	0	0	0	0	0	0
15. Other accident and health.....	5,100	0	3,920	1,180	36,400	0	23,842	(a).....	13,738
16. Workers' compensation.....	38,329,186	62,489,056	72,038,493	28,779,749	36,651,369	.96,463,408	.87,390,138	.74,504,388	15,510,626
17.1 Other liability - occurrence.....	34,170,749	46,486,622	53,412,169	27,245,201	59,402,648	131,716,526	130,642,197	.87,722,179	34,468,856
17.2 Other liability - claims-made.....	15,000	1,542,573	1,067,464	.490,109	37,566	11,266,239	7,947,838	.3,846,075	2,430,209
17.3 Excess workers' compensation.....	0	0	0	0	0	.295,913	.193,823	.102,090	.43,753
18.1 Products liability - occurrence.....	1,824,352	1,623,174	2,254,176	.1,193,350	6,286,979	4,022,871	.6,752,952	.4,750,248	4,183,865
18.2 Products liability - claims-made.....	0	0	0	0	0	0	0	0	0
19.1, 19.2 Private passenger auto liability.....	56,899,798	.135,705,650	.137,297,109	.55,308,338	.15,949,505	.67,590,116	.54,718,452	.84,129,507	11,627,634
19.3, 19.4 Commercial auto liability.....	41,017,491	81,524,625	81,585,752	.40,956,364	.25,279,611	.76,688,337	.66,931,420	.75,992,892	14,483,574
21. Auto physical damage.....	2,303,498	7,595,090	6,484,826	.3,413,763	.615,960	.4,789,961	.3,540,878	.5,278,806	935,126
22. Aircraft (all perils).....	0	0	0	0	0	0	0	0	0
23. Fidelity.....	32,401	.196,109	.150,123	.78,387	45,537	.157,406	.132,928	.148,403	.40,072
24. Surety.....	1,149,912	0	.764,562	.385,351	.286,363	(2)	.222,169	.449,543	.312,740
26. Burglary and theft.....	.28,500	.6,825	.23,138	.12,187	.11,155	.28,236	.25,801	.25,777	.1,572
27. Boiler and machinery.....	.52,220	-(2,375)	.49,726	.119	.257,387	.693,120	.622,582	.328,044	.24,185
28. Credit.....	0	0	0	0	0	0	0	0	0
29. International.....	0	0	0	0	0	0	0	0	0
30. Warranty.....	0	0	0	0	0	0	0	0	0
31. Reinsurance - nonproportional assumed property.....	XXX.....	.207,419	0	.207,419	XXX.....	0	0	.207,419	0
32. Reinsurance - nonproportional assumed liability.....	XXX.....	.677,755	.443,930	.233,826	XXX.....	.470,173	.307,963	.396,035	0
33. Reinsurance - nonproportional assumed financial lines.....	XXX.....	0	0	0	XXX.....	0	0	0	0
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0	0
35. TOTALS.....	218,258,303	520,387,416	.507,557,512	.231,088,207	.167,454,004	.505,375,645	.448,376,012	.455,541,845	107,159,175

DETAILS OF WRITE-INS

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

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

Annual Statement for the year 2015 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**
UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct.....	27,974,590	0	0	27,974,590
1.2 Reinsurance assumed.....	122,231,153	0	0	122,231,153
1.3 Reinsurance ceded.....	99,937,105	0	0	99,937,105
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	50,268,638	0	0	50,268,638
2. Commission and brokerage:				
2.1 Direct, excluding contingent.....	0	66,909,634	0	66,909,634
2.2 Reinsurance assumed, excluding contingent.....	0	283,661,916	0	283,661,916
2.3 Reinsurance ceded, excluding contingent.....	0	233,402,286	0	233,402,286
2.4 Contingent - direct.....	0	6,468,292	0	6,468,292
2.5 Contingent - reinsurance assumed.....	0	16,642,350	0	16,642,350
2.6 Contingent - reinsurance ceded.....	0	17,784,064	0	17,784,064
2.7 Policy and membership fees.....	0	0	0	0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7).....	0	122,495,842	0	122,495,842
3. Allowances to manager and agents.....	0	2,136,473	0	2,136,473
4. Advertising.....	14,134	514,181	0	528,315
5. Boards, bureaus and associations.....	295,984	2,785,917	0	3,081,901
6. Surveys and underwriting reports.....	0	2,991,046	0	2,991,046
7. Audit of assureds' records.....	0	403,341	0	403,341
8. Salary and related items:				
8.1 Salaries.....	19,526,958	43,164,685	49,852	62,741,495
8.2 Payroll taxes.....	1,320,844	2,922,679	3,418	4,246,941
9. Employee relations and welfare.....	5,890,859	12,584,172	191,387	18,666,418
10. Insurance.....	252,582	545,282	7,502	805,366
11. Directors' fees.....	0	933,589	0	933,589
12. Travel and travel items.....	938,908	2,298,778	17,421	3,255,107
13. Rent and rent items.....	1,504,044	3,218,244	4,919	4,727,207
14. Equipment.....	2,974,624	4,280,115	31,501	7,286,240
15. Cost or depreciation of EDP equipment and software.....	1,803,391	1,738,638	14,580	3,556,609
16. Printing and stationery.....	157,855	468,247	1,974	628,076
17. Postage, telephone and telegraph, exchange and express.....	527,295	3,184,019	11,301	3,722,615
18. Legal and auditing.....	112,042	631,748	2,097,439	2,841,229
19. Totals (Lines 3 to 18).....	35,319,520	84,801,154	2,431,294	122,551,968
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$....15,174.....	0	14,377,457	0	14,377,457
20.2 Insurance department licenses and fees.....	0	1,453,908	0	1,453,908
20.3 Gross guaranty association assessments.....	0	107,332	0	107,332
20.4 All other (excluding federal and foreign income and real estate).....	0	245,359	0	245,359
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	0	16,184,056	0	16,184,056
21. Real estate expenses.....	0	0	5,354,309	5,354,309
22. Real estate taxes.....	0	0	738,030	738,030
23. Reimbursements by uninsured plans.....	0	0	0	0
24. Aggregate write-ins for miscellaneous expenses.....	1,323,107	8,369,273	14,616	9,706,995
25. Total expenses incurred.....	86,911,265	231,850,325	8,538,249	(a)....327,299,838
26. Less unpaid expenses - current year.....	107,159,175	29,459,700	547,956	137,166,831
27. Add unpaid expenses - prior year.....	99,808,578	34,409,379	946,315	135,164,272
28. Amounts receivable relating to uninsured plans, prior year.....	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year.....	0	0	0	0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29).....	79,560,668	236,800,003	8,936,607	325,297,278

DETAILS OF WRITE-INS

2401. Professional consultants.....	1,445,515	7,749,460	21,516	9,216,491
2402. Miscellaneous.....	(122,408)	619,812	(6,901)	490,504
2403.	0	0	0	0
2498. Summary of remaining write-ins for Line 24 from overflow page.....	0	0	0	0
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above).....	1,323,107	8,369,273	14,616	9,706,995

(a) Includes management fees of \$....13,087,049 to affiliates and \$....580,592 to non-affiliates.

Annual Statement for the year 2015 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**
EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....	2,873,960	3,003,708
1.1 Bonds exempt from U.S. tax.....	(a).....	3,188,800	3,559,016
1.2 Other bonds (unaffiliated).....	(a).....	8,803,157	9,044,378
1.3 Bonds of affiliates.....	(a).....	0	0
2.1 Preferred stocks (unaffiliated).....	(b).....	0	0
2.11 Preferred stocks of affiliates.....	(b).....	0	0
2.2 Common stocks (unaffiliated).....	.....	2,186,702	2,226,448
2.21 Common stocks of affiliates.....	.....	10,356,128	10,356,128
3. Mortgage loans.....	(c).....	0	0
4. Real estate.....	(d).....	7,914,155	7,914,155
5. Contract loans.....	.....	0	0
6. Cash, cash equivalents and short-term investments.....	(e).....	65,678	65,678
7. Derivative instruments.....	(f).....	0	0
8. Other invested assets.....	.....	400,221	400,221
9. Aggregate write-ins for investment income.....	.....	8,605	8,678
10. Total gross investment income.....	.....	35,797,407	36,578,410
11. Investment expenses.....	.....	(g).....	8,538,249
12. Investment taxes, licenses and fees, excluding federal income taxes.....	.....	(g).....	0
13. Interest expense.....	.....	(h).....	5,289,500
14. Depreciation on real estate and other invested assets.....	.....	(i).....	1,723,816
15. Aggregate write-ins for deductions from investment income.....	.....	0	0
16. Total deductions (Lines 11 through 15).....	.....	.....	15,551,565
17. Net investment income (Line 10 minus Line 16).....	.....	.....	21,026,846

DETAILS OF WRITE-INS

0901. Miscellaneous investment income.....	.....	8,605	.....	8,678
0902. .....	.....	0	.....	0
0903. .....	.....	0	.....	0
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....	0	.....	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....	8,605	.....	8,678
1501. .....	.....	.....	.....	0
1502. .....	.....	.....	.....	0
1503. .....	.....	.....	.....	0
1598. Summary of remaining write-ins for Line 15 from overflow page.....	.....	.....	.....	0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above).....	.....	.....	.....	0

- (a) Includes \$....598,457 accrual of discount less \$....4,114,146 amortization of premium and less \$....1,110,351 paid for accrued interest on purchases.
- (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
- (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$....7,914,155 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to Segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$....1,723,816 depreciation on real estate and \$.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. government bonds.....	197,006	0	197,006	61,271	0
1.1 Bonds exempt from U.S. tax.....	95,729	0	95,729	0	0
1.2 Other bonds (unaffiliated).....	639,922	(492,545)	147,377	0	0
1.3 Bonds of affiliates.....	0	0	0	0	0
2.1 Preferred stocks (unaffiliated).....	0	0	0	0	0
2.11 Preferred stocks of affiliates.....	0	0	0	0	0
2.2 Common stocks (unaffiliated).....	5,051,800	(2,665,926)	2,385,874	(5,834,231)	0
2.21 Common stocks of affiliates.....	64,060	0	64,060	7,314,195	0
3. Mortgage loans.....	0	0	0	0	0
4. Real estate.....	(88,395)	(3,203,592)	(3,291,987)	0	0
5. Contract loans.....	0	0	0	0	0
6. Cash, cash equivalents and short-term investments.....	0	0	0	0	0
7. Derivative instruments.....	0	0	0	0	0
8. Other invested assets.....	150,042	0	150,042	(665,446)	0
9. Aggregate write-ins for capital gains (losses).....	0	0	0	0	0
10. Total capital gains (losses).....	6,110,164	(6,362,063)	(251,899)	875,791	0

DETAILS OF WRITE-INS

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

Annual Statement for the year 2015 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**
EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks.....	0	0	0
2.2 Common stocks.....	23,270,238	16,858,889	(6,411,349)
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....	0	0	0
3.2 Other than first liens.....	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale.....	0	0	0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans.....	0	0	0
7. Derivatives (Schedule DB).....	0	0	0
8. Other invested assets (Schedule BA).....	0	0	0
9. Receivables for securities.....	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL).....	0	0	0
11. Aggregate write-ins for invested assets.....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	23,270,238	16,858,889	(6,411,349)
13. Title plants (for Title insurers only).....	0	0	0
14. Investment income due and accrued.....	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	114,053	142,669	28,616
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	961,659	1,334,632	372,973
15.3 Accrued retrospective premiums and contracts subject to redetermination.....	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers.....	0	0	0
16.2 Funds held by or deposited with reinsured companies.....	0	0	0
16.3 Other amounts receivable under reinsurance contracts.....	0	0	0
17. Amounts receivable relating to uninsured plans.....	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon.....	0	0	0
18.2 Net deferred tax asset.....	436,170	156,731	(279,439)
19. Guaranty funds receivable or on deposit.....	0	0	0
20. Electronic data processing equipment and software.....	23,610,361	22,393,578	(1,216,783)
21. Furniture and equipment, including health care delivery assets.....	5,590,583	6,847,530	1,256,947
22. Net adjustment in assets and liabilities due to foreign exchange rates.....	0	0	0
23. Receivables from parent, subsidiaries and affiliates.....	800	0	(800)
24. Health care and other amounts receivable.....	0	0	0
25. Aggregate write-ins for other than invested assets.....	6,261,292	5,407,336	(853,956)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	60,245,156	53,141,365	(7,103,791)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. TOTALS (Lines 26 and 27).....	60,245,156	53,141,365	(7,103,791)

DETAILS OF WRITE-INS

1101.....	0	0	0
1102.....	0	0	0
1103.....	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	0	0	0
2501. Accounts receivable.....	330,045	292,301	(37,744)
2502. Prepaid expenses.....	5,659,036	4,808,679	(850,357)
2503. Advances.....	163,679	230,071	66,392
2598. Summary of remaining write-ins for Line 25 from overflow page.....	108,532	76,285	(32,247)
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	6,261,292	5,407,336	(853,956)

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies:

A. Accounting Practices:

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

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

Description	State of Domicile	Amount (\$)	
		2015	2014
Net income, OH basis	OH	5,209,622	(17,552,507)
State prescribed practice		-	-
State permitted practice		-	-
Net income, NAIC SAP basis	OH	5,209,622	(17,552,507)
Statutory surplus, OH basis	OH	824,666,322	816,764,236
State prescribed practice		-	-
State permitted practice		-	-
Statutory surplus, NAIC SAP basis	OH	824,666,322	816,764,236

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

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

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

C. Accounting Policy:

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

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

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

In addition, the Company uses the following accounting policies:

1. Short-term investments: Not applicable.
2. Bonds not backed by other loans are stated at amortized cost using the scientific interest method.
3. Common stocks, other than investments in stocks of subsidiaries and affiliates, are stated at fair value.
4. Preferred stocks: Not applicable.
5. Mortgage loans: Not applicable.
6. Loan-backed securities are valued at amortized cost using the scientific interest method. The retrospective adjustment method is used to determine the fair value of all loan-backed securities.
7. Investments in subsidiaries and affiliated companies: Insurance subsidiary SA Wisconsin is stated at statutory equity value. Holding company subsidiaries, State Auto Holdings, CDC, and RHC, are admitted to the extent allowed by SSAP No. 97 - *Investments in Subsidiary, Controlled and Affiliated Entities, A Replacement of SSAP No.88*. A 62.6% publicly owned holding company subsidiary, State Auto Financial, is stated at statutory equity value. Noninsurance subsidiaries, Facilitators, Inc. ("Facilitators") and RED, are admitted to the extent allowed by SSAP No. 97. At December 31, 2015 and 2014, unamortized goodwill was \$60,972,101 and \$77,678,067, respectively, of which, \$14,208,109 and \$15,896,201 was nonadmitted, respectively.
8. The Company has minor ownership interests in partnerships and a trust. The Company carries these interests at the underlying equity of the investee, and for affiliated interests, to the extent allowed by SSAP No. 97 - *Investments in Subsidiary, Controlled and Affiliated Entities, A Replacement of SSAP No.88*.
9. Derivatives: Not applicable.
10. The Company anticipates investment income as a factor in the premium deficiency calculation, except accident and health business, in accordance with SSAP No. 53 - *Property-Casualty Contracts - Premiums*.
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. Such liabilities are necessarily based on assumptions and estimates, and, while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed, and any adjustments are reflected in the period determined.
12. The Company has not modified its capitalization policy from the prior period.
13. Pharmaceutical rebate receivables: Not applicable.

