



PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2016  
OF THE CONDITION AND AFFAIRS OF THE

GRANGE INDEMNITY INSURANCE COMPANY

NAIC Group Code	00267	(Current Period)	00267	(Prior Period)	NAIC Company Code	10322	Employer's ID Number	31-1432675
Organized under the Laws of	Ohio				State of Domicile or Port of Entry	Ohio		
Country of Domicile	United States							
Incorporated/Organized	03/10/1995				Commenced Business	08/03/1995		
Statutory Home Office	671 South High Street				Columbus, OH, US 43206-1014			
	(Street and Number)				(City or Town, State, Country and Zip Code)			
Main Administrative Office	671 South High Street				Columbus, OH, US 43206-1014		614-445-2900	
	(Street and Number)				(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Mail Address	671 South High Street, P.O. Box 1218				Columbus, OH, US 43216-1218			
	(Street and Number or P.O. Box)				(City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	671 South High Street				Columbus, OH, US 43206-1014		614-445-2900	
	(Street and Number)				(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Internet Web Site Address	www.grangeinsurance.com							
Statutory Statement Contact	David Sidney Ackermann				614-445-2900			
	(Name)				(Area Code) (Telephone Number) (Extension)			
	ackermannnd@grangeinsurance.com				614-449-3757			
	(E-Mail Address)				(Fax Number)			

OFFICERS

Name	Title	Name	Title
JOHN (NMN) AMMENDOLA	PRESIDENT & CEO	LAVAWN DEE COLEMAN	EVP & SECRETARY
TERESA JEAN DALENTA #	EVP & CFO		

OTHER OFFICERS

JOHN CHRISTOPHER MONTGOMERY	VP - INVESTMENTS		
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DIRECTORS OR TRUSTEES

JOHN (NMN) AMMENDOLA	MARK LEWIS BOXER	DOUGLAS PAUL BUTH	GLENN EUGENE CORLETT
TERESA JEAN DALENTA #	ROBERT ENLOW HOYT	MARY MARNETTE PERRY	THOMAS SIMRALL STEWART
DAVID CHARLES WETMORE	CHRISTIANNA (NMN) WOOD		

State of .....Ohio.....

County of .....Franklin.....ss

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

JOHN (NMN) AMMENDOLA PRESIDENT & CEO	LAVAWN DEE COLEMAN EVP & SECRETARY	TERESA JEAN DALENTA EVP & CFO
Subscribed and sworn to before me this 10th day of November, 2016		a. Is this an original filing? Yes [X] No [ ] b. If no: 1. State the amendment number 2. Date filed 3. Number of pages attached

Teresa J. Burchwell, Notary Public  
April 28, 2017

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE GRANGE INDEMNITY 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 .....	90,611,215		90,611,215	85,419,665
2. Stocks:				
2.1 Preferred stocks .....			0	0
2.2 Common stocks .....			0	0
3. Mortgage loans on real estate:				
3.1 First liens .....			0	0
3.2 Other than first liens .....			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....			0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ ..... encumbrances) .....			0	0
5. Cash (\$ .....1,666,753 ), cash equivalents (\$ .....0 ) and short-term investments (\$ .....0 ) .....	1,666,753		1,666,753	1,389,354
6. Contract loans (including \$ ..... premium notes) .....			0	0
7. Derivatives .....	0		0	0
8. Other invested assets .....	0		0	0
9. Receivables for securities .....	2,284		2,284	0
10. Securities lending reinvested collateral assets .....	1,181,501		1,181,501	3,903,961
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	93,461,753	0	93,461,753	90,712,980
13. Title plants less \$ ..... charged off (for Title insurers only) .....			0	0
14. Investment income due and accrued .....	1,019,960		1,019,960	879,403
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	9,970,008	62,717	9,907,291	9,487,995
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ .....40,825 earned but unbilled premiums) .....	42,915	2,090	40,825	29,643
15.3 Accrued retrospective premiums (\$ ..... ) and contracts subject to redetermination (\$ ..... ) .....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....			0	0
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....			0	0
17. Amounts receivable relating to uninsured plans .....			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....			0	0
18.2 Net deferred tax asset .....	1,524,158		1,524,158	1,499,661
19. Guaranty funds receivable or on deposit .....			0	0
20. Electronic data processing equipment and software .....			0	0
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
23. Receivables from parent, subsidiaries and affiliates .....	1,919,304		1,919,304	1,657,092
24. Health care (\$ ..... ) and other amounts receivable .....			0	0
25. Aggregate write-ins for other-than-invested assets .....	38,455	0	38,455	31,228
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	107,976,553	64,807	107,911,746	104,298,002
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
28. Total (Lines 26 and 27) .....	107,976,553	64,807	107,911,746	104,298,002
<b>DETAILS OF WRITE-INS</b>				
1101. ....			0	0
1102. ....			0	0
1103. ....			0	0
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) .....	0	0	0	0
2501. Equities in Pools .....	38,455		38,455	31,228
2502. ....			0	0
2503. ....			0	0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	38,455	0	38,455	31,228

