



# QUARTERLY STATEMENT

## **As of June 30, 2016**

# STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

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

## OFFICERS

## OTHER

OTHER		
Jessica Elizabeth Clark	Senior Vice President	Steven Eugene English
Kim Burton Garland	Senior Vice President	Ricky Lee Holbein
Scott Alan Jones	Vice President	Matthew Stanley Mrozek
John Michael Petrucci	Senior Vice President	Cynthia Ann Powell
Timothy Gerard Reik	Vice President	Mary Jean Reynolds
Elise deLanglade Spriggs #	Senior Vice President	Paul Martin Stachura
Gregory Allan Taccetti	Senior Vice President	Angela Elliott Taylor

## **DIRECTORS OR TRUSTEES**

Robert Ellison Baker Michael Joseph Fiorile James Edward Kunk Michael Edward LaRocco  
Marsha Pasquinelly Ryan Edwin Jesse Simcox Dwight Eric Smith Roger Philip Sugarman

State of..... Ohio  
County of.... Franklin

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

Michael Edward LaRocco  
President

Melissa Ann Centers  
Secretary

Matthew Robert Pollak  
Treasurer

Subscribed and sworn to before me  
This 5th day of August, 2016

- a. Is this an original filing?
- b. If no:
  - 1. State the amendment number
  - 2. Date filed
  - 3. Number of pages attached

Yes [ X ] No [ ]

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Statement for June 30, 2016 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**  
**ASSETS**

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	588,493,112	0	588,493,112	569,788,010
2. Stocks:				
2.1 Preferred stocks.....	0	0	0	0
2.2 Common stocks.....	777,372,264	18,926,163	758,446,101	775,765,630
3. Mortgage loans on real estate:				
3.1 First liens.....	0	0	0	0
3.2 Other than first liens.....	0	0	0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	17,182,660	0	17,182,660	22,561,206
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).....	5,773,751	0	5,773,751	4,935,000
5. Cash (\$....56,426,221), cash equivalents (\$.....0) and short-term investments (\$.....0).....	56,426,221	0	56,426,221	51,191,820
6. Contract loans (including \$.....0 premium notes).....	0	0	0	0
7. Derivatives.....	0	0	0	0
8. Other invested assets.....	55,730,644	0	55,730,644	56,266,230
9. Receivables for securities.....	5,338,483	0	5,338,483	0
10. Securities lending reinvested collateral assets.....	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).....	1,506,317,135	18,926,163	1,487,390,972	1,480,507,896
13. Title plants less \$.....0 charged off (for Title insurers only).....	0	0	0	0
14. Investment income due and accrued.....	4,579,452	0	4,579,452	4,520,268
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	302,970,571	118,774	302,851,797	251,000,743
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$....3,552,694 earned but unbilled premiums).....	390,545,768	932,357	389,613,411	392,405,148
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....	0	0	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	200,508,102	0	200,508,102	193,136,252
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.....	2,643,572	0	2,643,572	2,167,576
18.2 Net deferred tax asset.....	0	0	0	0
19. Guaranty funds receivable or on deposit.....	59,777	0	59,777	59,690
20. Electronic data processing equipment and software.....	39,421,367	36,779,416	2,641,951	3,661,714
21. Furniture and equipment, including health care delivery assets (\$.....0).....	5,064,876	5,064,876	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.....	57,552,462	0	57,552,462	57,533,108
24. Health care (\$.....0) and other amounts receivable.....	0	0	0	0
25. Aggregate write-ins for other than invested assets.....	8,702,259	6,796,588	1,905,671	1,417,242
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	2,518,365,341	68,618,174	2,449,747,167	2,386,409,637
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0	0
28. Total (Lines 26 and 27).....	2,518,365,341	68,618,174	2,449,747,167	2,386,409,637

**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.....	753,996	466,649	287,347	12,377
2502. Prepaid expenses.....	6,061,099	6,061,099	0	0
2503. Equities and deposits in pools and associations.....	441,685	0	441,685	428,076
2598. Summary of remaining write-ins for Line 25 from overflow page.....	1,445,479	268,840	1,176,639	976,789
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	8,702,259	6,796,588	1,905,671	1,417,242

Statement for June 30, 2016 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**  
**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$.....127,186,789)	491,434,553	455,541,845
2. Reinsurance payable on paid losses and loss adjustment expenses	214,662,284	211,641,099
3. Loss adjustment expenses	119,024,055	107,159,175
4. Commissions payable, contingent commissions and other similar charges	5,536,343	3,030,242
5. Other expenses (excluding taxes, licenses and fees)	16,033,596	19,483,829
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	5,652,348	7,493,585
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses))	0	0
7.2 Net deferred tax liability	0	0
8. Borrowed money \$....89,000,000 and interest thereon \$....848,593	89,848,593	89,851,985
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$....639,095,551 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)	327,914,334	323,522,427
10. Advance premium	14,933,293	12,277,466
11. Dividends declared and unpaid:		
11.1 Stockholders	0	0
11.2 Policyholders	65,646	112,051
12. Ceded reinsurance premiums payable (net of ceding commissions)	158,009,402	140,626,048
13. Funds held by company under reinsurance treaties	38,318	38,318
14. Amounts withheld or retained by company for account of others	7,356,812	7,225,705
15. Remittances and items not allocated	969,092	813,516
16. Provision for reinsurance (including \$.....0 certified)	41,574	41,574
17. Net adjustments in assets and liabilities due to foreign exchange rates	0	0
18. Drafts outstanding	53,580,738	46,941,985
19. Payable to parent, subsidiaries and affiliates	112,820,123	74,364,177
20. Derivatives	0	0
21. Payable for securities	6,220,024	9,675,015
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	49,704,260	51,903,273
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	1,673,845,388	1,561,743,315
27. Protected cell liabilities	0	0
28. Total liabilities (Lines 26 and 27)	1,673,845,388	1,561,743,315
29. Aggregate write-ins for special surplus funds	476,962	469,110
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)	775,424,817	824,197,212
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)	775,901,779	824,666,322
38. Totals (Page 2, Line 28, Col. 3)	2,449,747,167	2,386,409,637

**DETAILS OF WRITE-INS**

2501. Escheated funds payable	3,375,565	2,436,814
2502. Equities and deposits in pools and associations	65,407	71,333
2503. Miscellaneous liabilities	259,158	648,341
2598. Summary of remaining write-ins for Line 25 from overflow page	46,004,130	48,746,785
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	49,704,260	51,903,273
2901. Retroactive reinsurance gain (loss)	476,962	469,110
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)	476,962	469,110
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

Statement for June 30, 2016 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**  
**STATEMENT OF INCOME**

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct..... (written \$....212,184,154).....	222,683,089	236,748,853	469,244,166
1.2 Assumed..... (written \$....824,200,316).....	798,021,535	769,229,608	1,558,353,972
1.3 Ceded..... (written \$....691,181,005).....	679,790,637	673,272,347	1,353,268,696
1.4 Net..... (written \$....345,203,465).....	340,913,987	332,706,114	674,329,442
DEDUCTIONS:			
2. Losses incurred (current accident year \$....201,572,310):			
2.1 Direct.....	128,295,373	117,536,103	237,625,232
2.2 Assumed.....	494,646,614	412,597,973	854,084,264
2.3 Ceded.....	410,871,272	348,473,301	716,788,943
2.4 Net.....	212,070,715	181,660,775	374,920,553
3. Loss adjustment expenses incurred.....	47,329,276	41,450,432	86,911,265
4. Other underwriting expenses incurred.....	117,255,093	117,146,660	231,850,322
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	376,655,084	340,257,867	693,682,140
7. Net income of protected cells.....	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	(35,741,097)	(7,551,753)	(19,352,698)
<b>INVESTMENT INCOME</b>			
9. Net investment income earned.....	14,693,250	10,371,208	21,026,845
10. Net realized capital gains (losses) less capital gains tax of \$....582,459.....	1,180,334	378,291	(1,685,997)
11. Net investment gain (loss) (Lines 9 + 10).....	15,873,584	10,749,499	19,340,848
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$....59,005 amount charged off \$....560,459).....	(501,454)	(423,795)	(866,714)
13. Finance and service charges not included in premiums.....	1,184,755	1,314,109	2,574,157
14. Aggregate write-ins for miscellaneous income.....	100,383	(926,302)	694,124
15. Total other income (Lines 12 through 14).....	783,684	(35,988)	2,401,567
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	(19,083,829)	3,161,758	2,389,717
17. Dividends to policyholders.....	.91,296	72,958	141,567
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).....	(19,175,125)	3,088,800	2,248,150
19. Federal and foreign income taxes incurred.....	(2,559,955)	(1,516,840)	(2,961,472)
20. Net income (Line 18 minus Line 19) (to Line 22).....	(16,615,170)	4,605,640	5,209,622
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year.....	824,666,322	816,764,236	816,764,236
22. Net income (from Line 20).....	(16,615,170)	4,605,640	5,209,622
23. Net transfers (to) from Protected Cell accounts.....	0	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$....752,426.....	(26,358,319)	3,431,539	3,129,233
25. Change in net unrealized foreign exchange capital gain (loss).....	0	0	0
26. Change in net deferred income tax.....	.316,256	1,204,868	(1,974,003)
27. Change in nonadmitted assets.....	(8,373,019)	988,718	(7,103,791)
28. Change in provision for reinsurance.....	0	0	378,426
29. Change in surplus notes.....	0	0	0
30. Surplus (contributed to) withdrawn from protected cells.....	0	0	0
31. Cumulative effect of changes in accounting principles.....	0	0	0
32. Capital changes:			
32.1 Paid in.....	0	0	0
32.2 Transferred from surplus (Stock Dividend).....	0	0	0
32.3 Transferred to surplus.....	0	0	0
33. Surplus adjustments:			
33.1 Paid in.....	0	0	0
33.2 Transferred to capital (Stock Dividend).....	0	0	0
33.3 Transferred from capital.....	0	0	0
34. Net remittances from or (to) Home Office.....	0	0	0
35. Dividends to stockholders.....	0	0	0
36. Change in treasury stock.....	0	0	0
37. Aggregate write-ins for gains and losses in surplus.....	2,265,709	2,720,312	8,262,599
38. Change in surplus as regards policyholders (Lines 22 through 37).....	(48,764,543)	12,951,077	7,902,086
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	775,901,779	829,715,313	824,666,322

**DETAILS OF WRITE-INS**

0501. ....	.0	.0	.0
0502. ....	.0	.0	.0
0503. ....	.0	.0	.0
0598. Summary of remaining write-ins for Line 5 from overflow page.....	.0	.0	.0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	.0	.0	.0
1401. Miscellaneous income (expense).....	.37,920	.42,756	.204,881
1402. Gain (loss) on sale of fixed assets.....	.64,810	(958,451)	(2,597,780)
1403. Governmental fines and penalties.....	(10,199)	(41,949)	(50,043)
1498. Summary of remaining write-ins for Line 14 from overflow page.....	.7,852	.31,342	3,137,066
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	100,383	(926,302)	694,124
3701. Unrecognized pension.....	2,684,235	3,138,132	7,367,541
3702. Unrecognized retiree medical.....	(418,526)	(417,820)	.895,058
3703. ....	.0	.0	.0
3798. Summary of remaining write-ins for Line 37 from overflow page.....	.0	.0	.0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	2,265,709	2,720,312	8,262,599

Statement for June 30, 2016 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**  
**CASH FLOW**

	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>CASH FROM OPERATIONS</b>			
1. Premiums collected net of reinsurance.....	316,310,338	292,486,649	651,665,660
2. Net investment income.....	17,102,444	11,591,841	25,158,284
3. Miscellaneous income.....	775,833	(67,330)	(735,499)
4. Total (Lines 1 through 3).....	334,188,615	304,011,160	676,088,445
5. Benefit and loss related payments.....	180,536,600	145,900,706	307,429,836
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	156,344,509	130,077,276	276,961,455
8. Dividends paid to policyholders.....	137,701	81,222	102,428
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	(1,501,500)	(2,422,000)	(2,432,492)
10. Total (Lines 5 through 9).....	335,517,310	273,637,204	582,061,227
11. Net cash from operations (Line 4 minus Line 10).....	(1,328,695)	30,373,956	94,027,218
<b>CASH FROM INVESTMENTS</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	158,452,778	67,604,937	110,322,713
12.2 Stocks.....	15,357,883	8,474,616	38,176,588
12.3 Mortgage loans.....	0	0	0
12.4 Real estate.....	4,600,090	0	0
12.5 Other invested assets.....	928,518	1,118,966	1,421,553
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	0	0	0
12.7 Miscellaneous proceeds.....	0	152,938	415,437
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	179,339,269	77,351,457	150,336,291
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	178,039,451	150,712,240	207,488,757
13.2 Stocks.....	17,978,184	37,136,832	66,416,342
13.3 Mortgage loans.....	0	0	0
13.4 Real estate.....	992,888	582,162	905,199
13.5 Other invested assets.....	795,112	15,521,129	17,582,145
13.6 Miscellaneous applications.....	8,793,474	4,167,110	4,347,109
13.7 Total investments acquired (Lines 13.1 to 13.6).....	206,599,109	208,119,473	296,739,552
14. Net increase or (decrease) in contract loans and premium notes.....	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	(27,259,840)	(130,768,016)	(146,403,261)
<b>CASH FROM FINANCING AND MISCELLANEOUS SOURCES</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds.....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	0	0	0
16.5 Dividends to stockholders.....	0	0	0
16.6 Other cash provided (applied).....	33,822,936	36,401,644	(12,472,267)
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	33,822,936	36,401,644	(12,472,267)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	5,234,401	(63,992,416)	(64,848,310)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	51,191,820	116,040,130	116,040,130
19.2 End of period (Line 18 plus Line 19.1).....	56,426,221	52,047,714	51,191,820

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

20.0001 .....	0	0	0
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## 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, 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 (\$)	
		2016	2015
Net income, OH basis	OH	(16,615,170)	5,209,622
State prescribed practice		-	-
State permitted practice		-	-
Net income, NAIC SAP basis	OH	(16,615,170)	5,209,622
Statutory surplus, OH basis	OH	775,901,779	824,666,322
State prescribed practice		-	-
State permitted practice		-	-
Statutory surplus, NAIC SAP basis	OH	775,901,779	824,666,322

#### C. Accounting Policy:

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.

