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PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

ANNUAL STATEMENT

For the Year Ended December 31, 2019

OF THE CONDITION AND AFFAIRS OF THE

GRANGE INSURANCE COMPANY

NAIC Group Code 00267 (Current Period), 00267 (Prior Period) NAIC Company Code 14060 Employer's ID Number 31-4192970

Organized under the Laws of Ohio, State of Domicile or Port of Entry Ohio

Country of Domicile United States

Incorporated/Organized 03/25/1935 Commenced Business 04/20/1935

Statutory Home Office 671 South High Street (Street and Number), Columbus, OH, US 43206-1014 (City or Town, State, Country and Zip Code)

Main Administrative Office 671 South High Street (Street and Number) Columbus, OH, US 43206-1014 (City or Town, State, Country and Zip Code) 614-445-2900 (Area Code) (Telephone Number)

Mail Address PO Box 1218 (Street and Number or P.O. Box), Columbus, OH, US 43216-1218 (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 671 South High Street (Street and Number) Columbus, OH, US 43206-1014 (City or Town, State, Country and Zip Code) 614-445-2900 (Area Code) (Telephone Number)

Internet Web Site Address www.grangeinsurance.com

Statutory Statement Contact Jeffrey P Siefker (Name) 614-445-2900 (Area Code) (Telephone Number) (Extension)

siefkerj@grangeinsurance.com (E-Mail Address) 614-542-3017 (Fax Number)

OFFICERS

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

OTHER OFFICERS

DOREEN YVONNE DELANEY	EVP - CHIEF OPERATIONS OFFICER	JOHN HOAGLAND NORTH	EVP - PRESIDENT - PERSONAL LINES
LINDA MARKO ROUBINEK	EVP - CHIEF CUSTOMER INTERACTIONS OFFICER	JILL ANN WAGNER #	EVP-CHIEF DISTRIBUTION & AFFILIATE OFFICER
MICHAEL ANTHONY WINNER	EVP - PRESIDENT - COMMERCIAL LINES		

DIRECTORS OR TRUSTEES

JOHN (NMN) AMMENDOLA	MARK LEWIS BOXER	DOUGLAS PAUL BUTH	TERESA JEAN DALENTA
MICHAEL DESMOND FRAIZER	ROBERT ENLOW HOYT	SUZAN BULYABA KEREERE	MARY MARNETTE PERRY
THOMAS SIMRALL STEWART	DAVID CHARLES WETMORE	CHRISTIANNA (NMN) WOOD	

State of Ohio
ss
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.

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

Subscribed and sworn to before me this 21st day of February, 2020

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, 2022

ASSETS

	Current Year 1 Assets	Current Year 2 Nonadmitted Assets	Current Year 3 Net Admitted Assets (Cols. 1 - 2)	Prior Year 4 Net Admitted Assets
1. Bonds (Schedule D)	1,396,808,993		1,396,808,993	1,340,202,326
2. Stocks (Schedule D):				
2.1 Preferred stocks	31,693,258		31,693,258	8,997,085
2.2 Common stocks	784,926,944		784,926,944	686,695,890
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less $ .... encumbrances)	83,255,124		83,255,124	83,487,914
4.2 Properties held for the production of income (less $ .... encumbrances)	9,765,913		9,765,913	10,125,365
4.3 Properties held for sale (less $ .... encumbrances)			0	0
5. Cash ($ 26,440,147 , Schedule E-Part 1), cash equivalents ($ 48,266,365 , Schedule E-Part 2) and short-term investments ($ 788,084 , Schedule DA)	75,494,596		75,494,596	66,053,243
6. Contract loans (including $ .... premium notes)			0	0
7. Derivatives (Schedule DB)	0		0	0
8. Other invested assets (Schedule BA)	114,252,923		114,252,923	114,486,969
9. Receivables for securities	2,592,763		2,592,763	2,993,047
10. Securities lending reinvested collateral assets (Schedule DL)	19,138,547		19,138,547	26,100,208
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	2,517,929,061	0	2,517,929,061	2,339,142,047
13. Title plants less $ .... charged off (for Title insurers only)			0	0
14. Investment income due and accrued	10,510,277		10,510,277	10,798,244
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	282,036,356	1,302,434	280,733,922	253,964,410
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $ 2,056,464 earned but unbilled premiums)	2,107,979	51,515	2,056,464	863,574
15.3 Accrued retrospective premiums ($ ....) and contracts subject to redetermination ($ ....)			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	35,658		35,658	778,613
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	3,977,780		3,977,780	23,636,776
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software	15,070,589	14,664,580	406,009	7,226,591
21. Furniture and equipment, including health care delivery assets ($ ....)	2,036,778	2,036,778	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates			0	0
24. Health care ($ ....) and other amounts receivable			0	0
25. Aggregate write-ins for other-than-invested assets	3,737,501	2,304,689	1,432,812	12,598,928
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	2,837,441,979	20,359,996	2,817,081,983	2,649,009,183
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	2,837,441,979	20,359,996	2,817,081,983	2,649,009,183
DETAILS OF WRITE-INS				
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. Personal Loans	2,304,689	2,304,689	0	0
2502. Equities in Pools	1,242,978		1,242,978	1,155,124
2503. Receivable for disbursement transaction services			0	11,607,975
2598. Summary of remaining write-ins for Line 25 from overflow page	189,834	0	189,834	(164,172)
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	3,737,501	2,304,689	1,432,812	12,598,928

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	499,103,605	490,115,066
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	(28,009)	(28,396)
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	146,343,884	148,215,963
4. Commissions payable, contingent commissions and other similar charges	24,207,675	24,566,918
5. Other expenses (excluding taxes, licenses and fees)	37,406,642	40,527,918
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	13,217,854	13,809,766
7.1 Current federal and foreign income taxes (including $ 3,898,191 on realized capital gains (losses))	5,977,703	5,301,922
7.2 Net deferred tax liability		0
8. Borrowed money $ 60,000,000 and interest thereon $ 115,000	60,115,000	60,115,000
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of $ 25,418,026 and including warranty reserves of $ 0 and accrued accident and health experience rating refunds including $ for medical loss ratio rebate per the Public Health Service Act)	526,843,448	477,003,513
10. Advance premium	6,512,756	5,740,245
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders	3,398,894	2,886,053
12. Ceded reinsurance premiums payable (net of ceding commissions)	1,369,345	2,564,816
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20)		0
14. Amounts withheld or retained by company for account of others	34,968	38,895
15. Remittances and items not allocated		0
16. Provision for reinsurance (including $ certified) (Schedule F, Part 3, Column 78)		0
17. Net adjustments in assets and liabilities due to foreign exchange rates		0
18. Drafts outstanding	(240,567)	(365,398)
19. Payable to parent, subsidiaries and affiliates	3,125,690	6,327,011
20. Derivatives	0	0
21. Payable for securities		0
22. Payable for securities lending	19,138,547	26,100,208
23. Liability for amounts held under uninsured plans		0
24. Capital notes $ and interest thereon $		0
25. Aggregate write-ins for liabilities	22,710,624	28,917,332
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	1,369,238,059	1,331,836,834
27. Protected cell liabilities		0
28. Total liabilities (Lines 26 and 27)	1,369,238,059	1,331,836,834
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	5,000,000	0
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	1,175,000	0
35. Unassigned funds (surplus)	1,441,668,924	1,317,172,349
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) (Page 4, Line 39)	1,447,843,924	1,317,172,349
38. Totals (Page 2, Line 28, Col. 3)	2,817,081,983	2,649,009,183
DETAILS OF WRITE-INS		
2501. Reserve for checks written off	2,746,690	2,606,349
2502. Deferred compensation	20,750,000	23,619,892
2503. Liability for Benefit Plans	(2,448,439)	317,486
2598. Summary of remaining write-ins for Line 25 from overflow page	1,662,373	2,373,605
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	22,710,624	28,917,332
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 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	1,173,394,306	1,138,763,080
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)	637,010,012	582,980,763
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	118,492,702	124,085,732
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	366,762,021	365,897,496
5. Aggregate write-ins for underwriting deductions	0	0
6. Total underwriting deductions (Lines 2 through 5)	1,122,264,734	1,072,963,991
7. Net income of protected cells		0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	51,129,572	65,799,089
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	46,718,642	44,652,018
10. Net realized capital gains (losses) less capital gains tax of $ 3,898,191 (Exhibit of Capital Gains (Losses))	19,076,607	33,033,382
11. Net investment gain (loss) (Lines 9 + 10)	65,795,249	77,685,400
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered $ 1,065,162 amount charged off $ 5,310,857)	(4,245,695)	(4,246,570)
13. Finance and service charges not included in premiums	15,118,318	15,763,536
14. Aggregate write-ins for miscellaneous income	285,937	1,161,458
15. Total other income (Lines 12 through 14)	11,158,560	12,678,423
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	128,083,381	156,162,913
17. Dividends to policyholders	5,070,920	4,443,329
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)	123,012,461	151,719,584
19. Federal and foreign income taxes incurred	25,846,684	14,471,228
20. Net income (Line 18 minus Line 19) (to Line 22)	97,165,777	137,248,356
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	1,317,172,349	1,214,541,385
22. Net income (from Line 20)	97,165,777	137,248,356
23. Net transfers (to) from Protected Cell accounts		0
24. Change in net unrealized capital gains or (losses) less capital gains tax of $ 19,139,022	76,641,490	(51,693,926)
25. Change in net unrealized foreign exchange capital gain (loss)		0
26. Change in net deferred income tax	(519,974)	(1,702,768)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	15,389,440	(2,101,906)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	0	6,348,485
29. Change in surplus notes		0
30. Surplus (contributed to) withdrawn from protected cells		0
31. Cumulative effect of changes in accounting principles		0
32. Capital changes:		
32.1 Paid in	5,000,000	0
32.2 Transferred from surplus (Stock Dividend)		0
32.3 Transferred to surplus		0
33. Surplus adjustments:		
33.1 Paid in	1,175,000	0
33.2 Transferred to capital (Stock Dividend)		0
33.3 Transferred from capital		0
34. Net remittances from or (to) Home Office		0
35. Dividends to stockholders	(67,761,811)	0
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)	0	0
37. Aggregate write-ins for gains and losses in surplus	3,581,652	14,532,723
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	130,671,575	102,630,964
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	1,447,843,924	1,317,172,349
DETAILS OF WRITE-INS		
0501.		0
0502.		0
0503.		0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0
1401. Miscellaneous income	285,937	1,161,458
1402.		0
1403.		0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	285,937	1,161,458
3701. Deferred Gain - Intercompany Pooling Change	688,710	398,959
3702. Change in Funded Status - Benefit Plans	9,093,195	10,235,580
3703. Change in Overfunded Plan Asset		3,898,184
3798. Summary of remaining write-ins for Line 37 from overflow page	(6,200,253)	0
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)	3,581,652	14,532,723

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	1,194,851,582	1,143,492,294
2. Net investment income	60,458,211	60,300,679
3. Miscellaneous income	11,158,560	12,678,423
4. Total (Lines 1 through 3)	1,266,468,354	1,216,471,397
5. Benefit and loss related payments	627,278,131	612,851,389
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	491,167,593	488,531,366
8. Dividends paid to policyholders	4,558,079	4,203,547
9. Federal and foreign income taxes paid (recovered) net of $ 3,898,191 tax on capital gains (losses)	29,069,094	17,767,671
10. Total (Lines 5 through 9)	1,152,072,897	1,123,353,973
11. Net cash from operations (Line 4 minus Line 10)	114,395,457	93,117,424
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	378,299,223	386,730,606
12.2 Stocks	122,490,217	167,686,962
12.3 Mortgage loans	0	1,403,565
12.4 Real estate	0	0
12.5 Other invested assets	20,114,352	3,564,948
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	32,471	0
12.7 Miscellaneous proceeds	422,754	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	521,359,017	559,386,081
13. Cost of investments acquired (long-term only):		
13.1 Bonds	426,334,482	468,289,195
13.2 Stocks	144,804,996	163,770,868
13.3 Mortgage loans	0	0
13.4 Real estate	3,280,245	546,117
13.5 Other invested assets	17,949,296	6,064,948
13.6 Miscellaneous applications	0	2,450,565
13.7 Total investments acquired (Lines 13.1 to 13.6)	592,369,019	641,121,692
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(71,010,002)	(81,735,611)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities		0
16.5 Dividends to stockholders	67,761,811	0
16.6 Other cash provided (applied)	33,817,710	(9,984,059)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(33,944,101)	(9,984,059)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	9,441,353	1,397,754
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	66,053,243	64,655,488
19.2 End of year (Line 18 plus Line 19.1)	75,494,596	66,053,243

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

	Line of Business	1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire	14,558,532	8,227,092	7,815,380	14,970,244
2.	Allied lines	7,749,808	4,390,320	4,187,965	7,952,163
3.	Farmowners multiple peril	14,408,562	7,641,988	7,272,169	14,778,380
4.	Homeowners multiple peril	268,123,673	137,217,781	147,431,224	257,910,230
5.	Commercial multiple peril	147,752,014	62,227,346	70,798,818	139,180,542
6.	Mortgage guaranty	0	0	0	0
8.	Ocean marine	0	0	0	0
9.	Inland marine	9,051,386	4,007,114	4,232,387	8,826,113
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	1,837,207	1,000,197	1,014,446	1,822,957
13.	Group accident and health	0	0	0	0
14.	Credit accident and health (group and individual)	0	0	0	0
15.	Other accident and health	0	0	0	0
16.	Workers' compensation	53,448,457	20,757,340	21,618,278	52,587,519
17.1	Other liability-occurrence	21,869,137	10,489,981	12,050,868	20,308,250
17.2	Other liability-claims-made	134,236	111,558	49,432	196,362
17.3	Excess workers' compensation	0	0	0	0
18.1	Products liability-occurrence	117,190	56,634	65,778	108,046
18.2	Products liability-claims-made	0	0	0	0
19.1,19.2	Private passenger auto liability	295,840,083	92,458,148	100,498,189	287,800,042
19.3,19.4	Commercial auto liability	89,173,015	34,855,763	41,270,592	82,758,185
21.	Auto physical damage	299,056,293	93,536,775	108,491,567	284,101,501
22.	Aircraft (all perils)	0	0	0	0
23.	Fidelity	0	0	0	0
24.	Surety	0	0	0	0
26.	Burglary and theft	114,649	25,478	46,355	93,772
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	0	0	0	0
32.	Reinsurance-nonproportional assumed liability	0	0	0	0
33.	Reinsurance-nonproportional assumed financial lines	0	0	0	0
34.	Aggregate write-ins for other lines of business	0	0	0	0
35.	TOTALS	1,223,234,241	477,003,513	526,843,448	1,173,394,306
DETAILS OF WRITE-INS					
3401.					
3402.					
3403.					
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

	Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned but Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire	7,815,380				7,815,380
2.	Allied lines	4,187,965				4,187,965
3.	Farmowners multiple peril	7,272,169				7,272,169
4.	Homeowners multiple peril	147,431,224				147,431,224
5.	Commercial multiple peril	70,798,818				70,798,818
6.	Mortgage guaranty					0
8.	Ocean marine					0
9.	Inland marine	4,232,387				4,232,387
10.	Financial guaranty					0
11.1	Medical professional liability-occurrence					0
11.2	Medical professional liability-claims-made					0
12.	Earthquake	1,014,446				1,014,446
13.	Group accident and health					0
14.	Credit accident and health (group and individual)					0
15.	Other accident and health					0
16.	Workers' compensation	21,618,278				21,618,278
17.1	Other liability-occurrence	12,050,868				12,050,868
17.2	Other liability-claims-made	49,432				49,432
17.3	Excess workers' compensation					0
18.1	Products liability-occurrence	65,778				65,778
18.2	Products liability-claims-made					0
19.1,19.2	Private passenger auto liability	100,498,189				100,498,189
19.3,19.4	Commercial auto liability	41,270,592				41,270,592
21.	Auto physical damage	108,491,567				108,491,567
22.	Aircraft (all perils)					0
23.	Fidelity					0
24.	Surety					0
26.	Burglary and theft	46,355				46,355
27.	Boiler and machinery					0
28.	Credit					0
29.	International					0
30.	Warranty					0
31.	Reinsurance-nonproportional assumed property					0
32.	Reinsurance-nonproportional assumed liability					0
33.	Reinsurance-nonproportional assumed financial lines					0
34.	Aggregate write-ins for other lines of business	0	0	0	0	0
35.	TOTALS	526,843,448	0	0	0	526,843,448
36.	Accrued retrospective premiums based on experience					
37.	Earned but unbilled premiums					
38.	Balance (Sum of Lines 35 through 37)					526,843,448
DETAILS OF WRITE-INS						
3401.						0
3402.						0
3403.						0
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

