

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.5em; font-weight: bold;">2014</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or ☒ a single-employer plan; ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here. ▶ ☐	
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information		
1a Name of plan <u>GRANGE MUTUAL CASUALTY COMPANY INCENTIVE SAVINGS PLAN</u>	1b Three-digit plan number (PN) ▶	<div style="border: 1px solid black; display: inline-block; padding: 2px 10px;">002</div>	
	1c Effective date of plan <u>01/01/1981</u>		
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>GRANGE MUTUAL CASUALTY COMPANY</u> <u>DAVID ACKERMANN</u> <u>671 SOUTH HIGH STREET</u> <u>COLUMBUS, OH 43206-1014</u>	2b Employer Identification Number (EIN) <u>31-4192970</u>	2c Plan Sponsor's telephone number <u>614-445-2900</u>	2d Business code (see instructions) <u>524150</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	<u>10/09/2015</u>	<u>TONY REESER</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	<u>10/09/2015</u>	<u>MARK FISHER</u>
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE	Signature of DFE	Date	Enter name of individual signing as DFE
	Preparer's name (including firm name, if applicable) and address (include room or suite number) (optional)		
			Preparer's telephone number (optional)

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN	
		3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:		4b EIN	
a Sponsor's name		4c PN	
5 Total number of participants at the beginning of the plan year		5	1714
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).			
a(1) Total number of active participants at the beginning of the plan year		6a(1)	1335
a(2) Total number of active participants at the end of the plan year		6a(2)	1405
b Retired or separated participants receiving benefits		6b	56
c Other retired or separated participants entitled to future benefits.....		6c	362
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	1823
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	6
f Total. Add lines 6d and 6e		6f	1829
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	1776
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....		6h	51
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2K 2S 2T			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply)		9b Plan benefit arrangement (check all that apply)	
(1) ☐ Insurance		(1) ☐ Insurance	
(2) ☐ Code section 412(e)(3) insurance contracts		(2) ☐ Code section 412(e)(3) insurance contracts	
(3) ☒ Trust		(3) ☒ Trust	
(4) ☐ General assets of the sponsor		(4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)			
a Pension Schedules		b General Schedules	
(1) ☒ R (Retirement Plan Information)		(1) ☒ H (Financial Information)	
(2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary		(2) ☐ I (Financial Information – Small Plan)	
(3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		(3) ☐ A (Insurance Information)	
		(4) ☒ C (Service Provider Information)	
		(5) ☒ D (DFE/Participating Plan Information)	
		(6) ☐ G (Financial Transaction Schedules)	

Part III**Form M-1 Compliance Information (to be completed by welfare benefit plans)**

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2014 Form M-1 annual report. If the plan was not required to file the 2014 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2014
		This Form is Open to Public Inspection.

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014		
A Name of plan GRANGE MUTUAL CASUALTY COMPANY INCENTIVE SAVINGS PLAN	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 GRANGE MUTUAL CASUALTY COMPANY	D Employer Identification Number (EIN) 31-4192970	

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

THE VANGUARD GROUP, INC.

23-1945930

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 25 26 37 52	NONE	109155	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 <hr/> 2014 <hr/> This Form is Open to Public Inspection.
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For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

A Name of plan <u>GRANGE MUTUAL CASUALTY COMPANY INCENTIVE SAVINGS PLAN</u>	B Three-digit plan number (PN) ►	<u>002</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>GRANGE MUTUAL CASUALTY COMPANY</u>	D Employer Identification Number (EIN) <u>31-4192970</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: <u>VANGUARD RET. SAVINGS TRUST III</u>		
b Name of sponsor of entity listed in (a): <u>VANGUARD FIDUCIARY TRUST COMPANY</u>		
c EIN-PN <u>23-2186884-021</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>26728189</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>VANGUARD TARGET RET. 2010 TRUST II</u>		
b Name of sponsor of entity listed in (a): <u>VANGUARD FIDUCIARY TRUST COMPANY</u>		
c EIN-PN <u>90-6083954-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>944498</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>VANGUARD TARGET RET. 2015 TRUST II</u>		
b Name of sponsor of entity listed in (a): <u>VANGUARD FIDUCIARY TRUST COMPANY</u>		
c EIN-PN <u>90-6083984-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>3169903</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>VANGUARD TARGET RET. 2020 TRUST II</u>		
b Name of sponsor of entity listed in (a): <u>VANGUARD FIDUCIARY TRUST COMPANY</u>		
c EIN-PN <u>90-6083982-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>5506623</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>VANGUARD TARGET RET. 2025 TRUST II</u>		
b Name of sponsor of entity listed in (a): <u>VANGUARD FIDUCIARY TRUST COMPANY</u>		
c EIN-PN <u>90-6083980-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>9815554</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>VANGUARD TARGET RET. 2030 TRUST II</u>		
b Name of sponsor of entity listed in (a): <u>VANGUARD FIDUCIARY TRUST COMPANY</u>		
c EIN-PN <u>90-6083978-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>4192998</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>VANGUARD TARGET RET. 2035 TRUST II</u>		
b Name of sponsor of entity listed in (a): <u>VANGUARD FIDUCIARY TRUST COMPANY</u>		
c EIN-PN <u>90-6083976-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>11386245</u>