2. Accounting Changes and Corrections of Errors: Not applicable.

3. Business Combinations and Goodwill:

A. Statutory Purchase Method:

1. a. On February 10, 2009, the Company purchased 100% interest in RHC, a Delaware corporation. RHC writes specialty property and casualty business through four insurance subsidiaries, Rockhill, Plaza, American Compensation and Bloomington Compensation and has a subsidiary that is a third party administrator providing workers compensation case and claim management services.
 - b. On June 1, 2014, the Company purchased 100% interest in CDC, a California corporation.
2. The RHC and CDC transactions described in Note 3A were accounted for as statutory purchases.
3. a. The cost of the RHC purchase was \$248,627,800 resulting in goodwill of \$150,178,743, of which \$0 was nonadmitted at December 31, 2015.
 - b. The cost of the CDC purchase was \$17,500,000 resulting in goodwill of \$16,776,153, of which \$14,208,109 was nonadmitted at December 31, 2015.
4. a. Goodwill amortization for the period ended December 31, 2015 relating to the purchase of RHC was \$15,017,874.
 - b. Goodwill amortization for the period ended December 31, 2015 relating to the purchase of CDC was \$1,688,092.

3. Business Combinations and Goodwill (continued):**B. Statutory Merger:**

1. On July 2, 2014, Meridian Citizens Mutual merged with and into the Company (the "Merger"), with the Company continuing as the surviving entity.
2. The transaction was accounted for as a statutory merger.
3. There were no shares of stock issued in the transaction.
4. Pre-merger separate company revenue, net income, and other surplus adjustments for the six months ended June 30, 2014 were \$277,619,406, (\$6,020,534), \$5,704,583 respectively for the Company and \$4,082,837, \$112,968, (\$927), respectively for Meridian Citizens Mutual.
5. There were no mergers with any companies that previously did not prepare statutory statements.

C. Impairment Loss: Not applicable.**4. Discontinued Operations: Not applicable.****5. Investments:****A. Mortgage Loans: Not applicable.****B. Debt Restructuring: Not applicable.****C. Reverse Mortgages: Not applicable.****D. Loan-Backed Securities:**

1. Prepayment assumptions for mortgage-backed securities, asset-backed securities and collateralized mortgage obligations were generated using a purchased prepayment model. The prepayment model uses a number of factors to estimate prepayment activity including the time of year (seasonality), current levels of interest rates (refinancing incentive), economic activity (including housing turnover) and term and age of the underlying collateral (burnout, seasoning).
2. The Company has not recognized any other than temporary impairments on its loan-backed securities.
3. The Company has not recognized any other than temporary impairments on its loan-backed securities.
4. The Company has loan-backed securities in which the fair value is less than cost or amortized cost for which an other than temporary impairment has not been recognized.

		Amount (\$)
a. The aggregate amount of unrealized losses		
1. Less than 12 Months	(1,162,062)	
2. 12 Months or Longer	(394,468)	
b. The aggregate related fair value of securities with unrealized losses		
1. Less than 12 Months	79,368,822	
2. 12 Months or Longer	13,028,753	

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

E. Repurchase Agreements: Not applicable.**F. Real Estate:**

1. The Company revised the fair market value on real estate held for sale at September 30, 2015.
 - a. The real estate held for sale is a branch office located in Indianapolis, Indiana. The company entered into a purchase agreement on September 25, 2015, to sell the branch office. This purchase agreement resulted in a re-evaluation of the building's fair value, in which it was determined there was a decrease in fair value.
 - b. The amount of the fair value adjustment was \$3,203,592 at December 31, 2015. This amount was determined by taking the difference of the current carrying value and the selling price less cost to sell.
 - c. The decrease in fair value was recognized in the Statement of Income within net realized gains (losses).
2. Real estate investments sold or classified as held for sale: Not applicable.
3. Changes to a plan of sale for an investment in real estate: Not applicable.
4. Retail land sales operations: Not applicable.
5. Real estate investments with participating mortgage loan features: Not applicable.

G. Low Income Housing Tax Credits: Not applicable.**H. Restricted Assets:**

1. Restricted assets (including pledged) summarized by restricted asset category:

	Amount (\$)								Percentage (%)			
	Gross Restricted											
	Current Year					6	7	8				
	1	2	3	4	5			9	10			
	Total General Account (G/A)	G/A Supporting S/A Restricted Assets (a)	Total Separate Account (S/A) Restricted Assets	S/A Assets Supporting G/A Activity (b)	Total (1 plus 3)	6	7	8	9	10		
a. Subject to contractual obligation for which liability is not shown	-	-	-	-	-	-	-	-	-	-		
b. Collateral held under security lending arrangements	-	-	-	-	-	-	-	-	-	-		
c. Subject to repurchase agreements	-	-	-	-	-	-	-	-	-	-		
d. Subject to reverse repurchase agreements	-	-	-	-	-	-	-	-	-	-		
e. Subject to dollar repurchase agreements	-	-	-	-	-	-	-	-	-	-		
f. Subject to dollar reverse repurchase agreements	-	-	-	-	-	-	-	-	-	-		
g. Placed under option contracts	-	-	-	-	-	-	-	-	-	-		

5. Investments (continued):

	Amount (\$)								Percentage (%)			
	Gross Restricted					6	7	8				
	Current Year								Total From Prior Year	Increase (Decrease) (5 minus 6)		
	1	2	3	4	5							
	Total General Account (G/A)	G/A Supporting S/A Restricted Assets (a)	Total Separate Account (S/A) Restricted Assets	S/A Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets		
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock	-	-	-	-	-	-	-	-	-	-		
i. FHLB capital stock	4,053,600	-	-	-	4,053,600	4,053,600	-	4,053,600	0.17	0.17		
j. On deposit with state	8,481,630	-	-	-	8,481,630	8,200,110	281,520	8,481,630	0.35	0.36		
k. On deposit with other regulatory bodies	-	-	-	-	-	-	-	-	-	-		
l. Pledged as collateral to FHLB (including assets backing funding agreements)	22,085,028	-	-	-	22,085,028	22,033,477	51,551	22,085,028	0.90	0.93		
m. Pledged as collateral not captured in other categories	132,228,132	-	-	-	132,228,132	51,627,072	80,601,060	132,228,132	5.40	5.54		
n. Other restricted assets	-	-	-	-	-	-	-	-	-	-		
o. Total restricted assets	166,848,390	-	-	-	166,848,390	85,914,259	80,934,131	166,848,390	6.82	6.99		

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

	Amount (\$)								Percentage (%)			
	Gross Restricted					6	7	8				
	Current Year								Total From Prior Year	Increase (Decrease) (5 minus 6)		
	1	2	3	4	5							
	Total General Account (G/A)	G/A Supporting S/A Restricted Assets (a)	Total Separate Account (S/A) Restricted Assets	S/A Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets		
Reinsurance	132,228,132	-	-	-	132,228,132	51,627,072	80,601,060	132,228,132	5.40	5.54		
Total	132,228,132	-	-	-	132,228,132	51,627,072	80,601,060	132,228,132	5.40	5.54		

3. Detail of other restricted assets: Not applicable.

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

6. Joint Ventures, Partnerships and Limited Liability Companies:

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

7. Investment Income:

- A. Accrued Investment Income:

The Company nonadmits investment income due and accrued if amounts are over 90 days past due.

- B. Amounts Nonadmitted: Not applicable.

8. Derivative Instruments: Not applicable.

9. Income Taxes:

As a result of implementing a new computer system to calculate deferred tax balances with more specificity, certain groupings of deferred tax assets and deferred tax liabilities have been modified. These changes had no impact on historically admitted assets or net deferred tax assets/liabilities.

- A. The components of the net deferred tax asset/(liability) at December 31, 2015 and 2014 are as follows:

1.	Amount (\$)								
	2015			2014			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
a. Gross deferred tax assets	104,561,268	4,779,979	109,341,247	113,662,190	4,021,166	117,683,356	(9,100,922)	758,813	(8,342,109)
b. Statutory valuation allowance adjustment	93,336,497	4,343,809	97,680,306	100,728,375	3,864,436	104,592,811	(7,391,878)	479,373	(6,912,505)
c. Adjusted gross deferred tax assets	11,224,771	436,170	11,660,941	12,933,815	156,730	13,090,545	(1,709,044)	279,440	(1,429,604)
d. Deferred tax assets nonadmitted	436,170	-	436,170	156,731	-	156,731	279,439	-	279,439
e. Subtotal net admitted deferred tax asset	10,788,601	436,170	11,224,771	12,777,084	156,730	12,933,814	(1,988,483)	279,440	(1,709,043)
f. Deferred tax liabilities	4,257,443	6,967,328	11,224,771	3,901,992	9,031,822	12,933,814	355,451	(2,064,494)	(1,709,043)
g. Net admitted deferred tax assets/(liability)	6,531,158	(6,531,158)	-	8,875,092	(8,875,092)	-	(2,343,934)	2,343,934	-

9. Income Taxes (continued):

2.	Amount (\$)								
	2015			2014			Change		
Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total	
Admission calculation components SSAP No. 101									
a. Recovered through loss carrybacks	-	-	-	-	-	-	-	-	-
b. The lesser of 2(b)1 and 2(b)2 below:	-	-	-	-	-	-	-	-	-
1. Adjusted gross DTA's expected to be realized within one or three years	-	-	-	-	-	-	-	-	-
2. Adjusted DTA's allowed per limitation threshold	NA	NA	111,262,954	NA	NA	94,233,698	NA	NA	17,029,256
c. Adjusted gross DTA's offset by gross DTLs	7,726,020	3,498,751	11,224,771	3,901,992	9,031,822	12,933,814	3,824,028	(5,533,071)	(1,709,043)
d. Total DTA's admitted	7,726,020	3,498,751	11,224,771	3,091,992	9,031,822	12,933,814	3,824,028	(5,533,071)	(1,709,043)

3.	2015	2014
	Ordinary	Capital
a. Ratio percentage used to determine recovery period and threshold limitation	420%	383%
b. Amount of adjusted capital & surplus used to determine recovery period and threshold limitation in 2(b)2 above	741,753,029	628,224,656

4.	2015		2014		Change	
	Ordinary	Capital	Ordinary	Capital	Ordinary	Capital
a. Impact of tax planning strategies:						
1. Adjusted gross DTAs	11,224,771	436,170	12,933,815	156,730	(1,709,044)	279,440
2. Percentage of total adjusted gross DTAs by tax character attributable to planning	0.0%	100.0%	0.0%	100.0%	0.0%	0.0%
3. Net admitted adjusted gross DTAs	10,788,601	436,170	12,777,084	156,730	(1,988,483)	279,440
4. Percentage of net admitted gross DTAs attributable to planning	0.0%	100.0%	0.0%	100.0%	0.0%	100.0

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

B. Unrecognized Deferred Tax Liabilities: None.

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

	Amount (\$)		
	2015	2014	Change
1. Current income tax:			
a. Federal	(2,961,472)	(7,137,427)	4,175,955
b. Foreign	-	-	-
c. Subtotal	(2,961,472)	(7,137,427)	4,175,955
d. Federal Income tax on net capital gains	1,434,097	4,912,833	(3,478,736)
e. Utilization of capital loss carry-forwards	-	-	-
f. Other	-	-	-
g. Federal and foreign income taxes incurred	(1,527,375)	(2,224,594)	697,219
2. Deferred tax assets:			
a. Ordinary			
1. Discounting of unpaid losses	10,352,332	11,215,718	(863,386)
2. Unearned premium reserve	22,520,215	22,409,588	110,627
3. Policyholder reserves	-	-	-
4. Investments	-	-	-
5. Deferred acquisition costs	-	-	-
6. Policyholder dividends accrual	-	-	-
7. Fixed Assets	1,695,601	1,068,705	626,896
8. Compensation & benefits accrual	14,376,485	15,018,325	(641,840)
9. Pension accrual	22,972,448	25,601,576	(2,629,128)
10. Receivables - nonadmitted	466,824	587,531	(120,707)
11. Net operating loss carry-forward	23,200,797	22,329,899	870,898
12. Tax credit carry-forward	373,237	271,432	101,805
13. Other	8,603,329	15,159,416	(6,556,087)
Subtotal	104,561,268	113,662,190	(9,100,922)
b. Statutory valuation allowance adjustment	93,336,497	100,728,375	(7,391,878)
c. Nonadmitted	436,170	156,731	279,439
d. Admitted ordinary deferred tax assets	10,788,601	12,777,084	(1,988,483)
e. Capital:			
1. Investments	4,779,979	4,021,166	758,813
2. Net capital loss carry-forward	-	-	-
3. Real estate	-	-	-
4. Other	-	-	-
Subtotal	4,779,979	4,021,166	758,813
f. Statutory valuation allowance adjustment	4,343,809	3,864,436	479,373
g. Nonadmitted	-	-	-
h. Admitted capital deferred tax assets	436,170	156,730	279,440
i. Admitted deferred tax assets	11,224,771	12,933,814	(1,709,043)