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ .....7,578,078 ) .....	21,023,153	21,218,965
2. Reinsurance payable on paid losses and loss adjustment expenses .....		0
3. Loss adjustment expenses .....	6,260,217	5,742,174
4. Commissions payable, contingent commissions and other similar charges .....	750,680	810,755
5. Other expenses (excluding taxes, licenses and fees) .....	1,717,061	1,288,010
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	411,029	533,919
7.1 Current federal and foreign income taxes (including \$ .....(10,665) on realized capital gains (losses)) .....	1,955,061	1,255,582
7.2 Net deferred tax liability .....		0
8. Borrowed money \$ ..... and interest thereon \$ .....		0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ .....40,883,276 and including warranty reserves of \$ ..... and accrued accident and health experience rating refunds including \$ ..... for medical loss ratio rebate per the Public Health Service Act) .....	19,544,424	19,189,534
10. Advance premium .....	276,131	(100,271)
11. Dividends declared and unpaid:		
11.1 Stockholders .....		0
11.2 Policyholders .....	103,073	79,968
12. Ceded reinsurance premiums payable (net of ceding commissions) .....		0
13. Funds held by company under reinsurance treaties .....		0
14. Amounts withheld or retained by company for account of others .....		0
15. Remittances and items not allocated .....		0
16. Provision for reinsurance (including \$ ..... certified) .....		0
17. Net adjustments in assets and liabilities due to foreign exchange rates .....		0
18. Drafts outstanding .....		0
19. Payable to parent, subsidiaries and affiliates .....		0
20. Derivatives .....	0	0
21. Payable for securities .....		0
22. Payable for securities lending .....	1,181,501	3,903,961
23. Liability for amounts held under uninsured plans .....		0
24. Capital notes \$ ..... and interest thereon \$ .....		0
25. Aggregate write-ins for liabilities .....	0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25) .....	53,222,330	53,922,597
27. Protected cell liabilities .....		0
28. Total liabilities (Lines 26 and 27) .....	53,222,330	53,922,597
29. Aggregate write-ins for special surplus funds .....	0	0
30. Common capital stock .....	2,000,000	2,000,000
31. Preferred capital stock .....		0
32. Aggregate write-ins for other than special surplus funds .....	0	0
33. Surplus notes .....		0
34. Gross paid in and contributed surplus .....	5,000,000	5,000,000
35. Unassigned funds (surplus) .....	47,689,416	43,375,405
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 30 \$ ..... ) .....		0
36.2 ..... shares preferred (value included in Line 31 \$ ..... ) .....		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36) .....	54,689,416	50,375,405
38. Totals (Page 2, Line 28, Col. 3)	107,911,746	104,298,002
DETAILS OF WRITE-INS		
2501. ....		0
2502. ....		0
2503. ....		0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0
2901. ....		0
2902. ....		0
2903. ....		0
2998. Summary of remaining write-ins for Line 29 from overflow page .....	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201. ....		0
3202. ....		0
3203. ....		0
3298. Summary of remaining write-ins for Line 32 from overflow page .....	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

STATEMENT OF INCOME

	1	2	3
	Current Year	Prior Year	Prior Year Ended
	to Date	to Date	December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 70,983,103 )	64,693,958	57,854,904	77,956,816
1.2 Assumed (written \$ 36,198,729 )	35,721,562	36,766,773	49,072,331
1.3 Ceded (written \$ 71,236,173 )	64,824,751	57,891,756	78,015,613
1.4 Net (written \$ 35,945,659 )	35,590,769	36,729,921	49,013,534
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 18,061,935 ):			
2.1 Direct	39,306,857	41,456,693	65,723,516
2.2 Assumed	17,461,459	20,147,002	28,119,644
2.3 Ceded	39,471,180	41,477,393	65,763,899
2.4 Net	17,297,136	20,126,302	28,079,261
3. Loss adjustment expenses incurred	4,286,601	4,206,589	5,808,682
4. Other underwriting expenses incurred	11,403,513	11,592,223	14,979,661
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	32,987,250	35,925,114	48,867,604
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	2,603,519	804,807	145,929
INVESTMENT INCOME			
9. Net investment income earned	2,224,414	2,103,664	2,877,779
10. Net realized capital gains (losses) less capital gains tax of \$ (10,665)	(19,805)	7,822	(1,830)
11. Net investment gain (loss) (Lines 9 + 10)	2,204,609	2,111,486	2,875,949
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 4,057 amount charged off \$ 191,226 )	(187,169)	(207,373)	(285,432)
13. Finance and service charges not included in premiums	1,643,800	1,483,961	1,983,812
14. Aggregate write-ins for miscellaneous income	108,141	161,642	196,012
15. Total other income (Lines 12 through 14)	1,564,772	1,438,230	1,894,392
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	6,372,900	4,354,523	4,916,270
17. Dividends to policyholders	111,000	99,900	131,950
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)	6,261,900	4,254,623	4,784,320
19. Federal and foreign income taxes incurred	1,965,726	1,304,719	1,256,568
20. Net income (Line 18 minus Line 19)(to Line 22)	4,296,174	2,949,904	3,527,752
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	50,375,405	46,913,600	46,913,600
22. Net income (from Line 20)	4,296,174	2,949,904	3,527,752
23. Net transfers (to) from Protected Cell accounts		0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$		0	0
25. Change in net unrealized foreign exchange capital gain (loss)		0	0
26. Change in net deferred income tax	24,497	75,338	(81,927)
27. Change in nonadmitted assets	(6,659)	12,391	15,979
28. Change in provision for reinsurance	0	0	0
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
32.2 Transferred from surplus (Stock Dividend)		0	0
32.3 Transferred to surplus		0	0
33. Surplus adjustments:			
33.1 Paid in		0	0
33.2 Transferred to capital (Stock Dividend)		0	0
33.3 Transferred from capital		0	0
34. Net remittances from or (to) Home Office		0	0
35. Dividends to stockholders		0	0
36. Change in treasury stock		0	0
37. Aggregate write-ins for gains and losses in surplus	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37)	4,314,012	3,037,633	3,461,804
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	54,689,416	49,951,233	50,375,405
DETAILS OF WRITE-INS			
0501.		0	0
0502.		0	0
0503.		0	0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0
1401. Miscellaneous Income.	108,141	161,642	196,012
1402.		0	0
1403.		0	0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	108,141	161,642	196,012
3701.		0	0
3702.		0	0
3703.		0	0
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	0	0	0

CASH FLOW

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance.....	35,884,924	36,866,389	49,292,313
2. Net investment income .....	2,504,063	2,311,029	3,273,948
3. Miscellaneous income .....	1,564,772	1,438,230	1,894,392
4. Total (Lines 1 to 3) .....	39,953,759	40,615,648	54,460,653
5. Benefit and loss related payments .....	17,492,948	18,841,631	25,292,362
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 .....	14,925,985	15,637,523	20,275,044
8. Dividends paid to policyholders .....	87,895	71,261	105,589
9. Federal and foreign income taxes paid (recovered) net of \$ ..... (10,665) tax on capital gains (losses).....	1,255,582	1,188,737	1,188,737
10. Total (Lines 5 through 9) .....	33,762,410	35,739,153	46,861,732
11. Net cash from operations (Line 4 minus Line 10) .....	6,191,349	4,876,495	7,598,921
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	10,033,036	11,256,270	14,549,214
12.2 Stocks .....	0	0	0
12.3 Mortgage loans .....	0	0	0
12.4 Real estate .....	0	0	0
12.5 Other invested assets .....	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	0	0
12.7 Miscellaneous proceeds .....	0	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	10,033,036	11,256,270	14,549,214
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	15,675,262	16,536,464	21,416,591
13.2 Stocks .....	0	0	0
13.3 Mortgage loans .....	0	0	0
13.4 Real estate .....	0	0	0
13.5 Other invested assets .....	0	0	0
13.6 Miscellaneous applications .....	2,284	2,284	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	15,677,546	16,538,748	21,416,591
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) .....	(5,644,510)	(5,282,478)	(6,867,377)
<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).....	(269,440)	(27,816)	(481,704)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	(269,440)	(27,816)	(481,704)
<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 Lines 15 and 17) .....	277,399	(433,799)	249,840
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	1,389,354	1,139,515	1,139,515
19.2 End of period (Line 18 plus Line 19.1) .....	1,666,753	705,716	1,389,354