a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD TARGET RET. 2040 TRUST II**b** Name of sponsor of entity listed in (a): VANGUARD FIDUCIARY TRUST COMPANY

c EIN-PN 90-6083974-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2608047
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a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD TARGET RET. 2045 TRUST II**b** Name of sponsor of entity listed in (a): VANGUARD FIDUCIARY TRUST COMPANY

c EIN-PN 90-6083972-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 7729336
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a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD TARGET RET. 2050 TRUST II**b** Name of sponsor of entity listed in (a): VANGUARD FIDUCIARY TRUST COMPANY

c EIN-PN 90-6083970-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 887958
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a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD TARGET RET. 2055 TRUST II**b** Name of sponsor of entity listed in (a): VANGUARD FIDUCIARY TRUST COMPANY

c EIN-PN 27-6715091-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 553904
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a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD TARGET RET. INC. TRUST II**b** Name of sponsor of entity listed in (a): VANGUARD FIDUCIARY TRUST COMPANY

c EIN-PN 90-6083967-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2084527
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a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD RETIREMENT SAVINGS TRUST**b** Name of sponsor of entity listed in (a): VANGUARD FIDUCIARY TRUST COMPANY

c EIN-PN 23-2186884-022	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2014 This Form is Open to Public Inspection
For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u>		
A Name of plan <u>GRANGE MUTUAL CASUALTY COMPANY INCENTIVE SAVINGS PLAN</u>		B Three-digit plan number (PN) ► <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>GRANGE MUTUAL CASUALTY COMPANY</u>		D Employer Identification Number (EIN) <u>31-4192970</u>

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	3046656	2193078
(2) Participant contributions.....	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)	4760898	5050381
(9) Value of interest in common/collective trusts	1c(9)	28555760	75607782
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	159093092	127045273
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	195456406	209896514

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	195456406	209896514
---	-----------	-----------	-----------

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	4929217	
(B) Participants	2a(1)(B)	9450160	
(C) Others (including rollovers)	2a(1)(C)	2884672	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		17264049

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	162921	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		162921

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	6208047	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		6208047

(3) Rents	2b(3)		
-----------------	--------------	--	--

(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		1176372
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		7578272
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		32389661

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	17853758	
(2) To insurance carriers for the provision of benefits.....	2e(2)		
(3) Other.....	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		17853758
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)		
(4) Other.....	2i(4)	95795	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		95795
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		17949553

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		14440108
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: CLARK SCHAEFER HACKETT

(2) EIN: 31-0800053

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
4c			
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
4d			
e Was this plan covered by a fidelity bond?	X		5000000
4e			
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f			
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?.....		X	
4g			
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?.....		X	
4h			
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i			
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)		X	
4j			
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
4k			
l Has the plan failed to provide any benefit when due under the plan?.....		X	
4l			
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
4m			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
 If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ Yes ☐ No Amount:

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☐ Yes ☐ No ☐ Not determined

Part V Trust Information (optional)

6a Name of trust	6b Trust's EIN

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).</div> <div>▶ File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2014</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014		
A Name of plan GRANGE MUTUAL CASUALTY COMPANY INCENTIVE SAVINGS PLAN		B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 GRANGE MUTUAL CASUALTY COMPANY		D Employer Identification Number (EIN) 31-4192970
Part I Distributions		
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....		1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 23-2186884		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....		3
Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)		
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?..... ☐ Yes ☐ No ☐ N/A		
If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____		
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....		6a
b Enter the amount contributed by the employer to the plan for this plan year.....		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?..... ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?..... ☐ Yes ☐ No ☐ N/A		
Part III Amendments		
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No		
Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.		
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ☐ Yes ☐ No		
11 a Does the ESOP hold any preferred stock? ☐ Yes ☐ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... ☐ Yes ☐ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?..... ☐ Yes ☐ No		
For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.		
Schedule R (Form 5500) 2014 v. 140124		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