9. Income Taxes (continued):

3. Deferred Tax Liabilities:			
a. Ordinary			
1. Investments	44,834	30,923	13,911
2. Fixed assets	-	-	-
3. Deferred and uncollected premium	-	-	-
4. Policyholder reserves	-	-	-
5. Other	4,212,609	3,871,069	341,540
Subtotal	4,257,443	3,901,992	355,451
b. Capital:			
1. Investments	6,967,328	9,031,822	(2,064,494)
2. Real estate	-	-	-
3. Other	-	-	-
Subtotal	6,967,328	9,031,822	(2,064,494)
c. Deferred tax liabilities	11,224,771	12,933,814	(1,709,043)

4. Net deferred tax asset/(liabilities):	-	-	-
--	---	---	---

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

	Amount (\$) Tax Effect @ 35%	Effective Tax Rate
Tax Reconciliation by Effective Rate:		
Income before tax	1,288,782	35.0%
Tax exempt interest and dividends received income deduction	(3,935,103)	-106.9%
Permanent difference on nonadmitted taxable assets	799,666	21.7%
STAT unrecognized pension liability	2,578,639	70.0%
Unrecognized postretirement	313,271	8.5%
Change in valuation allowance	(6,912,505)	171.5%
Other	6,313,878	-187.7%
Total	446,628	12.1%
Tax Reconciliation by Statement of Income:		
Federal & foreign tax incurred	(2,961,472)	-80.4%
Current taxes on realized gains	1,434,097	38.9%
Change in net deferred income taxes	1,974,003	53.6%
Total	446,628	12.1%

E. Operating Loss and Tax Credit Carry-forward:

- At December 31, 2015, the Company had \$66,287,990 of operating loss carry-forwards beginning in 2002 through 2015, which expire, if unused, beginning in 2022 through 2035. The Company had alternative minimum tax credits of \$45,104 which do not expire and foreign tax credits of \$328,133 originating in 2009 through 2015 which expire, if unused beginning in 2019 through 2035.
- There is no income tax expense that is available for recoupment in the event of future net losses.
- The Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

F. Consolidated Federal Income Tax Return:

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

State Auto Mutual
SA Wisconsin
Facilitators
Meridian Security
State Auto Holding
CDC
Eagle Development Corporation
Rockhill
Plaza
American Compensation
Bloomington Compensation
RHC
National Environmental Coverage Corp.
RTW, Inc.

- The method of allocation among the companies is subject to a written agreement, approved by the Board of Directors, whereby allocation is made primarily on a separate return basis with current credit for any net operating losses or other items utilized in the consolidated tax return.

G. Federal or Foreign Federal Income Tax Loss Contingencies

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

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties:**A. Nature of the Relationships:**

See Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group, Part 1 Organizational Chart.

B. Details of Transactions Greater than 1/2% of Admitted Assets:

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

C. Change in Terms of Intercompany Agreements:

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

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties (continued):**D. Amounts Due to or from Related Parties:**

The Company leases buildings from 518 Property & Management Leasing LLC, an affiliate. Rental payments in the amount of approximately \$631,239 will be paid in 2016.

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

	Amount (\$)			
	December 31, 2015		December 31, 2014	
	Due To:	Due From:	Due To:	Due From:
State Auto P&C	-	35,395,548	-	45,507,969
Milbank	-	19,187,630	-	26,911,123
SA Wisconsin	2,047,113	-	1,343,547	-
SA Ohio	7,917,443	-	7,012,102	-
Meridian Security	12,908,594	-	11,751,437	-
Patrons Mutual	4,012,532	-	6,035,548	-
Plaza	7,873,206	-	9,846,909	-
Rockhill	34,753,281	-	43,889,330	-
American Compensation	1,641,641	-	1,919,120	-
Bloomington Compensation	737,765	-	586,155	-
National Environmental Coverage Corp.	-	272,635	-	1,342,107
Rockhill Underwriting Management, LLC	612,209	-	-	3,425,363
RTW, Inc.	1,477,596	-	2,264,985	-
Partners General Insurance Agency, LLC	-	1,532,286	-	-
State Auto Financial	-	494,147	-	399,787
Stateco	-	31,832	-	137,007
Other Affiliates	-	237,033	-	186,158

E. Guarantees or Contingencies for Related Parties:

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

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

F. Management, Service Contracts, Cost Sharing Agreements:

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

During 2015 and 2014, the following management and/or cost sharing agreements were effective:

1. the "2015 Management and Operations Agreement" to which State Auto Mutual, State Auto P&C, Milbank, SA Ohio, Meridian Security, Patrons Mutual, State Auto Financial, Stateco, 518 Property Management and Leasing LLC, State Auto Holdings, Facilitators, Inc., CDC, Partners General Insurance Agency, LLC and Network E&S Insurance Brokers, LLC are parties, replacing the "2005 Management and Operations Agreement" to which State Auto Mutual, State Auto P&C, Milbank, SA Ohio, MIGI, Meridian Security, Patrons Mutual, State Auto Financial, Stateco, and 518 Property Management and Leasing LLC were parties;
2. the "Midwest Management Agreement" to which State Auto Mutual, State Auto P&C, and SA Wisconsin are parties;
3. the "RTW Consulting Services Agreement" to which State Auto Mutual, State Auto P&C, Meridian Security, and Milbank entered into an agreement with RTW, Inc., an affiliate for overall claims case management for the workers' compensation program;
4. the "RED Underwriting Management Agreement" to which State Auto Mutual, Rockhill, Plaza, American Compensation, Bloomington Compensation, State Auto P&C, Meridian Security, and Milbank entered into with RED to act as underwriting manager to underwrite insurance and reinsurance coverages for the alternative risk and program market;
5. the "Rockhill Management & Operations Agreement" to which State Auto Mutual, State Auto P&C, Rockhill, Plaza, American Compensation, Bloomington Compensation, RHC, National Environmental Coverage Corporation, RTW, Inc., Rockhill Insurance Services, LLC., and Rockhill Underwriting Management, LLC. are parties;
6. the "Rockhill-RUM Administrative Services Agreement" to which Rockhill and Rockhill Underwriting Management, LLC. are parties;
7. the "Rockhill-RIS Surplus Lines Broker Agreement" to which Rockhill and Rockhill Insurance Services, LLC. are parties;
8. the "Rockhill-NECC Administrative Services Agreement" to which Rockhill and National Environmental Coverage Corporation are parties;
9. the "Rockhill Cost Sharing Agreement" to which Rockhill, RHC, and Rockhill Underwriting Management, LLC. are parties;
10. the "RTW-ACI Intercompany Management Agreement" to which American Compensation and RTW, Inc. are parties;
11. the "RTW-BCI Intercompany Management Agreement" to which Bloomington Compensation and RTW, Inc. are parties;
12. the "RUM Administrative Services Agreement" to which State Auto Mutual and Rockhill Underwriting Management, LLC. are parties;
13. the "Stateco Investment Management Agreement" to which Stateco, a wholly owned subsidiary of State Auto Financial, provides investment management services to the Company for a fee based on the average fair value of the investment portfolio of the Company;
14. the "RUM-ACI Administrative Services Agreement" to which Rockhill Underwriting Management, LLC. and American Compensation are parties;
15. the "RUM Underwriting Services Agreement" to which Rockhill Underwriting Management, LLC. and Plaza are parties;
16. the "RTW Administrative Services Agreement" to which RTW, Inc. and Plaza are parties; and
17. the "Rockhill-PGI Administrative Services Agreement" to which Rockhill and Partners General Insurance Agency, LLC are parties.

Each of the foregoing management and/or cost sharing agreements apportions or apportioned among the parties the actual costs of the services provided. With the exception of the "2015 Management & Operations Agreement", the "RTW Consulting Services Agreement", the "Rockhill Management & Operations Agreement", the "Rockhill Cost Sharing Agreement", the "RTW-ACI Intercompany Management Agreement", and the "RTW-BCI Intercompany Management Agreement", the above agreements provide for a management fee for services provided.

G. Nature of Relationships that Could Affect Operations:

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

H. Amount Deducted for Investment in Upstream Company: Not applicable.**I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets:**

At December 31, 2015, the Company owned 62.6% of the common stock outstanding of State Auto Financial. The aggregate value of the Company's ownership in State Auto Financial, based on the quoted market price at December 31, 2015 of \$20.59 was \$534,534,092. The Company's investment in State Auto Financial has been reflected in the accompanying statutory financial statements at a statutory equity value at December 31, 2015 of \$459,299,138. At December 31, 2015, based on publicly available financial information of State Auto Financial, the Company's share of the underlying equity in net assets of State Auto Financial was \$553,733,991.

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

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

Based on publicly available financial information for State Auto Financial, the following provides summarized financial information for the twelve month period ending December 31, 2015 and 2014, respectively:

Description	Amount (\$)	
	December 31, 2015	December 31, 2014
Total assets	2,828,460,666	2,766,903,235
Total liabilities	1,943,901,575	1,893,972,661
Stockholders' equity	884,559,091	872,930,574
Net (loss) income	51,211,877	107,366,120

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

K. Investments in Foreign Insurance Subsidiary: Not applicable.

L. Investments in Downstream Noninsurance Holding Company:

The Company utilizes the look-through approach for the valuation of its downstream holding company, State Auto Holdings, as provided under SSAP 97 – *Investments in Subsidiary, Controlled, and Affiliated Entities, A Replacement of SSAP No. 88*. The Company's carrying value at December 31, 2015 and 2014 was \$70,344,939 and \$68,865,780, respectively. The Company has limited the value of its investment in State Auto Holdings to the value of entities having audited financial statements including adjustments required by SSAP 97. All liabilities, commitments, contingencies, guarantees or obligations of the downstream holding company, which are required to be recorded as liabilities, commitments, contingencies, guarantees, or obligation under applicable accounting guidance, are reflected in the Company's determination of the carrying value of State Auto Holdings, if not already recorded in the financial statements. At December 31, 2015 and 2014, the Company's investment in State Auto Holdings was held at an admitted value of \$70,099,346 and \$68,620,799, respectively, after nonadmitting \$245,593 and \$244,981, respectively.

M. Investments in Noninsurance Subsidiary, Controlled or Affiliated Companies:

Description of SCA Investment (excluding 8.b.i entities)	Gross Amount (Balance Sheet Column 1)	Nonadmitted Amount (Balance Sheet Column 2)	Admitted Asset Amount (Balance Sheet Column 3)	Date of Filing to NAIC	Type of NAIC Filing (Sub-1, Sub-2, or Resubmission of Disallowed Filing)	NAIC Response Received (Yes/No)	NAIC Valuation (Amount)	NAIC Disallowed Entity's Valuation Method, Resubmission Required (Yes/No)
State Auto Financial	459,299,138	-	459,299,138	12/15/2015	Sub-2	Yes	435,745,199	No
State Auto Holdings	70,344,939	245,593	70,099,346	N/A	N/A	N/A	N/A	N/A
RHC	134,927,470	-	134,927,470	12/15/2015	Sub-2	Yes	151,816,844	No
CDC	23,014,645	23,014,645	-	N/A	N/A	N/A	N/A	N/A
Facilitators	10,000	10,000	-	N/A	N/A	N/A	N/A	N/A
RED	-	-	-	N/A	N/A	N/A	N/A	N/A
Total	687,596,192	23,270,238	664,325,954	-	-	-	587,562,043	-

N. Departure from Prescribed or Permitted Practices for Insurance Subsidiary, Controlled, or Affiliated Companies: Not applicable.

11. Debt:

A. In May 2009, the Company borrowed money in the amounts of \$50,000,000 and \$20,000,000 from State Auto P&C and Milbank, respectively. The principal amount is due in 2019. At the option of the Company, early repayment may be made. Interest is due semi-annually at a fixed annual interest rate of 7.0%. The total loan interest incurred through December 31, 2015 and 2014 was \$4,900,000 and \$4,900,000, respectively.

B. FHLB (Federal Home Loan Bank) Agreements

1. On February 9, 2009, the Company borrowed \$19,000,000 from the Federal Home Loan Bank of Cincinnati ("FHLB") for a period of ten years at a fixed rate of 4.89%. On February 7, 2014, the Company refinanced this loan with FHLB for a period of five years at a fixed rate of 2.05%. This is an interest-only loan with principal due at the maturity date of February 7, 2019. This loan is collateralized by treasury bonds and mortgage-backed securities on deposit with FHLB. The total loan interest incurred through December 31, 2015 and 2014 was \$389,500 and \$445,678, respectively.