### 2. Accounting Changes and Corrections of Errors:

No substantial change from December 31, 2015.

### 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 June 30, 2016.
  - b. The cost of the CDC purchase was \$17,500,000 resulting in goodwill of \$16,776,153, of which \$13,364,063 was nonadmitted at June 30, 2016.
4. a. Goodwill amortization for the period ended June 30, 2016 relating to the purchase of RHC was \$7,508,937.
  - b. Goodwill amortization for the period ended June 30, 2016 relating to the purchase of CDC was \$844,046.

### 4. Discontinued Operations:

No substantial change from December 31, 2015.

### 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	(140,134)
2. 12 Months or Longer	(270,016)
b. The aggregate related fair value of securities with unrealized losses	
1. Less than 12 Months	28,441,539
2. 12 Months or Longer	7,322,552

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:

2. Real estate investments sold or classified as held for sale:

- a. The Company entered into a purchase agreement on September 25, 2015, to sell the branch office located in Indianapolis, Indiana. The sale of the branch office was completed on June 30, 2016. The Company classified a data center located in Delaware, Ohio as real estate held for sale at June 30, 2016.
- b. The loss of \$334,910 recognized on the sale of the branch office is presented in the Statement of Income within net realized gains (losses).

#### G. Low Income Housing Tax Credits: Not applicable.

#### H. Restricted Assets: No substantial change from December 31, 2015.

#### I. Working Capital Finance Investments: Not applicable.

#### J. Offsetting and Netting of Assets and Liabilities: Not applicable.

**5. Investments (continued):**

K. Structured Notes: Not Applicable.

**6. Joint Ventures, Partnerships and Limited Liability Companies:**

No substantial change from December 31, 2015.

**7. Investment Income:**

No substantial change from December 31, 2015.

**8. Derivative Instruments:**

No substantial change from December 31, 2015.

**9. Income Taxes:**

No substantial change from December 31, 2015.

**10. Information Concerning Parent, Subsidiaries and Affiliates:**

No substantial change from December 31, 2015.

**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 June 30, 2016 and 2015, and December 31, 2015 was \$2,434,375, \$2,429,863 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 June 30, 2016 and 2015 and December 31, 2015 was \$193,686, \$193,149 and \$389,500, respectively.

2. FHLB Capital Stock

a. Aggregate Totals

	Amount (\$)	
	June 30, 2016	December 31, 2015
Membership stock – Class A	-	-
Membership stock – Class B	2,863,691	2,822,485
Activity stock	1,189,909	1,231,115
Excess stock	-	-
Aggregate total	4,053,600	4,053,600
Actual or estimated borrowing capacity as determined by the Company	20,780,711	19,753,502

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	-	2,863,691
Not eligible for redemption	-	2,863,691
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 (\$)	
	June 30, 2016	December 31, 2015
General account		
Fair value	21,003,513	21,174,294
Carrying value	20,835,391	22,085,028
Aggregate total borrowing	19,000,000	19,000,000

b. Maximum Amount Pledged

	Amount (\$)	
	June 30, 2016	December 31, 2015
General account		
Fair value	21,003,513	21,174,294
Carrying value	20,835,391	22,085,028
Aggregate total borrowing	19,000,000	19,000,000

4. Borrowing from FHLB

a. Amount Borrowed

	Amount (\$)	
	June 30, 2016	December 31, 2015
General account		
Debt	19,000,000	19,000,000
Funding agreements	-	-
Other	-	-
Aggregate total	19,000,000	19,000,000

**11. Debt (continued):**

## b. Maximum Amount Borrowed

	Amount (\$)
	June 30, 2016
General account	19,000,000
Debt	-
Funding agreements	-
Other	-
Aggregate total	19,000,000

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

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

## A. Defined Benefit Plan:

## 4. The amount of net periodic benefit cost recognized:

State Auto P&C sponsors a defined benefit plan and a postretirement health care benefit plan.

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

No substantial change from December 31, 2015.

**14. Liabilities, Contingencies and Assessments:**

No substantial change from December 31, 2015.

**15. Leases:**

No substantial change from December 31, 2015.

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

No substantial change from December 31, 2015.

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

## B. Transfer and Servicing of Financial Assets:

## 2. Servicing Assets and Servicing Liabilities:

- a. Description of Risk: None.
- b. Specified Servicing Fees: None.
- c. Assumptions Used to Estimate Fair Value: None.

## 4. Securitizations, Asset-backed Financing Agreements and Similar Transfers with Continued Involvement:

- a. Income Statements Presented: None.
- b. Statement of Financial Position Presented: None.

## C. Wash Sales: None.

**18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans:**

No substantial change from December 31, 2015.

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

No substantial change from December 31, 2015.

**20. Fair Value Measurement:**

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

The Company has categorized its assets and liabilities that are reported on the balance sheet at fair value into the three-level fair value hierarchy as reflected in the table below. The three-level fair value hierarchy is based on the degree of subjectivity inherent in the valuation method by which fair value was determined. The three levels are defined as follows.

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 Federal Home Loan Bank of Cincinnati (FHLB), which is not publicly traded. SVO does not provide a fair value for this security.

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 Description for each class of asset or liability	Amount (\$)			
	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value				
Common stock				
Industrial and misc	101,506,859	-	4,053,600	105,560,459
Total common stocks	101,506,859	-	4,053,600	105,560,459
Other invested assets				
Any other class of asset	5,467,237	-	-	5,467,237
Partnership interests	-	44,714,002	-	44,714,002
Total other invested assets	5,467,237	44,714,002	-	50,181,239
Total assets at fair value	106,974,096	44,714,002	4,053,600	155,741,698

**20. Fair Value Measurement (continued):**

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

Description	Amount (\$)									Ending Balance at 06/30/2016
	Beginning Balance at 01/01/2016	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	
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 June 30, 2016.
4. As of June 30, 2016 and December 31, 2015, the reported fair value of the Company's investment in Level 2, the funds, was \$44,714,002 and \$45,057,559, 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 June 30, 2016, and December 31, 2015, the reported fair value of the Company's investment in Level 3 equity securities of FHLB, was \$4,053,600. 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 value of real estate held for sale using the most recent fair market value less estimated cost to sell.

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.

June 30, 2016:

Type of Financial Instrument	Amount (\$)					Not Practicable (Carrying Value)
	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	
Bonds	608,065,495	588,493,112	-	608,065,495	-	-
Common stocks	105,560,459	105,560,459	101,506,859	-	4,053,600	-
Other invested assets	55,730,643	55,730,643	5,467,237	44,714,002	-	5,549,404
Real estate held for sale	9,500,000	5,773,751	-	-	9,500,000	-
Borrowed money	93,789,498	89,000,000	-	74,776,498	19,013,000	-

December 31, 2015:

Type of Financial Instrument	Amount (\$)					Not Practicable (Carrying Value)
	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	
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
Real estate held for sale	4,935,000	4,935,000	-	-	4,935,000	-
Borrowed money	93,063,142	89,000,000	-	74,058,612	19,004,530	-

## 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	2,046,867	0.000	N/A	Investment value is based on 3/31/2016 statement provided by BANC Fund VII 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 II, LLC	422,351	0.000	N/A	Investment value is based on 3/31/2016 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	2,193,248	0.000	N/A	Investment value is based on 3/31/2016 statement provided by Stonehenge III.
Joint venture or partnership interests that have underlying characteristics of other - unaffiliated - NCT Ventures Fund I LP	886,938	0.000	N/A	Investment value is based on 3/31/2016 statement provided by NCT Ventures with adjustments for activity incurred since the date of statement.

**21. Other Items:**

## C. Other Disclosures:

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 \$302,851,797 and \$251,000,743 of uncollected premiums as of June 30, 2016 and December 31, 2015, respectively. No premiums were collected from "controlled" or "controlling persons" during the year-to-date periods ended June 30, 2016 and December 31, 2015.

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 periods ended June 30, 2016 and December 31, 2015. Additionally, the Special Disability Trust Fund made no assessments and issued no payments to the Company during the year-to-date periods ended June 30, 2016 and December 31, 2015.

**22. Events Subsequent:**

Subsequent events have been considered through August 5, 2016 for the statutory statements issued on August 5, 2016.

**23. Reinsurance:****E. Commutation of Ceded Reinsurance**

The Company has reported in its operations in the current year, as a result of commutation of reinsurance with the companies listed below, amounts that are reflected as:

<b>Statement of Income Account</b>		<b>Amount (\$)</b>
<b>Company</b>		<b>Amount (\$)</b>
1. Losses incurred		20,000
2. Loss adjustment expenses incurred		-
3. Premiums earned		-
4. Other		-
	<b>Company</b>	
	Praetorian Insurance Company	20,000

**24. Retrospectively Rated Contracts and Contracts Subject to Redetermination:****F. Risk-Sharing Provisions of the Affordable Care Act (ACA): Not applicable.****25. Changes in Incurred Losses and Loss Adjustment Expenses:**

Incurred losses and loss adjustment expenses attributable to prior accident years increased approximately \$10,937,000 during the quarter. This increase is the result of subsequent reserve review using more mature claim data. Program business accounts for \$4,623,000 of adverse development, with much of that attributed to Commercial Auto Other Liability. Outside of program business, Personal Auto Other Liability and Commercial Auto Other Liability each deteriorated by \$2,588,000. The deterioration in the quarter was primarily due to greater than expected bodily injury severity, primarily from accident years 2014-2015.

**26. Intercompany Pooling Arrangements:**

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 June 30, 2016, between each State Auto Pool participant and State Auto Mutual resulting in the net amount due to or due from State Auto Mutual:

	<b>Amount (\$)</b>		
	<b>Assumed Reinsurance Written Premiums Receivable from State Auto Mutual</b>	<b>Ceded Reinsurance Written Premiums Payable to State Auto Mutual</b>	<b>Net Assumed Reinsurance Written Premiums Receivable/(Net Ceded Reinsurance Written Premiums Payable)</b>
State Auto P&C	271,136,006	172,826,681	98,309,325
Milbank	74,429,492	23,621,363	50,808,129
SA Wisconsin	-	6,436,535	(6,436,535)
SA Ohio	-	17,531,036	(17,531,036)
Meridian Security	-	52,057,508	(52,057,508)
Patrons Mutual	2,658,196	18,556,992	(15,898,796)
Rockhill	-	70,507,496	(70,507,496)
Plaza	-	44,311,513	(44,311,513)
American Compensation	-	15,763,528	(15,763,528)
Bloomington Compensation	-	3,422,072	(3,422,072)

The following tabular presentation reflects the reinsurance receivable and payable on loss and loss adjustment expense paid at June 30, 2016, between each State Auto Pool participant and State Auto Mutual:

	<b>Amount (\$)</b>	
	<b>Assumed Reinsurance Loss and Loss Adjustment Expense Paid from State Auto Mutual</b>	<b>Ceded Reinsurance Loss and Loss Adjustment Expense Paid to State Auto Mutual</b>
State Auto P&C	147,751,165	101,779,802
Milbank	40,559,143	14,122,941
SA Wisconsin	-	3,217,759
SA Ohio	-	9,315,816
Meridian Security	-	28,258,979
Patrons Mutual	1,448,541	8,796,123
Rockhill	-	19,939,647
Plaza	-	21,907,691
American Compensation	-	8,054,884
Bloomington Compensation	-	1,707,569

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 June 30, 2016:

	<b>Amount (\$)</b>	
	<b>Intercompany Amounts Due from State Auto Mutual</b>	<b>Intercompany Amounts Due to State Auto Mutual</b>
State Auto P&C	-	31,638,607
Milbank	-	20,075,534
SA Wisconsin	2,911,623	-
SA Ohio	7,729,857	-
Meridian Security	21,898,984	-
Patrons Mutual	6,155,248	-
Rockhill	47,208,000	-
Plaza	17,758,268	-
American Compensation	-	3,955,229
Bloomington Compensation	502,173	-

**27. Structured Settlements:**

No substantial change from December 31, 2015.

**28. Health Care Receivables:**

No substantial change from December 31, 2015.

**29. Participating Policies:**

No substantial change from December 31, 2015.