- a** Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%
- b** Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more
- c** What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

The Incentive Savings Plan Committee
Grange Mutual Casualty Company
Incentive Savings Plan

Independent Auditors' Report

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Grange Mutual Casualty Company Incentive Savings Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2014 and 2013, and the statement of changes in net assets available for benefits for the year ended December 31, 2014, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Plan management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 8, which was certified by Vanguard Fiduciary Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2014 and 2013 and for the year ended December 31, 2014 that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

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columbus, oh 43219

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f. 614.885.8159

Other Matter

The supplemental Schedule of Assets (Held at End of Year) as of December 31, 2014 is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Clark, Schaefer, Hackett & Co.

Columbus, Ohio
October 2, 2015

**GRANGE MUTUAL CASUALTY COMPANY
INCENTIVE SAVINGS PLAN**

**FINANCIAL STATEMENTS AND SUPPLEMENTAL
SCHEDULE**

DECEMBER 31, 2014 AND 2013

WITH INDEPENDENT AUDITORS' REPORT



**GRANGE MUTUAL CASUALTY COMPANY
INCENTIVE SAVINGS PLAN**

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SUPPLEMENTAL SCHEDULE	
Schedule H, Line 4i – Schedule of Assets (Held at End of Year), December 31, 2014	15

All other supplemental schedules and notes for which provision is made in the applicable rules and regulations of the Department of Labor are not required under the related instructions or are inapplicable and, therefore, have been omitted.

The Incentive Savings Plan Committee
Grange Mutual Casualty Company
Incentive Savings Plan

Independent Auditors' Report

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Grange Mutual Casualty Company Incentive Savings Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2014 and 2013, and the statement of changes in net assets available for benefits for the year ended December 31, 2014, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Plan management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 8, which was certified by Vanguard Fiduciary Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2014 and 2013 and for the year ended December 31, 2014 that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

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columbus, oh 43219

www.cshco.com
p. 614.885.2208
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Other Matter

The supplemental Schedule of Assets (Held at End of Year) as of December 31, 2014 is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Clark, Schaefer, Hackett & Co.

Columbus, Ohio
October 2, 2015

**GRANGE MUTUAL CASUALTY COMPANY
INCENTIVE SAVINGS PLAN**

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2014 and 2013

ASSETS

	Participant Directed	
	2014	2013
INVESTMENTS, AT FAIR VALUE (see Notes 2 and 4)		
Registered investment companies	\$ 127,045,273	\$ 159,093,092
Common / collective trusts	76,428,263	28,555,760
Total investments	<u>203,473,536</u>	<u>187,648,852</u>
RECEIVABLES		
Participant notes	5,050,381	4,760,898
Employer contribution	2,193,078	3,046,656
Total receivables	<u>7,243,459</u>	<u>7,807,554</u>
Net assets reflecting investments at fair value	210,716,995	195,456,406
Adjustment from fair value to contract value for interest in common / collective trusts relating to fully benefit-responsive investment contracts	<u>(820,481)</u>	<u>(774,217)</u>
Net assets available for benefits	<u><u>\$ 209,896,514</u></u>	<u><u>\$ 194,682,189</u></u>

The accompanying notes are an integral part of these financial statements.

**GRANGE MUTUAL CASUALTY COMPANY
INCENTIVE SAVINGS PLAN**

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year Ended December 31, 2014

	<u>Participant Directed</u>
Additions:	
Investment income:	
Net appreciation in fair value of investments	\$ 9,022,780
Interest and dividends	<u>6,714,128</u>
Total investment income	<u>15,736,908</u>
Interest income on participant notes receivable	<u>162,921</u>
Contributions:	
Participants	9,450,160
Employer	4,929,217
Rollovers from other qualified plans	<u>2,884,672</u>
Total contributions	<u>17,264,049</u>
Total additions	<u>33,163,878</u>
Deductions:	
Benefits paid to participants and beneficiaries	17,853,758
Administrative expenses and redemption fees	<u>95,795</u>
Total deductions	<u>17,949,553</u>
Net increase	15,214,325
Net assets available for benefits:	
Beginning of year	<u>194,682,189</u>
End of year	<u><u>\$ 209,896,514</u></u>

The accompanying notes are an integral part of these financial statements.