2. FHLB Capital Stock

a. Aggregate Totals

	Amount (\$)	
	December 31, 2015	December 31, 2014
Membership stock – Class A	-	-
Membership stock – Class B	2,822,485	3,294,110
Activity stock	1,231,115	759,490
Excess stock	-	-
Aggregate total	4,053,600	4,053,600
Actual or estimated borrowing capacity as determined by the Company	19,753,502	20,589,588

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

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

	Amount (\$)	
	Class A Stock	Class B Stock
Current year total	-	2,822,485
Not eligible for redemption	-	2,822,485
Less than 6 months	-	-
6 months to less than 1 year	-	-
1 year to less than 3 years	-	-
3 to 5 years	-	-

3. Collateral Pledged to FHLB

a. Amount Pledged

	Amount (\$)	
	December 31, 2015	December 31, 2014
General account		
Fair value	21,174,294	21,589,902
Carrying value	22,085,028	22,033,477
Aggregate total borrowing	19,000,000	19,000,000

11. Debt (continued):

b. Maximum Amount Pledged

General account	Amount (\$)	
	December 31, 2015	December 31, 2014
Fair value	21,174,294	21,589,902
Carrying value	22,085,028	22,033,477
Aggregate total borrowing	19,000,000	19,000,000

4. Borrowing from FHLB

a. Amount Borrowed

General account	Amount (\$)	
	December 31, 2015	December 31, 2014
Debt	19,000,000	19,000,000
Funding agreements	-	-
Other	-	-
Aggregate total	19,000,000	19,000,000

b. Maximum Amount Borrowed

General account	Amount (\$)	
	December 31, 2015	
Debt	19,000,000	
Funding agreements	-	
Other	-	
Aggregate total	19,000,000	

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

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

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

A. Defined Benefit Plan:

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

B. Investment policies and strategies: Not applicable

C. Fair Value Measurement: Not applicable.

D. Basis Assumption: Not applicable.

E. Defined Contribution Plan:

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

F. Multiemployer Plans: Not applicable.

G. Consolidated/Holding Company Plans:

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

	Amount (\$)			
	Pension Benefits		Postretirement Benefits	
	2015	2014	2015	2014
Defined benefit obligation	(149,332,450)	(155,244,004)	(10,765,490)	(12,673,442)
Fair value of plan assets	108,507,410	108,859,039	-	156,512
Funded status (underfunded)/overfunded	(40,825,040)	(46,384,965)	(10,765,490)	(12,516,930)

The Company's share of net expense for the defined benefit pension plan was \$8,899,088 and \$8,977,192 in 2015 and 2014, respectively and for postretirement benefit plan was a negative expense of \$366,337 and \$451,620 in 2015 and 2014, respectively.

The Company's share of the supplemental executive retirement plan liability ("SERP") was \$3,183,978 and \$3,146,826 at December 31, 2015 and 2014, respectively. The Company's share of the SERP expense was \$161,580 and \$386,113 for 2015 and 2014, respectively.

State Auto P&C maintains a defined contribution plan that covers substantially all of the State Auto Group's employees. The Company has no legal obligation for benefits under this plan. The Company's share of the expense under this plan, allocated based on a percentage of salary, was \$2,731,457 and \$2,711,722 for 2015 and 2014, respectively.

H. Postemployment Benefits and Compensated Absences: Not applicable.

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

1. If unable to determine whether benefits provided by the plan are actuarially equivalent, disclose existence of the Act and whether or not APBO or net periodic postretirement benefit cost reflect any amount associated with the subsidy: Not applicable.
2. Include the effects of the subsidy in measuring the net postretirement benefit cost by disclosing the: reduction in the net postretirement cost for the subsidy related to benefits attributed to former employees, the effect of the subsidy on the measurement of net periodic postretirement benefit cost for the current period and any other disclosures required by paragraph 16(m) of SSAP No. 14: Not applicable.
3. The Company's gross benefit payments for 2015 were \$646,798 including the prescription drug benefits. The Company's subsidy related to Medicare Prescription Drug, Improvement and Modernization Act of 2003 was \$136,782 for 2015 and estimates future annual subsidies to be approximately \$147,135.

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

- Capital Stock Authorized, Issued and Outstanding as of the Balance Sheet Date: Not applicable.
- Dividend Rate of Preferred Stock: Not applicable.
- Dividend Restrictions: Not applicable.
- Dates and Amounts of Dividends Paid: Not applicable.

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

- E. Portion of the Company's Profits that may be paid as Ordinary Dividends to Stockholders: Not applicable.
- F. Restrictions Placed on the Unassigned Funds, Including for Whom the Surplus is Being Held: Not applicable.
- G. Mutual Surplus Advances: Not applicable.
- H. Company Stock Held for Special Purposes: Not applicable.
- I. Changes in Special Surplus Funds:

The Company had special surplus funds of \$469,110 and \$437,044 at December 31, 2015 and 2014, respectively. The change in these funds is related to retroactive reinsurance agreements as net loss and LAE incurred were less than originally estimated under the contracts, and the difference was amortized to unassigned funds (surplus).

- J. Changes in Unassigned Funds:

The portion of unassigned funds (surplus) represented by cumulative net unrealized gains is \$161,944,939. This excludes any applicable deferred taxes.

- K. Surplus Notes: Not applicable.

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

- M. Effective Date of Quasi Reorganizations: Not applicable.

14. Liabilities, Contingencies and Assessments:

- A. Contingent Commitments:

The Company has committed up to \$745,000 in additional capital contributions to Stonehenge Opportunity Fund II, LLC over the next one year and \$1,140,000 in additional capital contributions to Stonehenge Opportunity Fund III, LLC over the next four years (see Schedule BA).

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

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

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

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

Description	Amount (\$)
Aggregate Maximum Potential of Future Payments of All Guarantees (undiscounted) the guarantor could be required to make under guarantees. (Should equal total of Column 4 above.)	8,250,000
Current Liability Recognized in F/S:	-
Noncontingent Liabilities	-
Contingent Liabilities	-
Ultimate Financial Statement Impact if action under the guarantee is required.	-
Investments in SCA	-
Joint Venture	-
Dividends to Stockholders (capital contribution)	-
Expense	-
Other	8,250,000
Total	8,250,000

- B. Guaranty Fund and Other Assessments:

The Company is subject to guaranty fund and other assessments by the states in which it writes business. Guaranty fund assessments should be accrued at the time of insolvencies. On a direct basis, the Company has accrued a liability for guaranty fund assessments of \$606,027 and a related premium tax benefit asset of \$81,237. The liability is expected to be paid over the next five years. The asset is expected to be realized over the next ten years. This represents management's best estimate based on information received from the states in which the Company writes business and may change due to many factors, including the Company's share of the ultimate cost of current insolvencies.

Description	Amount (\$)
Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end	306,718
Decreases current year:	
Policy surcharges collected	-
Policy surcharges charged off	-
Premium tax offset applied	225,481
Increases current year:	
Policy surcharges collected	-
Policy surcharges charged off	-
Premium tax offset applied	-
Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end	81,237

- C. Gain Contingencies: Not applicable.

14. Liabilities, Contingencies and Assessments (continued):**D. Claims-Related Extra Contractual Obligation and Bad-Faith Losses Stemming from Lawsuits:**

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

	Direct (\$)
Claims Related ECO and Bad Faith Losses paid during 2015	77,500

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

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

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

E. Product Warranties: Not applicable.**F. Joint and Several Liabilities: Not applicable.****G. All Other Contingencies:**

In April 2013, a putative class action lawsuit (Schumacher vs. State Automobile Mutual Insurance Company, et al.) was filed against State Auto Mutual, State Auto Financial and State Auto P&C in Federal District Court in Ohio. Plaintiffs claim that in connection with the homeowners policies of various State Auto companies, the coverage limits and premiums were improperly increased as a result of an insurance to value ("ITV") program and Plaintiffs allege that they purchased coverage in excess of that which was necessary to insure them in the event of loss. Plaintiffs' claims include breach of good faith and fair dealing, negligent misrepresentation and fraud, violation of the Ohio Deceptive Trade Practices Act, and fraudulent inducement. Plaintiffs sought compensatory and punitive damages to be determined by the court, as well as class certification. On February 2, 2015, the Court struck the class allegations, and on March 13, 2015, Plaintiffs settled with the State Auto Defendants for a nominal amount and dismissed their remaining individual claims with prejudice, thereby terminating the litigation.

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

The Company routinely assesses the collectability of premium receivables due from policyholders, agents, and reinsurers. Based upon Company experience of evaluating uncollectability, a provision for uncollectible premiums reserves was recorded totaling \$2,208,843 and \$2,800,372 as of December 31, 2015 and 2014, respectively. The potential for any additional loss is not believed to be material to the Company's financial condition.

15. Leases:**A. Lessee Operating Lease:**

1. a. The Company leases office facilities, automobiles, and equipment under various operating leases that expire through 2021. Rental expense for 2015 and 2014 was \$8,047,245 and \$9,196,978, respectively.
b. Contingent rental payments: Not applicable.
c. Renewal or purchase options and escalation clauses: Certain leases contain a renewal option allowing the Company to renew the lease. Renewal terms are negotiated at such time as the Company notifies the lessor of its intent to renew the lease. Some of the Company's leases contain escalation clauses, which are scheduled rent increases over the lease term.
d. Restrictions: Not applicable.
e. Early termination: Not applicable.
2. a. At January 1, 2016, future minimum lease payments on noncancelable operating leases are as follows:

	Year Ending December 31	Operating Leases (\$)
1.	2016	3,921,188
2.	2017	3,100,897
3.	2018	2,391,375
4.	2019	2,351,794
5.	2020	972,555
6.	Total	12,737,809

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

B. Lessor Leases:

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

16. Information about Financial Instruments with Off-Balance-Sheet Risk and Financial Instruments with Concentrations of Credit Risk: Not applicable.**17. Sale, Transfer and Servicing of Financial Instruments and Extinguishments of Liabilities:****A. Transfers of Receivables Reported as Sales:** Not applicable.**B. Transfers and Servicing of Financial Assets:**

1. Loaned Securities: None.
2. Servicing Assets and Servicing Liabilities:
 - a. Risks: None.
 - b. Contractually Specified Servicing Fees: None.
 - c. Assumptions Used to Estimate: None.
3. Servicing Assets and Servicing Liabilities Measured at Fair Value: Not applicable
4. Securitizations, Asset-backed Financing Agreements and Similar Transfers with Continued Involvement:
 - a. Income Statements Presented: None.
 - b. Statement of Financial Position Presented: None.
5. Assets Accounted for as Secured Borrowing: See Note 11B.
6. Receivables with Recourse: None.
7. Securities Underlying Repurchase and Reverse Repurchase Agreements: None.

C. Wash Sales: None.**18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans:** Not applicable.**19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators:** Not applicable.

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

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

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

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

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

Fair Value Measurements at Reporting Date		Amount (\$)			
Description for each class of asset or liability		(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value					
Common stock					
Industrial and misc	95,414,781		-	4,053,600	99,468,381
Total common stocks	95,414,781		-	4,053,600	99,468,381
Any other class of asset	5,161,486		-	-	5,161,486
Partnership interests		-	45,057,559	-	45,057,559
Total other invested assets	5,161,486	45,057,559	-	50,219,045	
Total assets at fair value	100,576,267	45,057,559	4,053,600	149,687,426	

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

Description	Amount (\$)									
	Beginning Balance at 01/01/2015	Transfers into Level 3	Transfers out of Level 3	Total gains and (losses) included in Net Income	Total gains and (losses) included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2015
a. Assets:										
Common stock										
Industrial and misc	4,053,600	-	-	-	-	-	-	-	-	4,053,600
Total assets	4,053,600	-	-	-	-	-	-	-	-	4,053,600

3. Transfers between level categorizations may occur due to changes in the availability of market observable inputs. Transfers in and out of level categorizations are reported as having occurred at the beginning of the quarter in which the transfer occurred. There were no transfers between level categorizations as of December 31, 2015.
4. As of December 31, 2015 and December 31, 2014, the reported fair value of the Company's investment in Level 2, the funds, was \$45,057,559 and \$29,415,969, respectively. See item A above for a discussion of valuation techniques and inputs used in determining fair value. Since the Company can redeem its investment in the funds at net asset value per share at the measurement date, they are classified as Level 2. As of December 31, 2015 and 2014, the reported fair value of the Company's investment in Level 3, equity securities of FHLB, was \$4,053,600, respectively. See item A above for a discussion of valuation techniques and inputs used in determining fair value. Since these equity securities are not publicly traded, they are classified as Level 3.
5. The Company has no derivative assets or liabilities.

B. Other Fair Value Disclosures: Not applicable.**C. Fair Values for All Financial Instruments by levels 1, 2, and 3:**

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

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

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

December 31, 2015

Type of Financial Instrument	Amount (\$)					
	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	570,572,409	569,788,010	-	570,572,409	-	-
Common stocks	99,468,381	99,468,381	95,414,781	-	4,053,600	-
Other invested assets	56,266,229	56,266,229	5,161,486	45,057,559	-	6,047,184
Borrowed money	93,063,142	89,000,000	-	74,058,612	19,004,530	-

December 31, 2014

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

20. Fair Value Measurement (continued):

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

Type of Class of Financial Instrument	Carrying Value	Effective Interest Rate	Maturity Date	Explanation
Joint venture or partnership interests that have underlying characteristics of common stock - unaffiliated - BANC Fund VII, LP	2,050,000	0.000	N/A	Investment is valued at fund manager's estimate of the activity that occurred in the current quarter
Joint venture or partnership interests that have underlying characteristics of common stock - unaffiliated - Stonehenge Opportunity Fund II, LLC	1,602,492	0.000	N/A	Investment value is based on 09/30/2015 statement provided by Stonehenge II with adjustments for activity incurred since the date of statement.
Joint venture or partnership interests that have underlying characteristics of common stock - unaffiliated - Stonehenge Opportunity Fund III, LLC	1,633,806	0.000	N/A	Investment value is based on 09/30/2015 statement provided by Stonehenge III.
Joint venture or partnership interests that have underlying characteristics of other - unaffiliated - NCT Ventures Fund I LP	760,886	0.000	N/A	Investment value is based on 09/30/2015 statement provided by NCT Ventures with adjustments for activity incurred since the date of statement.

21. Other Items:

A. Unusual or Infrequent Items: Not applicable.

B. Troubled Debt Restructuring: Not applicable.

C. Other Disclosures:

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

Florida Statute 625.012(5) requires that the Company disclose the amount of Agents' balances or uncollected premiums and the premiums collected from "controlled" or "controlling" persons. The Company had \$251,000,743 and \$247,361,580 at December 31, 2015 and 2014, respectively, of uncollected premiums. No premiums were collected from "controlled" or "controlling persons" during the years ended 2015 and 2014.

Pursuant to Florida Statutes 624.424, the Company is required to disclose any credit in loss reserves taken for anticipated recoveries from the Special Disability Trust Fund. The Company took no credits in the determination of its loss reserves for the years ended 2015 and 2014. Additionally, the Company received no payments from the Special Disability Trust Fund. The Trust Fund made no assessments during the years ended 2015 and 2014.

D. Business Interruption Insurance Recoveries: Not applicable.

E. State Transferable and Non-transferable Tax Credits: Not applicable.

F. Subprime Mortgage Related Risk Exposure:

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

G. Proceeds from Insurance-Linked Securities: Not applicable.

22. Events Subsequent:

Subsequent events have been considered through February 23, 2016 for the statutory statement issued on February 23, 2016.