**30. Premium Deficiency Reserves:**

No substantial change from December 31, 2015.

**31. High Deductibles:**

As of June 30, 2016 and December 31, 2015, the amount of reserve credit recorded for high deductibles on unpaid claims was \$1,506,730 and \$1,648,521, respectively, and the amount billed and recoverable on paid claims was \$143,718 and \$149,921, respectively.

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

No substantial change from December 31, 2015.

**33. Asbestos/Environmental Reserves:**

No substantial change from December 31, 2015.

**34. Subscriber Savings Accounts:**

No substantial change from December 31, 2015.

**35. Multiple Peril Crop Insurance:**

No substantial change from December 31, 2015.

**36. Financial Guaranty Insurance:**

B. Schedule of Insured Financial Obligations: Not applicable.

Statement for June 30, 2016 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**  
**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES**

**GENERAL**

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [ ] No [X]

1.2 If yes, has the report been filed with the domiciliary state? Yes [ ] No [ ]

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [ ] No [X]

2.2 If yes, date of change:

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

3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [ ] No [X]

3.3 If the response to 3.2 is yes, provide a brief description of those changes.

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

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

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

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

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

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

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

6.4 By what department or departments?  
Ohio Department of Insurance

6.5 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]

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

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

7.2 If yes, give full information:

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

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

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

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

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

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

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

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

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

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

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

**FINANCIAL**

Statement for June 30, 2016 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**  
**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES**

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No [ ]

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 0

**INVESTMENT**

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [X] No [ ]

11.2 If yes, give full and complete information relating thereto:  
The loan from the Federal Home Loan Bank of Cincinnati is collateralized by treasury bonds and mortgage-backed securities on deposit with the Federal Home Loan Bank of Cincinnati. Additionally, a grantor trust has been established for a reinsurance agreement with State National at JP Morgan Chase.

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ 0

13. Amount of real estate and mortgages held in short-term investments: \$ 0

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

14.2 If yes, please complete the following:

1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
\$ 0	\$ 0
0	0
699,567,488	671,811,806
0	0
0	0
\$ 699,567,488	\$ 671,811,806
\$ 0	\$ 0

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

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ]

If no, attach a description with this statement.

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

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ 0

16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ 0

16.3 Total payable for securities lending reported on the liability page: \$ 0

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

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

1 Name of Custodian(s)	2 Custodian Address
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, Illinois 60675

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

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
Federal Home Loan Bank	Cincinnati, OH	Investment required as a provision of obtaining loans
JP Morgan Chase Worldwide Securities	Brooklyn, NY	A grantor trust has been established for a reinsurance agreement

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

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

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

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

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

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

18.2 If no, list exceptions:

Statement for June 30, 2016 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**  
**GENERAL INTERROGATORIES (continued)**

**PART 2 – PROPERTY & CASUALTY INTERROGATORIES**

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

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

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

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

4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 Disc. Rate	Total Discount				Discount Taken During Period			
			4 Unpaid Losses	5 Unpaid LAE	6 IBNR	7 Total	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 Total
Total	0.000	0.000	0	0	0	0	0	0	0	

5.1 Operating Percentages:

5.1 A&H loss percent	(187.900)%
5.2 A&H cost containment percent	0.000%
5.3 A&H expense percent excluding cost containment expenses	(17.700)%

6.1 Do you act as a custodian for health savings accounts? Yes [ ] No [X]  
 6.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$ 0  
 6.3 Do you act as an administrator for health savings accounts? Yes [ ] No [X]  
 6.4 If yes, please provide the amount of funds administered as of the reporting date. \$ 0

Statement for June 30, 2016 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**  
**SCHEDULE F - CEDED REINSURANCE**

Showing All New Reinsurers - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Name of Reinsurer	4 Domiciliary Jurisdiction	5 Type of Reinsurer	6 Certified Reinsurer Rating (1 through 6)	7 Effective Date of Certified Reinsurer Rating
<b>All Other Insurers</b>						
00000.....	AA-9240020.....	China Reins Grp Corp.....	CHM.....	Unauthorized...	0.....	
00000.....	AA-3190871.....	Lancashire Ins Co Ltd.....	BMU.....	Authorized...	0.....	
00000.....	AA-1120171.....	Lloyd's Syndicate Number 1856.....	GBR.....	Authorized...	0.....	
00000.....	AA-1126005.....	Lloyd's Syndicate Number 2014.....	GBR.....	Authorized...	0.....	
00000.....	AA-1120116.....	Lloyd's Syndicate Number 4020.....	GBR.....	Authorized...	0.....	

**STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**  
**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

Current Year to Date - Allocated by States and Territories

States, Etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year to Date	3 Prior Year to Date	4 Current Year to Date	5 Prior Year to Date	6 Current Year to Date	7 Prior Year to Date
1. Alabama.....	AL.....	3,721,045	3,526,487	2,824,360	2,583,628	7,494,711	6,633,279
2. Alaska.....	AK.....	0	0	0	0	0	0
3. Arizona.....	AZ.....	1,905,546	2,390,903	3,141,982	394,483	6,879,227	7,910,098
4. Arkansas.....	AR.....	8,720,102	8,626,657	5,676,931	5,477,284	9,764,756	9,430,029
5. California.....	CA.....	Q.....	0	0	0	0	0
6. Colorado.....	CO.....	L.....	2,351,908	2,943,852	1,394,683	1,938,417	5,572,937
7. Connecticut.....	CT.....	L.....	549,222	624,227	143,686	129,735	2,597,620
8. Delaware.....	DE.....	L.....	15,818	424,247	83,514	91,956	576,513
9. District of Columbia.....	DC.....	L.....	17,603	140,673	24,096	22,541	263,165
10. Florida.....	FL.....	L.....	148,865	434,667	857,993	220,625	1,169,249
11. Georgia.....	GA.....	L.....	2,451,596	3,518,805	803,147	1,177,305	6,593,329
12. Hawaii.....	HI.....	L.....	0	0	0	0	0
13. Idaho.....	ID.....	L.....	0	0	0	0	1,594
14. Illinois.....	IL.....	L.....	2,950,294	5,072,704	3,245,170	2,954,758	18,773,437
15. Indiana.....	IN.....	L.....	10,814,818	12,971,865	3,984,057	6,116,256	19,070,757
16. Iowa.....	IA.....	L.....	579,077	763,749	504,701	322,992	1,743,631
17. Kansas.....	KS.....	L.....	6,343,108	5,064,034	2,593,491	2,584,065	3,798,800
18. Kentucky.....	KY.....	L.....	8,016,297	8,969,910	3,879,490	3,415,873	11,724,518
19. Louisiana.....	LA.....	L.....	0	0	0	0	241
20. Maine.....	ME.....	L.....	0	0	0	0	0
21. Maryland.....	MD.....	L.....	13,093,456	13,192,986	7,083,009	5,610,117	20,234,797
22. Massachusetts.....	MA.....	L.....	1,115,131	1,066,711	390,353	269,228	1,438,836
23. Michigan.....	MI.....	L.....	12,899,150	17,646,877	8,766,883	9,691,250	57,256,038
24. Minnesota.....	MN.....	L.....	4,021,164	4,332,373	1,403,874	983,226	8,589,507
25. Mississippi.....	MS.....	L.....	2,219,446	2,362,695	557,966	757,516	4,426,565
26. Missouri.....	MO.....	L.....	2,228,252	1,871,505	329,975	519,216	1,283,157
27. Montana.....	MT.....	L.....	0	0	0	0	0
28. Nebraska.....	NE.....	L.....	0	0	0	0	30
29. Nevada.....	NV.....	L.....	0	0	0	0	0
30. New Hampshire.....	NH.....	L.....	0	0	0	0	0
31. New Jersey.....	NJ.....	L.....	0	0	0	0	29
32. New Mexico.....	NM.....	L.....	0	0	0	0	0
33. New York.....	NY.....	L.....	0	0	0	0	28,021
34. North Carolina.....	NC.....	L.....	5,955,629	6,284,077	1,922,201	2,085,761	6,441,804
35. North Dakota.....	ND.....	L.....	3,088,289	3,180,803	702,862	863,266	1,984,993
36. Ohio.....	OH.....	L.....	56,849,877	67,077,609	22,478,040	30,579,474	77,788,694
37. Oklahoma.....	OK.....	L.....	125,752	91,266	231,267	326,901	2,144,333
38. Oregon.....	OR.....	L.....	0	0	0	0	0
39. Pennsylvania.....	PA.....	L.....	5,769,969	6,908,833	2,173,395	3,708,612	16,925,503
40. Rhode Island.....	RI.....	L.....	0	0	0	0	0
41. South Carolina.....	SC.....	L.....	10,768,489	11,840,576	8,756,542	5,823,917	11,108,079
42. South Dakota.....	SD.....	L.....	2,741,490	2,839,470	650,482	217,035	2,666,765
43. Tennessee.....	TN.....	L.....	9,041,361	10,087,444	3,302,739	4,586,529	20,378,274
44. Texas.....	TX.....	L.....	29,111,163	33,327,463	24,037,760	15,614,640	58,104,142
45. Utah.....	UT.....	L.....	95,945	143,736	15,516	75,992	419,587
46. Vermont.....	VT.....	L.....	0	0	0	0	0
47. Virginia.....	VA.....	L.....	1,705,133	1,947,029	1,369,089	872,054	4,562,100
48. Washington.....	WA.....	L.....	0	0	0	0	0
49. West Virginia.....	WV.....	L.....	1,724,799	2,046,907	916,604	660,686	4,647,909
50. Wisconsin.....	WI.....	L.....	1,044,359	1,257,808	700,627	351,921	2,607,582
51. Wyoming.....	WY.....	L.....	0	0	0	0	0
52. American Samoa.....	AS.....	N.....	0	0	0	0	0
53. Guam.....	GU.....	N.....	0	0	0	0	0
54. Puerto Rico.....	PR.....	N.....	0	0	0	0	0
55. US Virgin Islands.....	VI.....	N.....	0	0	0	0	0
56. Northern Mariana Islands.....	MP.....	N.....	0	0	0	0	0
57. Canada.....	CAN.....	N.....	0	0	0	0	0
58. Aggregate Other Alien.....	OT.....	XXX.....	40	0	0	0	0
59. Totals.....		(a)....50	212,184,154	242,978,948	114,946,483	111,027,260	399,061,198
							384,319,836

## DETAILS OF WRITE-INS

58001.....	XXX.....	0	0	0	0	0	0
58002.....	XXX.....	0	0	0	0	0	0
58003.....	XXX.....	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
58999. Totals (Lines 58001 thru 58003+ Line 58998) (Line 58 above).....	XXX.....	0	0	0	0	0	0

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

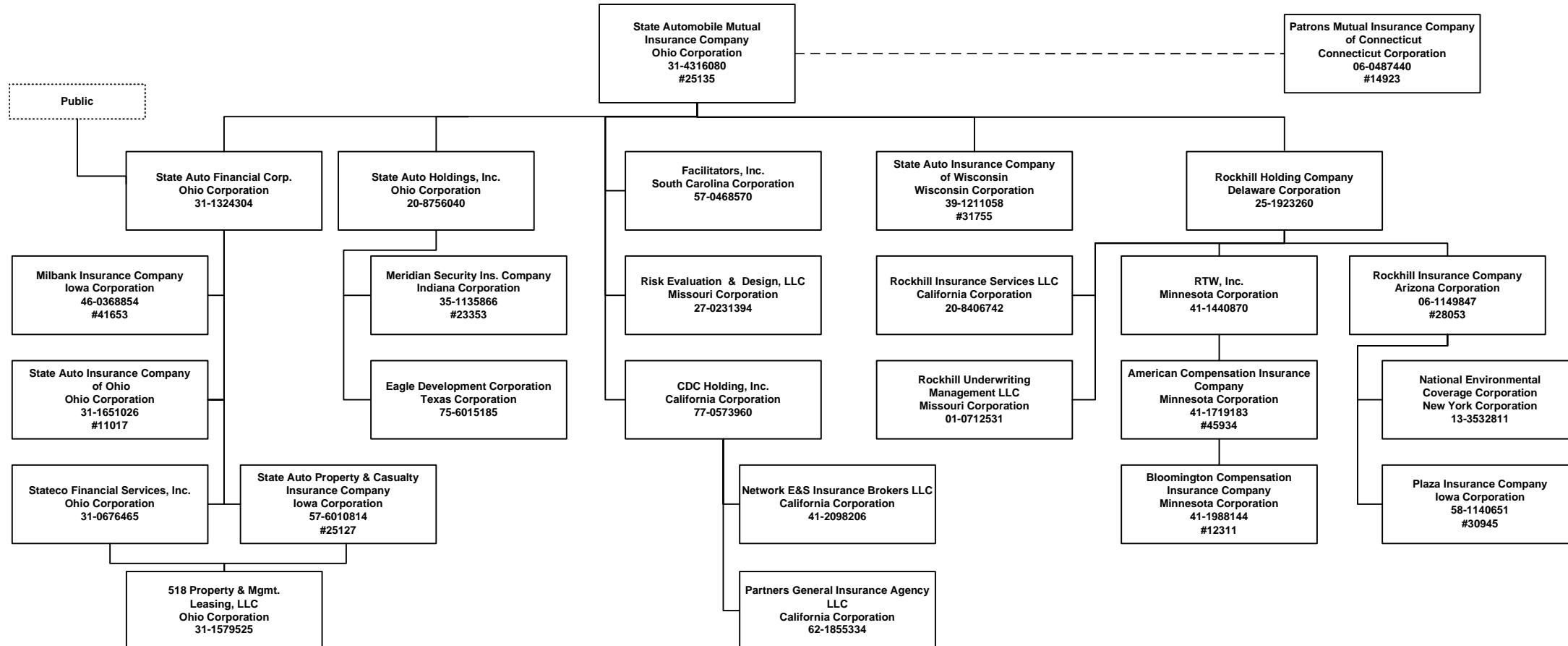
(E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to write business in the state.