**GRANGE MUTUAL CASUALTY COMPANY
INCENTIVE SAVINGS PLAN**

NOTES TO THE FINANCIAL STATEMENTS

Note 1. Plan Description

The following description of the Grange Mutual Casualty Company Incentive Savings Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

- A. General - The Plan, a defined contribution plan, as amended and restated effective January 1, 2011, was established to provide a savings plan for the benefit of substantially all employees of Grange Mutual Casualty Company (the Employer) and to provide participants an opportunity to contribute according to the provisions of Section 401(k) of the Internal Revenue Code (IRC). The Plan is in conformity with the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).
- B. Automatic Enrollment - Following thirty days of employment, new employees who have not made an election whether or not to participate in the Plan will automatically be enrolled to participate in the Plan. The default contribution percentage under the automatic enrollment process is 6% of the employee's base compensation. The default investment vehicle for automatically enrolled participants is the Vanguard Target Retirement Fund option available under the Plan that most closely coincides with the participant's approximate retirement date. New employees may opt out of the automatic enrollment process. In addition, all Plan participants experience an automatic step-up in contribution percentage by 1% each year beginning with the first contribution made in March, capping out at a total contribution percentage of 10% of the employee's base compensation (the cap increases to 15% of base compensation beginning January 1, 2015). Participants have the option to opt out of the automatic step-up process. At any time, a participant may change their contribution percentage, change the investment vehicles into which contributions are deposited or opt out of participation in the Plan.
- C. Contributions and Forfeitures - In accordance with the terms of the Plan, a participant may authorize payroll deductions ranging from 1% to 50% of their base salary (in 1% increments) utilizing one or more of the following contribution options available within the Plan: 1) basic contributions (before-tax contributions); 2) Roth contributions; 3) after-tax contributions; and 4) catch-up contributions, if the participant is age 50 or older. The total dollar amount that may be contributed by a participant each calendar year is subject to certain limitations, as defined by the Plan. In addition, the total percentage contributed may not exceed 50% of a participant's base salary. As a matching contribution, the Employer contributes 50% of each participant's basic and/or Roth contributions that do not exceed 6% of compensation. An accompanying matching contribution receivable of \$0 and \$53,173 were recorded at December 31, 2014 and 2013, respectively.

Participants may also contribute to the Plan amounts representing distributions from other qualified defined benefit or defined contribution plans as a rollover contribution. During 2014, rollover contributions from other qualified plans were \$2,884,672.

**GRANGE MUTUAL CASUALTY COMPANY
INCENTIVE SAVINGS PLAN**

NOTES TO THE FINANCIAL STATEMENTS

Note 1. Plan Description (Continued)

- C. Contributions and Forfeitures (Continued) - Employees hired on or after January 1, 2007 are not eligible to participate in the Employer's defined benefit pension plan. These employees instead participate in a benefit available under the Plan, known as Retirement Accumulation Accounts (RA Accounts), which utilize a combination of the employee's age and years of credited service to determine the annual contribution that will be made by the Employer. To be eligible for a RA Account contribution, the participant must be employed on the last day of the calendar year or have retired, become disabled, or died during the year. Employees who were hired on or before December 31, 2006 will continue their participation in the defined benefit pension plan and are not eligible to participate in the RA Accounts. RA Account contributions in 2014 and 2013 were \$1,216,904 and \$985,527, and were recorded as a receivable at December 31, 2014 and 2013, respectively.

The Plan also provides that additional discretionary contributions (as defined) may be made by the Employer in such amounts as approved by the Employer's Board of Directors. Participants are eligible to receive an additional discretionary contribution only if they have made basic and/or Roth contributions during the calendar year and are either actively employed on the last day of the calendar year or have retired, become disabled, or died during the calendar year. Participants that are deemed to be Highly Compensated Employees (as defined by the Internal Revenue Service) are not eligible to receive additional discretionary contributions. Additional discretionary contributions approved by the Board in 2014 and 2013 were \$976,174 and \$2,007,956, respectively, which were recorded as a receivable at December 31, 2014 and 2013, respectively.

Participants are always 100% vested in their own contributions, including basic, Roth, after-tax, catch-up, and rollover contributions. Participants are fully vested in Employer matching contributions and additional discretionary contributions after completing two consecutive twelve-month periods of service of at least 1,000 hours per year. Participants are fully vested in RA Account contributions after completing three consecutive twelve-month periods of service of at least 1,000 hours per year.

At December 31, 2014 and 2013, forfeited nonvested accounts totaled \$115,891 and \$48,765, respectively. These accounts will be used to reduce future Employer matching or RA Account contributions. During 2014, forfeited nonvested accounts amounting to \$106,524 were used to reduce Employer matching and RA Account contributions.