23. Reinsurance:

A. Unsecured Reinsurance Recoverable:

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

NAIC Code	Federal ID#	Name of Reinsurer	Amount (\$)
25127	57-6010814	State Auto P&C	1,446,884,597
41653	46-0368854	Milbank	397,184,006
00000	AA-9991159	Michigan Catastrophic Claims Assn	33,249,159
25364	13-1675535	Swiss Reins Amer Corp	29,483,894
		Total	1,906,801,656

B. Reinsurance Recoverable in Dispute: Not applicable.

C. Reinsurance Assumed and Ceded:

1. The following table summarizes assumed and ceded unearned premiums and the related commission equity at December 31, 2015, stated in dollars:

	Amount (\$)					
	Assumed		Ceded		Assumed Less Ceded	
	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity
Affiliates	738,792,903	3,171,853	614,223,739	-	124,569,164	3,171,853
All other	468,441	21,030	13,286,979	3,950,723	(12,818,538)	(3,929,693)
Totals	739,261,344	3,192,883	627,510,718	3,950,723	111,750,626	(757,840)
Direct Unearned Premium Reserve: 211,771,801						

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

	Amount (\$)			
	Direct	Assumed	Ceded	Net
a. Contingent Commission	7,133,087	16,302,809	27,572,115	(4,136,219)
b. Sliding Scale Adjustments	-	-	-	-
c. Other Profit Commission Arrangements	-	-	-	-
Total	7,133,087	16,302,809	27,572,115	(4,136,219)

3. Protected Cells: Not applicable.

23. Reinsurance (continued):

- D. Uncollectible Reinsurance: Not applicable.
- E. Commutation of Ceded Reinsurance: Not applicable.
- F. Retroactive Reinsurance:

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

On December 31, 2014 State Auto Mutual entered into an adverse development reinsurance contract ("ADC") to cede losses incurred on policies incepted between November 15, 2009 and January 13, 2013 written by Restaurant Coverage Association and classified as Liquor Liability business and Commercial General Liability. The ADC agreement is a retroactive reinsurance transaction subject to the Pooling Arrangement. Retroactive reserves are included in other liabilities on the balance sheet. Pre-pooled retroactive reserves ceded by the Company at December 31, 2015 are as follows:

Amount (\$)	
Loss and Expense Reserves	
Accident Year	Commercial Multiple Peril
2009	3,075
2010	1,165,771
2011	3,852,760
2012	7,599,092
2013	6,379,302
2014	-
Totals	19,000,000

The retroactive reserves assumed and ceded below represent State Auto Mutual's pooling percentage December 31, 2015.

		Amount (\$)	
		Assumed (LPT)	Ceded (ADC)
1.	a. Reserves Transferred:		
	1. Initial Reserves (Assumed)/Ceded	(5,889,930)	3,450,000
	2. Adjustments – Prior Years	437,044	-
	3. Adjustments – Current Year	32,066	3,105,000
	4. Current Total	(5,420,820)	6,555,000
	b. Consideration Received/(Paid)		
	1. Initial Consideration	5,889,930	(6,555,000)
	2. Adjustments – Prior Years	-	-
	3. Adjustments – Current Year	-	-
	4. Current Total	5,889,930	(6,555,000)
	c. Paid Losses (Reimbursed)/Recovered		
	1. Prior Years	(5,380,142)	-
	2. Current Year	(20,502)	-
	3. Current Total	(5,400,644)	-
	d. Special Surplus from Retroactive Reinsurance:		
	1. Initial Surplus Gain/(Loss)	-	(3,105,000)
	2. Adjustments – Prior Years	437,044	-
	3. Adjustments – Current Year	32,066	3,105,000
	4. Current Year Restricted Surplus	469,110	-
	5. Cumulative Total Transferred to Unassigned Funds		
	e. All Cedents and Reinsurers Involved in all Transactions Included in the Summary Totals Above:		
	Entity		
	10227 Munich Reins Amer Inc		6,555,000
	19530 Hallmark Natl Ins Co	(5,420,820)	
	f. Total paid loss/LAE amounts recoverable (for authorized, unauthorized and certified reinsurers), any amounts more than 90 days overdue (for authorized, unauthorized and certified reinsurers), and for amounts recoverable the collateral held (for authorized and certified reinsurers):		
	Authorized Reinsurers:	Total Paid/Loss LAE Recoverable	Amounts Over 90 Days Overdue
	10227 Munich Reins Amer Inc	6,555,000	-
	Total	6,555,000	-
	Unauthorized Reinsurers:	Total Paid/Loss LAE Recoverable	Amounts Over 90 Days Overdue
	None	-	-
	Certified Reinsurers:	Total Paid/Loss LAE Recoverable	Amounts Over 90 Days Overdue
	None	-	-
			Collateral Held

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

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

25. Changes in Incurred Losses and Loss Adjustment Expenses:

Per Schedule P Part 1-Summary	Amount (\$)		
	All Accident Years	2015 Accident Year	Prior Accident Years
Loss and LAE reserves at 12/31/14	520,531,163	-	520,531,163
Loss and LAE incurred in 2015	461,831,819	453,378,802	8,453,017
Loss and LAE paid in 2015	419,661,962	224,449,770	195,212,192
Loss and LAE reserves at 12/31/15	562,701,020	228,929,032	333,771,988

Incurred losses and loss adjustment expenses attributable to prior accident years increased approximately \$8.5 million during 2015. This increase is the result of subsequent reserve review using more mature claim data. Program business accounts for approximately \$8.2 million of adverse development, with much of that coming from terminated business in the Commercial Multi Peril and Commercial Auto Other Liability lines. Outside of program business, Personal Auto Other Liability and Commercial Auto Other Liability also deteriorated, adding approximately \$6.7 million and \$5.9 million of adverse development, respectively, primarily from accident years 2012-2014. This was somewhat offset by approximately \$12.3 million of favorable development on other lines of business, of which approximately 25% was attributable to reduced loss adjustment expenses, primarily from accident year 2014. Other Liability and Workers Compensation developed favorably due to lower than expected severity, which represented approximately 15% and 20% of the favorable respectively. Remaining favorable development is attributable primarily to property lines, driven by emergence of lower than anticipated claim severity, largely from accident year 2014.

26. Intercompany Pooling Arrangements:

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

Pool Participant (the "State Auto Pool")	NAIC Co. Code	Pooling Participation Percentages	
		2014	2015
State Auto Mutual – lead reinsurer	25135	34.5%	34.5%
State Auto P&C	25127	51.0%	51.0%
Milbank	41653	14.0%	14.0%
SA Wisconsin	31755	0.0%	0.0%
SA Ohio	11017	0.0%	0.0%
Meridian Security	23353	0.0%	0.0%
Patrons Mutual	14923	0.5%	0.5%
Rockhill	28053	0.0%	0.0%
Plaza	30945	0.0%	0.0%
American Compensation	45934	0.0%	0.0%
Bloomington Compensation	12311	0.0%	0.0%

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

Per SSAP No. 62R – *Property and Casualty Reinsurance*, ceded reinsurance written premiums payable may be deducted from amounts due from the reinsurer when a legal right of offset exists. As the Pooling Arrangement and affiliated reinsurance agreement provide for the right of offset, the Company has netted within the Statement of Assets and Liabilities the amount due to each State Auto Pool participant under ceded reinsurance written premiums payable with the amount due from the same participant on assumed reinsurance written premiums receivable for transactions under the agreements. The following tabular presentation reflects the ceded reinsurance written premiums payable and assumed reinsurance written premiums receivable at December 31, 2015, between each State Auto Pool participant and State Auto Mutual resulting in the net amount due to or due from State Auto Mutual:

	Amount (\$)		
	Assumed Reinsurance Written Premiums Receivable from State Auto Mutual	Ceded Reinsurance Written Premiums Payable to State Auto Mutual	Net Assumed Reinsurance Written Premiums Receivable/(Net Ceded Reinsurance Written Premiums Payable)
State Auto P&C	237,487,100	155,451,814	82,035,286
Milbank	65,192,537	20,821,370	44,371,167
SA Wisconsin	-	5,496,793	(5,496,793)
SA Ohio	-	15,526,587	(15,526,587)
Meridian Security	-	46,061,942	(46,061,942)
Patrons Mutual	2,328,305	17,322,584	(14,994,279)
Rockhill	-	52,585,948	(52,585,948)
Plaza	-	34,315,290	(34,315,290)
American Compensation	-	15,316,480	(15,316,480)
Bloomington Compensation	-	2,852,185	(2,852,185)

The following tabular presentation reflects the reinsurance receivable and payable on loss and loss adjustment expense paid at December 31, 2015, between each State Auto Pool participant and State Auto Mutual:

	Amount (\$)	
	Assumed Reinsurance Loss and Loss Adjustment Expense Paid from State Auto Mutual	Ceded Reinsurance Loss and Loss Adjustment Expense Paid to State Auto Mutual
State Auto P&C	143,476,536	101,008,420
Milbank	39,385,716	15,386,259
SA Wisconsin	-	3,261,299
SA Ohio	-	7,442,532
Meridian Security	-	31,642,843
Patrons Mutual	1,406,633	10,068,863
Rockhill	-	13,691,925
Plaza	-	22,608,267
American Compensation	-	9,373,933
Bloomington Compensation	-	1,701,812

26. Intercompany Pooling Arrangements (continued):

The following tabular presentation reflects all other intercompany amounts due from and due to State Auto Mutual from entities participating in the Pooling Arrangement at December 31, 2015:

	Amount (\$)	
	Intercompany Amounts Due from State Auto Mutual	Intercompany Amounts Due to State Auto Mutual
State Auto P&C	-	35,395,548
Milbank	-	19,187,630
SA Wisconsin	2,047,113	-
SA Ohio	7,917,443	-
Meridian Security	12,908,594	-
Patrons Mutual	4,012,532	-
Rockhill	34,753,281	-
Plaza	7,873,206	-
American Compensation	1,641,641	-
Bloomington Compensation	737,765	-

27. Structured Settlements:

A. Reserves Released due to Purchase of Annuities:-

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

Amount (\$)	
Reserves Eliminated by Annuities	Unrecorded Loss Contingencies
8,535,748	8,535,748

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

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

28. Health Care Receivables: Not applicable.**29. Participating Policies:** Not applicable.**30. Premium Deficiency Reserves:**

1. Liability carried for premium deficiency reserves	-
2. Date of the most recent evaluation of this liability	12/31/2015
3. Was anticipated investment income utilized in the calculation?	Yes

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

31. High Deductibles:

As of December 31, 2015 and 2014, the amount of reserve credit recorded for high deductibles on unpaid claims was \$1,648,521 and \$1,322,062 respectively, and the amount billed and recoverable on paid claims was \$149,921 and \$29,947, respectively.

32. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses: Not applicable.**33. Asbestos/Environmental Reserves:**

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

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

Direct Basis:	Amount (\$)				
	2011	2012	2013	2014	2015
Beginning reserves	612,265	602,217	716,882	710,316	693,282
Incurred losses and loss adjustment expenses	28,321	166,255	91,173	76,206	(27,985)
Calendar year payments for losses and loss adjustment expenses	38,369	51,590	97,739	93,240	45,757
Ending reserves	602,217	716,882	710,316	693,282	619,540

Assumed Reinsurance Basis:	Amount (\$)				
	2011	2012	2013	2014	2015
Beginning reserves	38,241	44,950	23,787	31,359	32,382
Incurred losses and loss adjustment expenses	9,172	(20,094)	10,301	3,113	2,404
Calendar year payments for losses and loss adjustment expenses	2,463	1,069	2,729	2,090	884
Ending reserves	44,950	23,787	31,359	32,382	33,902

Net of Ceded Reinsurance Basis:	Amount (\$)				
	2011	2012	2013	2014	2015
Beginning reserves	631,531	628,192	721,694	739,950	723,938
Incurred losses and loss adjustment expenses	37,493	146,161	118,724	79,318	(25,580)
Calendar year payments for losses and loss adjustment expenses	40,832	52,659	100,468	95,330	46,641
Ending reserves	628,192	721,694	739,950	723,938	651,717

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

	Amount (\$)
Direct Basis	517,500
Assumed Reinsurance Basis	21,673
Net of Ceded Reinsurance Basis	539,173

33. Asbestos/Environmental Reserves (continued):

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

	Amount (\$)
Direct Basis	309,770
Assumed Reinsurance Basis	16,951
Net of Ceded Reinsurance Basis	325,859

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

Direct Basis:	Amount (\$)				
	2011	2012	2013	2014	2015
Beginning reserves	4,742,773	5,074,547	4,801,189	5,267,263	5,750,006
Incurred losses and loss adjustment expenses	964,004	579,180	1,036,905	949,608	986,148
Calendar year payments for losses and loss adjustment expenses	632,230	852,538	570,831	466,865	562,303
Ending reserves	5,074,547	4,801,189	5,267,263	5,750,006	6,173,851

Assumed Reinsurance Basis:	Amount (\$)				
	2011	2012	2013	2014	2015
Beginning reserves	-	-	-	-	-
Incurred losses and loss adjustment expenses	-	-	-	-	-
Calendar year payments for losses and loss adjustment expenses	-	-	-	-	-
Ending reserves	-	-	-	-	-

Net of Ceded Reinsurance Basis:	Amount (\$)				
	2011	2012	2013	2014	2015
Beginning reserves	3,793,422	4,148,100	3,773,921	5,131,129	5,551,768
Incurred losses and loss adjustment expenses	852,839	438,359	1,968,039	887,504	998,222
Calendar year payments for losses and loss adjustment expenses	498,161	852,538	570,831	466,865	562,303
Ending reserves	4,148,100	3,733,921	5,131,129	5,551,768	5,987,687

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

	Amount (\$)
Direct Basis	4,485,000
Assumed Reinsurance Basis	-
Net of Ceded Reinsurance Basis	4,485,000

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

	Amount (\$)
Direct Basis	3,086,926
Assumed Reinsurance Basis	-
Net of Ceded Reinsurance Basis	2,993,843

34. Subscriber Savings Accounts: Not applicable.

35. Multiple Peril Crop Insurance: Not applicable.

36. Financial Guaranty Insurance: Not applicable.

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES****GENERAL**

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
If yes, complete Schedule Y, Parts 1, 1A and 2.