	Line of Business	1 Direct Business (a)	Reinsurance Assumed 2 From Affiliates	Reinsurance Assumed 3 From Non-Affiliates	Reinsurance Ceded 4 To Affiliates	Reinsurance Ceded 5 To Non-Affiliates	6 Net Premiums Written Cols. 1 + 2 + 3 - 4 - 5
1.	Fire	11,014,279	4,425,858	98,916	606,605	373,915	14,558,532
2.	Allied lines	5,430,433	2,816,475	44,212	322,909	218,404	7,749,808
3.	Farmowners multiple peril	14,859,199	296,902		600,357	147,183	14,408,562
4.	Homeowners multiple peril	73,334,221	208,312,394	232,507	11,171,820	2,583,628	268,123,673
5.	Commercial multiple peril	106,195,795	57,451,077		6,156,334	9,738,524	147,752,014
6.	Mortgage guaranty						0
8.	Ocean marine						0
9.	Inland marine	3,268,078	6,322,807		377,141	162,358	9,051,386
10.	Financial guaranty						0
11.1	Medical professional liability-occurrence						0
11.2	Medical professional liability-claims-made						0
12.	Earthquake	923,186	1,037,873		76,550	47,302	1,837,207
13.	Group accident and health						0
14.	Credit accident and health (group and individual)						0
15.	Other accident and health						0
16.	Workers' compensation	9,418,847	46,362,449	467,356	2,227,019	573,177	53,448,457
17.1	Other liability-occurrence	14,301,228	11,278,645		911,214	2,799,523	21,869,137
17.2	Other liability-claims-made	145,874	41,975		5,593	48,019	134,236
17.3	Excess workers' compensation						0
18.1	Products liability-occurrence	47,276	74,802		4,883	5	117,190
18.2	Products liability-claims-made						0
19.1,19.2	Private passenger auto liability	81,614,280	226,552,473		12,326,670		295,840,083
19.3,19.4	Commercial auto liability	33,121,184	59,962,641	207,151	3,715,542	402,419	89,173,015
21.	Auto physical damage	86,852,498	224,950,800	741	12,460,679	287,067	299,056,293
22.	Aircraft (all perils)						0
23.	Fidelity						0
24.	Surety						0
26.	Burglary and theft	88,675	30,751		4,777		114,649
27.	Boiler and machinery						0
28.	Credit						0
29.	International						0
30.	Warranty						0
31.	Reinsurance-nonproportional assumed property	XXX					0
32.	Reinsurance-nonproportional assumed liability	XXX					0
33.	Reinsurance-nonproportional assumed financial lines	XXX					0
34.	Aggregate write-ins for other lines of business	0	0	0	0	0	0
35.	TOTALS	440,615,053	849,917,921	1,050,883	50,968,093	17,381,523	1,223,234,241
DETAILS OF WRITE-INS							
3401.							0
3402.							0
3403.							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 above)	0	0	0	0	0	0

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

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

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

		Losses Paid Less Salvage				5	6	7	8
		1	2	3	4				
	Line of Business	Direct Business	Reinsurance Assumed	Reinsurance Recovered	Net Payments (Cols. 1 + 2 - 3)	Net Losses Unpaid Current Year (Part 2A, Col. 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Cols. 4 + 5 - 6)	Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
1.	Fire	4,572,718	3,354,996	317,109	7,610,605	865,420	1,117,714	7,358,311	49.2
2.	Allied lines	1,696,345	933,665	105,200	2,524,810	1,023,030	999,090	2,548,750	32.1
3.	Farmowners multiple peril	5,510,689	21,706	221,296	5,311,099	1,619,011	2,212,268	4,717,842	31.9
4.	Homeowners multiple peril	31,362,504	100,417,206	5,287,928	126,491,783	34,568,465	29,125,883	131,934,364	51.2
5.	Commercial multiple peril	58,645,865	32,486,477	11,884,591	79,247,751	98,283,860	89,247,171	88,284,439	63.4
6.	Mortgage guaranty				0	0	0	0	0.0
8.	Ocean marine				0	0	0	0	0.0
9.	Inland marine	1,036,642	2,530,882	142,701	3,424,823	532,531	472,129	3,485,225	39.5
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	705		28	677	53	59	671	0.0
13.	Group accident and health				0	0	0	0	0.0
14.	Credit accident and health (group and individual)				0	0	0	0	0.0
15.	Other accident and health				0	0	0	0	0.0
16.	Workers' compensation	5,452,510	20,272,932	1,724,428	24,001,013	46,040,232	39,736,238	30,305,007	57.6
17.1	Other liability-occurrence	2,153,990	1,346,916	148,577	3,352,328	16,982,465	16,463,221	3,871,572	19.1
17.2	Other liability-claims-made	669,884	15,250	464,824	220,310	247,525	207,546	260,289	132.6
17.3	Excess workers' compensation				0	0	0	0	0.0
18.1	Products liability-occurrence	7,727	1,812	382	9,158	43,683	72,919	(20,077)	(18.6)
18.2	Products liability-claims-made				0	0	0	0	0.0
19.1,19.2	Private passenger auto liability	44,223,801	134,549,580	7,150,935	171,622,446	200,951,232	202,503,414	170,070,263	59.1
19.3,19.4	Commercial auto liability	14,764,763	40,545,017	2,212,391	53,097,389	96,571,207	100,935,924	48,732,672	58.9
21.	Auto physical damage	39,828,756	117,574,639	6,296,136	151,107,259	1,367,342	7,016,791	145,457,810	51.2
22.	Aircraft (all perils)		22	1	22	336	349	8	0.0
23.	Fidelity				0	0	0	0	0.0
24.	Surety				0	0	646	(646)	0.0
26.	Burglary and theft				0	7,212	3,703	3,510	3.7
27.	Boiler and machinery				0	0	0	0	0.0
28.	Credit				0	0	0	0	0.0
29.	International				0	0	0	0	0.0
30.	Warranty				0	0	0	0	0.0
31.	Reinsurance-nonproportional assumed property	XXX			0	0	0	0	0.0
32.	Reinsurance-nonproportional assumed liability	XXX			0	0	0	0	0.0
33.	Reinsurance-nonproportional assumed financial lines	XXX			0	0	0	0	0.0
34.	Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0.0
35.	TOTALS	209,926,900	454,051,100	35,956,528	628,021,473	499,103,605	490,115,066	637,010,012	54.3
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	0	0	0	0.0
3499.	Totals (Lines 3401 through 3403 + 3498) (Line 34 above)	0	0	0	0	0	0	0	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

		Reported Losses				Incurred But Not Reported			8	9
		1	2	3	4	5	6	7		
	Line of Business	Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable	Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded	Net Losses Unpaid (Cols. 4 +5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1.	Fire	51,571	81,203	5,311	127,463	483,840	284,866	30,748	865,420	466,837
2.	Allied lines	352,594	287,665	25,610	614,648	244,066	181,332	17,016	1,023,030	326,303
3.	Farmowners multiple peril	969,884	(340)	38,782	930,762	707,188	9,738	28,677	1,619,011	1,158,529
4.	Homeowners multiple peril	6,007,628	19,149,795	1,006,297	24,151,126	2,752,052	8,099,343	434,056	34,568,465	10,821,252
5.	Commercial multiple peril	37,663,357	14,360,411	4,252,237	47,771,531	32,227,954	20,389,055	2,104,680	98,283,860	41,570,270
6.	Mortgage guaranty				0				0	
8.	Ocean marine				0				0	
9.	Inland marine	42,646	62,847	4,220	101,273	115,981	333,247	17,969	532,531	253,386
10.	Financial guaranty				0				0	
11.1	Medical professional liability-occurrence				0				0	
11.2	Medical professional liability-claims-made				0				0	
12.	Earthquake				0	56		2	53	1,945
13.	Group accident and health				0				(a) 0	2,110
14.	Credit accident and health (group and individual)				0				0	
15.	Other accident and health				0				(a) 0	
16.	Workers' compensation	6,597,038	24,342,857	5,353,116	25,586,779	3,774,448	17,531,232	852,227	46,040,232	9,275,356
17.1	Other liability-occurrence	1,555,813	4,112,751	226,743	5,441,821	18,211,652	5,686,069	12,357,078	16,982,465	755,143
17.2	Other liability-claims-made	168,666	27,503	34,487	161,681	40,269	49,151	3,577	247,525	138,255
17.3	Excess workers' compensation				0				0	
18.1	Products liability-occurrence		25,473	1,019	24,454	7,428	12,603	801	43,683	43,290
18.2	Products liability-claims-made				0				0	
19.1,19.2	Private passenger auto liability	34,268,353	106,207,112	5,619,019	134,856,447	18,368,887	50,479,848	2,753,949	200,951,232	53,640,398
19.3,19.4	Commercial auto liability	19,276,520	36,866,846	2,287,015	53,856,352	13,035,529	31,459,112	1,779,786	96,571,207	19,376,662
21.	Auto physical damage	(1,560,578)	(2,360,449)	(156,841)	(3,764,186)	1,704,281	3,641,061	213,814	1,367,342	8,511,406
22.	Aircraft (all perils)		350	14	336				336	3
23.	Fidelity				0				0	
24.	Surety				0				0	
26.	Burglary and theft				0	4,251	3,262	301	7,212	2,739
27.	Boiler and machinery				0				0	
28.	Credit				0				0	
29.	International				0				0	
30.	Warranty				0				0	
31.	Reinsurance-nonproportional assumed property	XXX			0	XXX			0	
32.	Reinsurance-nonproportional assumed liability	XXX			0	XXX			0	
33.	Reinsurance-nonproportional assumed financial lines	XXX			0	XXX			0	
34.	Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0	0
35.	TOTALS	105,393,491	203,164,023	18,697,027	289,860,487	91,677,880	138,159,918	20,594,681	499,103,605	146,343,884
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	0	0	0	0	0	0
3499.	Totals (Lines 3401 through 3403 + 3498) (Line 34 above)	0	0	0	0	0	0	0	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct	13,704,426			13,704,426
1.2 Reinsurance assumed	16,526,221			16,526,221
1.3 Reinsurance ceded	1,209,226			1,209,226
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	29,021,421	0	0	29,021,421
2. Commission and brokerage:				
2.1 Direct, excluding contingent		65,770,792		65,770,792
2.2 Reinsurance assumed, excluding contingent		115,038,929		115,038,929
2.3 Reinsurance ceded, excluding contingent		10,336,505		10,336,505
2.4 Contingent-direct		10,969,619		10,969,619
2.5 Contingent-reinsurance assumed		16,371,157		16,371,157
2.6 Contingent-reinsurance ceded		1,093,631		1,093,631
2.7 Policy and membership fees				0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)	0	196,720,361	0	196,720,361
3. Allowances to manager and agents	14,243	2,577,341		2,591,584
4. Advertising	9,676	1,974,523		1,984,199
5. Boards, bureaus and associations	1,038,094	2,422,561	5,288	3,465,943
6. Surveys and underwriting reports		9,794,819		9,794,819
7. Audit of assureds' records		654,277		654,277
8. Salary and related items:				
8.1 Salaries	49,259,907	61,709,088	864,943	111,833,939
8.2 Payroll taxes	3,289,513	4,756,587	94,333	8,140,433
9. Employee relations and welfare	9,803,526	11,830,673	287,759	21,921,958
10. Insurance	679,604	769,400	94,321	1,543,326
11. Directors' fees	394,671	541,208	10,252	946,131
12. Travel and travel items	1,603,217	1,789,498	28,732	3,421,447
13. Rent and rent items	1,619,436	443,394	4,695,723	6,758,552
14. Equipment	2,332,203	3,726,036		6,058,239
15. Cost or depreciation of EDP equipment and software	2,745,634	4,045,448		6,791,082
16. Printing and stationery	327,530	889,706	10,801	1,228,038
17. Postage, telephone and telegraph, exchange and express	2,116,248	6,585,706	150,376	8,852,330
18. Legal and auditing	419,763	1,047,241	10,233	1,477,238
19. Totals (Lines 3 to 18)	75,653,267	115,557,505	6,252,762	197,463,534
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of $		24,667,717		24,667,717
20.2 Insurance department licenses and fees		959,153		959,153
20.3 Gross guaranty association assessments		(325,993)		(325,993)
20.4 All other (excluding federal and foreign income and real estate)		185,029		185,029
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)	0	25,485,906	0	25,485,906
21. Real estate expenses			6,353,737	6,353,737
22. Real estate taxes			2,434,249	2,434,249
23. Reimbursements by uninsured plans				0
24. Aggregate write-ins for miscellaneous expenses	13,818,014	28,998,249	2,335,739	45,152,002
25. Total expenses incurred	118,492,702	366,762,021	17,376,488	(a) 502,631,211
26. Less unpaid expenses-current year	146,343,884	71,389,381	3,442,791	221,176,055
27. Add unpaid expenses-prior year	148,215,963	75,430,172	3,474,430	227,120,565
28. Amounts receivable relating to uninsured plans, prior year	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	120,364,782	370,802,812	17,408,127	508,575,721
DETAILS OF WRITE-INS				
2401. Software Expense	7,282,312	10,679,333	415,180	18,376,825
2402. Miscellaneous Expense	2,606,961	12,604,135	11,309	15,222,405
2403. Deferred Compensation	3,865,850	5,577,054	130,089	9,572,993
2498. Summary of remaining write-ins for Line 24 from overflow page	62,892	137,727	1,779,160	1,979,779
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	13,818,014	28,998,249	2,335,739	45,152,002

(a) Includes management fees of $ 13,632,848 to affiliates and $ 0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. Government bonds	(a) 2,819,308	2,815,222
1.1	Bonds exempt from U.S. tax	(a) 8,969,623	8,567,530
1.2	Other bonds (unaffiliated)	(a) 29,337,398	29,123,544
1.3	Bonds of affiliates	(a) 0	
2.1	Preferred stocks (unaffiliated)	(b) 920,803	1,077,223
2.11	Preferred stocks of affiliates	(b) 0	
2.2	Common stocks (unaffiliated)	15,201,058	15,205,686
2.21	Common stocks of affiliates	0	
3.	Mortgage loans	(c)	
4.	Real estate	(d) 7,534,646	7,534,646
5.	Contract loans		
6.	Cash, cash equivalents and short-term investments	(e) 878,724	851,117
7.	Derivative instruments	(f)	
8.	Other invested assets	3,728,946	3,893,252
9.	Aggregate write-ins for investment income	230,065	230,065
10.	Total gross investment income	69,620,571	69,298,285
11.	Investment expenses		(g) 17,376,488
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g)
13.	Interest expense		(h) 1,330,668
14.	Depreciation on real estate and other invested assets		(i) 3,872,487
15.	Aggregate write-ins for deductions from investment income		0
16.	Total deductions (Lines 11 through 15)		22,579,643
17.	Net investment income (Line 10 minus Line 16)		46,718,642
	DETAILS OF WRITE-INS		
0901.	Securities Lending Income	117,484	117,484
0902.	Miscellaneous Investment Income	112,581	112,581
0903.			
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	230,065	230,065
1501.			
1502.			
1503.			
1598.	Summary of remaining write-ins for Line 15 from overflow page		0
1599.	Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		0

(a) Includes $ 1,616,333 accrual of discount less $ 11,262,550 amortization of premium and less $ 1,755,205 paid for accrued interest on purchases.
(b) Includes $ 190,924 accrual of discount less $ 155,461 amortization of premium and less $ 0 paid for accrued dividends on purchases.
(c) Includes $ 0 accrual of discount less $ 0 amortization of premium and less $ paid for accrued interest on purchases.
(d) Includes $ 5,100,000 for company's occupancy of its own buildings; and excludes $ interest on encumbrances.
(e) Includes $ accrual of discount less $ 207,513 amortization of premium and less $ paid for accrued interest on purchases.
(f) Includes $ accrual of discount less $ amortization of premium.
(g) Includes $ investment expenses and $ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes $ interest on surplus notes and $ interest on capital notes.
(i) Includes $ 3,872,487 depreciation on real estate and $ 0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds	1,514,746		1,514,746	1,328,309	
1.1	Bonds exempt from U.S. tax	223,269		223,269		
1.2	Other bonds (unaffiliated)	8,212,920		8,212,920	6,938,359	
1.3	Bonds of affiliates	0	0	0	0	0
2.1	Preferred stocks (unaffiliated)	476,977	0	476,977	345,982	0
2.11	Preferred stocks of affiliates	0	0	0	0	0
2.2	Common stocks (unaffiliated)	10,265,571	(1,919,383)	8,346,188	85,926,195	0
2.21	Common stocks of affiliates	0	0	0	5,331,022	0
3.	Mortgage loans	0	0	0	0	0
4.	Real estate	0	0	0		0
5.	Contract loans			0		
6.	Cash, cash equivalents and short-term investments	32,471		32,471	0	0
7.	Derivative instruments			0		
8.	Other invested assets	6,020,365	0	6,020,365	(4,089,355)	0
9.	Aggregate write-ins for capital gains (losses)	(1,852,139)	0	(1,852,139)	0	0
10.	Total capital gains (losses)	24,894,180	(1,919,383)	22,974,797	95,780,512	0
	DETAILS OF WRITE-INS					
0901.	Grange Life Sale True-Up	(1,852,139)		(1,852,139)		
0902.				0		
0903.				0		
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	(1,852,139)	0	(1,852,139)	0	0

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	0	25,253	25,253
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)	0	0	0
6. Contract loans	0	0	0
7. Derivatives (Schedule DB)	0	0	0
8. Other invested assets (Schedule BA)	0	0	0
9. Receivables for securities	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL)	0	0	0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	25,253	25,253
13. Title plants (for Title insurers only)	0	0	0
14. Investment income due and accrued	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	1,302,434	1,317,461	15,027
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due	51,515	39,191	(12,324)
15.3 Accrued retrospective premiums and contracts subject to redetermination	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers	0	0	0
16.2 Funds held by or deposited with reinsured companies	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0
17. Amounts receivable relating to uninsured plans	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
18.2 Net deferred tax asset	0	0	0
19. Guaranty funds receivable or on deposit	0	0	0
20. Electronic data processing equipment and software	14,664,580	28,619,407	13,954,827
21. Furniture and equipment, including health care delivery assets	2,036,778	2,413,944	377,166
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
23. Receivables from parent, subsidiaries and affiliates	0	0	0
24. Health care and other amounts receivable	0	0	0
25. Aggregate write-ins for other-than-invested assets	2,304,689	3,334,180	1,029,491
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	20,359,996	35,749,436	15,389,440
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
28. Total (Lines 26 and 27)	20,359,996	35,749,436	15,389,440
DETAILS OF WRITE-INS			
1101.		0	0
1102.		0	0
1103.		0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0
2501. Prepaid Pension Expense	0	44,539,070	44,539,070
2502. Personal Loans	2,304,689	3,334,180	1,029,491
2503. Overfunded Plan Asset	0	(44,539,070)	(44,539,070)
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	2,304,689	3,334,180	1,029,491

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies and Going Concern:

A. Accounting Practices:

Grange Insurance Company (the “Company”) prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by The Ohio Department of Insurance (the “Department”). The Department requires that insurance companies domiciled in the State of Ohio prepare their statutory basis financial statements in accordance with the National Association of Insurance Commissioners (“NAIC”) Accounting Practices and Procedures Manual (“NAIC SAP”) subject to any deviations prescribed or permitted by the Department. The Company does not employ accounting practices that depart from the NAIC SAP.