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE  
GRANGE INDEMNITY INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNT POLICIES

A. Accounting Practices:

The Company prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by the State of Ohio. The State of Ohio requires that insurance companies domiciled in the State prepare their statutory basis financial statements in accordance with the NAIC Accounting Practices and Procedures manual subject to any deviations prescribed or permitted by the State of Ohio insurance commissioner. The Company does not employ accounting practices that depart from the NAIC Accounting Practices and Procedures Manual.

	State of Domicile	2016	2015
NET INCOME			
(1) Grange Indemnity Insurance Company state basis (Page 4, Line 20, Columns 1 & 2)	Ohio	\$ 4,296,174	\$ 3,527,753
(2) State Prescribed Practices that increase/(decrease) NAIC SAP	Ohio	0	0
(3) State Permitted Practices that increase/(decrease) NAIC SAP	Ohio	0	0
(4) NAIC SAP (1-2-3=4)	Ohio	<u>\$ 4,296,174</u>	<u>\$ 3,527,753</u>
SURPLUS			
(5) Grange Indemnity Insurance Company state basis (Page 3, Line 37, Columns 1 & 2)	Ohio	\$ 54,689,416	\$ 50,375,405
(6) State Prescribed Practices that increase/(decrease) NAIC SAP	Ohio	0	0
(7) State Permitted Practices that increase/(decrease) NAIC SAP	Ohio	0	0
(8) NAIC SAP (5-6-7=8)	Ohio	<u>\$ 54,689,416</u>	<u>\$ 50,375,405</u>

C. Accounting Policy

6. Loan-backed securities are stated at either amortized cost or the lower or amortized cost or fair market value. The retrospective adjustment method is used to value all securities except for interest only securities or securities where the yield had become negative, those are valued using the prospective method.

D. Going Concern: None

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS  
NONE

3. BUSINESS COMBINATIONS AND GOODWILL  
NONE

4. DISCONTINUED OPERATIONS  
NO CHANGE

5. INVESTMENTS

D. LOAN-BACKED SECURITIES

- 1) Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities were obtained from Bloomberg. These assumptions are consistent with the current interest rate and economic environment.
- 2) NONE
- 3) NONE
- 4) Impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

a.

Aggregate Amount of Unrealized Losses:		
1	Less than 12 Months	(19,292)
2	Greater than 12 Months	(4,514)

b.

The Aggregate Related Fair Value of Securities with Unrealized Losses:		
1	Less than 12 Months	1,886,506
2	Greater than 12 Months	115,122

5. According to SSAP 43R, loan-backed and structured securities with an unrealized loss position were reviewed for impairment. The best estimate of future cash flows using the appropriate discount rate was calculated for each affected security, with other-than-temporary impairments realized to the extent that present value was less than amortized cost. Securities with a present value greater than amortized cost were not other-than-temporarily impaired.

E. REPURCHASE AGREEMENTS AND SECURITIES LENDING TRANSACTIONS

3. COLLATERAL RECEIVED

The fair value of that collateral and of the portion of that collateral that it has sold or re-pledged.

	Fair Value
Open	1,181,503
30 Days or Less	0
31 to 60 Days	0
61 to 90 Days	0
Greater than 90 Days	0
Sub-Total	1,181,503
Securities Received	0
Total Collateral Received	<u>1,181,503</u>

I. WORKING CAPITAL FINANCE INVESTMENTS

The Company has no working capital finance investments.

J. OFFSETTING AND NETTING OF LIABILITIES

The Company does not offset or net liabilities.

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES  
NO CHANGE

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE  
GRANGE INDEMNITY INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

7. INVESTMENT INCOME  
NO CHANGE

8. DERIVATIVE INSTRUMENTS  
NONE

9. FEDERAL INCOME TAXES  
A. The components of the net deferred tax assets at September 30, 2016 and December 31, 2015 are as follows:

	9/30/2016	12/31/2015
Gross Deferred Tax Assets	\$ 1,747,914	\$ 1,689,069
Gross Deferred Tax Liabilities	223,756	189,408
Net Deferred Tax Asset (Liability)	1,524,158	1,499,661
Nonadmitted Deferred Tax Assets	-	-
Admitted Deferred Tax Asset	1,524,158	1,499,661
(Increase) Decrease in Deferred Tax Assets Nonadmitted	\$ -	\$ -

B. The Company has no deferred tax liabilities that are not recognized

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

	9/30/2016	12/31/2015
Current Income Tax Expense	\$ 1,965,726	\$ 1,281,976
Tax on Capital Gains/(Losses)	(10,665)	(986)
Prior Year Under Accrual (Over Accrual)	-	(25,409)
Federal Income Taxes Incurred	\$ 1,955,062	\$ 1,255,581

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES  
NO CHANGE

11. DEBT  
B. FHLB  
NONE

12. RETIREMENT PLANS, DEFERRED COMPENSATION, AND POSTRETIREMENT BENEFIT PLANS  
No Pension, Postretirement or Postemployment and Compensated Absence Benefit Plans

13. CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUSAI-REORGANIZATIONS  
NO CHANGE

14. CONTINGENCIES  
NO CHANGE

15. LEASES  
NO CHANGE

16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH  
CONCENTRATION OF CREDIT RISK.  
NONE

17. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES  
B. Transfer and Servicing of Financial Assets  
2. For all servicing assets and servicing liabilities:  
b) None  
4. For securitizations, asset-backed financing arrangements and similar transfers accounted for as sales when the transferor has continuing involvement (as defined in the Accounting Practices and Procedures Manual) with the transferred financial assets:  
a) None  
b) None  
C. Wash Sales  
None

18. GAINS OR LOSS TO THE REPORTING ENTITY FROM UNINSURED A&H PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED  
PLANS.  
NONE

19. DIRECT PREMIUM WRITTEN / PRODUCED BY MANAGING GENERAL AGENTS / THIRD PARTY ADMINISTRATORS  
NONE

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE  
GRANGE INDEMNITY INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

20. FAIR VALUE MEASUREMENTS

- A.