1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [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 [X] No []
12/03/2015

2.2 If yes, date of change: _____

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

3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. _____ 12/31/2013

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). _____ 10/29/2014

3.4 By what department or departments? Ohio Department of Insurance

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

3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [] N/A [X]

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

4.11 sales of new business? Yes [] No [X]

4.12 renewals? Yes [] No [X]

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

4.21 sales of new business? Yes [] No [X]

4.22 renewals? Yes [] No [X]

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]

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

1	2 NAIC Company Code	3 State of Domicile
Name of Entity	0	

6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]

6.2 If yes, give full information:

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No [X]

7.2 If yes,

7.21 State the percentage of foreign control _____ 0.000%

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

1 Nationality	2 Type of Entity

8.1 Is the company a subsidiary of a bank holding company regulated with the Federal Reserve Board? Yes [] No [X]

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

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

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

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit? Ernst & Young LLP, 800 Yard Street, Grandview Heights, Ohio 43212

10.1 Has the insurer been granted an exemptions to the prohibited non-audit services provided by the certified independent public account 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 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 complied 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:

Annual Statement for the year 2015 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**
GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Matthew S. Mrozek, FCAS, 518 East Broad Street, Columbus, Ohio 43215, officer of reporting entity

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [X] No []

12.11 Name of real estate holding company 518 Property Management and Leasing LLC

12.12 Number of parcels involved 3

12.13 Total book/adjusted carrying value \$ 6,923,952

12.2 If yes, provide explanation
The Company owns 62.6% of State Auto Financial which indirectly owns 100% of 518 Property Management and Leasing LLP.

13. **FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**

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

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? 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 [X] No []

14.21 If the response to 14.2 is yes, provide information related to amendment(s).
The Nominating and Governance Committee of the Company's Board of Directors annually reviews the employee code of conduct, which is applicable to all senior managers. The 2015 annual review resulted in minor changes to the code. These changes were updating the communications with the public, adding an improper payments section and also adding a new provision that specifically addresses compliance with the Foreign Corrupt Practices Act.

14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]

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

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [X] No []

15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount
071004446	Albany Bank & Trust Co	If principal company does not fulfill requirements, the LOC can be used.	180,000
074914407	Community First Bank of Indiana	If principal company does not fulfill requirements, the LOC can be used.	81,875
111913426	Frost Bank	If principal company does not fulfill requirements, the LOC can be used.	200,000
082904166	Delta Trust	If principal company does not fulfill requirements, the LOC can be used.	250,000
071025661	Harris Bank	If principal company does not fulfill requirements, the LOC can be used.	87,000
101114769	Community Bank	If principal company does not fulfill requirements, the LOC can be used.	175,000
061101786	Exchange Bank	If principal company does not fulfill requirements, the LOC can be used.	250,000
042204110	Greenville National Bank	If principal company does not fulfill requirements, the LOC can be used.	90,000
111011878	Pavillion Bank	If principal company does not fulfill requirements, the LOC can be used.	50,000
111319347	First Bank & Trust	If principal company does not fulfill requirements, the LOC can be used.	13,349
075900973	First National Bank & Trust Company	If principal company does not fulfill requirements, the LOC can be used.	150,000
291973645	Share Advantage Credit Union	If principal company does not fulfill requirements, the LOC can be used.	71,000
081207097	Peoples Bank & Trust	If principal company does not fulfill requirements, the LOC can be used.	82,800
071025661	BMO Harris Bank N.A.	If principal company does not fulfill requirements, the LOC can be used.	700,000

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 subordinator committee thereof? Yes [X] No []

17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinator committees thereof? Yes [X] No []

18. Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers	\$ 0
20.12 To stockholders not officers	\$ 0
20.13 Trustees, supreme or grand (Fraternal only)	\$ 0

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

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

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

Annual Statement for the year 2015 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**
GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

21.2	If yes, state the amount thereof at December 31 of the current year:		
21.21	Rented from others	\$ _____ 0	
21.22	Borrowed from others	\$ _____ 0	
21.23	Leased from others	\$ _____ 0	
21.24	Other	\$ _____ 0	
22.1	Does this statement include payments for assessments as described in the <i>Annual Statement Instructions</i> other than guaranty fund or guaranty association assessments?	Yes [] No [X]	
22.2	If answer is yes:		
22.21	Amount paid as losses or risk adjustment	\$ _____ 0	
22.22	Amount paid as expenses	\$ _____ 0	
22.23	Other amounts paid	\$ _____ 0	
23.1	Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?	Yes [X] No []	
23.2	If yes, indicate any amounts receivable from parent included in the Page 2 amount:	\$ _____ 0	
INVESTMENT			
24.01	Were all of the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date (other than securities lending programs addressed in 24.03)?	Yes [] No [X]	
24.02	If no, give full and complete information, relating thereto: <u>The loan from the Federal Home Loan Bank of Cincinnati is collateralized by treasury bonds and mortgage-backed securities on deposit with the Federal Home Loan Bank of Cincinnati.</u> <u>Additionally, a grantor trust has been established for a reinsurance agreement with State National at JP Morgan Chase.</u>		
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 <i>Risk-Based Capital Instructions</i> ?	Yes [] No [] N/A [X]	
24.05	If answer to 24.04 is yes, report amount of collateral for conforming programs.	\$ _____ 0	
24.06	If answer to 24.04 is no, report amount of collateral for other programs	\$ _____ 0	
24.07	Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?	Yes [] No [] N/A [X]	
24.08	Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?	Yes [] No [] N/A [X]	
24.09.	Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?	Yes [] No [] N/A [X]	
24.10	For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:		
24.101	Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2:	\$ _____ 0	
24.102	Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2:	\$ _____ 0	
24.103	Total payable for securities lending reported on the liability page:	\$ _____ 0	
25.1	Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is current in force? (Exclude securities subject to Interrogatory 21.1 and 24.03.)	Yes [X] No []	
25.2	If yes, state the amount thereof at December 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 sale – excluding FHLB Capital Stock	\$ _____ 0	
25.27	FHLB Capital Stock	\$ _____ 4,053,600	
25.28	On deposit with states	\$ _____ 8,481,630	
25.29	On deposit with other regulatory bodies	\$ _____ 0	
25.30	Pledged as collateral – excluding collateral pledged to an FHLB	\$ _____ 132,228,132	
25.31	Pledged as collateral to FHLB – including assets backing funding agreements	\$ _____ 22,085,028	
25.32	Other	\$ _____ 0	
25.3	For category (25.26) provide the following:		
	1 Nature of Restriction	2 Description	3 Amount
			\$ _____ 0
26.1	Does the reporting entity have any hedging transactions reported on Schedule DB?	Yes [] No [X]	
26.2	If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? If no, attach a description with this statement.	Yes [] No [] N/A [X]	
27.1	Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?	Yes [] No [X]	
27.2	If yes, state the amount thereof at December of the current year:	\$ _____ 0	
28.	Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC <i>Financial Condition Examiners Handbook</i> ?	Yes [X] No []	
28.01	For all agreements that comply with the requirements of the NAIC <i>Financial Condition Examiners Handbook</i> , complete the following:		
	1 Name of Custodian(s)	2 Custodian Address	
	JP Morgan Chase Worldwide Securities	4 Chase Metrotech Center, 16th Floor, Brooklyn, NY 11245	
	The Northern Trust Company	50 S. LaSalle Street, B-10, Chicago, IL 60675	

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

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

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
Federal Home Loan Bank	Cincinnati, OH	Investment required as a provision of obtaining loans.

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

Yes [] No [X]

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

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

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

Yes [] No [X]

29.2 If yes, complete the following schedule:

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

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

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

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

		1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1	Bonds	569,788,010	570,572,409	784,399
30.2	Preferred Stocks	0	0	0
30.3	Totals	569,788,010	570,572,409	784,399

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

Pricing services and broker / dealers.

Yes [] No [X]

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?

Yes [] No [X]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?

Yes [] No []

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliance 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:

OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ 3,179,861

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 Offices, Inc	\$ 1,973,994

34.1 Amount of payments for legal expenses, if any?

\$ 401,282

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

1 Name	2 Amount Paid
Baker & Hostetler LLP	\$ 105,024

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

\$ 4,581

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
Partnership For Ohio's Future	\$ 3,450

Annual Statement for the year 2015 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**
GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

1.1	Does the reporting entity have any direct Medicare Supplement Insurance in force?	Yes []	No [X]
1.2	If yes, indicate premium earned on U.S. business only.	\$	0
1.3	What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?	\$	0
1.31	Reason for excluding:		
1.4	Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.	\$	0
1.5	Indicate total incurred claims on all Medicare Supplement insurance.	\$	0
1.6	Individual policies:		
	Most current three years:		
1.61	Total premium earned	\$	0
1.62	Total incurred claims	\$	0
1.63	Number of covered lives		0
	All years prior to most current three years:		
1.64	Total premium earned	\$	0
1.65	Total incurred claims	\$	0
1.66	Number of covered lives		0
1.7	Group policies:		
	Most current three years:		
1.71	Total premium earned	\$	0
1.72	Total incurred claims	\$	0
1.73	Number of covered lives		0
	All years prior to most current three years:		
1.74	Total premium earned	\$	0
1.75	Total incurred claims	\$	0
1.76	Number of covered lives		0
2.	Health Test:		
		1 Current Year	2 Prior Year
2.1	Premium Numerator	\$ 0	\$ 0
2.2	Premium Denominator	\$ 674,329,442	\$ 570,087,433
2.3	Premium Ratio (2.1/2.2)	0.000	0.000
2.4	Reserve Numerator	\$ 14,267	\$ 17,592
2.5	Reserve Denominator	\$ 1,097,864,546	\$ 1,034,537,412
2.6	Reserve Ratio (2.4/2.5)	0.001	0.002
3.1	Does the reporting entity issue both participating and non-participating policies?	Yes [X]	No []
3.2	If yes, state the amount of calendar year premiums written on:		
3.21	Participating policies	\$ 32,483,814	
3.22	Non-participating policies	\$ 429,953,841	
4.	FOR MUTUAL REPORTING ENTITIES AND RECIPROCAL EXCHANGES ONLY:		
4.1	Does the reporting entity issue assessable policies?	Yes []	No [X]
4.2	Does the reporting entity issue non-assessable policies?	Yes [X]	No []
4.3	If assessable policies are issued, what is the extent of the contingent liability of the policyholders?		0.000%
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 []
5.22	As a direct expense of the exchange	Yes []	N/A []
5.3	What expenses of the exchange are not paid out of the compensation of the Attorney-in-fact?	Yes []	No []
5.4	Has any Attorney-in-fact compensation, contingent on fulfillments of certain conditions, been deferred?	Yes []	No []
5.5	If yes, give full information:		
6.1	What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss? <u>All of the State Auto Group companies writing workers' compensation are included in the casualty excess of loss reinsurance agreement which provides a total of \$9 million coverage in excess of a \$1 million retention. In addition, all companies are covered for a catastrophe workers' compensation claim in the workers' compensation and casualty agreements which provide an additional \$40 million of coverage for events involving multiple workers.</u>		
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: <u>Computer modeling is performed quarterly by the Companies' property reinsurance broker on a group basis using the combined property exposures of each State Auto Group company. Natural perils that could impact the Companies include a New Madrid or West Coast earthquake, an Atlantic or Gulf Coast hurricane, and severe thunderstorm systems, including tornado/hail damage. Catastrophe models used in the past include those developed by Applied Insurance Research (AIR) and Risk Management Solutions (RMS).</u>		
6.3	What provision has this reporting entity made (such as 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? <u>All of the State Auto Group companies are party to a traditional catastrophe reinsurance agreement providing \$285 million in coverage for covered losses above a \$55 million retention, with a 5% co-participation. Catastrophe limits are purchased based on a 1 in 100 return period on a hurricane basis.</u>		
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 []

Annual Statement for the year 2015 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**
GENERAL INTERROGATORIES
PART 2 – PROPERTY & CASUALTY INTERROGATORIES

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 unreinsured catastrophic loss:		
7.1	Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)?	Yes []	No [X]
7.2	If yes, indicate the number of reinsurance contracts containing such provisions.	0	
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 []	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 noncancelable by the reporting entity during the contract term;		
	(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;		
	(c) Aggregate stop loss reinsurance coverage;		
	(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;		
	(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or		
	(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity?		
9.2	Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under 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:	Yes []	No [X]
	(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 31 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:		
	(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or		
	(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?	Yes []	No [X]
9.5	If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.		
9.6	The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:		
	(a) The entity does not utilize reinsurance; or,	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 []
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 assets schedule, Page 2, state the amount of corresponding liabilities recorded for:		
12.11	Unpaid losses	\$	0
12.12	Unpaid underwriting expenses (including loss adjustment expenses)	\$	0
12.2	Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds?	\$	0
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	0.000%	
12.42	To	0.000%	
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?		
12.6	If yes, state the amount thereof at December 31 of current year:	Yes []	No [X]
	12.61 Letters of Credit	\$	0

Annual Statement for the year 2015 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**
GENERAL INTERROGATORIES
PART 2 – PROPERTY & CASUALTY INTERROGATORIES