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

		SSAP #	F/S Page	F/S Line #	Amount ($) 2019	2018
	NET INCOME					
(1)	Company state basis (Page 4, Line 20, Columns 1 & 2)	xxx	xxx	xxx	**97,165,777**	137,248,356
(2)	State Prescribed Practices that increase/(decrease) NAIC SAP				**0**	0
(3)	State Permitted Practices that increase/(decrease) NAIC SAP				**0**	0
(4)	**NAIC SAP (1-2-3=4)**	xxx	xxx	xxx	**97,165,777**	137,248,356
	SURPLUS					
(5)	Company state basis (Page 3, Line 37, Columns 1 & 2)	xxx	xxx	xxx	**1,447,843,924**	1,317,172,349
(6)	State Prescribed Practices that increase/(decrease) NAIC SAP				**0**	0
(7)	State Permitted Practices that increase/(decrease) NAIC SAP				**0**	0
(8)	**NAIC SAP (5-6-7=8)**	xxx	xxx	xxx	**1,447,843,924**	1,317,172,349

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

The preparation of financial statements in conformity with NAIC SAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy:

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

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

In addition, the Company uses the following accounting policies:

1. Short-term investments are stated at amortized cost, which approximates fair value.
2. Bonds not backed by other loans are stated at amortized cost using the scientific method. Securities Valuation Office (“SVO”) identified investments identified in SSAP No. 26R are stated at fair value.
3. Common stocks, other than investments in stocks of subsidiaries, are stated at fair value.
4. Preferred stocks are stated at cost.
5. The Company has no investments in mortgage loans.
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.
7. Investments in stocks of uncombined subsidiaries and affiliates in which the Company has an interest of 20% or more are carried on the statutory equity basis.
8. The Company has minor ownership interests in joint ventures. The Company carries these interests based on the underlying audited GAAP equity of the investee.
9. The Company has no investments in derivative instruments.
10. The Company does not anticipate investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53, Property-Casualty Contracts - Premiums.
11. Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability is continually reviewed and any adjustments are reflected in the period determined.
12. The Company has not modified its capitalization policy from the prior period.
13. The Company does not have pharmaceutical rebate receivables.

D. Going Concern:

Management has evaluated the Company’s viability and has no doubt as to the Company’s ability to continue as a going concern.

2. Accounting Changes and Corrections of Errors: None

3. Business Combinations and Goodwill: None

4. Discontinued Operations: None

5. Investments:

A. Mortgage Loans, including Mezzanine Real Estate Loans: None

B. Debt Restructuring: None

C. Reverse Mortgages: None

NOTES TO FINANCIAL STATEMENTS

D. Loan-Backed Securities:

1. Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities were obtained from Hub Data and Bloomberg. These assumptions are consistent with the current interest rate and economic environment.
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. All 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. The aggregate amount of unrealized losses:
      1. Less than 12 months $ (182,677)
      2. 12 months or longer $ (54,023)
   b. The aggregate related fair value of securities with unrealized losses:
      1. Less than 12 months $ 26,503,241
      2. 12 months or longer $ 3,443,666
5. According to SSAP 43R, 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 held with an intent to sell were other-than-temporarily impaired to current fair value. Securities with a present value greater than amortized cost were not other-than-temporarily impaired.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions:

1. For securities lending agreements, the Company requires a minimum of 102% and 105% of the fair value of the domestic and foreign securities loaned at the outset of the contract as collateral. Cash collateral received is invested in short-term investments and the offsetting collateral liability is included in Collateral from Lending Activities. The fair value of the collateral at December 31, 2019 is $19.1 million.
2. The Company has no pledged assets as collateral for securities lending transactions.
3. Collateral Received
   a. Aggregate Amount Collateral Received
      1. The Company has no repurchase agreements as collateral.
      2. Securities lending collateral received:

	Fair Value ($)
Open	0
30 days or less	19,138,547
31 to 60 days	0
61 to 90 days	0
Greater than 90 days	0
Subtotal	19,138,547
Securities received	0
Total collateral received	**19,138,547**

      3. The Company has no dollar repurchase agreements as collateral received.
   b. The Company has not sold or re-pledged any collateral.
   c. The Company receives primarily cash collateral in an amount in excess of the fair value of the securities lent. The Company reinvests the cash collateral into higher yielding short-term securities than the collateral received.
4. The Company re-invested the cash collateral in the Northern Institutional Liquid Asset Portfolio.
5. Collateral Reinvestment
   a. Aggregate Amount Collateral Reinvested
      1. The Company has no repurchase agreements as collateral.
      2. Securities Lending

	Amortized Cost ($)	Fair Value ($)
Open	0	0
30 days or less	19,138,547	19,138,547
31 to 60 days	0	0
61 to 90 days	0	0
Greater than 90 days	0	0
Subtotal	19,138,547	19,138,547
Securities received	0	0
Total collateral reinvested	**19,138,547**	**19,138,547**

      3. The Company has no dollar repurchase agreements as collateral.
   b. The maturity dates of the liabilities match the invested assets.
6. The Company has no collateral that is not permitted by contract.
7. The Company has no collateral that extends beyond one year from December 31, 2019.

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing: None

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing: None

H. Repurchase Agreements Transactions Accounted for as a Sale: None

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale: None

J. Real Estate:

1. The Company did not recognize any impairment losses for its investments in real estate during the periods presented.
2. The Company did not sell, or classify as held for sale, any investments in real estate during the periods presented.
3. The Company did not experience any changes to its plans of sale for its investments in real estate during the periods presented.
4. The Company did not engage in retail land sales operations during the periods presented.
5. The Company did not hold any real estate investments with participating mortgage loan features during the periods presented.

K. Low Income Housing Tax Credits: None

NOTES TO FINANCIAL STATEMENTS

L. Restricted Assets:

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

	Amount ($)									Percentage (%)	
	Gross (Admitted and Nonadmitted) Restricted										
	Current year							Current Year			
	1	2	3	4	5	6	7	8	9	10	11
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total from Prior Year	Increase/ (Decrease) (5 minus 6)	Total Non-admitted Restricted	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Non-Admitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
a. Subject to contractual obligation for which liability is not shown											
b. Collateral held under security lending agreements	19,138,547				19,138,547	26,100,208	(6,961,661)		19,138,547	0.7%	0.7%
c. Subject to repurchase agreements											
d. Subject to reverse repurchase agreements											
e. Subject to dollar repurchase agreements											
f. Subject to dollar reverse repurchase agreements											
g. Placed under option contracts											
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock											
i. FHLB capital stock	5,438,700				5,438,700	4,263,300	1,175,400		5,438,700	0.2%	0.2%
j. On deposit with states	2,814,792				2,814,792	2,823,528	(8,736)		2,814,792	0.1%	0.1%
k. On deposit with other regulatory bodies											
l. Pledged collateral to FHLB (including assets backing funding agreements)	209,857,095				209,857,095	152,535,652	57,321,443		209,857,095	7.4%	7.4%
m. Pledged as collateral not captured in other categories											
n. Other restricted assets											
o. Total Restricted Assets	237,249,134				237,249,134	185,722,688	51,526,446		237,249,134	8.4%	8.4%
(a) Subset of column 1											
(b) Subset of column 3											

2. Detail of assets pledged as collateral not captured in other categories (reported on line m in the above table): None
3. Details of other restricted assets: None
4. The following table presents the collateral received and reflected as assets within the financial statements as of December 31, 2019:

	Amount ($)		Percentage (%)	
	Book/Adjusted Carrying Value (“BACV”)	Fair Value	% of BACV to Total Assets*	% of BACV to Total Admitted Assets**
General Account:				
a. Cash, cash equivalents and short-term investments	0	0	0.00 %	0.00 %
b. Schedule D, part 1	0	0	0.00 %	0.00 %
c. Schedule D, part 2, Section 1	0	0	0.00 %	0.00 %
d. Schedule D, part 2, Section 2	0	0	0.00 %	0.00 %
e. Schedule B	0	0	0.00 %	0.00 %
f. Schedule A	0	0	0.00 %	0.00 %
g. Schedule BA, part 1	0	0	0.00 %	0.00 %
h. Schedule DL, part 1	19,138,547	19,138,547	0.70 %	0.70 %
i. Other	0	0	0.00 %	0.00 %
j. Total collateral assets	**19,138,547**	**19,138,547**	**0.70 %**	**0.70 %**

Protected Cell: **None**

* Rows j -Column 1 (BACV) divided by asset page, line 26 (column 1)

** Rows j -Column 1 (BACV) divided by asset page, line 26 (column 3)

u. Recognized Obligation to Return Collateral Asset (General Account): None

v. Recognized Obligation to Return Collateral Asset (Protected Cell): None

M. Working Capital Finance Investments: None

N. Offsetting and Netting of Assets and Liabilities: None

O. 5 GI Securities: None

P. Short Sales: None

NOTES TO FINANCIAL STATEMENTS

Q. Prepayment Penalty and Acceleration Fees:

	General Account	Protected Cell
1. Number of CUSIPs	21	0
2. Aggregate amount of investment income ($)	1,076,976	0

6. Joint Ventures, Partnerships and Limited Liability Companies:

A. The Company has no investments in joint ventures, partnerships or limited liability companies that exceed 10% of its admitted assets.

B. The Company did not recognize any impairment write down for its investments in joint ventures, partnerships or limited liability companies.

7. Investment Income: None

8. Derivative Instruments: None

9. Income Taxes:

A. The components of deferred tax assets ("DTA") and deferred tax liabilities ("DTL") at December 31:

1.	**2019 Ordinary**	**2019 Capital**	**2019 Total**	2018 Ordinary	2018 Capital	2018 Total	Change Ordinary	Change Capital	Change Total
a. Gross DTA	**44,238,741**	**4,166,176**	**48,404,917**	49,479,424	4,679,626	54,159,050	(5,240,683)	(513,450)	(5,754,133)
b. Statutory valuation allowance adjustment	**0**	**0**	**0**	0	0	0	0	0	0
c. Adjusted gross DTAs	**44,238,741**	**4,166,176**	**48,404,917**	49,479,424	4,679,626	54,159,050	(5,240,683)	(513,450)	(5,754,133)
d. DTAs nonadmitted	**0**	**0**	**0**	0	0	0	0	0	0
e. Subtotal net admitted DTAs	**44,238,741**	**4,166,176**	**48,404,917**	49,479,424	4,679,626	54,159,050	(5,240,683)	(513,450)	(5,754,133)
f. DTL	**10,261,773**	**34,165,365**	**44,427,138**	15,150,073	15,372,201	30,522,274	(4,888,300)	18,793,164	13,904,864
g. Net admitted DTA/(DTL)	**33,976,968**	**(29,999,189)**	**3,977,779**	34,329,351	(10,692,575)	23,636,776	(352,383)	(19,306,614)	(19,658,997)

2. Admission calculation components SSAP No. 101	**2019 Ordinary**	**2019 Capital**	**2019 Total**	2018 Ordinary	2018 Capital	2018 Total	Change Ordinary	Change Capital	Change Total
a. Recovered through loss carrybacks	**35,449,434**	**0**	**35,449,434**	34,658,371	0	34,658,371	791,063	0	791,063
b. The lesser of 2(b)1 and 2(b)2 below:	**3,218,363**	**0**	**3,218,363**	3,448,960	0	3,448,960	(230,597)	0	(230,597)
1. Adjusted gross DTAs expected to be realized within one or three years	**3,218,363**	**0**	**3,218,363**	3,448,960	0	3,448,960	(230,597)	0	(230,597)
2. Adjusted DTAs allowed per limitation threshold	**xxx**	**xxx**	**217,604,598**	xxx	xxx	191,107,965	xxx	xxx	26,496,633
c. Adjusted gross DTAs offset by gross DTLs	**5,570,944**	**4,166,176**	**9,737,120**	11,372,093	4,679,626	16,051,719	(5,801,149)	(513,450)	(6,314,599)
d. Total DTA admitted	**44,238,741**	**4,166,176**	**48,404,917**	49,479,424	4,679,626	54,159,050	(5,240,683)	(513,450)	(5,754,133)

3.	**2019**	2018
a. Ratio percentage used to determine recovery period and threshold limitation (%)	**1,376.18 %**	1,250.28 %
b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above ($)	**1,444,062,244**	1,274,053,097

4. Impact of tax-planning strategies	**2019 Ordinary**	**2019 Capital**	2018 Ordinary	2018 Capital	Change Ordinary	Change Capital
a. Determination of adjusted gross DTAs and net admitted DTAs by tax character as a percentage						
1. Adjusted gross DTAs ($)	**44,238,741**	**4,166,176**	49,479,424	4,679,626	(5,240,683)	(513,450)
2. Percentage of total adjusted gross DTAs by tax character attributable to planning (%)	**0.00 %**	**0.00 %**	0.00 %	0.00 %	0.00 %	0.00 %
3. Net admitted adjusted gross DTAs ($)	**44,238,741**	**4,166,176**	49,479,424	4,679,626	(5,240,683)	(513,450)
4. Percentage of net admitted adjusted gross DTAs by tax character attributable to planning (%)	**0.00 %**	**0.00 %**	0.00 %	0.00 %	0.00 %	0.00 %
b. Does the Company's tax-planning strategies include the use of reinsurance?			Yes		No	x

B. Unrecognized Deferred Tax Liabilities: None

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

1. Current income tax:	**2019**	2018	Change
a. Federal	**26,905,820**	18,364,592	8,541,228
b. Foreign	**0**	0	0
c. Subtotal	**26,905,820**	18,364,592	8,541,228
d. Federal income tax on net capital gains	**3,898,191**	8,781,025	(4,882,834)
e. Utilization of capital loss carry-forward	**0**	0	0
f. Other	**(1,059,134)**	(3,893,364)	2,834,230
g. **Federal and foreign income taxes incurred**	**29,744,877**	23,252,253	6,492,624

NOTES TO FINANCIAL STATEMENTS

			Amount ($) 2019	2018	Change
2.	Deferred tax assets:				
	a.	Ordinary:			
		1. Discounting of unpaid losses	**7,909,564**	8,221,972	(312,408)
		2. Unearned premium reserve	**22,400,961**	20,275,238	2,125,723
		3. Policyholder reserves	**0**	0	0
		4. Investments	**0**	0	0
		5. Deferred acquisition costs	**0**	0	0
		6. Policyholder dividends accrual	**0**	0	0
		7. Fixed assets	**0**	0	0
		8. Compensation and benefits accrual	**9,416,836**	11,234,202	(1,817,366)
		9. Pension accrual	**0**	2,164,162	(2,164,162)
		10. Receivables – nonadmitted	**4,275,599**	7,507,382	(3,231,783)
		11. Net operating loss carry-forward	**0**	0	0
		12. Tax credit carry-forward	**0**	0	0
		13. Other (including items <5% of total ordinary tax assets)	**235,781**	76,468	159,313
		Subtotal	**44,238,741**	49,479,424	(5,240,683)
	b.	Statutory valuation allowance adjustment	**0**	0	0
	c.	Nonadmitted	**0**	0	0
	d.	Admitted ordinary deferred tax assets	**44,238,741**	49,479,424	(5,240,683)
	e.	Capital:			
		1. Investments	**4,166,176**	4,333,768	(167,592)
		2. Net capital loss carry-forward	**0**	0	0
		3. Real estate	**0**	0	0
		4. Other (including items <5% of total capital tax assets)	**0**	345,858	(345,858)
		Subtotal	**4,166,176**	4,679,626	(513,450)
	f.	Statutory valuation allowance adjustment	**0**	0	0
	g.	Nonadmitted	**0**	0	0
	h.	Admitted capital deferred tax assets	**4,166,176**	4,679,626	(513,450)
	i.	Admitted deferred tax assets (2d + 2h)	**48,404,917**	54,159,050	(5,754,133)
3.	Deferred tax liabilities:				
	a.	Ordinary:			
		1. Investments	**1,584,827**	1,558,523	26,304
		2. Fixed assets	**4,433,362**	8,389,368	(3,956,006)
		3. Deferred and uncollected premium	**0**	0	0
		4. Policyholder reserves	**245,590**	230,370	15,220
		Reserves Transition Liability	**3,254,787**	4,091,378	(836,591)
		5. Other (including items <5% of total ordinary tax liabilities)	**743,207**	880,434	(137,227)
		Subtotal	**10,261,773**	15,150,073	(4,888,300)
	b.	Capital:			
		1. Investments	**0**	0	0
		2. Real estate	**0**	0	0
		3. Other (including items <5% of total capital tax liabilities)	**0**	0	0
		Unrealized capital gains	**34,165,365**	15,372,201	18,793,164
		Subtotal	**34,165,365**	15,372,201	18,793,164
	c.	Deferred tax liabilities	**44,427,138**	30,522,274	13,904,864
4.	**Net deferred tax asset/(liability) (2i – 3c)**		**3,977,779**	23,636,776	(19,658,997)