1. NONE

2. NONE

3. The Company’s policy is to recognize transfers in and out as of the end of the reporting period.

4. As of September 30, 2016, the reported fair value of the entity's investments categorized within Level 2 and Level 3 of the fair value hierarchy are as follows:

According to statutory accounting rules, fixed income securities with a rating of NAIC 1 or 2 are reported at amortized cost. Securities with a rating of NAIC 3 thru 6, or non-investment grade ratings, are measured and reported at the lower of amortized cost or fair value on the statement of financial position. As of September 30, 2016, the Company did not have any bonds rated NAIC 3 thru 6, and therefore did not report any securities at fair value.

B. Not Required

C.
- | Type of Financial Instrument | Aggregate Fair Value | Admitted Assets | Level 1   | Level 2    | Level 3 | Not Practicable (CV) |
|------------------------------|----------------------|-----------------|-----------|------------|---------|----------------------|
| Bonds                        | 95,172,595           | 90,611,215      | 2,286,790 | 92,885,805 | 0       | 0                    |
| Common Stock                 | 0                    | 0               | 0         | 0          | 0       | 0                    |
| Perpetual Preferred          | 0                    | 0               | 0         | 0          | 0       | 0                    |
| Mortgage Loans               | 0                    | 0               | 0         | 0          | 0       | 0                    |
| Money Market                 | 0                    | 0               | 0         | 0          | 0       | 0                    |
| Total                        | 95,172,595           | 90,611,215      | 2,286,790 | 92,885,805 | 0       | 0                    |
- D. NONE
21. OTHER ITEMS
- G. Offsetting and Netting of Assets and Liabilities  
NONE

I. Risk Sharing Provisions of the Affordable Care Act (ACA)  
NONE
22. EVENTS SUBSEQUENT
- NO CHANGE
23. REINSURANCE
- NO CHANGE
24. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION
- NONE
25. CHANGES IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES
- Reserves for incurred losses and loss adjustment expenses attributable to insured events of prior years has increased (decreased) by \$(0.993) million from \$38.385 million in 2015 to \$37.392 million in 2016 as a result of re-estimation of unpaid losses and loss adjustment expenses principally on private passenger auto liability and homeowners lines of insurance. This increase (decrease) is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims. Included in this increase (decrease), the Company experienced \$0 million of unfavorable (favorable) prior year loss development on retrospectively rated policies. However, since the business to which it relates is subject to premium adjustments, there was no significant impact on surplus.
- | LOSSES AND LAE                | September 30, 2016 | December 31, 2015 |
|-------------------------------|--------------------|-------------------|
| BALANCE JANUARY 1             | 38,384,617         | 36,129,085        |
| LESS REINSURANCE RECOVERABLES | 11,423,478         | 12,475,759        |
| NET BALANCE JANUARY 1         | 26,961,139         | 23,653,326        |
| INCURRED RELATED TO:          |                    |                   |
| CURRENT YEAR                  | 22,577,084         | 33,932,756        |
| PRIOR YEAR                    | (993,347)          | (44,813)          |
| TOTAL INCURRED                | 21,583,737         | 33,887,943        |
| PAID RELATED TO:              |                    |                   |
| CURRENT YEAR                  | 12,742,427         | 20,042,894        |
| PRIOR YEAR                    | 8,519,080          | 10,537,236        |
| TOTAL PAID                    | 21,261,507         | 30,580,130        |
| NET BALANCE AT DECEMBER 31    | 27,283,369         | 26,961,139        |
| PLUS REINSURANCE RECOVERABLES | 10,773,783         | 11,423,478        |
| BALANCE AT DECEMBER 31        | 38,057,152         | 38,384,617        |
26. INTERCOMPANY POOLING AGREEMENTS
- NO CHANGE
27. STRUCTURED SETTLEMENTS
- NO CHANGE.
28. HEALTH CARE RECEIVABLES
- NONE
29. PARTICIPATING POLICIES
- NONE
30. PREMIUM DEFICIENCY RESERVES
- NO CHANGE
- 6.2



STATEMENT AS OF SEPTEMBER 30, 2016 OF THE  
GRANGE INDEMNITY INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

- 31. HIGH DEDUCTIBLES  
NONE
- 32. DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES OR UNPAID LOSS ADJUSTMENT EXPENSES  
NONE
- 33. ASBESTOS/ENVIRONMENTAL RESERVES  
NONE
- 34. SUBSCRIBER SAVINGS ACCOUNTS  
NOT APPLICABLE
- 35. MULTIPLE PERIL CROP INSURANCE  
NONE
- 36. FINANCIAL GUARANTY INSURANCE  
No Financial Guaranty Insurance
- 37. CATASTROPHIC PLANNING  
NO CHANGE

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 ☒
- 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 ☒
- 2.2

If yes, date of change:

01/01/3000
- 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 ☒ 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 ☒
- 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 ☒
- 4.2

If yes, provide the 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	3
Name of Entity	NAIC Company Code	State of Domicile

5.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes ☐ No ☒ NA ☐
- 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.

12/31/2014
- 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.

12/31/2014
- 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).

11/24/2015
- 6.4

By what department or departments?

Ohio
- 6.5

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

Yes ☐ No ☐ NA ☒
- 6.6

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

Yes ☒ No ☐ NA ☐
- 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 ☒
- 7.2

If yes, give full information:
- 8.1

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

Yes ☐ No ☒
- 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 ☒
- 8.4

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

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

GENERAL INTERROGATORIES

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? .....  
(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.

Yes [X] No [ ]

9.11

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

9.2

Has the code of ethics for senior managers been amended? .....

Yes [ ] No [X]

9.21

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

9.3

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

Yes [ ] No [X]

9.31

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

FINANCIAL

10.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?.....

Yes [X] No [ ]

10.2

If yes, indicate any amounts receivable from parent included in the Page 2 amount:.....\$ .....1,919,304

INVESTMENT

11.1

Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) .....