12.62	Collateral and other funds	\$	0			
13.1	Largest net aggregate amount insured in any one risk (excluding workers' compensation):	\$	1,725,000			
13.2	Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision?	Yes []	No [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.	3				
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: <u>The Company's reinsurance treaties are written to include multiple members of the State Auto Group. The total ceded premiums for each treaty are calculated based on that contract's definition of subject premium. Each cedant company's portion of the total ceded premiums is based on its contribution to that subject premium base.</u>					
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 []	No [X]			
14.5	If the answer to 14.4 is no, please explain: <u>As noted in #14.2 above, ceded premiums are allocated based on each cedant company's proportionate share of that contract's calculated subject premium base. Although not specified in each contract, Statutory Accounting Principles logically direct the Company to match each company's costs with that company's benefits under each contract.</u>					
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	2	3	4	5
		Direct Losses Incurred	Direct Losses Unpaid	Direct Written Premium	Direct Premium Unearned	Direct Premium Earned
16.11	Home	\$ 0 \$	0 \$	0 \$	0 \$	0
16.12	Products	\$ 0 \$	0 \$	0 \$	0 \$	0
16.13	Automobile	\$ 0 \$	0 \$	0 \$	0 \$	0
16.14	Other*	\$ 0 \$	0 \$	0 \$	0 \$	0
	* Disclose type of coverage:					
17.1	Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F – Part 3 that it excludes from Schedule F – Part 5. 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:	Yes []	No [X]			
17.11	Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5	\$ 0				
17.12	Unfunded portion of Interrogatory 17.11	\$ 0				
17.13	Paid losses and loss adjustment expenses portion of Interrogatory 17.11	\$ 0				
17.14	Case reserves portion of Interrogatory 17.11	\$ 0				
17.15	Incurred but not reported portion of Interrogatory 17.11	\$ 0				
17.16	Unearned premium portion of Interrogatory 17.11	\$ 0				
17.17	Contingent commission portion of Interrogatory 17.11	\$ 0				
	Provide the following information for all other amounts included in Schedule F – Part 3 and excluded from Schedule F – Part 5, not included above.					
17.18	Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5	\$ 0				
17.19	Unfunded portion of Interrogatory 17.18	\$ 0				
17.20	Paid losses and loss adjustment expenses portion of Interrogatory 17.18	\$ 0				
17.21	Case reserves portion of Interrogatory 17.18	\$ 0				
17.22	Incurred but not reported portion of Interrogatory 17.18	\$ 0				
17.23	Unearned premium portion of Interrogatory 17.18	\$ 0				
17.24	Contingent commission portion of Interrogatory 17.18	\$ 0				
18.1	Do you act as a custodian for health savings accounts?	Yes []	No [X]			
18.2	If yes, please provide the amount of custodial funds held as of the reporting date.	\$ 0				
18.3	Do you act as an administrator for health savings accounts?	Yes []	No [X]			
18.4	If yes, please provide the balance of the funds administered as of the reporting date.	\$ 0				

Annual Statement for the year 2015 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**
FIVE-YEAR HISTORICAL DATA

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

	1 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).....	902,034,676	846,019,130	813,300,901	811,242,505	844,659,589
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	490,830,231	509,708,763	512,900,434	498,051,220	495,410,919
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	641,025,365	659,891,480	683,331,545	628,535,372	587,688,816
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	2,930,233	8,715,114	8,755,842	7,974,737	5,590,929
5. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	208	(13,355)	32,608	(400)	(15,885)
6. Total (Line 35).....	2,036,820,713	2,024,321,132	2,018,321,330	1,945,803,434	1,933,334,368
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).....	298,046,521	284,934,922	269,805,859	267,875,782	205,854,496
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	162,094,745	167,723,422	166,780,481	158,679,267	119,067,862
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	215,022,477	178,493,656	124,269,545	122,770,060	110,877,524
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	745,875	2,691,352	2,848,210	2,679,463	1,462,193
11. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	208	(13,355)	32,608	(400)	(15,885)
12. Total (Line 35).....	675,909,826	633,829,998	563,736,703	552,004,172	437,246,190
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8).....	(19,352,698)	(57,082,813)	(21,720,111)	(51,198,336)	(79,515,549)
14. Net investment gain (loss) (Line 11).....	19,340,848	33,064,917	15,444,519	35,552,508	28,677,804
15. Total other income (Line 15).....	2,401,567	(543,405)	1,815,598	1,296,785	2,747,718
16. Dividends to policyholders (Line 17).....	141,567	128,633	86,349	101,971	76,896
17. Federal and foreign income taxes incurred (Line 19).....	(2,961,472)	(7,137,427)	(1,741,953)	(4,034,304)	(5,700,425)
18. Net income (Line 20).....	5,209,622	(17,552,507)	(2,804,390)	(10,416,710)	(42,466,498)
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3).....	2,386,409,637	2,352,071,830	2,205,935,557	2,093,759,910	2,156,907,267
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 15.1).....	251,000,743	247,361,580	210,676,025	202,708,104	240,690,091
20.2 Deferred and not yet due (Line 15.2).....	392,405,148	395,041,118	396,252,330	378,626,596	337,431,807
20.3 Accrued retrospective premiums (Line 15.3).....	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 26).....	1,561,743,315	1,535,307,594	1,339,683,326	1,345,059,337	1,371,413,662
22. Losses (Page 3, Line 1).....	455,541,845	420,722,585	408,993,064	392,080,569	373,676,317
23. Loss adjustment expenses (Page 3, Line 3).....	107,159,175	99,808,578	95,884,407	94,075,081	87,553,014
24. Unearned premiums (Page 3, Line 9).....	323,522,427	321,809,230	258,119,454	249,858,057	241,848,022
25. Capital paid up (Page 3, Lines 30 & 31).....	0	0	0	0	0
26. Surplus as regards policyholders (Page 3, Line 37).....	824,666,322	816,764,236	866,252,231	748,700,573	785,493,605
Cash Flow (Page 5)					
27. Net cash from operations (Line 11).....	94,027,218	17,973,492	(8,812,854)	(23,206,216)	312,521,269
Risk-Based Capital Analysis					
28. Total adjusted capital.....	824,666,322	816,764,236	866,252,231	748,700,573	785,493,605
29. Authorized control level risk-based capital.....	176,608,106	164,371,701	146,978,088	133,493,570	131,512,388
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1).....	38.5	33.6	32.5	33.7	15.7
31. Stocks (Lines 2.1 & 2.2).....	52.4	53.0	52.6	50.7	71.7
32. Mortgage loans on real estate (Lines 3.1 & 3.2).....	0.0	0.0	0.0	0.0	0.0
33. Real estate (Lines 4.1, 4.2 & 4.3).....	1.9	2.2	2.4	2.9	4.1
34. Cash, cash equivalents and short-term investments (Line 5).....	3.4	8.2	6.8	6.1	6.3
35. Contract loans (Line 6).....	0.0	0.0	0.0	0.0	0.0
36. Derivatives (Line 7).....	0.0	0.0	0.0	0.0	0.0
37. Other invested assets (Line 8).....	3.8	2.9	5.7	5.8	2.2
38. Receivable for securities (Line 9).....	0.0	0.0	0.0	0.8	0.0
39. Securities lending reinvested collateral assets (Line 10).....	0.0	0.0	0.0	0.0	0.0
40. Aggregate write-ins for invested assets (Line 11).....	0.0	0.0	0.0	0.0	0.0
41. Cash, cash equivalents and invested assets (Line 12).....	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds (Sch. D, Summary, Line 12, Col. 1).....	0	0	0	0	0
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1).....	0	0	0	0	0
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1).....	699,567,488	684,777,465	656,146,279	603,457,334	745,667,162
45. Affiliated short-term investments (subtotals included in Schedule DA, Verification, Column 5, Line 10).....	0	0	0	0	0
46. Affiliated mortgage loans on real estate.....	0	0	0	0	0
47. All other affiliated.....	0	0	0	1,000,000	0
48. Total of above lines 42 to 47.....	699,567,488	684,777,465	656,146,279	604,457,334	745,667,162
49. Total investment in parent included in Lines 42 to 47 above.....	0	0	0	0	0
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0).....	84.8	83.8	75.7	80.7	94.9

Annual Statement for the year 2015 of the **STATE AUTOMOBILE 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).....	3,129,233	975,434	65,367,909	(66,635,628)	(130,937,877)
52. Dividends to stockholders (Line 35).....	0	0	0	0	0
53. Change in surplus as regards policyholders for the year (Line 38).....	7,902,086	(49,487,995)	117,551,658	(36,793,032)	(247,855,813)
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).....	485,022,353	469,714,458	468,356,774	454,436,963	310,987,155
55. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	233,632,278	257,246,728	247,791,751	267,384,731	290,680,835
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	314,867,574	336,479,216	322,098,508	349,375,547	443,615,270
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	1,111,720	130,333	1,259,941	547,032	933,680
58. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	69,754	24,488	529,745	186,478	231,205
59. Total (Line 35).....	1,034,703,679	1,063,595,222	1,040,036,719	1,071,930,751	1,046,448,145
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).....	161,411,600	158,350,314	156,312,831	152,022,435	(63,903,331)
61. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	80,528,140	88,248,669	83,994,279	89,638,227	48,167,947
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	97,765,117	71,350,731	62,151,196	73,748,385	48,244,052
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	378,558	46,599	425,394	173,708	6,813
64. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	17,879	(20,649)	448,960	115,894	(31,873)
65. Total (Line 35).....	340,101,294	317,975,665	303,332,660	315,698,649	32,483,607
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1).....	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2).....	55.6	57.8	56.2	61.3	70.1
68. Loss expenses incurred (Line 3).....	12.9	13.7	12.3	13.3	12.2
69. Other underwriting expenses incurred (Line 4).....	34.4	38.5	35.4	34.8	41.2
70. Net underwriting gain (loss) (Line 8).....	(2.9)	(10.0)	(3.9)	(9.4)	(23.4)
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).....	33.9	34.7	34.9	34.1	31.3
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	68.5	71.5	68.5	74.6	82.2
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).....	82.0	77.6	65.1	73.7	55.7
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).....	7,910	23,442	(12,008)	(7,030)	(10,888)
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).....	1.0	2.7	(1.6)	(0.9)	(1.1)
Two Year Loss Development (000 omitted)					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12).....	29,022	15,045	(16,816)	(19,828)	(29,813)
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).....	3.4	2.0	(2.1)	(1.9)	(3.2)

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:

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12 Number of Claims Reported-Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)		
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded				
1. Prior	XXX	XXX	XXX	4,641	1,666	.952	.226	.217	0	.86	3,918	XXX	
2. 2006	531,990	40,723	491,268	249,918	11,554	19,215	.439	.30,285	.231	9,599	287,194	XXX	
3. 2007	533,764	48,182	485,582	246,111	11,132	19,695	.398	.30,423	.396	9,652	284,304	XXX	
4. 2008	522,633	30,804	491,829	305,708	17,377	20,675	.919	.36,899	.965	9,533	344,020	XXX	
5. 2009	560,260	37,890	522,370	314,541	13,332	21,933	.713	.34,725	.78	8,318	357,076	XXX	
6. 2010	612,152	37,898	574,255	353,859	9,809	27,068	2,410	.35,015	.250	8,820	403,473	XXX	
7. 2011	656,807	40,651	616,156	442,505	15,024	32,165	2,079	.48,184	.389	16,772	505,361	XXX	
8. 2012	684,328	131,200	553,128	386,100	68,918	28,817	1,576	.44,995	.4,590	16,151	384,828	XXX	
9. 2013	691,134	131,151	559,982	312,493	47,528	19,617	1,202	.38,857	.1,774	14,621	320,462	XXX	
10. 2014	699,699	129,611	570,087	273,916	46,968	14,348	.997	.38,754	.1,540	14,259	277,513	XXX	
11. 2015	716,992	42,662	674,329	184,967	1,584	.7,942	0	.33,152	.28	8,123	224,450	XXX	
12. Totals	XXX	XXX	XXX	3,074,760	244,893	212,426	10,960	371,506	10,241	115,934	3,392,599	XXX	

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding-Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded	Direct and Assumed	Ceded			
1. Prior	34,786	25,582	13,063	4,264	1,170	125	2,294	.750	1,922	.32	.87	22,482	XXX
2. 2006	2,158	.589	2,037	.497	.317	.16	.571	.60	.233	.2	.50	4,153	XXX
3. 2007	1,279	.381	4,874	.915	152	.7	1,695	.211	.372	.1	.84	6,857	XXX
4. 2008	2,578	.156	4,187	.673	.296	.1	1,164	.99	.354	.0	.105	7,650	XXX
5. 2009	2,559	.174	4,475	.915	.369	.4	1,084	.65	.432	.4	.167	7,757	XXX
6. 2010	5,411	.533	6,664	.789	.585	.19	1,934	.149	.741	.0	.239	13,845	XXX
7. 2011	15,211	.1,705	10,987	.1,278	1,101	.67	3,289	.360	.1,229	.29	.368	28,378	XXX
8. 2012	30,199	.1,764	19,336	.1,605	2,517	.50	6,045	.536	.2,739	.74	.605	56,806	XXX
9. 2013	36,843	.1,417	27,176	.1,612	3,325	.120	7,954	.643	.3,821	.143	.1,181	75,184	XXX
10. 2014	46,582	.3,686	49,241	.1,684	3,788	.13	11,348	.575	.5,891	.232	.2,324	110,660	XXX
11. 2015	90,358	.889	99,352	.2,707	5,310	.18	23,481	1,084	.15,132	.5	.7,463	228,929	XXX
12. Totals	267,965	36,876	241,392	16,938	18,929	.442	60,859	4,530	32,865	.523	12,673	562,701	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves after Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense	Participation Percentage	Losses Unpaid	Loss Expenses Unpaid
1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	18,004	4,478
2. 2006	304,735	13,388	291,347	.57.3	.32.9	.59.3	0	0	34.50	3,109	1,043
3. 2007	304,601	13,440	291,161	.57.1	.27.9	.60.0	0	0	34.50	4,857	2,000
4. 2008	371,861	20,190	351,671	.71.2	.65.5	.71.5	0	0	34.50	5,936	1,714
5. 2009	380,118	15,285	364,833	.67.8	.40.3	.69.8	0	0	34.50	5,945	1,812
6. 2010	431,277	13,959	417,318	.70.5	.36.8	.72.7	0	0	34.50	10,754	3,091
7. 2011	554,670	20,931	533,739	.84.4	.51.5	.86.6	0	0	34.50	23,214	5,164
8. 2012	520,747	79,113	441,634	.76.1	.60.3	.79.8	0	0	34.50	46,166	10,640
9. 2013	450,086	54,440	395,646	.65.1	.41.5	.70.7	0	0	34.50	.60,990	14,194
10. 2014	443,869	55,695	388,173	.63.4	.43.0	.68.1	0	0	34.50	.90,453	20,208
11. 2015	459,694	6,316	453,379	.64.1	.14.8	.67.2	0	0	34.50	186,113	42,816
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	455,542	107,159