D. The Company's provision for income tax incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before taxes. The significant items causing this difference as of December 31, 2019 are as follows:

			Amount ($)	Tax Effect at 21% ($)	Effective Tax Rate (%)
1.	Tax reconciliation by effective rate:				
	a.	Income before taxes	126,910,651	26,651,237	21.00 %
	b.	Tax-exempt interest	(8,567,529)	(1,799,181)	(1.42)%
	c.	Dividends received deduction	(3,003,930)	(630,825)	(0.50)%
	d.	Proration	2,892,865	607,502	0.48 %
	e.	Meals & entertainment, lobbying expense, etc.	2,327,699	488,817	0.39 %
	f.	Tax credits, including prior year true-up	0	(1,321,662)	(1.04)%
	g.	Pension (pre-paid & unfunded PBO)	17,698,685	3,716,724	2.93 %
	h.	Change in nonadmit	15,389,440	3,231,782	2.55 %
	i.	Realized (gain) on donation of securities	0	0	0.00 %
	j.	Release of prior year tax contingencies	0	(924,634)	(0.73)%
	k.	Other, including prior year true-ups	2,382,310	245,091	0.19 %
		Total	**156,030,191**	**30,264,851**	**23.85 %**
2.	Tax reconciliation by statement of income:				
	a.	Federal and foreign income tax incurred expense/(benefit)		25,846,686	20.37 %
	b.	Tax on realized gains/(losses)		3,898,191	3.07 %
	c.	Change in net deferred income tax charge/(benefit)		519,974	0.41 %
		Total		**30,264,851**	**23.85 %**

E. Operating Loss and Tax Credit Carry-forwards:

		Amount ($)
1.	At December 31, 2019, the Company had net operating loss carry forwards of:	0
	At December 31, 2019, the Company had capital loss carry forwards of:	0
	At December 31, 2019, the Company had AMT credit carry forwards, which do not expire, of:	0

2. The following is the income tax expense that is available for recoupment in the event of future net losses:

	Ordinary ($)	Capital ($)	Total ($)
2019	26,818,320	3,898,191	30,716,511
2018	26,205,281	1,359,169	27,564,450
2017	0	10,665,578	10,665,578
Total	**53,023,601**	**15,922,938**	**68,946,539**

3. The Company did not have any protective deposits under Section 6603 of the Internal Revenue Code.

F. Consolidated Federal Income Tax Return:

1. The Company's federal income tax return is consolidated through Grange Mutual Holding Company (GMHC), see 10A(1) below for additional information on the corporate structure.
2. The method of allocation among companies is subject to a written agreement, approved by the Board of Directors, whereby allocation is made based upon the subsidiary's portion of the consolidated tax liability.

NOTES TO FINANCIAL STATEMENTS

G. Federal or Foreign Income Tax Loss Contingencies:

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

H. Repatriation Transition Tax: None

I. Alternative Minimum Tax Credit: None

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

A. Relationship with Parent, Subsidiaries and Affiliates:

1. Effective January 1, 2019, the Company converted its corporate structure to a Mutual Holding Company. Through this conversion, the Company and its affiliate, Integrity Mutual Insurance Company, became stock companies and changed their names to Grange Insurance Company ("GIC") and Integrity Insurance Company ("IIC"), respectively. GIC, and its wholly owned subsidiaries, along with IIC, and its wholly owned subsidiaries, are owned by a new holding company, Grange Holdings, Inc. ("GHI"), which is 100% owned by a new mutual holding company, GMHC.
2. The Company owns 100% of the common stock of Grange Indemnity Insurance Company, Grange Insurance Company of Michigan, Grange Property & Casualty Insurance Company and Trustgard Insurance Company (collectively, the "Subsidiaries"). The Company, domiciled in the state of Ohio, is a member of the Grange Insurance Operations.
3. The Company owned all the issued and outstanding common stock of Northview Insurance Agency, Inc. ("Northview"), a noninsurance subsidiary; however, as part of the corporate structure conversion discussed in Note 10A(2) above, ownership of Northview, was transferred, via dividend, to GHI in January 2019.
4. The Company owned all the issued and outstanding common stock of GrangeAmerica Corporation, a noninsurance subsidiary; however, as part of the corporate structure conversion discussed in Note 10A(2) above, ownership of GrangeAmerica Corporation, was transferred, via dividend, to GHI in January 2019.
5. The Company is affiliated with IIC, which has two 100% wholly owned subsidiaries, Integrity Property & Casualty Insurance Company and Integrity Select Insurance Company. The companies, domiciled in Ohio, are members of the Grange Insurance Operations.

B. Descriptions of transactions with Parent, Subsidiaries and Affiliates:

In Q2 of 2019, the qualified defined benefit pension plans of the Company and IIC were merged together under the Company and then subsequently moved, via dividend, to the parent company, GHI, who will be the sponsor of the plans moving forward. Also, as part of the dividend, two nonqualified plans of the Company were moved to GHI. As a result, all annual costs associated with these plans for 2019 were also moved to GHI. The unfunded liabilities of the qualified and unqualified plans totaled $15.3 million and were transferred to GHI along with $15.3 million of cash.

In Q4 of 2019, the Company moved recently completed software assets, as well as the build costs associated with the update to its policy and billing platforms. The dividend to GHI associated with these assets totaled $42.2 million.

In Q4 of 2019, the Company also transferred via dividend to GHI two non-admitted securities in other invested assets totaling $10.3 million.

C. Amounts of transactions with Parent, Subsidiaries and Affiliates: See Note 10B.

D. Amounts Due From or To Related Parties:

At December 31, 2019, the Company reported $3.1 million as amounts due to its Subsidiaries and affiliate (IIC). The terms of the settlement require that these amounts be settled within the subsequent quarter. Other expenses and net intercompany balances with IIC are reimbursed quarterly. See Note 10F for additional information.

At December 31, 2019, the Company reported $4.1 million as amounts due from GHI and Northview. Net intercompany balances are reimbursed quarterly.

E. Guarantees or Contingencies for Related Parties: None

F. Description of Material Management or Service Contracts:

The Company maintains a service agreement with its Subsidiaries and affiliate (IIC), whereby the Company provides services to the Subsidiaries and IIC and makes available all services necessary to support their business operations. These services include all necessary financial, actuarial, audit, accounting, tax, information technology, records management and legal and compliance services, other than those provided by third party service providers.

G. Nature of the Control Relationship:

The Company participates in a pooling reinsurance agreement detailed in Note 26.

H. Amount Deducted for Investment in Upstream Company: None

I. Investments in Affiliates Greater than 10% of Admitted Assets:

No Investment in affiliate exceeds 10% of admitted assets.

J. Write-down for Impairments of Investments in Subsidiary, Controlled or Affiliated Companies: None

K. Investments in Foreign Insurance Subsidiary: None

L. Investments in a Downstream Noninsurance Company: None

M. All SCA Investments: None

N. Investment in Insurance SCAs: None

O. SCA and SSAP No. 48 Entity Loss Tracking: None

NOTES TO FINANCIAL STATEMENTS

11. Debt:

A. Apart from the item described in Note 11B immediately below, the Company did not have any capital notes or other debt obligations outstanding during the periods presented.

B. Federal Home Loan Bank Agreements:

1. The Company is a member of the Federal Home Loan Bank ("FHLB") of Cincinnati. Through its membership, the Company has borrowed funds in the form of a 10-year fixed term, fixed-rate advance at 2.23%. In October 2016, the Company borrowed $60.0 million for general operating purposes. The Company has determined the current, actual maximum borrowing capacity as $204.2 million based on the FHLB Additional Borrowing Capacity statement published at the time of the report.
2. FHLB Capital Stock
   a. Aggregate Totals

		1. Current Year			2. Prior Year End		
		Total	**General Account**	**Protected Cell Account**	Total	General Account	Protected Cell Account
a.	Membership Stock – Class A	**0**	**0**	**0**	0	0	0
b.	Membership Stock – Class B	**4,238,415**	**4,238,415**	**0**	3,063,106	3,063,106	0
c.	Activity Stock	**1,200,285**	**1,200,285**	**0**	1,200,194	1,200,194	0
d.	Excess Stock	**0**	**0**	**0**	0	0	0
e.	**Total (a+b+c+d)**	**5,438,700**	**5,438,700**	**0**	4,263,300	4,263,300	0
f.	Actual or estimate borrowing capacity as determined by the insurer ($)	**204,246,568**			143,080,623		

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

				Eligible for Redemption		
		1 Current Year Total (2+3+4+5)	2 Not Eligible for Redemption	3 Less Than 6 Months	4 1 to Less Than 3 Years	5 3 to 5 Years
1.	Membership Stock – Class A	**0**	0	0	0	0
2.	Membership Stock – Class B	**4,238,415**	4,238,415	0	0	0

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

		Fair Value ($)	Carrying Value ($)	Aggregate Total Borrowing ($)
1.	Current year total general account collateral pledged	213,980,151	209,857,095	60,000,000
2.	Current year protected cell account collateral pledged	0	0	0
3.	**Current year total general and protected cell accounts collateral pledged**	**213,980,151**	**209,857,095**	**60,000,000**
4.	Prior year end total general and protected cell accounts collateral pledged	150,152,141	152,535,652	60,000,000

   b. Maximum Amount Pledged During Reporting Period

		Fair Value ($)	Carrying Value ($)	Amount Borrowed at Time of Maximum Collateral ($)
1.	Current year total general account maximum collateral pledged	225,886,763	219,269,103	60,000,000
2.	Current year protected cell account maximum collateral pledged	0	0	0
3.	**Current year total general and protected cell accounts maximum collateral pledged**	**225,886,763**	**219,269,103**	**60,000,000**
4.	Prior year end total general and protected cell accounts maximum collateral pledged	152,823,389	156,576,192	60,000,000

4. Borrowing from FHLB
   a. Amount as of the Reporting Date

		1. Current Year			2. Prior Year End		
		Total ($)	**General Account ($)**	**Protected Cell Account ($)**	Total ($)	General Account ($)	Protected Cell Account ($)
a.	Debt	**60,000,000**	**60,000,000**	**0**	60,000,000	60,000,000	0
b.	Funding Agreements	**0**	**0**	**0**	0	0	0
c.	Other	**0**	**0**	**0**	0	0	0
d.	**Total (a+b+c)**	**60,000,000**	**60,000,000**	**0**	60,000,000	60,000,000	0

   b. Maximum Amount during Reporting Period (Current Year)

		Total ($)	General Account ($)	Protected Cell Account ($)
a.	Debt	**60,000,000**	60,000,000	0
b.	Funding Agreements	**0**	0	0
c.	Other	**0**	0	0
d.	**Total (a+b+c)**	**60,000,000**	**60,000,000**	**0**

   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:

Effective April 1, 2019, the qualified defined benefit pension plans of the Company and IIC were merged together under the Company and were subsequently moved, via dividend, to the parent company, GHI, who will be the sponsor of the plans moving forward. As a result, all annual costs associated with these plans for 2019 were also moved to GHI.

The Company also transferred, via dividend to GHI, two nonqualified plans that it had sponsored, which included a supplemental defined benefit pension plan and a pension plan covering qualifying members of the Board (see Note 10B above). GHI will be the sponsor of these nonqualified plans moving forward and all annual costs associated with these two plans for 2019 were also moved to GHI.

The Company sponsors a defined benefit plan (the "Postretirement Plan") that provides postretirement health care coverage and life insurance benefits to participants upon reaching age 55 and completing 10 years of credited service. The Postretirement Plan covers employees that were hired on or before December 31, 2005 for health care benefits and all employees that retired prior to December 31, 2018 for life insurance benefits. The Company's policy is to pay the cost of benefits with cash flows from current operations; therefore, there were no Postretirement Plan assets as of December 31, 2019 or 2018. The Company uses a December 31 measurement date for the Postretirement Plan. There were no amendments to the Postretirement Plan during 2019 or 2018.

NOTES TO FINANCIAL STATEMENTS

A. Defined Benefit Plan:
Below is a summary of assets, obligations and assumptions of the postretirement plans (Postretirement Plan) as of December 31, 2019 and 2018.

1. Change in Benefit Obligation

	Amount ($)			
	Overfunded		Underfunded	
	2019	2018	**2019**	2018
a. Pension Benefits				
1. Benefit obligation at beginning of year	**0**	0	**175,566,994**	196,272,263
2. Service cost	**0**	0	**0**	5,167,401
3. Interest cost	**0**	0	**0**	6,549,195
4. Contribution by plan participants	**0**	0	**0**	0
5. Actuarial gain/(loss)	**0**	0	**0**	(22,595,570)
6. Foreign currency exchange rate changes	**0**	0	**0**	0
7. Benefits paid	**0**	0	**0**	(3,005,180)
8. Plan amendments	**0**	0	**0**	0
9. Plan merger	**0**	0	**15,817,883**	0
10. Business combinations, divestitures, curtailments, settlements, and special termination benefits	**0**	0	**(191,384,877)**	(6,821,115)
11. Benefit obligation at end of year	**0**	0	**0**	175,566,994
b. Postretirement Benefits				
1. Benefit obligation at beginning of year	**0**	0	**30,279,601**	33,466,892
2. Service cost	**0**	0	**254,186**	315,133
3. Interest cost	**0**	0	**1,163,446**	1,052,215
4. Contribution by plan participants	**0**	0	**0**	0
5. Actuarial gain/(loss)	**0**	0	**3,543,394**	(2,176,094)
6. Foreign currency exchange rate changes	**0**	0	**0**	0
7. Benefits paid	**0**	0	**(1,810,268)**	(2,378,545)
8. Plan amendments	**0**	0	**0**	0
9. Business combinations, divestitures, curtailments, settlements, and special termination benefits	**0**	0	**0**	0
10. Benefit obligation at end of year	**0**	0	**33,430,359**	30,279,601
c. Nonqualified Plans				
1. Benefit obligation at beginning of year	**0**	0	**5,444,891**	5,978,462
2. Service cost	**0**	0	**0**	10,291
3. Interest cost	**0**	0	**0**	173,361
4. Contribution by plan participants	**0**	0	**0**	0
5. Actuarial gain/(loss)	**0**	0	**0**	(342,555)
6. Foreign currency exchange rate changes	**0**	0	**0**	0
7. Benefits paid	**0**	0	**0**	(374,668)
8. Plan amendments	**0**	0	**0**	0
9. Business combinations, divestitures, curtailments, settlements, and special termination benefits	**0**	0	**(5,444,891)**	0
10. Benefit obligation at end of year	**0**	0	**0**	5,444,891

2. Change in Plan Assets

	Amount ($)					
	Pension Benefits		Postretirement Benefits		Nonqualified Plans	
	2019	2018	**2019**	2018	**2019**	2018
a. Fair value of plan assets at beginning of year	**165,261,463**	171,781,746	**0**	0	**0**	0
b. Actual return on plan assets	**0**	(7,193,988)	**0**	0	**0**	0
c. Foreign currency exchange rate changes	**0**	0	**0**	0	**0**	0
d. Reporting entity contribution	**0**	10,500,000	**1,810,268**	2,378,545	**0**	374,668
e. Plan participants' contributions	**0**	0	**0**	0	**0**	0
f. Benefits paid	**0**	(3,005,180)	**(1,810,268)**	(2,378,545)	**0**	(374,668)
g. Plan merger	**14,328,798**	0	**0**	0	**0**	0
h. Business combinations, divestitures, curtailments, settlements, and special termination benefits	**(179,590,261)**	(6,821,115)	**0**	0	**0**	0
i. Fair value of plan assets at end of year	**0**	165,261,463	**0**	0	**0**	0

3. Funded Status

	Amount ($)			
	Pension Benefits		Postretirement Benefits	
	2019	2018	**2019**	2018
a. Components				
1. Prepaid benefit costs	**0**	44,539,080	**0**	0
2. Overfunded plan assets	**0**	(44,539,080)	**0**	0
3. Accrued benefit costs	**0**	0	**35,878,821**	40,320,668
4. Liability for pension benefits	**0**	10,305,531	**(2,448,462)**	(4,596,176)
b. Assets and liabilities recognized				
1. Assets (nonadmitted)	**0**	0	**0**	0
2. Liability recognized	**0**	10,305,531	**33,430,359**	35,724,492
c. Unrecognized liabilities	**0**	0	**0**	0