Yes [ ] No [X]

11.2

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

12.

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

13.

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

14.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates? .....

Yes [ ] No [X]

14.2

If yes, please complete the following:

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

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.

GENERAL INTERROGATORIES

- 16 For the reporting entity’s security lending program, state the amount of the following as of the current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

\$ .....1,181,503
- 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

\$ .....1,181,501
- 16.3 Total payable for securities lending reported on the liability page

\$ .....1,181,501

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 ☒ 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 Bank, N.A.....	4 Chase Metrotech Center, Floor 16, Brooklyn, NY 11245.....

- 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)

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? .....
- Yes ☐ No ☒

- 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

- 18.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed? .....
- Yes ☒ No ☐

- 18.2 If no, list exceptions:
- .....

GENERAL INTERROGATORIES  
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] NA [ ]  
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:

			TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
1	2	3	4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Discount Rate	Unpaid Losses	Unpaid LAE	IBNR	TOTAL	Unpaid Losses	Unpaid LAE	IBNR	TOTAL
TOTAL			0	0	0	0	0	0	0	0

5. Operating Percentages:

5.1 A&H loss percent.....

5.2 A&H cost containment percent .....

5.3 A&H expense percent excluding cost containment expenses.....

6.1 Do you act as a custodian for health savings accounts?.....

6.2 If yes, please provide the amount of custodial funds held as of the reporting date.....

6.3 Do you act as an administrator for health savings accounts?.....

6.4 If yes, please provide the balance of the funds administered as of the reporting date.....

%

%

%

Yes [ ] No [X]

\$

Yes [ ] No [X]

\$



SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

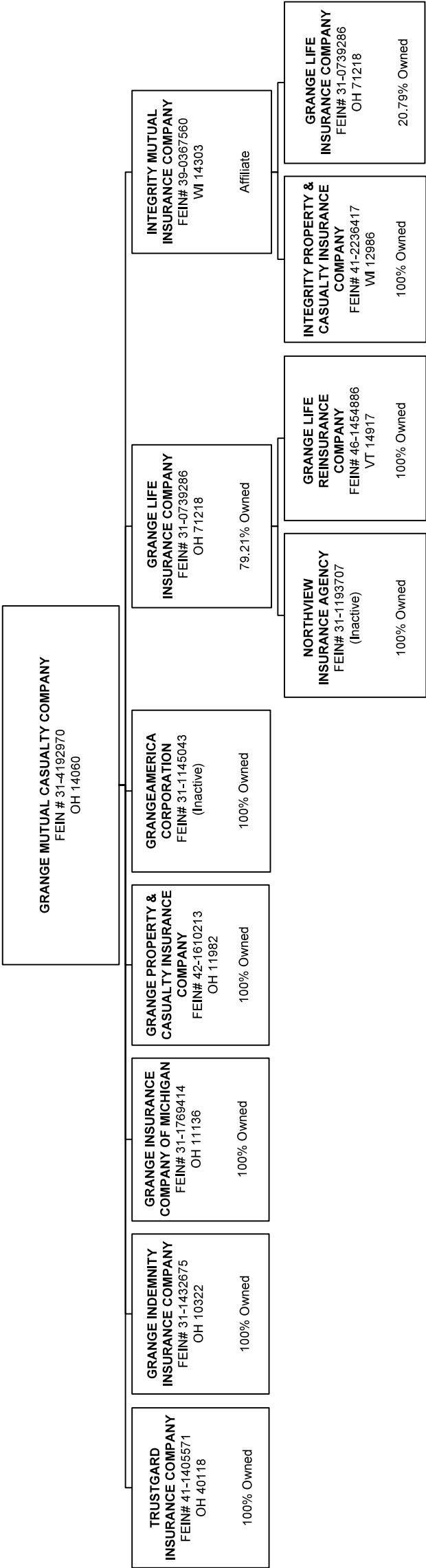
Current Year to Date - Allocated by States and Territories								
States, etc.	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid		
		2	3	4	5	6	7	
	Active Status	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	
1. Alabama	AL	N	0		0		0	
2. Alaska	AK	N	0		0		0	
3. Arizona	AZ	N	0		0		0	
4. Arkansas	AR	N	0		0		0	
5. California	CA	N	0		0		0	
6. Colorado	CO	N	0		0		0	
7. Connecticut	CT	N	0		0		0	
8. Delaware	DE	N	0		0		0	
9. Dist. Columbia	DC	N	0		0		0	
10. Florida	FL	N	0		0		0	
11. Georgia	GA	L	10,103,893	5,423,010	6,724,336	10,534,046	10,052,784	
12. Hawaii	HI	N	0		0		0	
13. Idaho	ID	N	0		0		0	
14. Illinois	IL	L	12,862,226	3,824,813	6,883,060	16,508,630	14,505,382	
15. Indiana	IN	L	8,148,390	5,511,201	5,218,806	4,890,813	6,003,984	
16. Iowa	IA	L	0		0		0	
17. Kansas	KS	L	0		0		0	
18. Kentucky	KY	L	4,520,630	2,526,043	1,943,721	5,349,223	4,487,619	
19. Louisiana	LA	N	0		0		0	
20. Maine	ME	N	0		0		0	
21. Maryland	MD	N	0		0		0	
22. Massachusetts	MA	N	0		0		0	
23. Michigan	MI	N	0		0		0	
24. Minnesota	MN	L	0		0		0	
25. Mississippi	MS	N	0		0		0	
26. Missouri	MO	L	0		0		0	
27. Montana	MT	N	0		0		0	
28. Nebraska	NE	N	0		0		0	
29. Nevada	NV	N	0		0		0	
30. New Hampshire	NH	N	0		0		0	
31. New Jersey	NJ	N	0		0		0	
32. New Mexico	NM	N	0		0		0	
33. New York	NY	N	0		0		0	
34. No. Carolina	NC	N	0		0		0	
35. No. Dakota	ND	N	0		0		0	
36. Ohio	OH	L	16,616,830	15,640,731	5,692,970	19,240,104	8,997,864	
37. Oklahoma	OK	N	0		0		0	
38. Oregon	OR	N	0		0		0	
39. Pennsylvania	PA	L	4,274,148	1,208,982	2,641,035	3,669,692	2,639,585	
40. Rhode Island	RI	N	0		0		0	
41. So. Carolina	SC	N	0		0		0	
42. So. Dakota	SD	N	0		0		0	
43. Tennessee	TN	L	5,813,108	3,791,420	2,655,140	5,163,291	4,130,022	
44. Texas	TX	N	0		0		0	
45. Utah	UT	N	0		0		0	
46. Vermont	VT	N	0		0		0	
47. Virginia	VA	N	0		0		0	
48. Washington	WA	N	0		0		0	
49. West Virginia	WV	N	0		0		0	
50. Wisconsin	WI	L	0		0		0	
51. Wyoming	WY	N	0		0		0	
52. American Samoa	AS	N	0		0		0	
53. Guam	GU	N	0		0		0	
54. Puerto Rico	PR	N	0		0		0	
55. U.S. Virgin Islands	VI	N	0		0		0	
56. Northern Mariana Islands	MP	N	0		0		0	
57. Canada	CAN	N	0		0		0	
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0	
59. Totals	(a) 12	70,983,103	62,339,224	37,926,200	31,759,069	65,355,798	50,817,239	
DETAILS OF WRITE-INS								
58001.	XXX							
58002.	XXX							
58003.	XXX							
58998. Summary of remaining write-ins for Line 58 from overflow page.	XXX	0	0	0	0	0	0	
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX	0	0	0	0	0	0	