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

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

### PART 1 – ORGANIZATIONAL CHART

#### ORGANIZATIONAL STRUCTURE OF STATE AUTO HOLDING COMPANY SYSTEM



## SCHEDULE Y

## PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1 Group Code	2 Group Name	3 NAIC Company Code	4 ID Number	5 Federal RSSD	6 CIK	7 Name of Securities Exchange if Public Traded (U.S. or International )	8 Name of Parent, Subsidiaries or Affiliates	9 Domi- ciliary Locatio n	10 Relationship to Reporting Entity	11 Directly Controlled by (Name of Entity/Person)	12 Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	13 If Control is Ownership Provide Percentage	14 Ultimate Controlling Entity(ies)/Person(s)	15 *
<b>Members</b>														
0175.	State Auto Group.....	45934....	41-1719183..	0.....	0.....		American Compensation Insurance Company.....	MN.....	DS.....	RTW, Inc.....	Ownership.....	...100.000	State Automobile Mutual Insurance Company...	0....
0175.	State Auto Group.....	12311....	41-1988144..	0.....	0.....		Bloomington Compensation Insurance Company.....	MN.....	DS.....	American Compensation Insurance Company.....	Ownership.....	...100.000	State Automobile Mutual Insurance Company...	0....
0175.	State Auto Group.....	23353....	35-1135866..	0.....	0.....		Meridian Security Insurance Company.....	IN.....	DS.....	State Auto Holdings, Inc.....	Ownership.....	...100.000	State Automobile Mutual Insurance Company...	0....
0175.	State Auto Group.....	41653....	46-0368854..	0.....	0.....		Milbank Insurance Company.....	IA.....	DS.....	State Auto Financial Corp.....	Ownership.....	...100.000	State Automobile Mutual Insurance Company...	0....
0175.	State Auto Group.....	14923....	06-0487440..	0.....	0.....		Patrons Mutual Insurance Company of Connecticut.....	CT.....	IA.....	State Automobile Mutual Insurance Company.....	Board.....	.....0.000	State Automobile Mutual Insurance Company...	0....
0175.	State Auto Group.....	30945....	58-1140651..	0.....	0.....		Plaza Insurance Company.....	IA.....	DS.....	Rockhill Insurance Company.....	Ownership.....	...100.000	State Automobile Mutual Insurance Company...	0....
0175.	State Auto Group.....	28053....	06-1149847..	0.....	0.....		Rockhill Insurance Company.....	AZ.....	DS.....	Rockhill Holding Company.....	Ownership.....	...100.000	State Automobile Mutual Insurance Company...	0....
0175.	State Auto Group.....	11017....	31-1651026..	0.....	0.....		State Auto Insurance Company of Ohio.....	OH.....	DS.....	State Auto Financial Corp.....	Ownership.....	...100.000	State Automobile Mutual Insurance Company...	0....
0175.	State Auto Group.....	31755....	39-1211058..	0.....	0.....		State Auto Insurance Company of Wisconsin.....	WI.....	DS.....	State Automobile Mutual Insurance Company.....	Ownership.....	...100.000	State Automobile Mutual Insurance Company...	0....
0175.	State Auto Group.....	25127....	57-6010814..	0.....	0.....		State Auto Property & Casualty Insurance Company.....	IA.....	DS.....	State Auto Financial Corp.....	Ownership.....	...100.000	State Automobile Mutual Insurance Company...	0....
0175.	State Auto Group.....	25135....	31-4316080..	0.....	0.....		State Automobile Mutual Insurance Company.....	OH.....	RE.....	Members.....	Ownership.....	...100.000	State Automobile Mutual Insurance Company...	0....
0.....	State Auto Group.....	0.....	31-1579525..	0.....	0.....		518 Property & Mgmt. Leasing, LLC.....	OH.....	DS.....	State Auto Property & Casualty Insurance Company.....	Management.....	.....0.000	State Automobile Mutual Insurance Company...	0....
0.....	State Auto Group.....	0.....	77-0573960..	0.....	0.....		CDC Holding Inc.....	CA.....	DS.....	State Automobile Mutual Insurance Company.....	Ownership.....	...100.000	State Automobile Mutual Insurance Company...	0....
0.....	State Auto Group.....	0.....	75-6015185..	0.....	0.....		Eagle Development Corporation.....	TX.....	DS.....	State Auto Holdings, Inc.....	Ownership.....	...100.000	State Automobile Mutual Insurance Company...	0....
0.....	State Auto Group.....	0.....	57-0468570..	0.....	0.....		Facilitators, Inc.....	SC.....	DS.....	State Automobile Mutual Insurance Company.....	Ownership.....	...100.000	State Automobile Mutual Insurance Company...	0....
0.....	State Auto Group.....	0.....	13-3632811..	0.....	0.....		National Environmental Coverage Corporation.....	NY.....	DS.....	Rockhill Insurance Company.....	Ownership.....	...100.000	State Automobile Mutual Insurance Company...	0....
0.....	State Auto Group.....	0.....	41-2098206..	0.....	0.....		Network E&S Insurance Brokers, LLC.....	CA.....	DS.....	CDC Holding Inc.....	Ownership.....	...100.000	State Automobile Mutual Insurance Company...	0....
0.....	State Auto Group.....	0.....	62-1855334..	0.....	0.....		Partners General Insurance Agency, LLC.....	CA.....	DS.....	CDC Holding Inc.....	Ownership.....	...100.000	State Automobile Mutual Insurance Company...	0....
0.....	State Auto Group.....	0.....	27-0231394..	0.....	0.....		Risk Evaluation & Design, LLC.....	MO.....	DS.....	State Automobile Mutual Insurance Company.....	Ownership.....	...100.000	State Automobile Mutual Insurance Company...	0....
0.....	State Auto Group.....	0.....	25-1923260..	0.....	0001347161		Rockhill Holding Company.....	DE.....	DS.....	State Automobile Mutual Insurance Company.....	Ownership.....	...100.000	State Automobile Mutual Insurance Company...	0....
0.....	State Auto Group.....	0.....	20-8406742..	0.....	0.....		Rockhill Insurance Services LLC.....	CA.....	DS.....	Rockhill Holding Company.....	Ownership.....	...100.000	State Automobile Mutual Insurance Company...	0....
0.....	State Auto Group.....	0.....	01-0712531..	0.....	0.....		Rockhill Underwriting Management LLC.....	MO.....	DS.....	Rockhill Holding Company.....	Ownership.....	...100.000	State Automobile Mutual Insurance Company...	0....
0.....	State Auto Group.....	0.....	41-1440870..	0.....	0000915781		RTW, Inc.....	MN.....	DS.....	Rockhill Holding Company.....	Ownership.....	...100.000	State Automobile Mutual Insurance Company...	0....
0.....	State Auto Group.....	0.....	31-1324304..	0.....	0000874977	NASDAQ..	State Auto Financial Corp.....	OH.....	DS.....	State Automobile Mutual Insurance Company.....	Ownership.....	...62.300	State Automobile Mutual Insurance Company...	0....
0.....	State Auto Group.....	0.....	20-8756040..	0.....	0.....		State Auto Holdings, Inc.....	OH.....	DS.....	State Automobile Mutual Insurance Company.....	Ownership.....	...100.000	State Automobile Mutual Insurance Company...	0....
0.....	State Auto Group.....	0.....	31-0676465..	0.....	0.....		Stateco Financial Services, Inc.....	OH.....	DS.....	State Auto Financial Corp.....	Ownership.....	...100.000	State Automobile Mutual Insurance Company...	0....

Q12

Statement for June 30, 2016 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**  
**PART 1 - LOSS EXPERIENCE**

Lines of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire.....	10,496,452	3,560,897	33.9	.36.9
2. Allied lines.....	12,850,771	13,087,607	101.8	101.7
3. Farmowners multiple peril.....	21,240,554	7,146,146	33.6	.30.4
4. Homeowners multiple peril.....	26,880,393	11,462,603	42.6	.31.7
5. Commercial multiple peril.....	21,923,183	14,987,103	68.4	.52.2
6. Mortgage guaranty.....	0	0	0.0	0.0
8. Ocean marine.....	36,169	3,557	9.8	223.9
9. Inland marine.....	3,964,934	.808,844	20.4	.27.7
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	0	0.0	0.0
12. Earthquake.....	764,588	0	0.0	0.0
13. Group accident and health.....	0	0	0.0	0.0
14. Credit accident and health.....	0	0	0.0	0.0
15. Other accident and health.....	2,394	-(1,580)	(66.0)	(302.7)
16. Workers' compensation.....	13,150,764	4,683,006	35.6	.40.8
17.1 Other liability-occurrence.....	24,990,385	15,681,296	62.7	.47.1
17.2 Other liability-claims made.....	507,560	0	0.0	(7.8)
17.3 Excess workers' compensation.....	0	0	0.0	0.0
18.1 Products liability-occurrence.....	4,639,530	1,177,804	25.4	.11.6
18.2 Products liability-claims made.....	0	0	0.0	0.0
19.1, 19.2 Private passenger auto liability.....	25,397,121	18,745,489	73.8	.62.6
19.3, 19.4 Commercial auto liability.....	24,074,647	19,249,302	80.0	.67.2
21. Auto physical damage.....	30,012,428	17,479,118	58.2	.55.3
22. Aircraft (all perils).....	0	0	0.0	0.0
23. Fidelity.....	363,144	81,504	22.4	(79.4)
24. Surety.....	301,537	-(114,647)	(38.0)	.15.1
26. Burglary and theft.....	61,483	3,761	.6.1	.31.1
27. Boiler and machinery.....	1,025,052	.253,563	24.7	.24.2
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	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX	XXX
33. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business.....	0	0	0.0	0.0
35. Totals.....	222,683,089	128,295,373	57.6	.49.6

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

**PART 2 - DIRECT PREMIUMS WRITTEN**

Lines of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire.....	5,742,341	9,847,725	11,640,905
2. Allied lines.....	6,639,157	12,096,246	13,618,478
3. Farmowners multiple peril.....	12,166,103	23,226,004	22,093,756
4. Homeowners multiple peril.....	14,449,959	25,234,232	27,242,704
5. Commercial multiple peril.....	10,922,474	21,386,202	23,563,115
6. Mortgage guaranty.....	0	0	0
8. Ocean marine.....	23,575	34,672	.31.579
9. Inland marine.....	2,202,650	4,077,137	4,559,058
10. Financial guaranty.....	0	0	0
11.1 Medical professional liability - occurrence.....	0	0	0
11.2 Medical professional liability - claims made.....	0	0	0
12. Earthquake.....	427,724	729,998	840,078
13. Group accident and health.....	0	0	0
14. Credit accident and health.....	0	0	0
15. Other accident and health.....	1,847	.2,173	.2,561
16. Workers' compensation.....	6,195,024	12,394,775	15,028,965
17.1 Other liability-occurrence.....	15,808,722	25,083,347	31,336,995
17.2 Other liability-claims made.....	.259,751	.461,323	.486,975
17.3 Excess workers' compensation.....	0	0	0
18.1 Products liability-occurrence.....	2,315,164	4,177,572	.5,023,949
18.2 Products liability-claims made.....	0	0	0
19.1 19.2 Private passenger auto liability.....	12,904,538	25,191,636	.27,731,768
19.3 19.4 Commercial auto liability.....	10,015,711	18,074,257	.25,509,570
21. Auto physical damage.....	14,823,264	28,695,566	.31,735,671
22. Aircraft (all perils).....	0	0	0
23. Fidelity.....	169,538	.324,239	.383,041
24. Surety.....	46,646	83,934	.954,843
26. Burglary and theft.....	37,902	.67,433	.62,837
27. Boiler and machinery.....	.523,192	.995,683	.1,132,099
28. Credit.....	0	0	0
29. International.....	0	0	0
30. Warranty.....	0	0	0
31. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX
33. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business.....	0	0	0
35. Totals.....	115,675,282	212,184,154	242,978,948

**DETAILS OF WRITE-INS**

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

## PART 3 (000 omitted)

## LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

Years in Which Losses Occurred	1 Prior Year-End Known Case Loss and LAE Reserves	2 Prior Year-End IBNR Loss and LAE Reserves	3 Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	4 2016 Loss and LAE Payments on Claims Reported as of Prior Year-End	5 2016 Loss and LAE Payments on Claims Unreported as of Prior Year-End	6 Total 2016 Loss and LAE Payments (Cols. 4 + 5)	7 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened	8 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	9 Q.S. Date IBNR Loss and LAE Reserves	10 Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	11 Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1)	12 Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	13 Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2013 + Prior.....	110,671	112,441	223,112	37,193	1,083	38,276	84,438	2,815	98,468	185,722	10,960	(10,075)	886
2. 2014.....	47,389	63,271	110,660	22,096	1,496	23,592	38,099	4,304	50,412	92,815	12,806	(7,059)	5,747
3. Subtotals 2014 + Prior.....	158,060	175,712	333,772	59,289	2,579	61,868	122,538	7,119	148,880	278,537	23,767	(17,134)	6,633
4. 2015.....	96,566	132,363	228,929	52,016	12,745	64,761	55,421	15,179	102,979	173,579	10,871	(1,459)	9,412
5. Subtotals 2015 + Prior.....	254,626	308,075	562,701	111,305	15,324	126,629	177,958	22,298	251,860	452,116	34,637	(18,593)	16,044
6. 2016.....	XXX.....	XXX.....	XXX.....	XXX.....	85,013	85,013	XXX.....	62,382	95,961	158,342	XXX.....	XXX.....	XXX.....
7. Totals.....	254,626	308,075	562,701	111,305	100,337	211,642	177,958	84,680	347,820	610,459	34,637	(18,593)	16,044
8. Prior Year-End's Surplus As Regards Policyholders											Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1. 13.6 %	2. (6.0)%	3. 2.9 %
												Col. 13, Line 7	
												Line 8	
												4. 1.9 %	

Statement for June 30, 2016 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**  
**SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES**

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

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

**Explanation:**

1. The data for this supplement is not required to be filed.
2. The data for this supplement is not required to be filed.
3. The data for this supplement is not required to be filed.
- 4.