4. Components of Net Periodic Benefit Cost

	Amount ($)					
	Pension Benefits		Postretirement Benefits		Nonqualified Plans	
	2019	2018	**2019**	2018	**2019**	2018
a. Service cost	**0**	5,167,401	**254,186**	315,133	**0**	10,291
b. Interest cost	**0**	6,549,195	**1,163,446**	1,052,215	**0**	173,361
c. Expected return on plan assets	**0**	(11,409,493)	**0**	0	**0**	0
d. Transition asset or (obligation)	**0**	0	**0**	0	**0**	0
e. (Gains) and losses	**0**	3,591,081	**(402,701)**	(189,488)	**0**	133,668
f. Prior service cost/(credit)	**0**	0	**304,667**	265,241	**0**	(75,661)
g. (Gain) or loss recognized due to a settlement or curtailment	**0**	0	**0**	0	**0**	0
h. Total net period benefit cost	**0**	3,898,184	**1,319,598**	1,443,101	**0**	241,659

NOTES TO FINANCIAL STATEMENTS

5. Amounts in unassigned funds (surplus) recognized as components of net periodic benefit cost:

		Amount ($)			
		Pension Benefits		Postretirement Benefits	
		2019	2018	**2019**	2018
a.	Items not yet recognized as a component of net periodic cost - prior year	**(54,844,611)**	(62,427,781)	**4,596,176**	1,943,767
b.	Net prior service cost or credit merged in with IIC	**915,700**	0	**0**	0
c.	Net prior service cost or credit arising during the period	**0**	0	**0**	0
d.	Net prior service cost or credit recognized	**0**	0	**304,667**	189,580
e.	Net prior service cost or credit transferred to GHI	**(915,700)**	0	**(57,499)**	0
f.	Net gain or loss merged in with IIC	**(5,496,358)**	0	**0**	0
g.	Net gain and loss arising during the period	**0**	3,992,089	**(3,543,394)**	2,518,649
h.	Net gain and loss recognized	**0**	3,591,081	**(402,701)**	(55,820)
i.	Net gain or loss transferred to GHI	**60,340,969**	0	**1,551,213**	0
j.	**Items not yet recognized as a component of net periodic cost - current year**	**0**	(54,844,611)	**2,448,462**	4,596,176

6. Amounts in unassigned funds (surplus) that have not yet been recognized as components of net periodic benefit cost

		Amount ($)			
		Pension Benefits		Postretirement Benefits	
		2019	2018	**2019**	2018
a.	Net transition asset or (obligation)	**0**	0	**0**	0
b.	Net prior service cost/(credit)	**0**	0	**(1,213,126)**	(1,460,294)
c.	Net recognized gains and losses	**0**	(54,844,611)	**3,661,588**	6,056,470

7. Weighted-average assumptions used to determine net periodic benefit cost as of December 31:

		Pension		Postretirement		Nonqualified	
		2019	2018	**2019**	2018	**2019**	2018
a.	Discount rate	**NA**	3.67 %	**4.31 %**	3.62 %	**NA**	3.37 %
b.	Expected long-term rate of return on plan assets	**NA**	6.75 %	**NA**	NA	**NA**	NA
c.	Rate of compensation increase	**NA**	3.75 %	**NA**	NA	**NA**	3.75 %
d.	Interest crediting rates (for cash balance plans)	**NA**	NA	**NA**	NA	**NA**	NA

Weighted-average assumptions used to determine projected benefit obligations as of December 31:

		Pension		Postretirement		Nonqualified	
		2019	2018	**2019**	2018	**2019**	2018
e.	Weighted-average discount rate	**NA**	4.39 %	**3.30 %**	4.31 %	**NA**	4.09 %
f.	Rate of compensation increase	**NA**	3.75 %	**NA**	NA	**NA**	3.75 %
g.	Interest crediting rates (for cash balance plans)	**NA**	NA	**NA**	NA	**NA**	NA

For measurement purposes, a 7.00% annual rate of increase in the per capita cost of covered health care benefits was assumed for 2020, then decrease gradually to 4.50% for 2026, and remain at that level thereafter.

8. The amount of the accumulated benefit obligation for the Plan was $142.6 million at December 31, 2018. The amount of the accumulated benefit obligation for the nonqualified plans combined was $5.3 million at December 31, 2018.
9. In addition to pension benefits, the Company provides certain health care and life insurance benefits for retired employees and eligible dependents.
10. The following total estimated future payments, which reflect expected future service, as appropriate, are expected to be paid in the years indicated for the Postretirement Plan:

		Amount ($)
a.	2020	2,052,281
b.	2021	2,009,445
c.	2022	1,993,891
d.	2023	1,936,166
e.	2024	1,929,661
f.	Thereafter	9,227,904

11. The Company made contributions into the Plan of $10.5 million in 2018. The Company does not have any regulatory pension plan contribution requirements for 2020.
12. Securities, Insurance Contracts, and Other Employer Transactions: Not Applicable
13. Prior service cost is amortized on a straight-line basis over participants' average future service, not on a weighted-average basis.
14. Substantive commitment used as basis for accounting for the benefit obligation: Not Applicable
15. Cost of providing special or contractual termination benefits recognized during the period: Not Applicable
16. Explanation of significant change in the benefit obligation or plan assets not otherwise apparent: See Note 10B.
17. The Company's benefit plan obligations, plan assets and recorded unfunded liabilities as of December 31, 2019:

	Pension Benefits ($)	Postretirement Benefits ($)	Nonqualified Plans ($)
Benefit obligation	0	(33,430,359)	0
SSAP 92 / 102 remaining deferral	0	0	0
Net benefit obligation	0	(33,430,359)	0
Plan assets	0	0	0
Unfunded liability	**0**	**(33,430,359)**	**0**

18. Transition surplus impact: There was no activity in 2019 and 2018.

B. Investment Policies and Strategies: Not applicable, the Postretirement Plan does not have any assets.

C. Fair Value Measurements: Not applicable, the Postretirement Plan does not have any assets.

D. Narrative of the Basis Used to Determine the Overall Expected Long-Term Rate-of-Return: Not applicable, the Postretirement Plan does not have any assets.

E. Defined Contribution Plan:

The Company sponsors a defined contribution plan that covers all full-time employees ("Grange DC Plan") in which newly hired employees who have not made an election whether to participate or not are automatically enrolled with a 6% of base pay contribution rate following thirty days of employment. The Company contributes a 50% match of each participant's contributions that does not exceed 6% of compensation. Such contributions made by the Company were approximately $2.8 million and $2.6 million in 2019 and 2018, respectively.

The Grange DC Plan also provides that additional employer contributions (as defined) may be made in such amounts as determined by the Board. Additional employer contributions were approximately $0.4 million and $0.7 million in 2019 and 2018, respectively.

All employee contributions to the Grange DC Plan are 100% vested at all times. All employer matching and additional employer contributions are 100% vested after a participant has completed 2 years of service with the Company. There were no amendments to the Grange DC Plan during the years ended December 31, 2019 and 2018.

In addition to the Grange DC Plan described in the preceding paragraphs, the Company offers a defined contribution plan, referred to as Retirement Accumulation Accounts ("RA Account"), to employees of the Company who are hired on or after January 1, 2007, as they are not eligible to participate in the pension plan sponsored by GHI. Employer contributions to the RA Accounts become 100% vested upon the employee completing three years of credited service. The Company contributed approximately $1.9 million and $1.7 million to the eligible participants' RA Accounts in 2019 and 2018, respectively.

F. Multiemployer Plan: Not Applicable

NOTES TO FINANCIAL STATEMENTS

G. Consolidating/Holding Company Plans:

As discussed in Note 10B, in 2019, sponsorship of the defined benefit pension plan (the "Plan") was transferred to GHI. The Plan covers full-time employees of the Company and IIC that were hired on or before December 31, 2006 and June 30, 2008, respectively. Under the terms of the Plan, participants are eligible to receive normal retirement benefits upon reaching age 65. A participant may elect an early retirement date at a reduced benefit upon reaching age 55 and completing 5 years of credited service. Under the provisions of the Plan, benefits are determined by applying factors specified in the Plan to a participant's defined average monthly compensation. GHI uses a December 31 measurement date for the Plan. GHI's funding policy is to annually contribute into the Plan an amount equal to the minimum required contribution per IRS rules and regulations, plus any discretionary amount deemed appropriate. As of December 31, 2019, the Plan was fully funded, and no contribution is expected to be made in 2020. If the Plan sponsored by GHI is underfunded in future periods and contributions into the Plan are required, the cost of those future contributions will be allocated between the Company and IIC proportionately based on the remaining participants in the Plan. The total net periodic benefit cost recorded by GHI in 2019 was $4.5 million for the Plan.

As a supplement to the benefits provided under the Plan, GHI sponsors a supplemental defined benefit pension plan (the "Supplemental Plan") for certain highly compensated employees (as defined). GHI's policy is to pay the cost of benefits with cash flows from current operations; therefore, there were no Supplemental Plan assets as of December 31, 2019. The net periodic benefit cost recorded by GHI in 2019 was $43 thousand.

GHI also sponsors a defined benefit pension plan (the "Board Plan"), for non-employee members of the Board who were first elected to the Board on or before January 1, 1996. GHI's policy is to pay the cost of benefits with cash flows from current operations; therefore, there were no Board Plan assets as of December 31, 2019. The net periodic benefit cost recorded by GHI in 2019 was $0.2 million.

H. Postemployment Benefits and Compensated Absences:

The Company has an accrued liability of $1.7 million at both December 31, 2019 and 2018, related to its paid time off program.

I. Impact of Medicare Modernization Act on Postretirement Benefits:

1. Recognition of the existence of the Act: Not Applicable
2. Effects of the Subsidy in Measuring the Net Postretirement Benefit Cost: Not Applicable
3. Disclosure on gross benefit:

	Amount ($)	
	2019	2018
Subsidy received during the calendar year	**127,515**	130,954
Expected subsidy receivable	**164,073**	138,587

Future gross benefits payments are estimated to be at approximately the same level as 2019.

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

1. The Company has 2,000 shares authorized, issued and outstanding. All shares are Class A shares.
2. The Company has no preferred stock outstanding.
3. Dividend Restrictions: The Company does not pay dividends to its policyholders. Dividends to policyholders recorded in these financial statements were paid by other companies within the intercompany pooling agreement discussed in Note 26.
4. The Company has paid dividends to GHI of $67.8 million through December 31, 2019 as described in Note 10.
5. There is currently no portion of the Company's profits that may be paid as ordinary dividends to stockholders. The Company does not pay dividends to its policyholders, see item 3 and 4 immediately above and Note 10 for discussion of the dividends to GHI in 2019.
6. There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.
7. No advances to surplus were made.
8. No amounts of stock were held by the Company for special purposes, such as conversion of preferred, employee stock options or purchase warrants.
9. No special surplus funds are held.
10. The portion of unassigned funds (surplus) represented or reduced by gross cumulative unrealized gains and losses is $333.4 million.
11. The Company has no surplus notes.
12. There has not been a restatement due to prior quasi-reorganizations.
13. There has been no quasi-reorganization in the past 10 years.

14. Liabilities, Contingencies and Assessments:

A. Contingent Commitments: None

B. Assessments:

1. In the ordinary course of business, the Company receives notification of potential assessments as a result of the insolvency of insurance companies. It is expected that the insolvencies will result in a retrospective-based guaranty fund assessment against the Company. As of December 31, 2019, the Company has recorded a liability for these guaranty fund assessments in the amount of $1.0 million over 29 insolvencies. The Company believes there are no insolvencies that will have a material financial impact on the results of the Company. This amount includes assessments against all companies discussed in Note 1C.
2. The Company does not record premium tax offsets as an asset, since these amounts would be non-admitted, given the lengthy nature of insolvency assessments. The Company does not write long-term care insurance and had no related assessments.

C. Gain Contingencies: None

D. Claims Related Extra Contractual Obligations and Bad Faith Losses Stemming from Lawsuits: None

E. Product Warranties: None

F. Joint and Several Liabilities: None

G. All Other Contingencies:

Various lawsuits against the Company have arisen in the course of business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company.

15. Leases:

A. Lessee Leasing Arrangements:

1. Excluding the sale-leaseback noted in item 3 immediately below, the Company's leases are limited to claims branch offices and certain operating leases for office equipment, which are immaterial. There are no contingent rental payments under these agreements, nor are there any restrictions (for example, on the ability to pay dividends) placed on the Company arising from these agreements.
2. Related to the sale-leaseback in item 3 immediately below, as of December 31, 2019, the Company did not have any future minimum rental payments.

NOTES TO FINANCIAL STATEMENTS

3. On December 26, 2012, the Company executed a sale-leaseback agreement with Key Equipment Finance, Inc. whereby the Company sold certain software assets and began a 7-year operating lease related to that software on January 1, 2013. The operating lease provided for a fixed payment schedule and obligated the Company to annual lease payments of approximately $1.1 million per year through 2019. A balloon payment of approximately $2.2 million that was due in 2020 was paid and incurred as an expense in 2019.

B. Lessor Leasing Arrangements:

The Company is the lessor for various office buildings to third parties. These leases are typical for office leasing. The Company considers these leases to be immaterial.

16. Information About Financial Instruments with Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk: None

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

A. Transfers of Receivables Reported as Sales: None

B. Transfer and Servicing of Financial Assets:

1. Loaned Securities:
The Company participates in a securities lending program with its custodian as lending agent. Securities on loan as of December 31, 2019 were fixed income bonds totaling $19.1 million. Collateral received from lending activities is maintained in accordance to the securities lending agreement, whereby the collateral requirement shall be an amount equal to 102% of the then current market value of the relevant loaned securities where securities and collateral are denominated in the same currency, and 105% for all other securities. The Company's lending agent, its custodian, reinvests the cash collateral according to investment guidelines outlined in the securities lending agreement and is reported on-balance sheet. Collateral received in the form of securities are restricted and off-balance sheet. The Company is not able to sell or reinvest the securities received as collateral and according to the MLSA, the borrower bears all the risk associated with said securities.
2. Servicing Assets and Servicing Liabilities: None
3. Servicing Assets and Servicing Liabilities Measured at Fair Value: None
4. Securitizations, Asset-backed Financing Agreements and Similar Transfers with Continued Involvement: None
5. Assets Accounted for as Secured Borrowing: None
6. Receivables with Recourse: None
7. Securities Underlying Repurchase and Reverse Repurchase Agreements: None

C. Wash Sales: None

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans: None

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators: None

20. Fair Value Measurements:

A. Fair Value Hierarchy

1. The Company has categorized its investments that are measured at fair value into the three-level hierarchy or investments reported at net asset value ("NAV") as of December 31, 2019:

		Amount ($)				
		Level 1	Level 2	Level 3	NAV	**Total**
a.	Assets at fair value/NAV					
	Perpetual preferred stock - Industrial & miscellaneous	6,855,164	0	0	0	**6,855,164**
	Bonds - Industrial & miscellaneous	0	7,372,180	0	0	**7,372,180**
	Common stock - Industrial & miscellaneous	240,571,921	5,483,414	0	309,217,259	**555,272,594**
	Common stock - Parent, subs & affiliates	0	0	229,654,350	0	**229,654,350**
	Other invested assets - Hedge funds	0	0	0	36,657,365	**36,657,365**
	Other invested assets - Floating rate bank loans fund	0	0	0	77,595,558	**77,595,558**
	Total assets at fair value/NAV	**247,427,085**	**12,855,594**	**229,654,350**	**423,470,182**	**913,407,211**
b.	**Total liabilities at fair value/NAV**	**0**	**0**	**0**	**0**	**0**

2. The fair value measurements in Level 3 of the hierarchy as of December 31, 2019:

	Amount ($)									
	Beginning Balance at 01/01/2019	Transfers Into Level 3	Transfers Out of Level 3	Return on Assets in Net Income	Return on Assets in Surplus	Purchases	Issuances	Sales	Settlements	**Ending Balance at 12/31/2019**
Common stock	224,348,579	0	0	0	5,331,024	0	0	(25,253)	0	**229,654,350**
Other invested assets	36,164,777	0	(36,164,777)	0	0	0	0	0	0	**0**
Total	**260,513,356**	**0**	**(36,164,777)**	**0**	**5,331,024**	**0**	**0**	**(25,253)**	**0**	**229,654,350**

3. Previously, other invested assets, which consisted of three hedge funds, were categorized as Level 3; in 2019, the Company has determined NAV to be the more accurate measurement of the value of these assets as opposed to Level 3.
4. As of December 31, 2019, the reported fair value of the entity's investments categorized within Level 2 and Level 3 of the fair value hierarchy are as follows:

Bonds – 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. At the end of every quarter and at year end, the Company utilizes fair values provided by its custodian. Fair value is determined by evaluations that are based on observable market information rather than market quotes. Inputs to the evaluations include, but are not limited to, market prices from recently completed transactions and transactions of comparable securities, credit spreads, interest rate yield curves, and other market-observable information. Thus, fixed income securities measured and reported at fair value are included in the amounts disclosed in Level 2 of the hierarchy.

Common Stocks, Industrial & Misc.– According to statutory accounting rules, common stocks are reported at fair value. The Company holds two positions not actively traded. One represents membership in National Association of Mutual Insurance Company and is valued by the SVO. The other represents membership with FHLB of Cincinnati. Therefore, these securities are included in level 2.