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

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

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

PART 1 – ORGANIZATIONAL CHART





## 12

## 12

## 12

1212

PART 1 - LOSS EXPERIENCE

Line of Business		Current Year to Date			4 Prior Year to Date Direct Loss Percentage
		1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1.	Fire .....			0.0	0.0
2.	Allied lines .....			0.0	0.0
3.	Farmowners multiple peril .....			0.0	0.0
4.	Homeowners multiple peril .....	111,375	37,950	34.1	0.0
5.	Commercial multiple peril .....			0.0	0.0
6.	Mortgage guaranty .....			0.0	0.0
8.	Ocean marine .....			0.0	0.0
9.	Inland marine .....	659	8	1.3	0.0
10.	Financial guaranty .....			0.0	0.0
11.1	Medical professional liability -occurrence .....			0.0	0.0
11.2	Medical professional liability -claims made .....			0.0	0.0
12.	Earthquake .....	489		0.0	0.0
13.	Group accident and health .....			0.0	0.0
14.	Credit accident and health .....			0.0	0.0
15.	Other accident and health .....			0.0	0.0
16.	Workers' compensation .....			0.0	0.0
17.1	Other liability occurrence .....	1,348	818	60.7	0.0
17.2	Other liability-claims made .....			0.0	0.0
17.3	Excess Workers' Compensation .....			0.0	0.0
18.1	Products liability-occurrence .....			0.0	0.0
18.2	Products liability-claims made .....			0.0	0.0
19.1,19.2	Private passenger auto liability .....	22,671,712	15,704,727	69.3	79.8
19.3,19.4	Commercial auto liability .....	17,958,178	10,426,297	58.1	74.8
21.	Auto physical damage .....	23,950,197	13,137,056	54.9	59.8
22.	Aircraft (all perils) .....			0.0	0.0
23.	Fidelity .....			0.0	0.0
24.	Surety .....			0.0	0.0
26.	Burglary and theft .....			0.0	0.0
27.	Boiler and machinery .....			0.0	0.0
28.	Credit .....			0.0	0.0
29.	International .....			0.0	0.0
30.	Warranty .....			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 .....	64,693,958	39,306,857	60.8	71.7
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	0.0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34) .....	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business		1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1.	Fire .....	0		0
2.	Allied lines .....	0		0
3.	Farmowners multiple peril .....	0		0
4.	Homeowners multiple peril .....	286,275	505,007	0
5.	Commercial multiple peril .....	0		0
6.	Mortgage guaranty .....	0		0
8.	Ocean marine .....	0		0
9.	Inland marine .....	3,949	4,559	0
10.	Financial guaranty .....	0		0
11.1	Medical professional liability-occurrence .....	0		0
11.2	Medical professional liability-claims made .....	0		0
12.	Earthquake .....	2,429	2,753	0
13.	Group accident and health .....	0		0
14.	Credit accident and health .....	0		0
15.	Other accident and health .....	0		0
16.	Workers' compensation .....	0		0
17.1	Other liability occurrence .....	2,164	5,284	0
17.2	Other liability-claims made .....	0		0
17.3	Excess Workers' Compensation .....	0		0
18.1	Products liability-occurrence .....	0		0
18.2	Products liability-claims made .....	0		0
19.1,19.2	Private passenger auto liability .....	10,746,859	27,764,448	15,434,652
19.3,19.4	Commercial auto liability .....	5,153,988	14,939,530	27,996,319
21.	Auto physical damage .....	10,823,553	27,761,522	18,908,252
22.	Aircraft (all perils) .....	0		0
23.	Fidelity .....	0		0
24.	Surety .....	0		0
26.	Burglary and theft .....	0		0
27.	Boiler and machinery .....	0		0
28.	Credit .....	0		0
29.	International .....	0		0
30.	Warranty .....	0		0
31.	Reinsurance - Nonproportional Assumed Property .....	XXX	XXX	XXX
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 .....	27,019,217	70,983,103	62,339,224
DETAILS OF WRITE-INS				
3401.	.....	0		0
3402.	.....	0		0
3403.	.....	0		0
3498.	Sum. of remaining write-ins for Line 34 from overflow page .....	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34) .....	0	0	0

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE GRANGE INDEMNITY INSURANCE COMPANY

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2016 Loss and LAE Payments on Claims Reported as of Prior Year-End	2016 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2016 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols.7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2013 + Prior .....	3,870	2,798	6,669	2,109	81	2,191	2,365	35	1,820	4,221	605	(862)	(257)
2. 2014 .....	3,161	3,242	6,403	1,615	114	1,729	2,079	61	2,292	4,432	533	(774)	(241)
3. Subtotals 2014 + prior .....	7,031	6,040	13,071	3,724	196	3,920	4,445	96	4,112	8,653	1,138	(1,636)	(498)
4. 2015 .....	6,617	7,273	13,890	3,838	761	4,599	3,677	301	4,818	8,796	898	(1,393)	(495)
5. Subtotals 2015 + prior .....	13,648	13,313	26,961	7,562	957	8,519	8,122	397	8,930	17,449	2,036	(3,029)	(993)
6. 2016 .....	XXX	XXX	XXX	XXX	12,742	12,742	XXX	4,447	5,387	9,835	XXX	XXX	XXX
7. Totals .....	13,648	13,313	26,961	7,562	13,700	21,262	8,122	4,844	14,318	27,283	2,036	(3,029)	(993)
8. Prior Year-End Surplus As Regards Policy-holders	50,375										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. 14.9	2. (22.8)	3. (3.7)
											Col. 13, Line 7 Line 8		
											4. (2.0)		

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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


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

Explanation:

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


Bar Code:

1.