All contributions are invested in investment options as directed by each participant. Participants are permitted to divide their contributions among the investment options in 1% increments. The investment options are managed by Vanguard Fiduciary Trust Company (Vanguard).

**GRANGE MUTUAL CASUALTY COMPANY
INCENTIVE SAVINGS PLAN**

NOTES TO THE FINANCIAL STATEMENTS

Note 1. Plan Description (Continued)

- D. Distributions - In accordance with the Plan, a participant may receive the full value of their participant and vested employer accounts upon early retirement, normal retirement at age 65, total disability or termination of employment. Upon the death of a participant, their beneficiary shall be entitled to the full value of the participant and vested employer accounts. Distributions may be made in the form of a lump sum, installment payments over 20 years or less, or a combination of those options.

Participants may elect at any time to withdraw any or all of their after-tax contributions. A participant may elect to withdraw any or all of their basic, Roth, catch-up, rollover, Employer matching, and additional discretionary contributions in the event of financial hardship (as determined under the rules established by the Incentive Savings Plan Committee). The Incentive Savings Plan Committee must approve all participant hardship withdrawals. The Plan also allows for distributions of pre-tax and Roth contributions at age 59 ½.

- E. Investment Income - Investment income (including any appreciation or depreciation in the fair value of each investment fund) is allocated to participant accounts at the end of each business day based upon the ratio of each participant's account to the total of all participant accounts.

- F. Participant Notes Receivable - Notes are permitted under certain circumstances and are subject to limitations. Participants may borrow from their funds up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance (excluding the RA Account balance after February 13, 2013). Notes are repaid over a period not to exceed 5 years with exceptions for the purchase of a primary residence. The notes are secured by the balance in the participant's account and bear interest rates comparable to the rates charged by commercial lending institutions for similar types of transactions. Principal and interest are paid ratably through payroll deductions. Participants with outstanding principal balances are assessed a nominal administration fee annually. Upon default, the plan administrator treats the default as a distribution and offsets the outstanding balance of the note against the participant's account balance. At December 31, 2014 and 2013, the balances of participant notes receivable were \$5,050,381 and \$4,760,898, respectively.

Note 2. Summary of Significant Accounting Policies

- A. Basis of Presentation - The accompanying financial statements have been prepared in accordance with U.S. generally accepted accounting principles (GAAP) and present the net assets available for benefits and changes in net assets available for benefits on the accrual basis of accounting.

**GRANGE MUTUAL CASUALTY COMPANY
INCENTIVE SAVINGS PLAN**

NOTES TO THE FINANCIAL STATEMENTS

Note 2. Summary of Significant Accounting Policies (Continued)

- B. As described in Financial Accounting Standards Board (FASB) *Accounting Standards Codification (ASC) 962, Plan Accounting – Defined Contribution Pension Plans*, investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Plan invests in investment contracts through common/collective trusts. Contract value for the common/collective trusts is based on the net asset value of the fund as reported by the trustee and audited financial statements of the fund. The Statements of Net Assets Available for Benefits present the fair value of the investment in the common/collective trusts as well as the adjustment of the investment in the common/collective trusts from fair value to contract value relating to the investment contracts. Vanguard has stated that the contract value of the balanced common/collective trust funds approximates fair market value, and, therefore, no adjustment to contract value is needed for these funds. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.

Participant Notes Receivable – Notes receivable from participants are measured at their unpaid balance plus any accrued but unpaid interest. Delinquent participant notes are reclassified as distributions based upon the terms of the plan document.

Investment Valuation and Interest and Dividend Income – The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements. Interest and dividend income is recognized on the accrual basis. Investment income includes unrealized appreciation or depreciation in the investment funds. Investment transactions are recorded on the trade date. Realized gains or losses on investment funds sold are accounted for using the average cost method on a trade date basis.

- C. Contributions - Participant contributions are recognized when due to the Plan through salary withholding. Employer matching contributions are recognized when the related participant contributions are recognized. RA Account contributions are recognized when due to the Plan for those participants that meet the criteria described in Note 1(C). Additional discretionary contributions approved by the Employer's Board are recognized in the year of service for those participants that meet the criteria described in Note 1(C).
- D. Payments of Benefits - Distributions are recognized when paid.
- E. Administrative Expenses - Administrative expenses are fees paid directly by the Plan for the administration of the Plan and maintenance of participant accounts, including outstanding participant notes receivable. Other administrative expenses are paid by the Employer and are excluded from these financial statements.