Parent, Subsidiaries, and Affiliates – The Company's investments in four subsidiaries are measured and reported at fair value as of December 31, 2019, for each respective entity totaling $229.7 million. Fair value measurement is determined by the individual entity's surplus at the end of a period, or the amount by which assets exceed liabilities. All subsidiaries are in the insurance industry, whereby its assets are largely comprised of fixed income securities carried at amortized cost and its liabilities represent payables related to current federal income taxes and deferred taxes. Some inputs to the valuation methodology are unobservable and significant to the fair value measurement and result in disclosure at Level 3.

5. Derivative Assets and Liabilities: None

B. Other Fair Value Disclosures: None

NOTES TO FINANCIAL STATEMENTS

C. Fair Values for All Financial Instruments by Levels 1, 2 and 3 and NAV as of December 31, 2019:

Type of Financial Instrument	Aggregate Fair Value/NAV	Admitted Assets	Level 1	Level 2	Level 3	NAV	Not Practicable (Carrying Value)
	Amount ($)						
Bonds	1,452,785,782	1,396,808,993	115,565,200	1,337,220,582	0	0	0
Common stock	784,926,944	784,926,944	240,571,921	5,483,414	229,654,350	309,217,259	0
Preferred stock	33,005,135	31,693,258	33,005,135	0	0	0	0
Other invested assets	114,252,923	114,252,923	0	0	0	114,252,923	0
Money market	48,266,365	48,266,365	48,266,365	0	0	0	0
Total	**2,433,237,149**	**2,375,948,483**	**437,408,621**	**1,342,703,996**	**229,654,350**	**423,470,182**	0

D. Not Practicable to Estimate Fair Value: None

E. Investments Measured using NAV:

Mutual Funds

BMO Pyrford International Stock Fund ($77.8 million) – The fund seeks capital appreciation by investing in equity securities of companies located in a number of countries outside the United States. The fund may meet redemption requests by redeeming shares in-kind, especially in stressed market conditions, although the fund does not intend to do so.

DFA International Core Equity Portfolio ($77.6 million) – The portfolio purchases a broad and diverse group of securities of non-U.S. companies in developed markets with a greater emphasis on small capitalization, value and high profitability companies as compared to their representation in the international universe. The portfolio reserves the right to meet redemption requests through an in-kind redemption, typically in response to a particularly large redemption, at the request of a client or in stressed market conditions.

TCW Emerging Markets Income Fund ($76.5 million) – The fund invests primarily in debt securities issued or guaranteed by companies, financial institutions and government entities in emerging market countries. The fund reserves the right to make a "redemption in kind" (payment in portfolio securities) rather than cash if the amount redeemed in any 90-day period is large enough to effect fund operations.

Transamerica International Equity Fund ($77.3 million) – The fund seeks maximum long-term total return, consistent with reasonable risk to principal, by investing in a diversified portfolio of common stocks of primarily non-U.S. issuers. Shares will normally be redeemed for cash, although each fund retains the right to wholly or partly redeem its shares in kind, under unusual circumstances (such as adverse or unstable market, economic, or political conditions), in an effort to protect the interests of shareholders by the delivery of securities selected from its assets at its discretion.

Other Invested Assets

Eaton Vance Institutional Senior Loans Fund ($77.6 million) – The Fund's investment objective is to provide as high a level of current income as is consistent with the preservation of capital, by investing in a portfolio primarily of senior floating-rate loans. The Company does not have any unfunded commitments as of December 31, 2019. Redemption requests must be for amounts of $100,000 or more. Upon commencement of redemption privileges, a Shareholder may redeem its Shares upon advance written notice to the Fund pursuant to the following schedule: for amounts up to one-third of a Shareholder's account, Shares of an equivalent amount in value will be redeemed and the redemption proceeds resulting therefrom will be paid no later than thirty (30) days after the Fund receives the redemption request (the "Notice Date"); for amounts up to two-thirds of a Shareholder's account, Shares of an equivalent amount in value will be redeemed and the redemption proceeds resulting therefrom will be paid no later than sixty (60) days after the Notice Date; and for amounts greater than two-thirds of a Shareholder's account, Shares of an equivalent amount in value will be redeemed and the redemption proceeds resulting therefrom will be paid no later than ninety (90) days after the Notice Date. For the avoidance of doubt, a Notice Date must be a day on which the NYSE is open for trading. Notwithstanding the foregoing, if cash is available to pay redemption requests sooner than hereinbefore provided, the Fund may do so to remain more fully invested. Redemption proceeds will equal the net asset value of Shares redeemed on the date of redemption and will be paid by wire.

Q-Black Appreciation Fund II ($22.5 million) – The Fund's objective is to provide its investors with capital appreciation while endeavoring to minimize corresponding risk. The Fund seeks to achieve its objective through direct and/or indirect investments that pursue a variety of investment strategies. The Company does not have any unfunded commitments as of December 31, 2019. A Committed Interest Member may withdraw its capital on the third anniversary of the end of the fiscal quarter in which the contribution was made, with at least 370 days written notice. On each 3-year anniversary any committed capital account that is not withdrawn will automatically be re-committed for an additional 3-year lock-up period. In the event the Managing Member permits a withdrawal prior to the lapse of 3 years, the member shall be assessed an early withdrawal fee. Members may convert all or a portion of their capital account to a Standard Interest Member with shorter lock-up periods.

Goldentree Partners, LP ($12.3 million) – The principal investment objective of the Partnership is to achieve superior risk-adjusted total returns by investing, directly or through its investment in the Master Fund, primarily in public and private non-investment grade and non-rated debt securities. Securities and other instruments acquired by the Partnership may include, but are not limited to, all types of debt obligations including bank debt, public and private equity, options, swaps, and real estate related instruments. The Partnership may acquire the foregoing instruments through the Master Fund, directly, or indirectly through investments in securitizations, structured financings, special purpose vehicles or other collective investment vehicles, some of which may be managed by the Investment Manager or its affiliates. The Company does not have any unfunded commitments as of December 31, 2019. Each limited partner upon 90 days' notice has the right to withdraw all or any portion of their capital account (excluding its pro rata share in any Special Investments) subject to the lock up provisions in which the class the Company is an investor (Class F) has a lock-up period of 1 year with semi-annual withdrawal frequency after the lock-up period.

Goldentree Partners II, LP ($1.7 million) – Effective February 22, 2017, the General Partner, in consultation with the Investment Manager, authorized the commencement of the wind down of the Partnership. On March 31, 2017, the Partnership sold all of its securities, excluding Special Investments, to funds affiliated with the Investment Manager, and redeemed its investment in the Master Fund. All partners' interests were redeemed with the exception of interests associated with Special Investments. Prior to liquidation, the principal investment objective of the Partnership was to achieve superior risk-adjusted total returns by investing primarily in public and private non-investment grade and non-rated debt securities. Securities and other instruments acquired by the Partnership may include, but are not limited to, all types of debt obligations, including bank debt, public and private equity, options, swaps and real estate related instruments. The Company does not have any unfunded commitments as of December 31, 2019. All partners' interests were redeemed with the exception of interests associated with Special Investments and no further subscriptions or redemption requests will be accepted.

Updata Venture Partners II, LP ($0.2 million) – The primary objective of the Partnership is to achieve returns for their partners by investing in equity and equity-related securities in privately negotiated transactions, across the full investment life cycle, in the information technology industry. The Company does not have any unfunded commitments as of December 31, 2019. No transfer of a Limited Partner's interest in the Partnership, in whole or in part, shall be made without prior written consent of the General Partner. Consent, which will not be unreasonably withheld or delayed, shall be required for any transfer of part or all of any Limited Partner's economic interest in the Partnership.

21. Other Items: None

22. Events Subsequent:

There have been no events after year end, but before the filing of this statement, which have a material effect upon the financial condition of the Company.

Did the reporting entity write accident and health insurance premium that is subject to section 9010 of the federal Affordable Care Act? No

23. Reinsurance:

A. Unsecured Reinsurance Recoverable: None exceed 3% of Surplus

B. Reinsurance Recoverable in Dispute: None

NOTES TO FINANCIAL STATEMENTS

C. Reinsurance Assumed and Ceded:

1. The following table summarizes assumed and ceded unearned premiums and the related commission equity at December 31, 2019:

		Amount ($)					
		Assumed Reinsurance		Ceded Reinsurance		Net	
		Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity
a.	Affiliates	370,428,637	66,677,155	21,951,802	3,951,324	348,476,835	62,725,831
b.	All other	407,771	73,399	3,466,216	623,919	(3,058,445)	(550,520)
c.	**Total**	**370,836,408**	**66,750,554**	**25,418,018**	**4,575,243**	**345,418,390**	**62,175,311**

d. Direct Unearned Premium Reserve: 181,424,863

2. The Company's contingent commissions associated with existing contractual arrangements:

		Amount ($)			
		Direct	Assumed	Ceded	Net
a.	Contingent commission	10,969,619	16,371,157	1,093,631	26,247,145
b.	Sliding scale adjustments	0	0	0	0
c.	Other profit commission arrangements	0	0	0	0
d.	**Total**	**10,969,619**	**16,371,157**	**1,093,631**	**26,247,145**

3. Protected Cells: None

D. Uncollectible Reinsurance: None

E. Commutation of Ceded Reinsurance: None

F. Retroactive Reinsurance: None

G. Reinsurance Accounted for as a Deposit: None

H. Disclosures for the Transfer of Property and Casualty Run-Off Agreements: None

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation: None

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation: None

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination: None

25. Changes in Incurred Losses and Loss Adjustment Expenses:

The changes in incurred losses and loss adjustment expense attributable to insured events of prior years are generally a result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

	Amount ($)	
	2019	2018
Balance January 1	**851,499,905**	901,661,076
Less: Reinsurance Recoverable	**213,168,875**	231,277,828
Net Balance January 1	**638,331,030**	670,383,248
Incurred Related to:		
Current Year	**802,627,278**	785,443,995
Prior Year	**(47,124,564)**	(78,377,500)
Total Incurred	**755,502,714**	707,066,495
Paid Related to:		
Current Year	**474,174,100**	469,663,223
Prior Year	**274,212,155**	269,455,490
Total Paid	**748,386,255**	739,118,713
Net Balance at the end of reporting period	**645,447,489**	638,331,030
Plus: Reinsurance Recoverable	**217,614,789**	213,168,875
Balance at the end of reporting period	**863,062,278**	851,499,905

26. Intercompany Pooling Agreements:

Effective January 1, 2017, the Company participates in a pooling agreement with the following percentages:

		NAIC Co Code	Pooling Percentage (%)	
			2019	2018
Lead Company:	Grange Insurance Company	14060	**96.00 %**	96.00 %
Affiliates:	Trustgard Insurance Company	40118	**0.00 %**	0.00 %
	Grange Indemnity Insurance Company	10322	**0.00 %**	0.00 %
	Grange Insurance Company of Michigan	11136	**0.00 %**	0.00 %
	Grange Property & Casualty Insurance Company	11982	**0.00 %**	0.00 %
	Integrity Insurance Company	14303	**4.00 %**	4.00 %
	Integrity Property & Casualty Insurance Company	12986	**0.00 %**	0.00 %
	Integrity Select Insurance Company	10288	**0.00 %**	0.00 %

The intercompany pooling agreement cedes underwriting results back only to the Company and IIC, with their respective stock subsidiary companies receiving none from the pool.

All lines of business are subject to the pooling agreement, with no exceptions. All members of the pool are parties to all reinsurance treaties entered by the group with non-affiliated reinsurers. There are no discrepancies between the reinsurance schedules of the lead company and the reinsurance schedules of the other participants.

27. Structured Settlements:

All unassigned structure settlements where the claimant is the payee have amortized values, by company, less than 1% of the Company's surplus.

28. Health Care Receivables: None

29. Participating Policies: None

30. Premium Deficiency Reserves:

1.	Liability carried for premium deficiency reserves:	$ 0
2.	Date of the most recent evaluation of this liability:	December 31, 2019
3.	Was anticipated investment income utilized in the calculation?	No

NOTES TO FINANCIAL STATEMENTS

31. High Deductibles: None

32. Discounting of Liabilities for Unpaid Losses or Unpaid Adjustment Expenses: None

33. Asbestos/Environmental Reserves:

A. Does the Company have on the books, or has it ever written an insured for which you have identified a potential for the existence of, a liability due to asbestos losses? No

B. Ending Reserves for Asbestos Claims for Bulk and IBNR Losses Included in A: None

C. Ending Reserves for Asbestos Claims for LAE included in A (Case, Bulk and IBNR): None

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

	Amount ($)				
Direct Basis	2015	2016	2017	2018	**2019**
Beginning reserves (include Case, Bulk and IBNR)	372,801	239,809	434,484	5,255,152	**5,163,412**
Incurred losses and loss adjustment expenses	72,396	525,602	6,158,904	288,231	**280,066**
Calendar year payments for losses and loss adjustment expenses	205,388	330,927	1,338,236	379,971	**597,354**
Ending reserves (include Case, Bulk and IBNR)	239,809	434,484	5,255,152	5,163,412	**4,846,124**

	Amount ($)				
Assumed Reinsurance Basis	2015	2016	2017	2018	**2019**
Beginning reserves (include Case, Bulk and IBNR)	0	0	0	0	**0**
Incurred losses and loss adjustment expenses	0	0	0	0	**0**
Calendar year payments for losses and loss adjustment expenses	0	0	0	0	**0**
Ending reserves (include Case, Bulk and IBNR)	0	0	0	0	**0**

	Amount ($)				
Net of Ceded Reinsurance Basis	2015	2016	2017	2018	**2019**
Beginning reserves (include Case, Bulk and IBNR)	130,581	(4,837)	186,170	3,335,153	**3,246,294**
Incurred losses and loss adjustment expenses	69,970	521,934	4,487,219	186,770	**(15,520)**
Calendar year payments for losses and loss adjustment expenses	205,388	330,927	1,338,236	275,629	**409,135**
Ending reserves (include Case, Bulk and IBNR)	(4,837)	186,170	3,335,153	3,246,294	**2,821,639**

E. Ending Reserves for Environmental Claims for Bulk and IBNR Losses Included in D:

	Amount ($)	
	2019	2018
Direct Basis	**2,544,000**	2,544,000
Assumed Reinsurance Basis	**0**	0
Net of Ceded Reinsurance Basis	**2,544,000**	2,544,000

F. Ending Reserves for Environmental Claims for LAE included in A (Case, Bulk and IBNR):

	Amount ($)	
	2019	2018
Direct Basis	**406,251**	370,728
Assumed Reinsurance Basis	**0**	0
Net of Ceded Reinsurance Basis	**406,251**	370,728

34. Subscriber Savings Accounts: None

35. Multiple Peril Crop Insurance: None

36. Financial Guaranty Insurance: None

37. Catastrophic Planning:

The Company utilizes a variety of catastrophe mitigation techniques including exposure management, catastrophe modeling, transfer of risk via reinsurance and claims staff preparation. Exposure management includes active management of exposures and loss potentials such as monitoring of changes in insured values, peril avoidance, pricing actions and/or agency realignments. The Company primarily relies on two probabilistic catastrophe models to identify PML and TVaR estimates on an annual basis. A deterministic model augments this effort. The Company has a comprehensive catastrophic reinsurance program in place and we currently purchase coverage up to our 250-year event outcome. The Company places an emphasis on settlement of claims by Company personnel and these associates receive ongoing training on property claims practices.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No [ ]

If yes, complete Schedule Y, Parts 1, 1A and 2.

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

1.3 State Regulating? Ohio

1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [ ] No [X]

1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.

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

2.2 If yes, date of change: 01/01/2019

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2014

3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2014

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 11/24/2015

3.4 By what department or departments? Ohio

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

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

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

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

4.12 renewals? Yes [ ] No [X]

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

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

4.22 renewals? Yes [ ] No [X]

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

If yes, complete and file the merger history data file with the NAIC.

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

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

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

6.2 If yes, give full information

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

7.2 If yes,

7.21 State the percentage of foreign control 0.0 %

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

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES

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

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

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

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

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Deloitte & Touche LLP, 180 E. Broad St., Suite 1400, Columbus, OH 43215

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [ ] No [X]

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

10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [ ] No [X]

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

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [ ] N/A [ ]

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

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Philip A. Baum, FCAS, MAAA, Officer of the Reporting Entity

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

12.11 Name of real estate holding company

12.12 Number of parcels involved 0

12.13 Total book/adjusted carrying value $

12.2 If yes, provide explanation

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

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

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

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

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

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

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

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

c. Compliance with applicable governmental laws, rules and regulations;

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

e. Accountability for adherence to the code.

14.11 If the response to 14.1 is no, please explain:

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

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

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

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

GENERAL INTERROGATORIES

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

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

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

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No [ ]

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

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

FINANCIAL

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

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers $
- 20.12 To stockholders not officers $
- 20.13 Trustees, supreme or grand (Fraternal only) $

20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers $
- 20.22 To stockholders not officers $
- 20.23 Trustees, supreme or grand (Fraternal only) $

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

21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others $
- 21.22 Borrowed from others $
- 21.23 Leased from others $
- 21.24 Other $

22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes [ ] No [X]

22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment $
- 22.22 Amount paid as expenses $
- 22.23 Other amounts paid $

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

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

INVESTMENT

24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03) Yes [ ] No [X]

24.02 If no, give full and complete information, relating thereto

On deposit in custodial account.