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.....	215,072	198,683	192,996	187,117	186,957	185,652	184,430	184,327	183,408	182,745	(663)	(1,582)
2. 2006.....	279,548	272,002	270,202	265,192	262,570	261,658	261,572	261,326	261,102	261,061	(41)	(266)
3. 2007.....	XXX.....	270,328	265,489	264,320	264,250	262,673	261,553	260,932	260,685	260,763	78	(169)
4. 2008.....	XXX.....	XXX.....	340,602	324,566	319,968	318,425	317,236	316,932	316,350	315,384	(967)	(1,548)
5. 2009.....	XXX.....	XXX.....	XXX.....	354,875	341,476	337,445	335,404	332,709	330,846	329,758	(1,088)	(2,951)
6. 2010.....	XXX.....	XXX.....	XXX.....	XXX.....	389,963	388,293	384,889	381,140	383,406	381,812	(1,593)	672
7. 2011.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	472,863	474,801	472,826	483,225	484,744	1,519	11,918
8. 2012.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	380,785	378,470	396,695	398,564	1,870	20,094
9. 2013.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	352,031	348,420	354,885	6,465	2,854
10. 2014.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	342,971	345,300	2,330	XXX.....
11. 2015.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	405,128	XXX.....	XXX.....	XXX.....
									12. Totals.....	7,910		29,022

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 2006	2 2007	3 2008	4 2009	5 2010	6 2011	7 2012	8 2013	9 2014	10 2015		
1. Prior.....	000.....	65,001	102,984	120,258	134,129	142,870	150,938	155,313	158,452	162,152	XXX.....	XXX.....
2. 2006.....	151,661	205,412	226,376	239,086	247,398	251,362	253,502	254,901	256,113	257,138	XXX.....	XXX.....
3. 2007.....	XXX.....	145,279	196,501	217,652	233,552	244,037	249,079	251,512	252,685	254,276	XXX.....	XXX.....
4. 2008.....	XXX.....	XXX.....	193,179	254,084	277,326	291,427	299,031	304,894	307,121	308,087	XXX.....	XXX.....
5. 2009.....	XXX.....	XXX.....	XXX.....	195,557	256,749	286,693	307,093	315,874	320,601	322,429	XXX.....	XXX.....
6. 2010.....	XXX.....	XXX.....	XXX.....	XXX.....	214,151	293,255	327,499	347,612	362,257	368,707	XXX.....	XXX.....
7. 2011.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	275,777	363,992	407,552	437,693	457,565	XXX.....	XXX.....
8. 2012.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	182,959	266,049	311,445	344,425	XXX.....	XXX.....
9. 2013.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	161,544	240,102	283,380	XXX.....	XXX.....
10. 2014.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	169,089	240,300	XXX.....	XXX.....
11. 2015.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	191,325	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 2006	2 2007	3 2008	4 2009	5 2010	6 2011	7 2012	8 2013	9 2014	10 2015
1. Prior.....	100,879	63,506	46,518	35,784	28,665	22,535	17,862	14,502	12,793	10,344
2. 2006.....	54,009	30,422	20,305	12,456	8,293	5,688	4,274	3,624	2,655	2,051
3. 2007.....	XXX.....	50,481	31,560	21,409	14,662	10,971	8,510	7,237	6,226	5,444
4. 2008.....	XXX.....	XXX.....	59,949	34,152	20,561	12,117	9,047	7,013	5,728	4,580
5. 2009.....	XXX.....	XXX.....	XXX.....	68,232	41,704	20,322	13,092	9,303	6,762	4,580
6. 2010.....	XXX.....	XXX.....	XXX.....	XXX.....	78,506	47,019	25,279	13,483	10,829	7,661
7. 2011.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	91,340	52,662	22,221	19,053	12,639
8. 2012.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	98,565	53,537	39,397	23,239
9. 2013.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	98,842	59,065	32,874
10. 2014.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	92,590	58,331
11. 2015.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	119,041

Annual Statement for the year 2015 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**
SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.	1 Active Status	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Incl. in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama.....AL	L	6,619,534	6,869,417	728	4,586,314	6,628,831	8,301,423	24,460	0
2. Alaska.....AK	L	0	0	0	0	0	0	0	0
3. Arizona.....AZ	L	3,547,208	3,442,111	180	3,184,392	5,277,067	8,076,518	1,839	0
4. Arkansas.....AR	L	17,508,220	17,750,021	1,832	10,916,529	11,001,433	9,296,309	83,285	0
5. California.....CA	Q	0	0	0	0	0	0	0	0
6. Colorado.....CO	L	5,872,146	6,271,266	0	3,720,694	3,806,943	4,985,884	15,565	0
7. Connecticut.....CT	L	2,253,268	1,316,516	0	197,810	711,275	2,072,825	2,210	0
8. Delaware.....DE	L	557,658	500,561	0	176,311	416,675	493,873	143	0
9. District of Columbia.....DC	L	248,842	313,728	0	76,752	43,551	310,313	163	0
10. Florida.....FL	L	555,294	781,326	0	543,097	949,641	1,662,683	.46	0
11. Georgia.....GA	L	5,333,861	5,382,874	3,412	2,046,233	2,525,562	5,432,155	9,562	0
12. Hawaii.....HI	L	0	0	0	0	0	0	0	0
13. Idaho.....ID	L	2,940	622	0	0	267	267	0	0
14. Illinois.....IL	L	6,802,106	7,554,814	26,634	5,962,462	6,252,475	21,248,804	8,461	0
15. Indiana.....IN	L	23,761,719	26,137,243	15,349	14,313,057	13,522,955	19,875,415	68,577	0
16. Iowa.....IA	L	1,171,036	1,200,803	519	479,592	432,279	2,055,079	2,124	0
17. Kansas.....KS	L	10,855,710	10,048,916	0	5,701,026	6,001,858	3,510,584	39,091	0
18. Kentucky.....KY	L	17,547,041	17,928,170	4,654	8,817,658	8,709,982	12,646,936	39,460	0
19. Louisiana.....LA	L	0	7,550	0	0	(1,272)	682	0	0
20. Maine.....ME	L	0	0	0	0	0	0	0	0
21. Maryland.....MD	L	27,738,897	26,465,478	112,361	12,279,298	14,926,753	18,349,659	103,625	0
22. Massachusetts.....MA	L	2,122,027	1,966,514	0	619,376	1,230,912	1,570,705	7,289	0
23. Michigan.....MI	L	30,188,146	31,605,000	0	19,075,030	15,637,692	55,409,625	96,301	0
24. Minnesota.....MN	L	7,806,855	7,672,776	37,715	3,162,973	2,731,043	8,321,682	15,544	0
25. Mississippi.....MS	L	5,210,489	4,653,556	1,635	1,609,247	2,706,789	3,618,601	5,378	0
26. Missouri.....MO	L	3,505,477	3,431,605	4,385	1,002,521	1,167,711	1,562,726	5,124	0
27. Montana.....MT	L	0	0	0	0	0	0	0	0
28. Nebraska.....NE	L	0	0	0	0	(66)	0	0	0
29. Nevada.....NV	L	0	0	0	0	0	0	0	0
30. New Hampshire.....NH	L	0	0	0	0	0	0	0	0
31. New Jersey.....NJ	L	0	1,350	0	0	(62)	170	0	0
32. New Mexico.....NM	L	0	0	0	0	0	0	0	0
33. New York.....NY	L	0	0	0	0	0	28,021	0	0
34. North Carolina.....NC	L	11,539,169	11,775,064	0	5,102,425	4,525,500	6,720,815	21,040	0
35. North Dakota.....ND	L	6,480,177	6,502,871	8,750	3,087,908	2,257,036	1,866,662	4,973	0
36. Ohio.....OH	L	129,555,518	132,473,348	3,195	56,564,019	54,862,106	71,745,408	377,671	0
37. Oklahoma.....OK	L	401,708	449,869	0	533,208	193,710	2,333,343	.331	0
38. Oregon.....OR	L	0	0	0	0	0	0	0	0
39. Pennsylvania.....PA	L	13,947,403	14,219,513	2,390	8,634,981	3,713,653	16,745,918	37,311	0
40. Rhode Island.....RI	L	0	0	0	0	0	0	0	0
41. South Carolina.....SC	L	22,737,137	23,066,814	1,929	12,747,988	14,272,489	10,812,573	113,492	0
42. South Dakota.....SD	L	5,409,206	5,167,734	0	1,601,358	1,835,666	2,412,933	4,848	0
43. Tennessee.....TN	L	20,690,255	20,508,305	2,949	7,444,868	5,235,696	19,820,819	44,258	0
44. Texas.....TX	L	61,588,666	63,281,269	3,843	30,059,286	38,345,364	51,021,570	126,718	0
45. Utah.....UT	L	242,114	316,199	0	93,049	(53,448)	510,206	.667	0
46. Vermont.....VT	L	0	0	0	0	0	0	0	0
47. Virginia.....VA	L	3,754,123	3,478,457	0	2,318,634	3,670,816	4,912,574	5,203	0
48. Washington.....WA	L	0	0	0	0	0	0	0	0
49. West Virginia.....WV	L	4,595,438	4,374,306	18,685	1,186,703	2,137,629	4,866,825	.6279	0
50. Wisconsin.....WI	L	2,288,266	2,328,193	54,016	1,879,120	1,948,718	3,111,724	5,660	0
51. Wyoming.....WY	L	0	0	0	0	0	0	0	0
52. American Samoa.....AS	N	0	0	0	0	0	0	0	0
53. Guam.....GU	N	0	0	0	0	0	0	0	0
54. Puerto Rico.....PR	N	0	0	0	0	0	0	0	0
55. US Virgin Islands.....VI	N	0	0	0	0	0	0	0	0
56. Northern Mariana Islands.....MP	N	0	0	0	0	0	0	0	0
57. Canada.....CAN	N	0	0	0	0	0	0	0	0
58. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0	0	0
59. Totals.....	(a) 50	462,437,655	469,244,160	305,160	229,723,919	237,625,227	385,712,307	1,276,697	0

DETAILS OF WRITE-INS

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

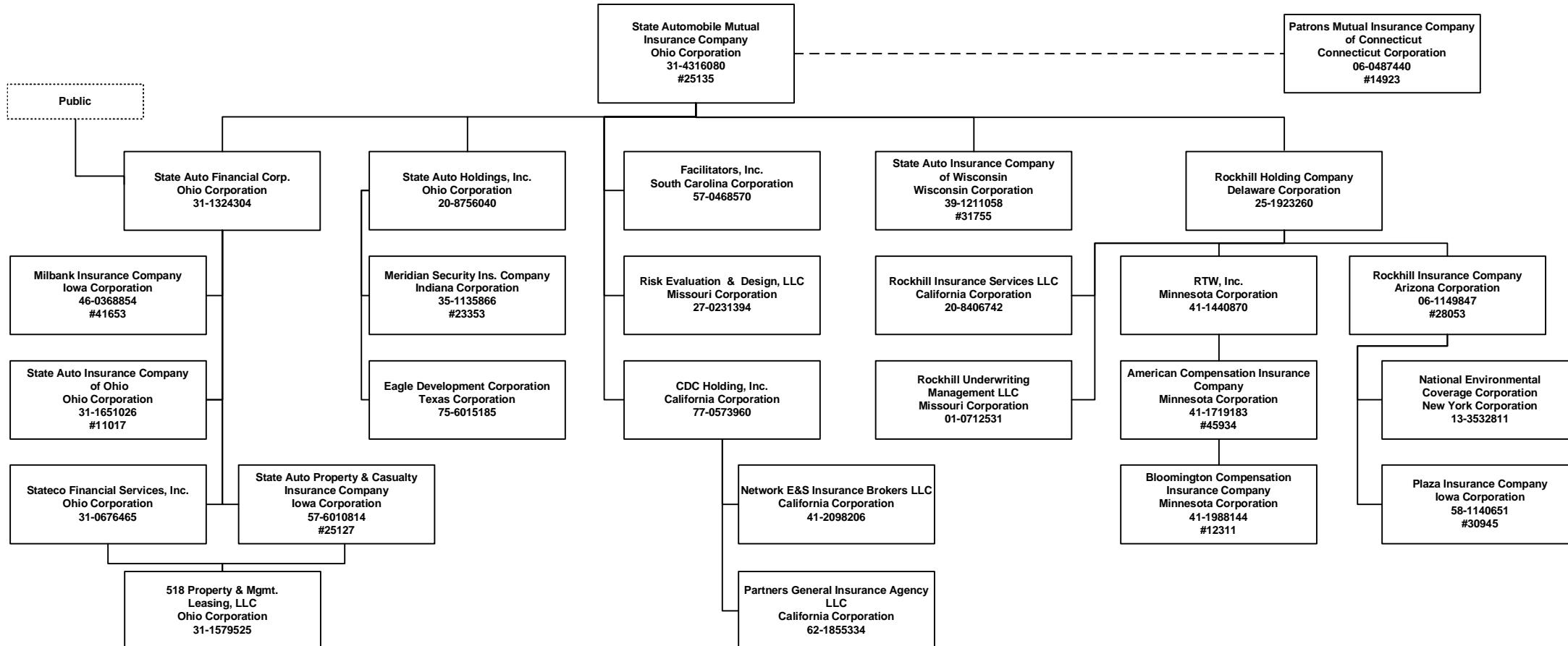
(a) Insert the number of "L" responses except for Canada and Other Alien.

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

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

Explanation of Basis of Allocation of Premiums by States, etc.

All Lines: the location of the insured risk controls the state code which is used for all statistical records.

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING GROUP**PART 1 – ORGANIZATIONAL CHART****ORGANIZATIONAL STRUCTURE OF STATE AUTO HOLDING COMPANY SYSTEM**

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