**GRANGE MUTUAL CASUALTY COMPANY
INCENTIVE SAVINGS PLAN**

NOTES TO THE FINANCIAL STATEMENTS

Note 2. Summary of Significant Accounting Policies (Continued)

- F. Use of Estimates - The preparation of financial statements in conformity with GAAP requires the plan administrator to make certain estimates and assumptions that affect the reported amounts of net assets available for benefits as of the date of the financial statements and the changes in net assets available for benefits for the reporting period. Actual results could differ from those estimates and assumptions.
- G. Risks and Uncertainties - The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Statements of Net Assets Available for Benefits.
- H. Subsequent Events - The Plan evaluated subsequent events through October 2, 2015, the date financial statements were available to be issued.
- There were no subsequent events that require adjustment to or disclosure in the financial statements.

Note 3. Investments

The following investments represented 5% or more of the net assets available for benefits at fair value at December 31, 2014 and 2013:

	2014	2013
Vanguard PRIMECAP Fund Admiral Shares	\$ 31,838,582	\$ N/A
Vanguard Retirement Savings Trust III	27,548,670	N/A
Vanguard Wellington Fund Admiral Shares	23,494,803	N/A
Vanguard Institutional Index Fund	17,417,697	N/A
Vanguard Windsor II Fund Admiral Shares	16,604,787	N/A
Vanguard Target Retirement 2035 Trust II	11,386,245	N/A
Vanguard Retirement Savings Trust	N/A	28,555,760
Vanguard PRIMECAP Fund Investor Shares	N/A	28,244,963
Vanguard Wellington Fund Investor Shares	N/A	24,856,853
Vanguard Windsor II Fund Investor Shares	N/A	14,969,656
Vanguard 500 Index Fund Signal Shares	N/A	14,217,187

N/A – Investment did not exceed the 5% reporting threshold at December 31, 2014 and 2013, respectively.

In the above table, the investment classes changed in 2014 from Investor and Signal shares to Admiral and Institutional shares, respectively.

**GRANGE MUTUAL CASUALTY COMPANY
INCENTIVE SAVINGS PLAN**

NOTES TO THE FINANCIAL STATEMENTS

Note 3. Investments (Continued)

For the year ended December 31, 2014, the net increase in fair value of investments of \$1,444,508 relates to the investments in common/collect trusts and \$7,578,272 relates to the registered investment companies.

Note 4. Fair Value

FASB ASC 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of fair value hierarchy under FASB ASC 820 are described as follows:

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.
- Level 2: Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets at fair value. There have been no changes in the methodology used at December 31, 2014 and 2013:

- Registered investment companies: Valued at observable market quotations for identical assets and are priced on a daily basis.
- Common/collective trusts – Balanced Funds: Valued using the net asset value (NAV) provided by the fund trustee based on the value of the underlying assets owned by the trust, minus its liabilities, and then divided by the number of shares outstanding. The NAV is classified within Level 2 of the fair value hierarchy. The fund manager's objective is to seek total return consisting of long-term growth of capital and current income based on various expected retirement dates. There are no unfunded commitments related to the common/collective trusts and units are redeemable at NAV daily.

**GRANGE MUTUAL CASUALTY COMPANY
INCENTIVE SAVINGS PLAN**

NOTES TO THE FINANCIAL STATEMENTS

Note 4. Fair Value (Continued)

- Common/collective trusts – Bond funds: Fair value determined by the plan trustee based on the fair value of underlying securities in the fund which represent the NAV of the shares held by the Plan at year-end. The trust manager's objective is preservation of capital and the trust invests in contracts that are backed by high-quality bonds and mutual funds. There are no unfunded commitments related to the common/collective trust and units are redeemable at NAV.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2014 and 2013:

	December 31, 2014	Fair Value Measurements at December 31, 2014 using:		
		Level 1	Level 2	Level 3
Registered Investment Companies:				
Balanced Funds	\$ 27,567,322	\$ 27,567,322	\$ -	\$ -
Bond Funds	12,341,045	12,341,045	-	-
Domestic Stock Funds	76,118,002	76,118,002	-	-
International Stock Funds	11,018,904	11,018,904	-	-
	<u>127,045,273</u>	<u>127,045,273</u>	<u>-</u>	<u>-</u>
Common / Collective Trusts				
Balanced Funds	48,879,593	-	48,879,593	-
Bond Funds	27,548,670	-	27,548,670	-
	<u>76,428,263</u>	<u>-</u>	<u>76,428,263</u>	<u>-</u>
	<u>\$ 203,473,536</u>	<u>\$ 127,045,273</u>	<u>\$ 76,428,263</u>	<u>\$ -</u>