24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)

See Notes to Financial Statement Number 17.

24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [X] No [ ] NA [ ]

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. $ 19,138,547

24.06 If answer to 24.04 is no, report amount of collateral for other programs. $

24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [X] No [ ] NA [ ]

24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [X] No [ ] NA [ ]

24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes [X] No [ ] NA [ ]

24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 $ 19,138,547
- 24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 $ 19,138,547
- 24.103 Total payable for securities lending reported on the liability page $ 19,138,547

GENERAL INTERROGATORIES

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes [X] No [ ]

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

25.21	Subject to repurchase agreements	$
25.22	Subject to reverse repurchase agreements	$
25.23	Subject to dollar repurchase agreements	$
25.24	Subject to reverse dollar repurchase agreements	$
25.25	Placed under option agreements	$
25.26	Letter stock or securities restricted as to sale – excluding FHLB Capital Stock	$
25.27	FHLB Capital Stock	$ 5,438,700
25.28	On deposit with states	$ 2,814,792
25.29	On deposit with other regulatory bodies	$
25.30	Pledged as collateral – excluding collateral pledged to an FHLB	$
25.31	Pledged as collateral to FHLB – including assets backing funding agreements	$ 209,857,095
25.32	Other	$

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [ ] No [X]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ] N/A [X]
If no, attach a description with this statement.

LINES 26.3 through 26.5: FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:

26.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? Yes [ ] No [X]

26.4 If the response to 26.3 is YES, does the reporting entity utilize:

26.41	Special accounting provision of SSAP No. 108	Yes [ ] No [X]
26.42	Permitted accounting practice	Yes [ ] No [X]
26.43	Other accounting guidance	Yes [ ] No [X]

26.5 By responding YES to 26.41 regarding utilizing the special accounting provisions of SSAP No. 108, the reporting entity attests to the following: Yes [ ] No [ ]

- The reporting entity has obtained explicit approval from the domiciliary state.
- Hedging strategy subject to the special accounting provisions is consistent with the requirements of VM-21.
- Actuarial certification has been obtained which indicates that the hedging strategy is incorporated within the establishment of VM-21 reserves and provides the impact of the hedging strategy within the Actuarial Guideline Conditional Tail Expectation Amount.
- Financial Officer Certification has been obtained which indicates that the hedging strategy meets the definition of a Clearly Defined Hedging Strategy within VM-21 and that the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [X] No [ ]

27.2 If yes, state the amount thereof at December 31 of the current year. $ 24,228,289

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

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

1 Name of Custodian(s)	2 Custodian's Address
Northern Trust	50 S. LaSalle St.-M27, Chicago, IL 60603
Federal Home Loan Bank of Cincinnati	221 E. 4th St., Suite 600, Cincinnati, OH 45202

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

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

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [ ] No [X]

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

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

GENERAL INTERROGATORIES

28.05 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. ["…that have access to the investment accounts"; "…handle securities"]

1 Name of Firm or Individual	2 Affiliation
Advent Capital Management, LLC	U
SSGA Funds Management, Inc.	U
SSI Investment Management	U
Thompson, Siegel & Walmsley, LLC	U
Crescent Capital Group LP	U
J. Christopher Montgomery	I
James Habegger	I
John Ammendola	I
Teresa Dalenta	I

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's invested assets? Yes [ ] No [X]

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets? Yes [ ] No [X]

28.06 For those firms or individuals listed in the table for 28.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
113013	Advent Capital Management, LLC		SEC #801-60263	NO
111242	SSGA Funds Management, Inc.	FTUGI3NU6B7EELQF380	SEC #801-60103	NO
104889	SSI Investment Management		SEC #801-10544	NO
105726	Thompson, Siegel & Walmsley, LLC		SEC #801-6273	NO
153966	Crescent Capital Group LP	549300L8Z46F3ZAWSB82	SEC #801-71747	NO

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

29.2 If yes, complete the following schedule:

	1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2001	09658L-51-3	BMO Pyrford Intl Stock Fund	77,765,769
29.2002	893509-22-4	Transamerica Intl Equity	77,340,035
29.2003	233203-37-1	DFA Intl Core Equity	77,614,750
29.2004	87234N-76-5	TCW Emerging Markets Income Fund	76,496,706
29.2999 TOTAL			309,217,260

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
BMO Pyrford Intl Stock Fund	Nestle SA	2,658,812	12/31/2019
Transamerica Intl Equity	Sony Corp	1,631,101	12/31/2019
DFA Intl Core Equity	Nestle SA	728,026	12/31/2019
TCW Emerging Markets Income Fund	Petrobras Global Finance	2,644,491	12/31/2019

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	1,397,597,078	1,453,770,828	56,173,750
30.2 Preferred Stocks	31,693,258	33,005,135	1,311,877
30.3 Totals	1,429,290,336	1,486,775,963	57,485,627

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

The Company utilizes fair values provided by its custodian Northern Trust. ICE is their primary source.

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [X] No [ ]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [X] No [ ]

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

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

32.2 If no, list exceptions:

GENERAL INTERROGATORIES

33. By self-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:
    a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
    b. Issuer or obligor is current on all contracted interest and principal payments.
    c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

    Has the reporting entity self-designated 5GI securities? Yes [ ] No [X]

34. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:
    a. The security was purchased prior to January 1, 2018.
    b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
    c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
    d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

    Has the reporting entity self-designated PLGI securities? Yes [ ] No [X]

35. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:
    a. The shares were purchased prior to January 1, 2019.
    b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
    c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
    d. The fund only or predominantly holds bonds in its portfolio.
    e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
    f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.

    Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? Yes [ ] No [X]

OTHER

36.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? $ 3,159,316

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

1 Name	2 Amount Paid
Insurance Services Offices, Inc	$ 1,501,917

37.1 Amount of payments for legal expenses, if any? $ 639,648

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

1 Name	2 Amount Paid
Baker & Hostetler LLP	$ 407,391

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

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

1 Name	2 Amount Paid
	$
	$
	$

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [ ] No [X]

1.2 If yes, indicate premium earned on U. S. business only. $ 0

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

1.31 Reason for excluding

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

1.5 Indicate total incurred claims on all Medicare Supplement insurance. $ 0

1.6 Individual policies:

Most current three years:

1.61 Total premium earned $ 0

1.62 Total incurred claims $ 0

1.63 Number of covered lives 0

All years prior to most current three years:

1.64 Total premium earned $ 0

1.65 Total incurred claims $ 0

1.66 Number of covered lives 0

1.7 Group policies:

Most current three years:

1.71 Total premium earned $ 0

1.72 Total incurred claims $ 0

1.73 Number of covered lives 0

All years prior to most current three years:

1.74 Total premium earned $ 0

1.75 Total incurred claims $ 0

1.76 Number of covered lives 0

2. Health Test:

		1 Current Year	2 Prior Year
2.1	Premium Numerator	$ 0	$ 0
2.2	Premium Denominator	$ 1,173,394,306	$ 1,138,763,080
2.3	Premium Ratio (2.1/2.2)	0.000	0.000
2.4	Reserve Numerator	$ 2,110	$ 2,110
2.5	Reserve Denominator	$ 1,172,262,928	$ 1,115,306,146
2.6	Reserve Ratio (2.4/2.5)	0.000	0.000

3.1 Does the reporting entity issue both participating and non-participating policies? Yes [ ] No [X]

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

3.21 Participating policies $

3.22 Non-participating policies $

4. For Mutual reporting entities and Reciprocal Exchanges only:

4.1 Does the reporting entity issue assessable policies? Yes [ ] No [X]

4.2 Does the reporting entity issue non-assessable policies? Yes [X] No [ ]

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

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

5. For Reciprocal Exchanges Only:

5.1 Does the exchange appoint local agents? Yes [ ] No [X]

5.2 If yes, is the commission paid:

5.21 Out of Attorney's-in-fact compensation Yes [ ] No [ ] N/A [X]

5.22 As a direct expense of the exchange Yes [ ] No [ ] N/A [X]

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

5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? Yes [ ] No [X]

5.5 If yes, give full information

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss:

Purchased statutory workers' compensation reinsurance.

6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:

See Notes to Financial Statement Number 37.

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

See Notes to Financial Statement Number 37.

6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? Yes [X] No [ ]

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

7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)? Yes [ ] No [X]

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

7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)? Yes [ ] No [ ]

8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured? Yes [ ] No [X]

8.2 If yes, give full information

9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:

(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;

(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;

(c) Aggregate stop loss reinsurance coverage;

(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;

(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or

(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity. Yes [ ] No [X]

9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:

(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or

(b) Twenty–five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract. Yes [ ] No [X]

9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:

(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;

(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and

(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.

9.4 Except for transactions meeting the requirements of paragraph 37 of *SSAP No. 62R - Property and Casualty Reinsurance*, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:

(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or

(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? Yes [ ] No [X]

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

9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:

(a) The entity does not utilize reinsurance; or, Yes [ ] No [X]

(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or Yes [ ] No [X]

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

10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes [X] No [ ] N/A [ ]

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force: Yes [ ] No [X]
11.2 If yes, give full information

12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:
12.11 Unpaid losses $
12.12 Unpaid underwriting expenses (including loss adjustment expenses) $
12.2 Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds? $
12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes [ ] No [X] N/A [ ]
12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
12.41 From %
12.42 To %
12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? Yes [ ] No [X]
12.6 If yes, state the amount thereof at December 31 of current year:
12.61 Letters of Credit $
12.62 Collateral and other funds $

13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): $ 2,000,000
13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes [ ] No [X]
13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount. 1

14.1 Is the reporting entity a cedant in a multiple cedant reinsurance contract? Yes [X] No [ ]
14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:
See Notes to Financial Statements Number 26. Catastrophe Excess Loss Agreement allocated based on percentage of participation.

14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes [X] No [ ]
14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? Yes [ ] No [ ]
14.5 If the answer to 14.4 is no, please explain:

15.1 Has the reporting entity guaranteed any financed premium accounts? Yes [ ] No [X]
15.2 If yes, give full information

16.1 Does the reporting entity write any warranty business? Yes [ ] No [X]
If yes, disclose the following information for each of the following types of warranty coverage:

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

* Disclose type of coverage:

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F – Part 3 that is exempt from the statutory provision for unauthorized reinsurance? Yes [ ] No [X]

Incurred but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from the statutory provision for unauthorized reinsurance. Provide the following information for this exemption:

17.11	Gross amount of unauthorized reinsurance in Schedule F – Part 3 exempt from the statutory provision for unauthorized reinsurance	$
17.12	Unfunded portion of Interrogatory 17.11	$
17.13	Paid losses and loss adjustment expenses portion of Interrogatory 17.11	$
17.14	Case reserves portion of Interrogatory 17.11	$
17.15	Incurred but not reported portion of Interrogatory 17.11	$
17.16	Unearned premium portion of Interrogatory 17.11	$
17.17	Contingent commission portion of Interrogatory 17.11	$

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

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

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

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

19. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes [X] No [ ]

19.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? Yes [ ] No [ ]

FIVE-YEAR HISTORICAL DATA

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

	1 2019	2 2018	3 2017	4 2016	5 2015
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	483,596,182	463,007,790	452,372,228	451,470,220	483,107,313
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	347,305,582	330,277,090	330,749,199	331,224,296	335,668,315
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	460,682,094	425,588,746	410,099,735	409,377,311	425,055,918
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	(63)	0	32,868
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
6. Total (Line 35)	1,291,583,858	1,218,873,626	1,193,221,100	1,192,071,827	1,243,864,415
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	460,582,118	441,999,549	449,818,085	375,147,652	401,615,123
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	332,367,875	315,663,678	329,158,073	276,345,218	280,101,448
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	430,284,249	396,888,316	407,502,199	331,566,131	345,068,309
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	(60)	0	27,609
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
12. Total (Line 35)	1,223,234,241	1,154,551,544	1,186,478,297	983,059,002	1,026,812,489
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	51,129,572	65,799,089	45,267,316	56,642,328	3,064,525
14. Net investment gain (loss) (Line 11)	65,795,249	77,685,400	64,294,136	54,259,791	55,800,072
15. Total other income (Line 15)	11,158,560	12,678,423	14,034,203	2,911,321	3,608,958
16. Dividends to policyholders (Line 17)	5,070,920	4,443,329	3,976,668	3,031,059	2,770,955
17. Federal and foreign income taxes incurred (Line 19)	25,846,684	14,471,228	15,468,955	28,240,778	2,530,328
18. Net income (Line 20)	97,165,777	137,248,356	104,150,032	82,541,603	57,172,272
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	2,817,081,983	2,649,009,183	2,552,588,994	2,311,663,058	2,192,204,748
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	280,733,922	253,964,410	241,903,719	197,547,274	199,247,900
20.2 Deferred and not yet due (Line 15.2)	2,056,464	863,574	858,892	783,083	622,507
20.3 Accrued retrospective premiums (Line 15.3)	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 26)	1,369,238,059	1,331,836,834	1,338,047,609	1,204,841,363	1,124,120,009
22. Losses (Page 3, Line 1)	499,103,605	490,115,066	519,777,536	449,830,719	445,598,265
23. Loss adjustment expenses (Page 3, Line 3)	146,343,884	148,215,963	150,605,711	135,120,251	120,585,657
24. Unearned premiums (Page 3, Line 9)	526,843,448	477,003,513	461,215,049	392,465,708	402,980,209
25. Capital paid up (Page 3, Lines 30 & 31)	5,000,000	0	0	0	0
26. Surplus as regards policyholders (Page 3, Line 37)	1,447,843,924	1,317,172,349	1,214,541,385	1,106,821,695	1,068,084,739
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	114,395,457	93,117,424	209,026,798	89,614,336	93,843,228
Risk-Based Capital Analysis					
28. Total adjusted capital	1,447,843,924	1,317,172,349	1,217,143,037	1,109,661,374	1,070,806,835
29. Authorized control level risk-based capital	104,918,628	102,493,133	109,383,915	117,528,766	112,574,614
Percentage Distribution of Cash, Cash Equivalents and Invested Assets					
(Page 2, Col. 3)(Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1)	55.5	57.3	56.2	52.5	54.7
31. Stocks (Lines 2.1 & 2.2)	32.4	29.7	31.5	33.5	30.5
32. Mortgage loans on real estate (Lines 3.1 and 3.2)	0.0	0.0	0.1	0.1	0.1
33. Real estate (Lines 4.1, 4.2 & 4.3)	3.7	4.0	4.3	4.9	5.5
34. Cash, cash equivalents and short-term investments (Line 5)	3.0	2.8	2.8	2.5	1.8
35. Contract loans (Line 6)	0.0	0.0	0.0	0.0	0.0
36. Derivatives (Line 7)	0.0	0.0	0.0	0.0	0.0
37. Other invested assets (Line 8)	4.5	4.9	4.9	5.2	5.6
38. Receivables for securities (Line 9)	0.1	0.1	0.0	0.0	0.0
39. Securities lending reinvested collateral assets (Line 10)	0.8	1.1	0.1	1.3	1.7
40. Aggregate write-ins for invested assets (Line 11)	0.0	0.0	0.0	0.0	0.0
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds, (Sch. D, Summary, Line 12, Col. 1)	0	0	0	0	0
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1)	0	0	0	0	0
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1)	229,654,350	224,348,579	295,957,388	289,180,001	225,649,125
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)	0	0	0	0	0
46. Affiliated mortgage loans on real estate		0	0	0	0
47. All other affiliated	0	0	0	0	0
48. Total of above Lines 42 to 47	229,654,350	224,348,579	295,957,388	289,180,001	225,649,125
49. Total Investment in parent included in Lines 42 to 47 above		0	0	0	0
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)	15.9	17.0	24.4	26.1	21.1

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2019	2 2018	3 2017	4 2016	5 2015
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)	76,641,490	(51,693,926)	54,914,921	(3,815,140)	(32,736,643)
52. Dividends to stockholders (Line 35)	(67,761,811)	0	0	0	0
53. Change in surplus as regards policyholders for the year (Line 38)	130,671,575	102,630,964	107,719,690	38,736,956	20,786,718
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	264,004,182	285,056,606	277,680,941	276,205,511	280,236,501
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	171,529,348	162,181,045	156,092,205	163,835,520	177,565,773
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	228,444,470	202,356,856	192,158,701	152,126,364	182,086,510
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	(1,080)	647	11,452
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
59. Total (Line 35)	663,978,000	649,594,506	625,930,768	592,168,042	639,900,235
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	252,302,644	270,408,095	213,467,262	228,224,893	231,697,195
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)	164,668,174	155,693,803	149,405,557	137,621,837	149,155,249
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	211,050,654	186,541,335	169,023,299	123,562,482	150,277,531
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	(1,118)	543	9,620
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
65. Total (Line 35)	628,021,473	612,643,233	531,895,000	489,409,755	531,139,595
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)	54.3	51.2	53.8	49.7	57.3
68. Loss expenses incurred (Line 3)	10.1	10.9	10.8	12.6	11.9
69. Other underwriting expenses incurred (Line 4)	31.3	32.1	31.3	32.0	30.6
70. Net underwriting gain (loss) (Line 8)	4.4	5.8	4.0	5.7	0.3
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)	29.1	30.6	28.3	32.1	30.3
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	64.4	62.1	64.6	62.3	69.1
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0)	84.5	87.7	97.7	88.8	96.1
One Year Loss Development ($000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11)	(40,591)	(55,430)	(20,458)	(20,062)	17,345
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100.0)	(3.1)	(4.6)	(1.8)	(1.9)	1.7
Two Year Loss Development ($000 omitted)					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)	(67,462)	(50,165)	(29,903)	5,454	18,294
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0)	(5.6)	(4.5)	(2.8)	0.5	1.8