10322201649000003

2.




10322201645500003

3.



10322201636500003

4.



10322201650500003

OVERFLOW PAGE FOR WRITE-INS

SCHEDULE A – VERIFICATION

Real Estate

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

SCHEDULE B – VERIFICATION

Mortgage Loans

	1	2
	Year To Date	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
2.2 Additional investment made after acquisition .....		0
3. Capitalized deferred interest and other .....		0
4. Accrual of discount .....		0
5. Unrealized valuation increase (decrease) .....		0
6. Total gain (loss) on disposals .....		0
7. Deduct amounts received on disposals .....		0
8. Deduct amortization of premium and mortgage interest points and commitment fees .....		0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest .....		0
10. Deduct current year's other-than-temporary impairment recognized .....		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
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

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

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

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	85,419,664	78,981,314
2. Cost of bonds and stocks acquired .....	15,675,262	21,416,591
3. Accrual of discount .....	140,975	219,175
4. Unrealized valuation increase (decrease) .....		0
5. Total gain (loss) on disposals .....	20,224	(2,816)
6. Deduct consideration for bonds and stocks disposed of .....	10,033,036	14,549,214
7. Deduct amortization of premium .....	561,180	645,386
8. Total foreign exchange change in book/adjusted carrying value .....		0
9. Deduct current year's other-than-temporary impairment recognized .....	50,694	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	90,611,215	85,419,664
11. Deduct total nonadmitted amounts .....	0	0
12. Statement value at end of current period (Line 10 minus Line 11) .....	90,611,215	85,419,664

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE GRANGE INDEMNITY INSURANCE COMPANY

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).....	73,739,534	1,576,022	2,381,640	970,021	73,493,462	73,739,534	73,903,936	72,207,250
2. NAIC 2 (a).....	15,726,633	886,763	167,772	261,655	14,092,435	15,726,633	16,707,279	13,212,415
3. NAIC 3 (a).....	0				0	0	0	0
4. NAIC 4 (a).....	0				197,500	0	0	0
5. NAIC 5 (a).....	0				0	0	0	0
6. NAIC 6 (a).....	0				0	0	0	0
7. Total Bonds	89,466,167	2,462,785	2,549,412	1,231,676	87,783,397	89,466,167	90,611,215	85,419,665
<b>PREFERRED STOCK</b>								
8. NAIC 1 .....	0				0	0	0	0
9. NAIC 2 .....	0				0	0	0	0
10. NAIC 3 .....	0				0	0	0	0
11. NAIC 4 .....	0				0	0	0	0
12. NAIC 5 .....	0				0	0	0	0
13. NAIC 6 .....	0				0	0	0	0
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	89,466,167	2,462,785	2,549,412	1,231,676	87,783,397	89,466,167	90,611,215	85,419,665

(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 \$ ..... ; NAIC 2 \$ ..... ;

NAIC 3 \$ ..... ; NAIC 4 \$ ..... ; NAIC 5 \$ ..... ; NAIC 6 \$ .....

Schedule DA - Part 1

NONE

Schedule DA - Verification

NONE

Schedule DB - Part A - Verification

NONE

Schedule DB - Part B - Verification

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

NONE

Schedule E - Verification

NONE

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE



Schedule B - Part 3

NONE

Schedule BA - Part 2

NONE

Schedule BA - Part 3

NONE

# STATEMENT AS OF SEPTEMBER 30, 2016 OF THE GRANGE INDEMNITY INSURANCE COMPANY

## SCHEDULE D - PART 3

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

[illegible]

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

# E04

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE GRANGE INDEMNITY INSURANCE COMPANY