**GRANGE MUTUAL CASUALTY COMPANY
INCENTIVE SAVINGS PLAN**

NOTES TO THE FINANCIAL STATEMENTS

Note 4. Fair Value (Continued)

	December 31, 2013	Fair Value Measurements at December 31, 2013 using:		
		Level 1	Level 2	Level 3
Registered Investment Companies:				
Balanced Funds	\$ 69,717,685	\$ 69,717,685	\$ -	\$ -
Bond Funds	11,163,230	11,163,230	-	-
Domestic Stock Funds	66,847,974	66,847,974	-	-
International Stock Funds	11,364,203	11,364,203	-	-
	<u>159,093,092</u>	<u>159,093,092</u>	<u>-</u>	<u>-</u>
Common / Collective Trust				-
Balanced Funds	-	-	-	-
Bond Funds	28,555,760	-	28,555,760	-
	<u>28,555,760</u>	<u>-</u>	<u>28,555,760</u>	<u>-</u>
	<u>\$ 187,648,852</u>	<u>\$ 159,093,092</u>	<u>\$ 28,555,760</u>	<u>\$ -</u>

The following table summarizes investments measured at fair value based on NAV per share as of December 31, 2014 and 2013, respectively:

December 31, 2014	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Common/collective trusts:				
Balanced Funds	\$ 48,879,593	n/a	Daily	Daily
Bond Funds	27,548,670	n/a	Daily	Daily
December 31, 2013	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Common/collective trust:				
Bond Funds	\$ 28,555,760	n/a	Daily	Daily

Note 5. Plan Termination

Although the Employer has not expressed any intent to do so, it has the right, subject to resolution by its Board, to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. If the Plan is terminated, the interest of each participant will be distributed, used to purchase annuities or continue to be held in trust at the discretion of the Incentive Savings Plan Committee.

**GRANGE MUTUAL CASUALTY COMPANY
INCENTIVE SAVINGS PLAN**

NOTES TO THE FINANCIAL STATEMENTS

Note 6. Tax Status

The Internal Revenue Service has determined and informed the Employer by a letter dated December 15, 2011, that the Plan is designed in accordance with applicable sections of the IRC and, therefore, is exempt from federal income taxes. Although the Plan has been amended since receiving the determination letter, the plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC.

GAAP requires plan management to evaluate tax positions taken to determine if there are any uncertain positions that more likely than not would not be sustained upon examination by the Internal Revenue Service. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2014, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

The Plan is subject to routine audits by taxing jurisdictions. The Plan believes it is no longer subject to income tax examinations for years prior to 2011.

Note 7. Related Party Transactions

All Plan investments are in shares of registered investment companies and common/collective trusts managed by an affiliate of Vanguard. Vanguard is the trustee and, therefore, these transactions qualify as party-in-interest transactions.

Note 8. Information Certified by the Plan's Trustee

The Plan's administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Vanguard, the trustee of the Plan, has certified to the completeness and accuracy of all investments reflected in the accompanying statements of net assets available for benefits as of December 31, 2014 and 2013, the related investment activity reflected in the statement of changes in net assets available for benefits for the year ended December 31, 2014, as well as the investment information disclosed in Note 3, and the accompanying supplemental schedule of assets (held at end of year).

**GRANGE MUTUAL CASUALTY COMPANY
INCENTIVE SAVINGS PLAN**

NOTES TO THE FINANCIAL STATEMENTS

Note 9. Reconciliation to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 at December 31, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
Net assets available for benefits per the financial statements	\$ 209,896,514	194,682,189
Adjustment from contract value to fair value for fully benefit-responsive investment contracts	<u>-</u>	<u>774,217</u>
Net assets available for benefits per the Form 5500	<u>\$ 209,896,514</u>	<u>195,456,406</u>

The following is a reconciliation of the change in net assets per the financial statements to the Form 5500 for the year ended December 31, 2014:

Change in net assets per the financial statements	\$ 15,214,325
Adjustment from contract value to fair value for fully benefit-responsive investment contracts - prior year	<u>(774,217)</u>
Change in net assets per the Form 5500	<u>\$ 14,440,108</u>

Note 10. Other

During 2013, an administrative error was noted by the Employer related to the Plan:

- Participant notes receivable – From 2009 through 2012, due to an administrative error by the plan trustee, certain participants were able to take notes receivable against balances in the Plan related to the RA Accounts, which is an ineligible source of funds for notes based on the Plan agreement. The error was corrected via the Voluntary Correction Program with the IRS and the Plan was retroactively amended to allow the RA Account funds to be included as a source for participant notes receivable only for the affected period from 2009 through February 13, 2013. Therefore, participants were not impacted by the administrative error and there is no impact to the financial statements as a result of this error. After February 13, 2013, the Plan excludes RA Accounts funds as a source of funds for notes.