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

If no, please explain

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES
SCHEDULE P - PART 1 - SUMMARY

($000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	Number of Claims Reported Direct and Assumed
	Direct and Assumed	Ceded	Net (Cols. 1 - 2)	4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded	Salvage and Subrogation Received	Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	
1. Prior	XXX	XXX	XXX	690	(70)	728	27	0	0	355	1,460	XXX
2. 2010	1,130,319	54,705	1,075,614	673,478	21,460	23,311	56	93,119	9	38,315	768,383	XXX
3. 2011	1,061,996	60,237	1,001,759	708,105	91,007	27,104	594	91,041	17	34,747	734,632	XXX
4. 2012	1,049,020	55,725	993,294	614,643	28,298	24,472	262	84,930	25	33,269	695,459	XXX
5. 2013	1,112,953	51,619	1,061,333	600,019	16,042	26,802	710	90,569	25	34,561	700,613	XXX
6. 2014	1,183,215	48,946	1,134,270	633,289	5,845	30,908	95	98,048	76	39,479	756,229	XXX
7. 2015	1,220,621	44,297	1,176,325	635,322	12,688	30,186	871	98,319	126	38,179	750,141	XXX
8. 2016	1,178,833	43,320	1,135,513	536,845	2,639	18,421	35	96,088	13	36,865	648,667	XXX
9. 2017	1,152,878	35,149	1,117,729	534,525	4,532	12,684	59	93,921	12	36,091	636,525	XXX
10. 2018	1,175,563	36,800	1,138,763	518,853	19,766	6,369	213	95,818	24	34,012	601,038	XXX
11. 2019	1,211,676	38,282	1,173,394	414,510	1,796	2,627	18	78,320	36	22,166	493,606	XXX
12. Totals	XXX	XXX	XXX	5,870,278	204,004	203,609	2,940	920,174	364	348,040	6,786,752	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22	Salvage and Subrog-ation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstand-ing Direct and Assumed
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded	Direct and Assumed	Ceded			
1.	132,957	128,384	3,738	0	46	297	1,233	0	0	0	353	9,293	XXX
2.	5,188	4,771	603	141	0	0	555	0	69	0	230	1,502	XXX
3.	12,550	11,811	897	82	0	0	738	0	78	0	262	2,370	XXX
4.	17,500	13,367	1,226	152	0	0	1,021	0	140	0	336	6,368	XXX
5.	22,446	18,411	2,747	518	0	0	1,926	0	208	0	459	8,399	XXX
6.	8,279	1,633	4,540	408	0	0	3,589	0	365	0	699	14,732	XXX
7.	10,149	925	8,186	1,330	0	0	6,233	0	746	0	1,090	23,059	XXX
8.	24,936	487	11,149	1,159	0	0	8,123	0	1,466	0	1,688	44,028	XXX
9.	37,272	23	18,666	1,618	1	0	13,527	0	3,325	0	2,908	71,151	XXX
10.	72,452	1,631	38,299	3,017	3	0	22,401	0	7,586	0	5,780	136,093	XXX
11.	183,773	22,836	98,629	4,375	41	240	31,744	0	41,716	0	19,556	328,453	XXX
12.	527,500	204,277	188,681	12,800	91	537	91,090	0	55,700	0	33,362	645,448	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense	Inter-Company Pooling Participation Percentage	35 Losses Unpaid	36 Loss Expenses Unpaid
1.	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	8,311	981
2.	796,322	26,437	769,885	70.5	48.3	71.6	0	0	96.0	879	624
3.	840,513	103,510	737,003	79.1	171.8	73.6	0	0	96.0	1,554	816
4.	743,932	42,105	701,827	70.9	75.6	70.7	0	0	96.0	5,206	1,161
5.	744,718	35,706	709,012	66.9	69.2	66.8	0	0	96.0	6,264	2,135
6.	779,019	8,058	770,961	65.8	16.5	68.0	0	0	96.0	10,777	3,954
7.	789,140	15,940	773,200	64.7	36.0	65.7	0	0	96.0	16,080	6,979
8.	697,027	4,333	692,694	59.1	10.0	61.0	0	0	96.0	34,439	9,589
9.	713,921	6,245	707,676	61.9	17.8	63.3	0	0	96.0	54,297	16,854
10.	761,780	24,650	737,130	64.8	67.0	64.7	0	0	96.0	106,103	29,990
11.	851,360	29,301	822,059	70.3	76.5	70.1	0	0	96.0	255,192	73,261
12.	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	499,104	146,344

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

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END ($000 OMITTED)										DEVELOPMENT	
	1 2010	2 2011	3 2012	4 2013	5 2014	6 2015	7 2016	8 2017	9 2018	10 2019	11 One Year	12 Two Year
1. Prior	208,131	186,592	189,851	186,639	189,771	192,338	194,428	198,463	197,831	198,405	574	(58)
2. 2010	704,579	682,678	672,971	675,182	677,097	676,866	677,065	676,864	677,254	676,706	(549)	(158)
3. 2011	XXX	658,251	638,515	640,633	645,670	646,350	647,011	646,705	645,984	645,900	(84)	(805)
4. 2012	XXX	XXX	625,523	619,581	622,697	620,375	618,575	616,311	615,423	616,782	1,360	472
5. 2013	XXX	XXX	XXX	620,329	618,375	627,341	623,244	620,463	618,324	618,260	(64)	(2,203)
6. 2014	XXX	XXX	XXX	XXX	674,854	685,016	674,375	677,145	672,807	672,623	(183)	(4,522)
7. 2015	XXX	XXX	XXX	XXX	XXX	697,750	688,412	680,183	673,593	674,262	668	(5,922)
8. 2016	XXX	XXX	XXX	XXX	XXX	XXX	624,784	611,300	596,512	595,153	(1,358)	(16,146)
9. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	648,561	622,838	610,442	(12,396)	(38,119)
10. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	662,310	633,750	(28,560)	XXX
11. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	702,059	XXX	XXX
										12. Totals	(40,591)	(67,462)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END ($000 OMITTED)										11 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment
	1 2010	2 2011	3 2012	4 2013	5 2014	6 2015	7 2016	8 2017	9 2018	10 2019		
1. Prior	000	84,461	126,637	154,151	168,527	176,113	180,270	183,513	187,652	189,112	XXX	XXX
2. 2010	453,247	571,839	615,157	646,156	663,604	669,169	672,673	673,747	674,976	675,272	XXX	XXX
3. 2011	XXX	427,826	536,675	579,198	612,564	628,068	636,460	640,562	641,800	643,608	XXX	XXX
4. 2012	XXX	XXX	407,699	509,904	554,731	588,847	600,686	606,127	608,042	610,554	XXX	XXX
5. 2013	XXX	XXX	XXX	379,500	490,483	547,374	580,778	597,359	606,598	610,069	XXX	XXX
6. 2014	XXX	XXX	XXX	XXX	420,436	538,034	589,230	628,116	648,118	658,257	XXX	XXX
7. 2015	XXX	XXX	XXX	XXX	XXX	400,097	518,956	587,379	629,624	651,948	XXX	XXX
8. 2016	XXX	XXX	XXX	XXX	XXX	XXX	355,953	467,744	519,844	552,592	XXX	XXX
9. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	375,495	495,503	542,617	XXX	XXX
10. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	387,564	505,244	XXX	XXX
11. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	415,322	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END ($000 OMITTED)									
	1 2010	2 2011	3 2012	4 2013	5 2014	6 2015	7 2016	8 2017	9 2018	10 2019
1. Prior	89,190	36,476	18,661	9,323	6,636	6,086	6,799	8,292	5,369	4,971
2. 2010	116,523	45,891	20,104	8,505	5,481	3,640	2,716	1,927	1,535	1,016
3. 2011	XXX	105,312	41,783	20,527	11,127	6,744	4,319	3,011	2,014	1,553
4. 2012	XXX	XXX	103,982	48,875	25,450	13,180	7,828	4,530	2,885	2,095
5. 2013	XXX	XXX	XXX	103,965	54,292	31,165	18,189	8,840	5,461	4,156
6. 2014	XXX	XXX	XXX	XXX	118,837	71,113	38,515	23,552	10,941	7,721
7. 2015	XXX	XXX	XXX	XXX	XXX	138,853	76,239	42,322	20,754	13,090
8. 2016	XXX	XXX	XXX	XXX	XXX	XXX	131,105	69,223	35,454	18,113
9. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	128,244	60,446	30,575
10. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	133,359	57,682
11. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	125,999

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated By States And Territories

	1	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4	5	6	7	8	9
States, etc.	Active Status (a)	2 Direct Premiums Written	3 Direct Premiums Earned	Dividends Paid or Credited to Policyholders on Direct Business	Direct Losses Paid (Deducting Salvage)	Direct Losses Incurred	Direct Losses Unpaid	Finance and Service Charges Not Included in Premiums	Direct Premium Written for Federal Purchasing Groups (Included in Col. 2)
1. Alabama AL	L	0	0	0	0	0	0	0	
2. Alaska AK	N	0	0	0	0	0	0	0	
3. Arizona AZ	N	0	0	0	0	0	0	0	
4. Arkansas AR	N	0	0	0	0	0	0	0	
5. California CA	N	0	0	0	0	0	0	0	
6. Colorado CO	N	0	0	0	0	0	0	0	
7. Connecticut CT	N	0	0	0	0	0	0	0	
8. Delaware DE	N	0	0	0	0	0	0	0	
9. Dist. Columbia DC	N	0	0	0	0	0	0	0	
10. Florida FL	N	0	0	0	0	0	0	0	
11. Georgia GA	L	51,725,735	48,326,433	0	31,764,476	27,365,658	27,028,110	363,620	
12. Hawaii HI	N	0	0	0	0	0	0	0	
13. Idaho ID	N	0	0	0	0	0	0	0	
14. Illinois IL	L	18,555,052	18,574,453	0	14,155,164	10,429,274	18,193,530	157,289	
15. Indiana IN	L	16,447,217	16,570,555	0	7,504,208	6,271,815	16,022,189	119,310	
16. Iowa IA	L	0	0	0	0	0	0	0	
17. Kansas KS	L	0	0	0	0	0	0	0	
18. Kentucky KY	L	29,542,977	29,236,683	0	9,681,503	9,274,378	14,926,826	252,938	
19. Louisiana LA	N	0	0	0	0	0	0	0	
20. Maine ME	N	0	0	0	0	0	0	0	
21. Maryland MD	N	0	0	0	0	0	0	0	
22. Massachusetts MA	N	0	0	0	0	0	0	0	
23. Michigan MI	N	0	0	0	0	0	0	0	
24. Minnesota MN	L	0	0	0	0	0	0	0	
25. Mississippi MS	N	0	0	0	0	0	0	0	
26. Missouri MO	L	0	0	0	0	0	0	0	
27. Montana MT	N	0	0	0	0	0	0	0	
28. Nebraska NE	N	0	0	0	0	0	0	0	
29. Nevada NV	N	0	0	0	0	0	0	0	
30. New Hampshire NH	N	0	0	0	0	0	0	0	
31. New Jersey NJ	N	0	0	0	0	0	0	0	
32. New Mexico NM	N	0	0	0	0	0	0	0	
33. New York NY	N	0	0	0	0	0	0	0	
34. No.Carolina NC	N	0	0	0	0	0	0	0	
35. No.Dakota ND	N	0	0	0	0	0	0	0	
36. Ohio OH	L	252,874,347	258,925,732	0	112,981,678	107,773,935	82,951,009	4,165,646	
37. Oklahoma OK	N	0	0	0	0	0	0	0	
38. Oregon OR	N	0	0	0	0	0	0	0	
39. Pennsylvania PA	L	34,793,489	29,875,352	0	17,014,071	16,918,822	18,452,744	328,633	
40. Rhode Island RI	N	0	0	0	0	0	0	0	
41. So. Carolina SC	L	4,264	74,509	0	662,532	195,537	192,834	1,170	
42. So. Dakota SD	N	0	0	0	0	0	0	0	
43. Tennessee TN	L	30,634,352	30,904,176	0	13,220,858	12,065,523	15,512,868	259,701	
44. Texas TX	N	0	0	0	0	0	0	0	
45. Utah UT	N	0	0	0	0	0	0	0	
46. Vermont VT	N	0	0	0	0	0	0	0	
47. Virginia VA	L	6,037,620	5,670,526	0	2,942,409	5,136,389	3,791,262	52,329	
48. Washington WA	N	0	0	0	0	0	0	0	
49. West Virginia WV	N	0	0	0	0	0	0	0	
50. Wisconsin WI	L	0	0	0	0	0	0	0	
51. Wyoming WY	N	0	0	0	0	0	0	0	
52. American Samoa AS	N	0	0	0	0	0	0	0	
53. Guam GU	N	0	0	0	0	0	0	0	
54. Puerto Rico PR	N	0	0	0	0	0	0	0	
55. U.S. Virgin Islands VI	N	0	0	0	0	0	0	0	
56. Northern Mariana Islands MP	N	0	0	0	0	0	0	0	
57. Canada CAN	N	0	0	0	0	0	0	0	
58. Aggregate other alien OT	XXX	0	0	0	0	0	0	0	0
59. Totals	XXX	440,615,053	438,158,419	0	209,926,900	195,431,333	197,071,371	5,700,636	0
DETAILS OF WRITE-INS									
58001.	XXX								
58002.	XXX								
58003.	XXX								
58998. Sum. of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 + 58998) (Line 58 above)	XXX	0	0	0	0	0	0	0	0

(a) Active Status Counts

L – Licensed or Chartered – Licensed insurance carrier or domiciled RRG 15
R – Registered – Non-domiciled RRGs 0
E – Eligible – Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile – See DSLI) 0
Q – Qualified – Qualified or accredited reinsurer 0
D – Domestic Surplus Lines Insurer (DSLI) – Reporting entities authorized to write surplus lines in the state of domicile 0
N – None of the above – Not allowed to write business in the state 42

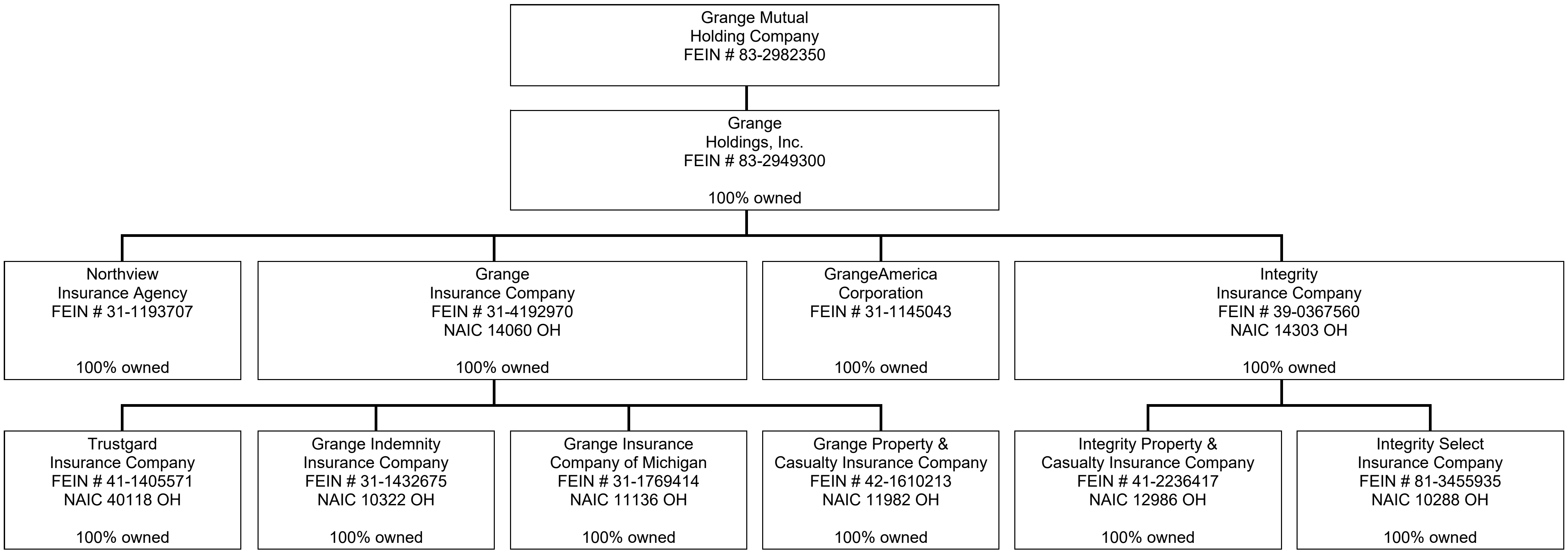
(b) Explanation of basis of allocation of premiums by states, etc.

Location of the risk.

STATEMENT AS OF DECEMBER 31, 2019 OF THE
GRANGE INSURANCE COMPANY

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

PART 1 – ORGANIZATIONAL CHART



ALPHABETICAL INDEX

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ALPHABETICAL INDEX

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