**Bar Code:**



Statement for June 30, 2016 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**  
**Overflow Page for Write-Ins**

**Additional Write-ins for Assets:**

	Current Statement Date			4 December 31, Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
2504. Advances.....	138,102	138,102	0	0
2505. Loss deductibles.....	1,307,377	130,738	1,176,639	976,789
2506. Prepaid pension asset.....	24,799,045	24,799,045	0	0
2507. Overfunded pension plan asset.....	(24,799,045)	(24,799,045)	0	0
2597. Summary of remaining write-ins for Line 25.....	1,445,479	268,840	1,176,639	976,789

**Additional Write-ins for Liabilities:**

	1 Current Statement Date	2 December 31, Prior Year
2504. Retroactive reinsurance reserves - assumed.....	4,396	20,176
2505. Retroactive reinsurance reserves - ceded.....	(6,555,000)	(6,555,000)
2506. Excess ceding commissions.....	91,169	91,169
2507. Pension benefits liability.....	41,770,745	44,424,950
2508. Retiree medical benefits liability.....	10,692,820	10,765,490
2597. Summary of remaining write-ins for Line 25.....	46,004,130	48,746,785

**Additional Write-ins for Statement of Income:**

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1404. Retroactive reinsurance gain (loss).....	7,852	31,342	3,137,066
1497. Summary of remaining write-ins for Line 14.....	7,852	31,342	3,137,066

Statement for June 30, 2016 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**  
**SCHEDULE A - VERIFICATION**

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	27,496,206	31,606,811
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....	0	0
2.2 Additional investment made after acquisition.....	992,888	905,199
3. Current year change in encumbrances.....	0	0
4. Total gain (loss) on disposals.....	(348,721)	(88,395)
5. Deduct amounts received on disposals.....	4,600,090	0
6. Total foreign exchange change in book/adjusted carrying value.....	0	0
7. Deduct current year's other-than-temporary impairment recognized.....	0	3,203,592
8. Deduct current year's depreciation.....	583,872	1,723,817
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8).....	22,956,411	27,496,206
10. Deduct total nonadmitted amounts.....	0	0
11. Statement value at end of current period (Line 9 minus Line 10).....	22,956,411	27,496,206

**SCHEDULE B - VERIFICATION**

Mortgage Loans

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

**NONE**

**SCHEDULE BA - VERIFICATION**

Other Long-Term Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	56,266,230	40,621,042
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....	0	0
2.2 Additional investment made after acquisition.....	795,112	17,582,145
3. Capitalized deferred interest and other.....	0	0
4. Accrual of discount.....	0	0
5. Unrealized valuation increase (decrease).....	(472,230)	(665,446)
6. Total gain (loss) on disposals.....	70,050	150,042
7. Deduct amounts received on disposals.....	928,518	1,421,553
8. Deduct amortization of premium and depreciation.....	0	0
9. Total foreign exchange change in book/adjusted carrying value.....	0	0
10. Deduct current year's other-than-temporary impairment recognized.....	0	0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	55,730,644	56,266,230
12. Deduct total nonadmitted amounts.....	0	0
13. Statement value at end of current period (Line 11 minus Line 12).....	55,730,644	56,266,230

**SCHEDULE D - VERIFICATION**

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	1,368,823,878	1,242,502,480
2. Cost of bonds and stocks acquired.....	196,017,638	273,905,099
3. Accrual of discount.....	212,826	598,457
4. Unrealized valuation increase (decrease).....	(25,133,663)	1,541,240
5. Total gain (loss) on disposals.....	2,794,831	6,048,521
6. Deduct consideration for bonds and stocks disposed of.....	173,810,662	148,499,301
7. Deduct amortization of premium.....	2,286,103	4,114,147
8. Total foreign exchange change in book/adjusted carrying value.....	0	0
9. Deduct current year's other-than-temporary impairment recognized.....	753,367	3,158,471
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	1,365,865,378	1,368,823,878
11. Deduct total nonadmitted amounts.....	18,926,163	23,270,238
12. Statement value at end of current period (Line 10 minus Line 11).....	1,346,939,215	1,345,553,640

## SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity

During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a).....	466,014,524	80,547,302	54,115,315	(384,851)	466,014,524	492,061,660		503,486,003
2. NAIC 2 (a).....	89,165,971	43,404,865	35,894,817	(244,568)	89,165,971	96,431,451		66,302,007
3. NAIC 3 (a).....	0	0	0	0	0	0		0
4. NAIC 4 (a).....	0	0	0	0	0	0		0
5. NAIC 5 (a).....	0	0	0	0	0	0		0
6. NAIC 6 (a).....	0	0	0	0	0	0		0
7. Total Bonds.....	555,180,495	123,952,167	90,010,132	(629,419)	555,180,495	588,493,111	0	569,788,010
<b>PREFERRED STOCK</b>								
8. NAIC 1.....	0	0	0	0	0	0		0
9. NAIC 2.....	0	0	0	0	0	0		0
10. NAIC 3.....	0	0	0	0	0	0		0
11. NAIC 4.....	0	0	0	0	0	0		0
12. NAIC 5.....	0	0	0	0	0	0		0
13. NAIC 6.....	0	0	0	0	0	0		0
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock.....	555,180,495	123,952,167	90,010,132	(629,419)	555,180,495	588,493,111	0	569,788,010

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

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

**Sch. DA - Pt. 1**  
**NONE**

**Sch. DA - Verification**  
**NONE**

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

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

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

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

**Sch. DB - Verification**  
**NONE**

**Sch. E - Verification**  
**NONE**

**SCHEDULE A - PART 2**

Showing all Real Estate ACQUIRED AND ADDITIONS MADE During the Current Quarter

1	Location		4	5	6	7	8	9		
	2	3								
Description of Property		City	State	Date Acquired	Name of Vendor	Actual Cost at Time of Acquisition	Amount of Encumbrances	Book/Adjusted Carrying Value Less Encumbrances	Additional Investment Made After Acquisition	
<b>Acquired by Purchase</b>										
Home Office - 518 E. Broad Street.....	Columbus.....	OH.....	Various	Various.....		0	0	15,186,987	483,507	
0199999. Totals.....						0	0	15,186,987	483,507	
0399999. Totals.....						0	0	15,186,987	483,507	

**SCHEDULE A - PART 3**

Showing all Real Estate DISPOSED During the Quarter, Including Payments During the Final Year on "Sales Under Contract "

1	Location		4	5	6	7	8	Change in Book/Adjusted Carrying Value Less Encumbrances					14	15	16	17	18	19	20
	2	3						Disposal Date	Name of Purchaser	Actual Cost	Expended for Additions, Permanent Improvements and Changes in Encumbrances	Book/Adjusted Carrying Value Less Encumbrances Prior Year	Current Year's Depreciation Recognized	Current Year's Other-Than-Temporary Impairment	Current Year's Change in Encumbrances	Total Change in B./A.C.V. (11 - 9 - 10)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value Less Encumbrances on Disposal	Amounts Received During Year
Description of Property		City	State																
<b>Property Disposed</b>																			
Home Office - 518 E. Broad Street.....	Columbus.....	OH.....	04/15/2016	Disposal.....	60,098	0	14,463	652	0	0	(652)	0	13,811	0	0	(13,811)	(13,811)	0	
Branch Office - 2955 N. Meridian Street...	Indianapolis.....	IN.....	06/30/2016	2955 Meridian LLC.....	19,277,693	0	4,935,000	0	0	0	0	0	4,935,000	4,600,090	0	(334,910)	(334,910)	826,885	
0199999. Totals.....					19,337,791	0	4,949,463	652	0	0	(652)	0	4,948,811	4,600,090	0	(348,721)	(348,721)	826,885	
0399999. Totals.....					19,337,791	0	4,949,463	652	0	0	(652)	0	4,948,811	4,600,090	0	(348,721)	(348,721)	826,885	

QE01

**SCHEDULE B - PART 2**

Showing all Mortgage Loans ACQUIRED AND ADDITIONS MADE During the Current Quarter

1 Loan Number	Location			4	5	6	7	8	9
	2 City	3 State	Loan Type	Date Acquired	Rate of Interest	Actual Cost at Time of Acquisition	Additional Investment Made After Acquisition	Value of Land and Buildings	

**NONE**

QE02

**SCHEDULE B - PART 3**

Showing all Mortgage Loans DISPOSED, Transferred or Repaid During the Current Quarter

1 Loan Number	Location			4	5	6	7	Change in Book Value/Recorded Investment					14	15	16	17	18
	2 City	3 State	Loan Type	Date Acquired	Disposal Date	Book Value/Recorded Investment Excluding Accrued Interest Prior Year	Unrealized Valuation Increase (Decrease)	Current Year's (Amortization) / Accretion	10	11	12	13	Total Change in Book Value (8 + 9 - 10 + 11)	Total Foreign Exchange Change in Book Value	Book Value / Recorded Investment Excluding Accrued Interest on Disposal	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal

**NONE**

## SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets ACQUIRED AND ADDITIONS MADE During the Current Quarter

1 CUSIP Identification	2 Name or Description	Location		5 Name of Vendor or General Partner	6 Design- ation	7 Originally Acquired	8 Type and Strategy	9 Actual Cost at Time of Acquisition	10 Additional Investment Made after Acquisition	11 Amount of Encumbrances	12 Commitment for Additional Investment	13 Percentage of Ownership
		3 City	4 State									
<b>Any Other Class of Asset - Unaffiliated</b>												
000000 00 0	Fidelity Group.....	Boston.....	MA.....			12/31/2001.....	0.....0	0.....0	113,258.....0	0.....0	0.....0	0.....0.000
4299999. Total - Any Other Class of Asset - Unaffiliated.....								0.....0	113,258.....0	0.....0	0.....0	0.....XXX.....
4499999. Subtotal - Unaffiliated.....								0.....0	113,258.....0	0.....0	0.....0	0.....XXX.....
4699999. Totals.....								0.....0	113,258.....0	0.....0	0.....0	0.....XXX.....