SUPPLEMENTAL SCHEDULE

**GRANGE MUTUAL CASUALTY COMPANY
INCENTIVE SAVINGS PLAN**

**Plan number: 002
EIN number: 31-4192970**

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

December 31, 2014

(a)	(b)	(c)	(e)
	Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par, or maturity value	Current value
	* Vanguard PRIMECAP Fund Admiral Shares	Registered Investment Company	\$ 31,838,582
	* Vanguard Retirement Savings Trust III	Common/Collective Trust	27,548,670
	* Vanguard Wellington Fund Admiral Shares	Registered Investment Company	23,494,803
	* Vanguard Institutional Index Fund	Registered Investment Company	17,417,697
	* Vanguard Windsor II Fund Admiral Shares	Registered Investment Company	16,604,787
	* Vanguard Target Retirement 2035 Trust II	Common/Collective Trust	11,386,245
	* Vanguard Extend Market Index Fund: Inst'l Shares	Registered Investment Company	10,141,046
	* Vanguard Target Retirement 2025 Trust II	Common/Collective Trust	9,815,554
	* Vanguard Target Retirement 2045 Trust II	Common/Collective Trust	7,729,336
	* Vanguard Total Bond Market Index Fund: Inst'l Shr	Registered Investment Company	7,213,883
	* Vanguard Total International Stock Index Fund: Inst'l Shr	Registered Investment Company	5,555,540
	* Vanguard Target Retirement 2020 Trust II	Common/Collective Trust	5,506,623
	* Vanguard International Growth Fund Admiral Shares	Registered Investment Company	5,463,364
	* Vanguard Target Retirement 2030 Trust II	Common/Collective Trust	4,192,998
	* Vanguard Short-Term Investment-Grade Fund: Adm Shr	Registered Investment Company	3,504,106
	* Vanguard Target Retirement 2015 Trust II	Common/Collective Trust	3,169,903
	* Vanguard Wellesley Income Fund Admiral Shares	Registered Investment Company	3,156,270
	* Vanguard Target Retirement 2040 Trust II	Common/Collective Trust	2,608,047
	* Vanguard Target Retirement Income Trust II	Common/Collective Trust	2,084,527
	* Vanguard Inflation-Protected Securities Fund: Adm Shares	Registered Investment Company	1,623,056
	* Vanguard Target Retirement 2010 Trust II	Common/Collective Trust	944,498
	* Vanguard Balanced Index Fund Admiral Shares	Registered Investment Company	916,249
	* Vanguard Target Retirement 2050 Trust II	Common/Collective Trust	887,958
	* Vanguard Target Retirement 2055 Trust II	Common/Collective Trust	553,904
	* Vanguard Prime Money Market Fund	Registered Investment Company	115,890
		Total investments	203,473,536
	* Participant Notes Receivable	3.25% - 7.00%	5,050,381
		Total investments & participant notes	\$ 208,523,917
	* Denotes party-in-interest		

Note: Column (d) (Cost) has been omitted as it is not required under ERISA.

The above data is based on information which has been certified as complete and accurate by Vanguard Fiduciary Trust Company, the trustee of the Plan.

See accompanying independent auditors' report.

**GRANGE MUTUAL CASUALTY COMPANY
INCENTIVE SAVINGS PLAN**

Plan number: 002
EIN number: 31-4192970

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	* Vanguard Target Retirement 2030 Trust II	Common/Collective Trust	4,192,998
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	* Vanguard Target Retirement Income Trust II	Common/Collective Trust	2,084,527
	* Vanguard Inflation-Protected Securities Fund: Adm Shares	Registered Investment Company	1,623,056
	* Vanguard Target Retirement 2010 Trust II	Common/Collective Trust	944,498
	* Vanguard Balanced Index Fund Admiral Shares	Registered Investment Company	916,249
	* Vanguard Target Retirement 2050 Trust II	Common/Collective Trust	887,958
	* Vanguard Target Retirement 2055 Trust II	Common/Collective Trust	553,904
	* Vanguard Prime Money Market Fund	Registered Investment Company	115,890
		Total investments	203,473,536
	* Participant Notes Receivable	3.25% - 7.00%	5,050,381
		Total investments & participant notes	\$ 208,523,917
	* Denotes party-in-interest		

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