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments																					
313560-SC-8...	FNMA Call 2.230% 12/06/22.....		09/06/2016..	Call 100.0000.....		500,000	500,000	490,460	491,463		8,537		8,537		500,000			0	8,363	12/06/2022..	1FE....
313660-7J-4...	FNMA Call 2.000% 12/13/27.....		09/13/2016..	Call 100.0000.....		250,000	250,000	249,625			375		375		250,000			0	3,750	12/13/2027..	1FE....
313660-ZR-5...	FNMA Call 2.500% 08/27/27.....		08/27/2016..	Call 100.0000.....		500,000	500,000	500,000					0		500,000			0	12,500	08/27/2027..	1FE....
36290S-RZ-8...	GNMA 616204 3.500% 01/20/42.....		09/01/2016..	Paydown.....		3,049	3,049	3,171	3,169	(121)			(121)		3,049			0	72	01/20/2042..	1FE....
38374F-W6-7...	GNR 2004-21 PC 5.000% 04/20/33.....		09/01/2016..	Paydown.....		12,458	12,458	12,291	12,389	69			69		12,458			0	423	04/20/2033..	1.....
38376V-SB-4...	GNR 2010-21 NB 4.500% 01/20/37.....		09/01/2016..	Paydown.....		70,905	70,905	72,500	71,235	(330)			(330)		70,905			0	2,125	01/20/2037..	1.....
38376Y-FF-3...	GNR 2010-46 CH 4.000% 03/20/39.....		09/01/2016..	Paydown.....		12,530	12,530	13,268	13,117	(587)			(587)		12,530			0	336	03/20/2039..	1.....
38378D-VT-9...	GNR 2012-36 MA 3.000% 06/20/39.....		09/01/2016..	Paydown.....		19,195	19,195	20,430	20,187	(992)			(992)		19,195			0	390	06/20/2039..	1FE....
38378V-XZ-3...	GNR 2013-119 TV 3.000% 08/20/43.....		09/01/2016..	Paydown.....		4,255	4,255	4,340	4,306	(51)			(51)		4,255			0	85	08/20/2043..	1FE....
0599999 - Bonds - U.S. Governments						1,372,391	1,372,391	1,366,085	615,866	0	6,900	0	6,900	0	1,372,391	0	0	0	28,044	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																					
3136AB-CS-0...	FNR 2012-147 HV 3.500% 04/25/33.....		09/01/2016..	Paydown.....		9,644	9,644	10,294		(651)			(651)		9,644			0	141	04/25/2033..	1FE....
3136AD-TB-5...	FNR 2013-35 KT 4.000% 04/25/33.....		09/01/2016..	Paydown.....		19,241	19,241	20,630	20,561	(1,320)			(1,320)		19,241			0	514	04/25/2033..	1FE....
3136AD-Y4-5...	FNR 2013-43 MB 3.500% 05/25/33.....		09/01/2016..	Paydown.....		11,288	11,288	11,888	11,886	(598)			(598)		11,288			0	262	05/25/2033..	1FE....
3136AM-4B-2...	FNR 2015-18 NV 3.500% 01/25/30.....		09/01/2016..	Paydown.....		10,254	10,254	10,884	10,874	(620)			(620)		10,254			0	239	01/25/2030..	1FE....
3137A0-EU-5...	FHR 3687 B 4.000% 07/15/30.....		09/01/2016..	Paydown.....		36,511	36,511	38,095	37,246	(735)			(735)		36,511			0	938	07/15/2030..	1.....
3137AG-CA-6...	FHR 3947 BC 2.500% 10/15/26.....		09/01/2016..	Paydown.....		6,786	6,786	7,018	6,948	(162)			(162)		6,786			0	110	10/15/2026..	1.....
3137AG-YX-2...	FHR 3940 PB 2.000% 02/15/41.....		09/01/2016..	Paydown.....		31,726	31,726	31,408	31,434	292			292		31,726			0	426	02/15/2041..	1.....
3137AN-JP-1...	FHR 4013 WY 2.347% 11/15/40.....		09/01/2016..	Paydown.....		6,545	6,545	6,729	6,691	(146)			(146)		6,545			0	107	11/15/2040..	1FE....
3137AS-EH-3...	FHR 4076 KC 2.000% 05/15/41.....		09/01/2016..	Paydown.....		29,768	29,768	29,322	29,352	416			416		29,768			0	395	05/15/2041..	1FE....
3137AS-FL-3...	FHR 4076 QD 2.500% 11/15/41.....		09/01/2016..	Paydown.....		78,590	78,590	74,784	75,022	3,569			3,569		78,590			0	1,361	11/15/2041..	1FE....
3137AS-Q8-0...	FHR 4808 PA 3.000% 12/15/40.....		09/01/2016..	Paydown.....		25,220	25,220	26,016	25,958	(738)			(738)		25,220			0	515	12/15/2040..	1FE....
3137AY-WS-6...	FHR 4170 JA 2.000% 11/15/32.....		09/01/2016..	Paydown.....		11,316	11,316	11,267	11,270	47			47		11,316			0	154	11/15/2032..	1FE....
31392E-SX-9...	FNR 2002-59 B 5.500% 09/25/17.....		09/01/2016..	Paydown.....		1,027	1,027	1,045	1,027	0			0		1,027			0	38	09/25/2017..	1FE....
31395B-D7-5...	FNR 2006-22 CE 4.500% 08/25/23.....		09/01/2016..	Paydown.....		7,859	7,859	8,069	7,918	(60)			(60)		7,859			0	237	08/25/2023..	1FE....
31395J-5E-2...	FHR 2881 AG 4.500% 08/15/34.....		09/01/2016..	Paydown.....		2,796	2,796	2,789	2,790	6			6		2,796			0	86	08/15/2034..	1.....
31395W-4L-8...	FHR 3003 LD 5.000% 12/15/34.....		09/01/2016..	Paydown.....		2,856	2,856	2,999	2,952	(96)			(96)		2,856			0	96	12/15/2034..	1FE....
31398P-DU-0...	FNR 2010-38 B 4.000% 04/25/25.....		09/01/2016..	Paydown.....		2,702	2,702	2,817	2,748	(46)			(46)		2,702			0	81	04/25/2025..	1FE....
31398S-SG-9...	FNR 2010-136 BA 3.500% 12/25/30.....		09/01/2016..	Paydown.....		6,081	6,081	6,295	6,236	(155)			(155)		6,081			0	144	12/25/2030..	1.....
31402C-4H-2...	FNMA Pool 725424 5.500% 04/01/34.....		09/01/2016..	Paydown.....		2,457	2,457	2,431	2,432	25			25		2,457			0	90	04/01/2034..	1FE....
31403B-4M-2...	FNMA Pool 744328 5.000% 09/01/33.....		09/01/2016..	Paydown.....		1,096	1,096	1,053	1,056	40			40		1,096			0	33	09/01/2033..	1FE....
31403D-GZ-6...	FNMA Pool 745516 5.500% 05/01/36.....		09/01/2016..	Paydown.....		930	930	929	929	1			1		930			0	35	05/01/2036..	1.....
31419F-EB-8...	FN AE4629 4.000% 10/01/40.....		09/01/2016..	Paydown.....		29,558	29,558	30,999	30,932	(1,374)			(1,374)		29,558			0	790	10/01/2040..	1.....

## SCHEDULE D - PART 4

[illegible]

## E05.1

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

Schedule DB - Part D - Section 2

NONE

**SCHEDULE DL - PART 1**  
**SECURITIES LENDING COLLATERAL ASSETS**

General Interrogatories:			
1. Total activity for the year to date .....	Fair Value \$ .....	1,181,503	Book/Adjusted Carrying Value \$ .....
2. Average balance for the year to date .....	Fair Value \$ .....	1,567,560	Book/Adjusted Carrying Value \$ .....
3. Reinvested securities lending collateral assets book/adjusted carrying value included in this schedule by NAIC designation:			
NAIC 1 \$ 1,181,501	NAIC 2 \$ .....	NAIC 3 \$ .....	NAIC 4 \$ .....
			NAIC 5 \$ .....
			NAIC 6 \$ .....

**SCHEDULE DL - PART 2**  
**SECURITIES LENDING COLLATERAL ASSETS**

[illegible]

General Interrogatories:

1. Total activity for the year to date.....	Fair Value \$ .....	Book/Adjusted Carrying Value \$ .....
2. Average balance for the year to date.....	Fair Value \$ .....	Book/Adjusted Carrying Value \$ .....





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							
8699999 Total Cash Equivalents					0	0	0