## SCHEDULE BA - PART 3

Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Quarter

1 CUSIP Identification	2 Name or Description	Location		5 Name of Purchaser or Nature of Disposal	6 Date Originally Acquired	7 Disposal Date	8 Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Changes in Book/Adjusted Carrying Value					15 Book/Adjusted Carrying Value Less Encumbrances on Disposal	16 Total Foreign Exchange Change in B/A.C.V.	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Investment Income
		3 City	4 State					9 Unrealized Valuation Increase (Decrease)	10 Current Year's (Depreciation) or (Amortization) / Accretion	11 Current Year's Other-Than- Temporary Impairment Recognized	12 Capitalized Deferred Interest and Other	13 Total Change in B/A.C.V. (9+10-11+12)						
<b>Joint Venture or Partnership Interests That Have Underlying Characteristics of Common Stocks - Unaffiliated</b>																		
000000 00 0	Stonehenge Opportunity Fund II, LLC.....	Columbus.....	OH.....	Stonehenge Partners Inc.....	01/01/2005	06/01/2016	.....(444,110)	.....0	.....0	.....0	.....0	.....0	.....(444,110)	.....(444,110)	.....0	.....0	.....0	444,110
000000 00 0	Silchester International Value Equity Group Trust.....	New York.....	NY.....	Silchester International Investors Ltd.....	09/01/2009	06/01/2016	.....38,606	0.....0	0.....0	0.....0	0.....0	0.....0	.....38,606	.....62,420	0.....0	23,814.....0	23,814.....0	0.....0
1599999. Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Common Stocks - Unaffiliated.....							.....(405,504)	0.....0	0.....0	0.....0	0.....0	0.....0	.....(405,504)	.....(381,690)	0.....0	23,814.....0	23,814.....0	444,110
<b>Non-Collateral Loans - Unaffiliated</b>																		
000000 00 0	Strategic Insurance Software, LLC and NuGrowth Solutions, LLC Note Rec	Columbus.....	OH.....	Strategic Insurance Software, LLC and NuGrowth Solutions, LLC	09/01/2014	06/01/2016	.....0	0.....0	0.....0	0.....0	0.....0	0.....0	.....13,040	.....0	13,040.....0	13,040.....0	13,040.....0	0.....0
2799999. Total - Non-Collateral Loans - Unaffiliated.....							.....0	0.....0	0.....0	0.....0	0.....0	0.....0	.....13,040	.....0	13,040.....0	13,040.....0	13,040.....0	0.....0
<b>Any Other Class of Asset - Unaffiliated</b>																		
000000 00 0	Fidelity Group.....	Boston.....	MA.....		12/31/2001	06/01/2016	.....156,485	.....0	.....0	.....0	.....0	.....0	.....156,485	.....156,485	.....0	.....0	.....0	0.....0
4299999. Total - Any Other Class of Asset - Unaffiliated.....							.....156,485	0.....0	0.....0	0.....0	0.....0	0.....0	.....156,485	.....156,485	0.....0	0.....0	0.....0	0.....0
4499999. Subtotal - Unaffiliated.....							.....(249,019)	0.....0	0.....0	0.....0	0.....0	0.....0	.....(249,019)	.....(212,165)	0.....0	36,854.....0	36,854.....0	444,110
4699999. Totals.....							.....(249,019)	0.....0	0.....0	0.....0	0.....0	0.....0	.....(249,019)	.....(212,165)	0.....0	36,854.....0	36,854.....0	444,110

## SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Special Revenue and Special Assessment</b>									
3128HX 5T 8	FHLMC 2.500% 09/15/42.....		06/20/2016...	Robert W Baird.....		.9,536,320	.9,430,230	14,407	1.....
3132QT AH 9	FHLMC POOL# Q36307 4.000% 09/01/45.....		05/13/2016...	Robert W Baird.....		.6,185,705	.5,747,461	10,856	1.....
3136AN PL 5	FNMA 3.000% 05/25/45.....		04/26/2016...	Stephens Inc.....		16,666,549	16,180,341	36,051	1.....
3136AR 2H 0	FNMA 3.000% 02/25/45.....		06/16/2016...	MAXWELL SIMON.....		18,547,713	17,743,701	29,573	1.....
3136AR UM 8	FNMA 3.000% 12/25/44.....		04/28/2016...	Various.....		11,282,596	10,962,291	25,579	1.....
31418B W9 3	FNMA 3.500% 12/01/45.....		05/06/2016...	Key Capital Markets, Inc.....		14,232,260	13,538,416	14,479	1.....
3199999. Total Bonds - U.S. Special Revenue and Special Assessment.....						76,451,143	73,602,440	130,945	XXX
<b>Bonds - Industrial and Miscellaneous</b>									
093662 AF 1	BLOCK FINANCIAL LLC 4.125% 10/01/20.....		04/22/2016...	Various.....		.9,916,894	.9,600,000	24,590	2FE.....
257375 AK 1	DOMINION GAS HLDGS LLC 2.800% 11/15/20.....		04/04/2016...	Robert W Baird.....		4,096,160	4,000,000	43,556	1FE.....
278865 AL 4	ECOLAB INC 4.350% 12/08/21.....		06/13/2016...	Key Capital Markets, Inc.....		.5,605,900	.5,000,000	4,833	2FE.....
42824C AE 9	HP ENTERPRISE CO 3.600% 10/15/20.....		04/14/2016...	Robert W Baird.....		.5,206,445	.5,000,000	2,000	2.....
56585A AL 6	MARATHON PETROLEUM CORP 3.400% 12/15/2.....		04/18/2016...	Key Capital Markets, Inc.....		7,990,160	7,942,000	94,870	2FE.....
7591EP AK 6	REGIONS FINANCIAL CORP 3.200% 02/08/21.....		05/19/2016...	Key Capital Markets, Inc.....		.9,637,415	.9,500,000	.85,689	2FE.....
91529Y AM 8	UNUM GROUP 3.000% 05/15/21.....		05/09/2016...	Key Capital Markets, Inc.....		.5,048,050	.5,000,000	1,250	2FE.....
3899999. Total Bonds - Industrial and Miscellaneous.....						.47,501,024	.46,042,000	256,788	XXX
8399997. Total Bonds - Part 3.....						.123,952,167	.119,644,440	387,733	XXX
8399999. Total Bonds.....						.123,952,167	.119,644,440	387,733	XXX
<b>Common Stocks - Industrial and Miscellaneous</b>									
000307 10 8	AAC HLDGS INC COM.....		04/28/2016...	Cortina.....	.349,000	.7,314	XXX	.0	L.....
020409 10 8	ALMOST FAMILY INC.....		06/28/2016...	Cortina.....	6,530,000	.279,317	XXX	.0	L.....
023436 10 8	AMEDISYS INC.....		06/28/2016...	Cortina.....	.936,000	.45,607	XXX	.0	L.....
073685 10 9	BEACON ROOFING SUPPLY INC.....		06/27/2016...	Cortina.....	.7,294,000	.318,496	XXX	.0	L.....
09227Q 10 0	BLACKBAUD INC.....		06/30/2016...	Cortina.....	.1,405,000	.94,380	XXX	.0	L.....
172755 10 0	CIRRUS LOGIC INC.....		04/27/2016...	Cortina.....	.3,489,000	.129,282	XXX	.0	L.....
17887R 10 2	CIVITAS SOLUTIONS INC.....		06/28/2016...	Cortina.....	.5,164,000	.100,339	XXX	.0	L.....
204166 10 2	COMMVAULT SYSTEMS INC.....		04/18/2016...	Cortina.....	.1,188,000	.51,927	XXX	.0	L.....
45688C 10 7	INGEVITY CORP.....		06/16/2016...	Cortina.....	.6,548,000	.229,380	XXX	.0	L.....
466367 10 9	JACK IN THE BOX INC.....		05/05/2016...	Cortina.....	.1,541,000	.106,873	XXX	.0	L.....
477839 10 4	JOHN BEAN TECHNOLOGIES CORP.....		04/27/2016...	Cortina.....	.2,201,000	.118,477	XXX	.0	L.....
48123V 10 2	J2 GLOBAL INC.....		04/28/2016...	Cortina.....	.1,440,000	.91,920	XXX	.0	L.....
48273J 10 7	K2M GROUP HOLDINGS INC.....		05/13/2016...	Cortina.....	.7,592,000	.95,536	XXX	.0	L.....
501797 10 4	L BRANDS INC.....		06/08/2016...	Morgan Stanley.....	.7,500,000	.489,336	XXX	.0	L.....
50187A 10 7	LHC GROUP INC.....		04/15/2016...	Cortina.....	.983,000	.37,515	XXX	.0	L.....
576323 10 9	MASTEC INC.....		06/24/2016...	Cortina.....	15,814,000	.330,677	XXX	.0	L.....
589378 10 8	MERCURY COMPUTER SYSTEMS INC.....		06/27/2016...	Cortina.....	.2,832,000	.58,824	XXX	.0	L.....
610236 10 1	MONRO MUFFLER BRAKE.....		05/19/2016...	Cortina.....	.1,608,000	.93,604	XXX	.0	L.....
654106 10 3	NIKE INC - CL B.....		04/13/2016...	Morgan Stanley.....	.8,000,000	.476,942	XXX	.0	L.....
67072V 10 3	NXSTAGE MEDICAL INC.....		04/29/2016...	Cortina.....	.1,462,000	.23,795	XXX	.0	L.....
681116 10 9	OLLIES BARGAIN OUTLET.....		06/27/2016...	Cortina.....	.4,111,000	.94,415	XXX	.0	L.....
81369Y 80 3	SPDR FUND TECHNOLOGY SELECT.....		04/21/2016...	Morgan Stanley.....	15,000,000	.663,750	XXX	.0	L.....

**SCHEDULE D - PART 3**

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
82982L 10 3	SITEONE LANDSCAPE SUPPLY INC.....		05/12/2016....	Cortina.....	6,240.000	149,599	XXX	.0	L.....
844741 10 8	SOUTHWEST AIRLINES CO.....		06/23/2016....	Various.....	20,000.000	.823,800	XXX	.0	L.....
86881A 10 0	SURGERY PARTNERS INC.....		06/28/2016....	Cortina.....	13,074.000	.214,117	XXX	.0	L.....
902494 10 3	TYSON FOODS INC.....		06/22/2016....	Morgan Stanley.....	5,000.000	.312,376	XXX	.0	L.....
90333L 20 1	US CONCRETE.....		06/28/2016....	Cortina.....	.849.000	.48,200	XXX	.0	L.....
904214 10 3	UMPQUA HOLDINGS CORP.....		04/18/2016....	Cortina.....	1,411.000	.23,318	XXX	.0	L.....
92826C 83 9	VISA INC.....		06/10/2016....	Robert W Baird.....	5,000.000	.400,750	XXX	.0	L.....
M51363 11 3	MELLANOX TECHNOLOGIES LTD.....		06/15/2016....	Cortina.....	6,775.000	.312,816	XXX	.0	L.....
05508R 10 6	B&G FOOD INC.....		06/27/2016....	Cortina.....	6,682.000	.306,131	XXX	.0	L.....
9099999. Total Common Stocks - Industrial and Miscellaneous.....						.6,528,813	XXX	.0	XXX
9799997. Total Common Stocks - Part 3.....						.6,528,813	XXX	.0	XXX
9799999. Total Common Stocks.....						.6,528,813	XXX	.0	XXX
9899999. Total Preferred and Common Stocks.....						.6,528,813	XXX	.0	XXX
9999999. Total Bonds, Preferred and Common Stocks.....						.130,480,980	XXX	.387,733	XXX

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

QE04.1

## SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 For eign in Disposal Date	4 Name of Purchaser	5 Number of Shares of Stock	6 Consideration	7 Par Value	8 Actual Cost	9 Prior Year Book/Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Total Foreign Exchange Change in B/A.C.V. (11+12-13)	17 Book/Adjusted Carrying Value at Disposal Date	18 Foreign Exchange Gain (Loss) on Disposal	19 Realized Gain (Loss) on Disposal	20 Total Gain (Loss) on Disposal	21 Bond Interest / Stock Dividends Received During Year	22 Stated Contractual Maturity Date	NAIC Design- ation or Market Indicator (a)		
									11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other-Than- Temporary Impairment Recognized	14 Total Change in B/A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B/A.C.V.										
<b>Bonds - U.S. Government</b>																							
36176U 2B 0	GNMA POOL# 776870 4.900% 11/15/51.....	06/01/2016.	Paydown.....			3,365	3,365	3,605	3,591	0	(226)	0	(226)	0	3,365	0	0	0	0	69	11/15/2051....	1	
36177N KM 1	GNMA POOL# 793899 3.890% 04/15/53.....	06/01/2016.	Paydown.....			10,522	10,522	10,837	10,819	0	(297)	0	(297)	0	10,522	0	0	0	0	171	04/15/2053....	1	
3620AM RR 5	GNMA POOL #734096 4.000% 12/15/40.....	06/01/2016.	Paydown.....			122,057	122,057	128,961	128,782	0	(6,724)	0	(6,724)	0	122,057	0	0	0	0	2,047	12/15/2040....	1	
36213F ZS 5	GNMA POOL# 553453 3.500% 01/15/42.....	06/01/2016.	Paydown.....			138,761	138,761	146,480	146,157	0	(7,396)	0	(7,396)	0	138,761	0	0	0	0	1,942	01/15/2042....	1	
38375C GT 1	GNMA 2.000% 12/20/41.....	06/01/2016.	Paydown.....			325,281	325,281	316,945	317,079	0	8,202	0	8,202	0	325,281	0	0	0	0	2,732	12/20/2041....	1	
38378X 6D 8	GNMA 6.412% 12/20/40.....	06/01/2016.	Paydown.....			53,183	53,183	51,853	51,867	0	1,316	0	1,316	0	53,183	0	0	0	0	.621	12/20/2040....	1	
38378X J5 1	GNMA 3.000% 04/16/56.....	05/04/2016.	Key Capital Markets, Inc.....			12,464,844	12,500,000	12,456,543	12,457,067	0	183	0	183	0	12,457,250	0	7,594	7,594	164,583	04/16/2056....	1		
38379K PN 2	GNMA 2.700% 10/16/56.....	04/20/2016.	Key Capital Markets, Inc.....			4,960,410	4,931,131	4,956,557	4,956,247	0	(224)	0	(224)	0	4,956,023	0	4,386	4,386	53,256	10/16/2056....	1		
38379K PN 2	GNMA 2.700% 10/16/56.....	04/01/2016.	Paydown.....			6,435	6,435	6,468	6,467	0	(33)	0	(33)	0	6,435	0	0	0	0	.58	10/16/2056....	1	
831628 C4 2	SBA 100091 4.325% 02/25/37.....	06/01/2016.	Paydown.....			25,528	25,528	27,579	27,315	0	(1,787)	0	(1,787)	0	25,528	0	0	0	0	.460	02/25/2037....	1	
059999. Total Bonds - U.S. Government.....				18,110,386	18,116,263	18,105,828	18,105,391	0	(6,986)	0	(6,986)	0	(6,986)	0	18,098,405	0	0	0	0	11,980	11,980	225,939	XXX
<b>Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>																							
936784 FG 7	WASATCH CO UT SCH DST SCH BD 5%.....	06/01/2016.	Call 100.0000.....			2,000,000	2,000,000	2,134,980	2,007,079	0	(7,079)	0	(7,079)	0	2,000,000	0	0	0	0	50,000	06/01/2026....	1FE.....	
249999. Total Bonds - U.S. Political Subdivisions of States, Territories and Possessions.....				2,000,000	2,000,000	2,134,980	2,007,079	0	(7,079)	0	(7,079)	0	(7,079)	0	2,000,000	0	0	0	0	50,000	XXX	XXX	
<b>Bonds - U.S. Special Revenue and Special Assessment</b>																							
20281P AZ 5	COMMONWEALTH FING AUTH PA REV 5%.....	06/01/2016.	Call 100.0000.....			2,000,000	2,000,000	2,105,980	2,005,985	0	(5,985)	0	(5,985)	0	2,000,000	0	0	0	0	50,000	06/01/2025....	1FE.....	
222102 AA 3	COULEE MEDICAL FNDTN TAXABLE REV BA.....	06/20/2016.	Call 100.0000.....			25,000	25,000	25,000	25,000	0	0	0	0	0	25,000	0	0	0	0	.640	04/20/2036....	1FE.....	
3128MJ RJ 1	FHLMC POOL# G08488 3.500% 04/01/42.....	06/01/2016.	Paydown.....			120,031	120,031	125,282	125,012	0	(4,981)	0	(4,981)	0	120,031	0	0	0	0	1,767	04/01/2042....	1	
31292L G3 3	FHLMC POOL# C03818 3.500% 04/01/42.....	06/01/2016.	Paydown.....			150,081	150,081	157,023	156,553	0	(6,472)	0	(6,472)	0	150,081	0	0	0	0	2,224	04/01/2042....	1	
3132GS DB 2	FHLMC POOL# Q06998 3.500% 03/01/42.....	06/01/2016.	Paydown.....			148,635	148,635	155,509	155,241	0	(6,607)	0	(6,607)	0	148,635	0	0	0	0	2,238	03/01/2042....	1	
3132QT AH 9	FHLMC POOL# Q36307 4.000% 09/01/45.....	06/01/2016.	Paydown.....			49,438	49,438	53,208	0	0	(3,770)	0	(3,770)	0	49,438	0	0	0	0	.165	09/01/2045....	1	
313381 5E 1	FEDERAL HOME LOAN BANK 2.150% 10/25/27.....	04/25/2016.	Call 100.0000.....			8,000,000	8,000,000	7,976,000	7,926,129	0	73,871	0	73,871	0	8,000,000	0	0	0	0	.86,000	10/25/2027....	1	
313383 7M 7	FEDERAL HOME LOAN BANK 3.125% 05/23/28.....	04/07/2016.	Call 100.0000.....			2,000,000	2,000,000	2,000,000	0	0	0	0	0	2,000,000	0	0	0	0	.23,264	05/23/2028....	1		
3133EA 4V 7	FEDERAL FARM CREDIT BANK 2.8%.....	06/14/2016.	Call 100.0000.....			5,000,000	5,000,000	4,995,000	4,995,861	0	4,139	0	4,139	0	5,000,000	0	0	0	0	.90,222	10/22/2026....	1	
3136AJ XY 7	FNMA FNR 2014-17 3.000% 04/25/44.....	06/01/2016.	Paydown.....			292,455	292,455	288,982	289,063	0	3,391	0	3,391	0	292,455	0	0	0	0	.3,619	04/25/2044....	1	
3136AN PL 5	FNMA 3.000% 05/25/45.....	06/01/2016.	Paydown.....			459,324	459,324	473,126	0	0	(13,802)	0	(13,802)	0	459,324	0	0	0	0	1,723	05/25/2045....	1	
3136AR UM 8	FNMA 3.000% 12/25/44.....	06/01/2016.	Paydown.....			85,726	85,726	88,231	0	0	(2,505)	0	(2,505)	0	85,726	0	0	0	0	.326	12/25/2044....	1	
3136G1 NG 0	FEDERAL NATIONAL MTG ASSN 3.500% 06/20.....	06/20/2016.	Call 100.0000.....			2,000,000	2,000,000	1,990,000	1,990,896	0	9,104	0	9,104	0	2,000,000	0	0	0	0	.35,000	06/20/2033....	1	
3137A6 W4 0	FHLMC FHR 3808 P 4.000% 11/15/38.....	06/01/2016.	Paydown.....			220,909	220,909	236,718	236,107	0	(15,197)	0	(15,197)	0	220,909	0	0	0	0	.3,495	11/15/2038....	1	
3137B0 Y2 4	FHLMC FHR 4182 MB 1.500% 05/15/41.....	05/10/2016.	Robert W Baird.....			6,280,640	6,412,907	6,196,471	6,203,550	0	649	0	649	0	6,204,200	0	.76,441	.76,441	.43,287	05/15/2041....	1		
3137B0 Y2 4	FHLMC FHR 4182 MB 1.500% 05/15/41.....	05/01/2016.	Paydown.....			202,166	202,166	195,343	195,566	0	6,600	0	6,600	0	.202,166	0	0	0	0	.1,175	05/15/2041....	1	
3137B2 FB 1	FHLMC FHR 4206 CV 3.000% 07/15/36.....	06/01/2016.	Paydown.....			86,591	86,591	85,075	85,147	0	1,444	0	1,444	0	.86,591	0	0	0	0	.1,083	07/15/2036....	1	
3137B3 FF 0	FHLMC FHR 4226 GV 3.000% 09/15/36.....	06/01/2016.	Paydown.....			79,454	79,454	77,138	77,189	0	2,264	0	2,264	0	.79,454	0	0	0	0	.994	09/15/2036....	1	
3137B8 WL 7	FHLMC FHR 4313 TK 4.000% 02/15/44.....	06/01/2016.	Paydown.....			62,964	62,964	68,562	68,429	0	(5,465)	0	(5,465)	0	.62,964	0	0	0	0	.1,050	02/15/2044....	1	
31381K MP 1	FNMA POOL# 463066 5.850% 08/01/24.....	06/01/2016.	Paydown.....			3,954	3,954	4,206	4,101	0	(146)	0	(146)	0	3,954	0	0	0	0	.98	08/01/2024....	1	
31381Q YH 3	FNMA POOL# 467912 4.350% 05/01/21.....	06/01/2016.	Paydown.....			26,786	26,786	27,155	2														

## SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	For Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B/A.C.V. (11+12-13)	Total Foreign Exchange Change in B/A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest / Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)	
3138EL E5 8	FNMA POOL# AL3755 5.231% 02/01/38.....	06/01/2016.	Paydown.....		..21,379	..21,379	..22,742	..22,547	..0	..(1,168)	..0	..(1,168)	..0	..21,379	..0	..0	..0	..458	02/01/2038...	1	
3138YW H4 2	FNMA 3.500% 10/01/45.....	06/01/2016.	Paydown.....		..80,173	..80,173	..84,044	..84,016	..0	..(3,843)	..0	..(3,843)	..0	..80,173	..0	..0	..0	..1,241	10/01/2045...	1	
31413X PF 4	FNMA POOL# 958622 6.250% 04/01/19.....	06/01/2016.	Paydown.....		..7,679	..7,679	..7,982	..7,766	..0	..(87)	..0	..(87)	..0	..7,679	..0	..0	..0	..165	04/01/2019...	1	
31413X PS 6	FNMA POOL# 958633 4.900% 05/01/19.....	06/01/2016.	Paydown.....		..6,662	..6,662	..6,841	..6,713	..0	..(50)	..0	..(50)	..0	..6,662	..0	..0	..0	..138	05/01/2019...	1	
31418B W9 3	FNMA 3.500% 12/01/45.....	06/01/2016.	Paydown.....		..169,470	..169,470	..178,155	..0	..0	..(8,685)	..0	..(8,685)	..0	..169,470	..0	..0	..0	..494	12/01/2045...	1	
3199999. Total Bonds - U.S. Special Revenue and Special Assessment.....					27,617,085	27,749,352	27,661,780	26,725,633	..0	22,292	..0	22,292	..0	27,540,645	..0	76,441	76,441	351,879	XXX	XXX	
<b>Bonds - Industrial and Miscellaneous</b>																					
10138M AG 0	BOTTLING GROUP 5.500% 04/01/16.....	04/01/2016.	Maturity.....		..1,000,000	..1,000,000	..1,058,500	..1,002,327	..0	..(2,327)	..0	..(2,327)	..0	..1,000,000	..0	..0	..0	..27,500	04/01/2016...	1FE	
42824C AE 9	HP ENTERPRISE CO 3.600% 10/15/20.....	06/28/2016.	Robert W Baird.....		..5,200,000	..5,000,000	..5,206,445	..0	..0	..(8,825)	..0	..(8,825)	..0	..5,197,621	..0	2,379	..2,379	..38,000	10/15/2020...	2	
53079E AV 6	LIBERTY MUTUAL GROUP 5.000% 06/01/21.....	04/25/2016.	Key Capital Markets, Inc.....		..6,846,651	..6,300,000	..6,894,153	..6,877,354	..0	..(31,980)	..0	..(31,980)	..0	..6,845,374	..0	1,277	..1,277	..128,625	06/01/2021...	2FE	
655844 BL 1	NORFOLK SOUTHERN CORP 2.903% 02/15/23.....	04/05/2016.	Key Capital Markets, Inc.....		..4,988,850	..5,000,000	..4,969,550	..0	..0	..450	..0	..450	..0	..4,970,000	..0	18,850	..18,850	..21,369	02/15/2023...	2FE	
85590A AQ 7	STARWOOD HOTELS & RESORTS 3.75%.....	05/06/2016.	Key Capital Markets, Inc.....		..5,686,895	..5,500,000	..5,652,350	..5,639,967	..0	..(4,409)	..0	..(4,409)	..0	..5,635,558	..0	51,337	..51,337	..131,094	03/15/2025...	2FE	
92553P AY 8	VIACOM INC CLASS B 2.750% 12/15/19.....	05/04/2016.	Key Capital Markets, Inc.....		..8,083,840	..8,000,000	..8,032,820	..0	..(2,875)	..0	..(2,875)	..0	..8,029,945	..0	53,895	..53,895	..88,000	12/15/2019...	2FE		
93142T AH 1	WALGREENS BOOTS ALLIANCE 3.800%.....	06/09/2016.	Key Capital Markets, Inc.....		..5,218,200	..5,000,000	..5,246,500	..5,226,033	..0	..(9,713)	..0	..(9,713)	..0	..5,216,320	..0	1,880	..1,880	..106,242	11/18/2024...	2FE	
404280 AK 5	HSBC HOLDINGS INC 5.100% 04/05/21.....	F 05/04/2016.	Robert W Baird.....		..5,533,700	..5,000,000	..5,488,100	..0	..0	..(11,835)	..0	..(11,835)	..0	..5,476,265	..0	57,435	..57,435	..151,583	04/05/2021...	1FE	
3899999. Total Bonds - Industrial and Miscellaneous.....					42,558,136	40,800,000	42,552,638	26,778,501	..0	..(71,514)	..0	..(71,514)	..0	42,371,083	..0	187,053	..187,053	692,413	XXX	XXX	
8399999. Total Bonds - Part 4.....					90,285,607	88,665,615	90,455,226	73,616,604	..0	..(63,287)	..0	..(63,287)	..0	90,010,133	..0	275,474	..275,474	1,320,231	XXX	XXX	
8399999. Total Bonds.....					90,285,607	88,665,615	90,455,226	73,616,604	..0	..(63,287)	..0	..(63,287)	..0	90,010,133	..0	275,474	..275,474	1,320,231	XXX	XXX	
<b>Common Stocks - Industrial and Miscellaneous</b>																					
003654 10 0	ABIOMED INC.....	06/13/2016.	Cortina.....		..964,000	..97,879	XXX	..23,936	..87,030	..(63,094)	..0	..0	..(63,094)	..0	..23,936	..0	..73,943	..73,943	..0	XXX	L
023436 10 8	AMEDISYS INC.....	05/31/2016.	Cortina.....		..996,000	..50,123	XXX	..35,055	..0	..0	..0	..0	..0	..0	..35,055	..0	15,068	..15,068	..0	XXX	L
037598 10 9	APOGEE ENTERPRISES INC.....	06/23/2016.	Cortina.....		..5,523,000	..235,475	XXX	..139,932	..227,731	..(98,664)	..0	..0	..(98,664)	..0	..139,932	..0	95,543	..95,543	..1,381	XXX	L
084670 70 2	BERKSHIRE HATHAWAY INC.....	05/06/2016.	Robert W Baird.....		..7,815,000	..1,128,658	XXX	..1,121,035	..1,031,893	..89,143	..0	..0	..89,143	..0	..1,121,035	..0	7,623	..7,623	..0	XXX	L
09227Q 10 0	BLACKBAUD INC.....	06/22/2016.	Cortina.....		..770,000	..51,454	XXX	..24,101	..50,712	..(26,611)	..0	..0	..(26,611)	..0	..24,101	..0	..27,353	..27,353	..185	XXX	L
127387 10 8	CADENCE DESIGN SYSTEMS INC.....	05/23/2016.	Cortina.....		..6,145,000	..146,531	XXX	..76,685	..127,877	..(51,193)	..0	..0	..(51,193)	..0	..76,685	..0	..69,846	..69,846	..0	XXX	L
149123 10 1	CATERPILLAR INC.....	06/20/2016.	Robert W Baird.....		..11,191,000	..860,947	XXX	..856,559	..760,540	..270,921	..0	..174,902	..96,019	..0	..856,559	..0	4,388	..4,388	..17,234	XXX	L
159864 10 7	CHARLES RIVER LABS.....	06/27/2016.	Cortina.....		..3,511,000	..268,696	XXX	..209,194	..268,181	..(72,196)	..0	..0	..(72,196)	..0	..209,194	..0	59,502	..59,502	..0	XXX	L
191216 10 0	COCA-COLA COMPANY.....	04/21/2016.	Morgan Stanley.....		..14,676,000	..639,083	XXX	..540,922	..630,481	..(89,559)	..0	..0	..(89,559)	..0	..540,922	..0	98,161	..98,161	..5,137	XXX	L
218681 10 4	CORE MARK HOLDING CO INC.....	06/23/2016.	Cortina.....		..2,443,000	..223,036	XXX	..144,748	..200,179	..(55,432)	..0	..0	..(55,432)	..0	..144,748	..0	..78,288	..78,288	..782	XXX	L
258278 10 0	DORRMAN PRODUCTS INC.....	05/18/2016.	Cortina.....		..3,147,000	..168,148	XXX	..149,388	..0	..0	..0	..0	..0	..0	..149,388	..0	18,759	..18,759	..0	XXX	L
387328 10 7	GRANITE CONSTRUCTION INC.....	05/04/2016.	Cortina.....		..1,853,000	..78,734	XXX	..69,592	..79,512	..(9,921)	..0	..0	..(9,921)	..0	..69,592	..0	..9,143	..9,143	..482	XXX	L
421906 10 8	HEALTHCARE SERVICES GROUP.....	06/03/2016.	Cortina.....		..1,528,000	..60,278	XXX	..26,865	..53,281	..(26,416)	..0	..0	..(26,416)	..0	..26,865	..0	..33,413	..33,413	..556	XXX	L
42210P 10 2	HEADWATERS INC.....	04/06/2016.	Cortina.....		..3,517,000	..70,237	XXX	..31,090	..59,332	..(28,242)	..0	..0	..(28,242)	..0	..31,090	..0	..39,147	..39,147	..0	XXX	L
477839 10 4	JOHN BEAN TECHNOLOGIES CORP.....	06/09/2016.	Cortina.....		..1,424,000	..88,365	XXX	..53,184	..70,958	..(17,774)	..0	..0	..(17,774)	..0	..53,184	..0	..35,181	..35,181	..285	XXX	L
48273J 10 7	K2M GROUP HOLDINGS INC.....	06/06/2016.	Cortina.....		..5,992,000	..84,332	XXX	..88,861	..118,282	..(6,831)	..0	..22,590	..(29,421)	..0	..88,861	..0	..(4,530)	..(4,530)	..0	XXX	L
55405Y 10 0	MA-COM TECHNOLOGY SOLUTIONS.....	04/11/2016.	Cortina.....		..3,975,000	..164,786	XXX	..132,227	..141,152	..(28,909)	..0	..0	..(28,909)	..0	..132,227	..0	..32,558	..32,558	..0	XXX	L
55608B 10 5	MACQUARIE INFRASTRUCTURE CO.....	05/06/2016.	Cortina.....		..2,452,000	..172,500	XXX	..131,944	..178,015	..(46,071)	..0	..0	..(46,071)	..0	..131,944	..0	..40,556	..40,556	..2,820	XXX	L
58933Y 10 5	MERCK & CO INC.....	05/12/2016.	Morgan Stanley.....		..8,000,000	..432,569	XXX	..428,898	..422,560	..(6,338)	..0	..0	..(6,338)	..0	..428,898	..0	..3,671				

## SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 For eign in Disposal Date	4 Name of Purchaser	5 Number of Shares of Stock	6 Consideration	7 Par Value	8 Actual Cost	9 Prior Year Book/Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Total Foreign Exchange Change in B/A.C.V. (11+12-13)	17 Book/Adjusted Carrying Value at Disposal Date	18 Foreign Exchange Gain (Loss) on Disposal	19 Realized Gain (Loss) on Disposal	20 Total Gain (Loss) on Disposal	21 Bond Interest / Stock Dividends Received During Year	22 Stated Contractual Maturity Date	NAIC Design- ation or Market Indicator (a)
									11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other-Than- Temporary Impairment Recognized	14 Total Change in B/A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B/A.C.V.								
610236 10 1	MONRO MUFFLER BRAKE	06/08/2016.	Cortina	3,973,000	244,941	XXX	226,215	148,333	(23,673)	0	0	(23,673)	0	226,215	0	18,726	18,726	661	XXX	L	
624758 10 8	MUELLER WATER PRODUCTS	04/26/2016.	Cortina	8,980,000	93,104	XXX	68,787	77,228	(8,441)	0	0	(8,441)	0	68,787	0	24,317	24,317	180	XXX	L	
651718 50 4	NEWPARK RESOURCES INC	04/06/2016.	Cortina	12,512,000	49,210	XXX	54,052	62,589	(1,897)	0	9,500	(11,397)	0	54,052	0	(4,842)	(4,842)	0	XXX	L	
67072V 10 3	NXSTAGE MEDICAL INC	06/29/2016.	Cortina	5,555,000	115,698	XXX	55,550	121,710	(66,160)	0	0	(66,160)	0	55,550	0	60,148	60,148	0	XXX	L	
671044 10 5	OSI SYSTEMS INC DELAWARE	04/28/2016.	Cortina	4,940,000	268,041	XXX	323,521	322,988	(47,760)	0	60,363	(108,123)	0	323,521	0	(55,479)	(55,479)	0	XXX	L	
679580 10 0	OLD DOMINION FREIGHT LINE INC	04/27/2016.	Cortina	1,246,000	88,861	XXX	40,731	73,601	(32,870)	0	0	(32,870)	0	40,731	0	48,130	48,130	0	XXX	L	
703481 10 1	PATTERSON UTI ENERGY INC	04/18/2016.	Cortina	5,631,000	98,588	XXX	73,991	84,915	(10,924)	0	0	(10,924)	0	73,991	0	24,596	24,596	563	XXX	L	
743424 10 3	PROOFPOINT INC	06/15/2016.	Cortina	1,480,000	93,184	XXX	60,188	0	0	0	0	0	0	60,188	0	32,995	32,995	0	XXX	L	
74733T 10 5	QLIK TECHNOLOGIES INC	06/24/2016.	Cortina	10,711,000	317,910	XXX	309,762	322,584	(3,394)	0	21,992	(25,386)	0	309,762	0	8,148	8,148	0	XXX	L	
931142 10 3	WAL MART STORES	06/23/2016.	Robert W Baird	10,000,000	719,136	XXX	711,707	613,000	98,707	0	0	98,707	0	711,707	0	7,429	7,429	14,900	XXX	L	
978097 10 3	WOLVERINE WORLD WIDE INC	06/21/2016.	Cortina	7,206,000	148,211	XXX	120,064	113,712	0	0	0	0	0	120,064	0	28,147	28,147	841	XXX	L	
909999. Total Common Stocks - Industrial and Miscellaneous					7,258,715	XXX	6,328,784	6,597,764	(350,923)	0	289,347	(640,270)	0	6,328,784	0	929,928	929,928	53,367	XXX	XXX	
979999 Total Common Stocks - Part 4					7,258,715	XXX	6,328,784	6,597,764	(350,923)	0	289,347	(640,270)	0	6,328,784	0	929,928	929,928	53,367	XXX	XXX	
979999. Total Common Stocks					7,258,715	XXX	6,328,784	6,597,764	(350,923)	0	289,347	(640,270)	0	6,328,784	0	929,928	929,928	53,367	XXX	XXX	
989999. Total Preferred and Common Stocks					7,258,715	XXX	6,328,784	6,597,764	(350,923)	0	289,347	(640,270)	0	6,328,784	0	929,928	929,928	53,367	XXX	XXX	
999999. Total Bonds, Preferred and Common Stocks					97,544,322	XXX	96,784,010	80,214,368	(350,923)	(63,287)	289,347	(703,557)	0	96,338,917	0	1,205,402	1,205,402	1,373,598	XXX	XXX	

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

QEO52

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

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

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

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

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

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

Statement for June 30, 2016 of the **STATE AUTOMOBILE MUTUAL INSURANCE COMPANY**  
**SCHEDULE E - PART 1 - CASH**

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
<b>Open Depositories</b>								
Huntington National Bank.....	Columbus, OH 43215.....	.....0.150	.....381	.....0	3,943,770	.....4,389,061	.....3,868,609	XXX
JPMorgan - Trust.....	Columbus, OH 43215.....	.....0.000	.....0	.....0	21,936,045	.....14,467,540	.....7,664,823	XXX
JPMorgan - Trust.....	Columbus, OH 43215.....	C.....0.000	.....0	.....0	502,951	.....1,010,758	.....3,060,758	XXX
JPMorgan Chase.....	Columbus, OH 43215.....	.....0.000	.....0	.....0	4,092,131	.....5,683,991	.....3,674,921	XXX
PNC Bank.....	Columbus, OH 43215.....	.....0.400	.....4,829	.....0	7,534,384	.....27,715,939	.....32,304,940	XXX
Garden State Community Bank.....	Verona, NJ 07044.....	.....0.000	.....0	.....0	750,000	.....750,000	.....750,000	XXX
Georgia Banking Company.....	Atlanta, GA 30339.....	.....0.000	.....0	.....0	2,500,000	.....2,500,000	.....2,500,000	XXX
Georgia Banking Company.....	Atlanta, GA 30339.....	.....0.000	.....0	.....0	250,000	.....250,000	.....250,000	XXX
JPMorgan Chase.....	New York, NY 10005.....	.....0.000	.....0	.....0	750,000	.....750,000	.....750,000	XXX
JPMorgan Chase.....	New York, NY 10005.....	.....0.000	.....0	.....0	250,000	.....250,000	.....250,000	XXX
New York Citibank - Corporate.....	New York, NY 10005.....	.....0.000	.....0	.....0	250,000	.....250,000	.....250,000	XXX
US Bank.....	Minneapolis, MN 55402.....	.....0.000	.....0	.....0	250,000	.....250,000	.....250,000	XXX
US Bank.....	Minneapolis, MN 55402.....	.....0.000	.....0	.....0	400,000	.....400,000	.....400,000	XXX
Wachovia Bank.....	Charlotte, NC 28288.....	.....0.000	.....0	.....0	250,000	.....250,000	.....250,000	XXX
0199998. Deposits in.....1 depositories that do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories.....	XXX	XXX	.....0	.....0	200,000	.....200,000	.....200,000	XXX
0199999. Total Open Depositories.....	XXX	XXX	.....5,210	.....0	43,859,281	.....59,117,289	.....56,424,051	XXX
0399999. Total Cash on Deposit.....	XXX	XXX	.....5,210	.....0	43,859,281	.....59,117,289	.....56,424,051	XXX
0499999. Cash in Company's Office.....	XXX	XXX	XXX	XXX	.....2,170	.....2,170	.....2,170	XXX
0599999. Total Cash.....	XXX	XXX	.....5,210	.....0	43,861,451	.....59,119,459	.....56,426,221	XXX

**SCHEDULE E - PART 2 - CASH EQUIVALENTS**

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year

**NONE**

**DIRECTOR AND OFFICER INSURANCE COVERAGE SUPPLEMENT**

Year To Date For the Period Ended June 30, 2016

NAIC Group Code.....0175

NAIC Company Code.....25135

Company Name: STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

If the reporting entity writes any director and officer (D&amp;O) business, please provide the following:

1. Monoline Policies

1 Direct Written Premiums	2 Direct Earned Premiums	3 Direct Losses Incurred
.....1,118	.....782	.....0

2. Commercial Multiple Peril (CMP) Packaged Policies

2.1 Does the reporting entity provide D&O liability coverage as part of a CMP packaged policy? ..... Yes [  ] No [  ]2.2 Can the direct premium earned for D&O liability coverage provided as part of a CMP packaged policy be quantified or estimated? ..... Yes [  ] No [  ]

2.3 If the answer to question 2.2 is yes, provide the quantified or estimated direct premium earned amount for D&amp;O liability coverage in CMP packaged policies:

2.31 Amount quantified: ..... \$.....4,032

2.32 Amount estimated using reasonable assumptions: ..... \$.....0

2.4 If the answer to question 2.1 is yes, provide direct losses incurred (losses paid plus change in case reserves) for the D&amp;O liability coverages provided in CMP packaged policies: ..... \$.....0