

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). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2014 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 STATE AUTO INSURANCE COMPANIES EMPLOYEE RETIREMENT PLAN	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;">001</td> </tr> <tr> <td colspan="2">1c Effective date of plan 07/01/1945</td> </tr> </table>	1b Three-digit plan number (PN) ▶	001	1c Effective date of plan 07/01/1945	
1b Three-digit plan number (PN) ▶	001				
1c Effective date of plan 07/01/1945					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) STATE AUTO PROPERTY & CASUALTY INSURANCE COMPANY 518 E. BROAD STREET COLUMBUS, OH 43215	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) 57-6010814</td> </tr> <tr> <td>2c Plan Sponsor's telephone number 614-464-5000</td> </tr> <tr> <td>2d Business code (see instructions) 524150</td> </tr> </table>	2b Employer Identification Number (EIN) 57-6010814	2c Plan Sponsor's telephone number 614-464-5000	2d Business code (see instructions) 524150	
2b Employer Identification Number (EIN) 57-6010814					
2c Plan Sponsor's telephone number 614-464-5000					
2d Business code (see instructions) 524150					

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.	10/14/2015	PETER J LOVE
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	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: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 3943
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) 1415
a(2) Total number of active participants at the end of the plan year	6a(2) 1278
b Retired or separated participants receiving benefits	6b 1278
c Other retired or separated participants entitled to future benefits.....	6c 1135
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 3691
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 187
f Total. Add lines 6d and 6e	6f 3878
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h 11
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: 1A	
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) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (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 (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (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 SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2014 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

Round off amounts to nearest dollar.
Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan STATE AUTO INSURANCE COMPANIES EMPLOYEE RETIREMENT PLAN	B Three-digit plan number (PN) 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF STATE AUTO PROPERTY & CASUALTY INSURANCE COMPANY	D Employer Identification Number (EIN) 57-6010814

E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2014			
2 Assets:			
a Market value	2a	305392994	
b Actuarial value	2b	292719738	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	1403	121114736	121114736
b For terminated vested participants	1125	39230024	39230024
c For active participants	1415	96555047	105147112
d Total	3943	256899807	265491872
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)	☐		
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5	6.54%	
6 Target normal cost	6	7676231	

Statement by Enrolled Actuary
To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE		10/12/2015
	Signature of actuary	Date
MARK A. BONSALL, F.S.A.	Type or print name of actuary	14-06050
		Most recent enrollment number
CONRAD SIEGEL ACTUARIES	Firm name	717-652-5633
		Telephone number (including area code)
P.O. BOX 5900, 501 CORPORATE CIRCLE HARRISBURG, PA 17110-0900	Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

Part II Beginning of Year Carryover and Prefunding Balances		
	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	15050479
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	15050479
10 Interest on line 9 using prior year's actual return of <u>13.97</u> %	0	2102552
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		9221918
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.37</u> %		587436
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		9809354
d Portion of (c) to be added to prefunding balance		9809354
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	26962385

Part III Funding Percentages		
14 Funding target attainment percentage	14	100.09 %
15 Adjusted funding target attainment percentage	15	110.25 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	97.84 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
03/19/2015	5000000	0			
05/20/2015	5000000	0			
07/07/2015	5000000	0			
08/31/2015	5000000	0			
			Totals ►	18(b)	20000000
				18(c)	0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	18255213
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No		
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No		
c If line 20a is "Yes," see instructions and complete the following table as applicable:		
Liquidity shortfall as of end of quarter of this plan year		
(1) 1st	(2) 2nd	(3) 3rd

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 4.99 %	2nd segment: 6.32 %	3rd segment: 6.99 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 0
22 Weighted average retirement age				22 62
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.	27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....	31a	7676231	
b Excess assets, if applicable, but not greater than line 31a	31b	265481	
32 Amortization installments:	Outstanding Balance		
a Net shortfall amortization installment.....	0	0	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	0	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	7410750	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	7611845	7611845
36 Additional cash requirement (line 34 minus line 35).....	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	18255213	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	18255213	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	7410750	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42	0	
43 Excess installment acceleration amount to be carried over to future plan years	43	0	

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 STATE AUTO INSURANCE COMPANIES EMPLOYEE RETIREMENT PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 STATE AUTO PROPERTY & CASUALTY INSURANCE COMPANY	D Employer Identification Number (EIN) 57-6010814	

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

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)

CORTINA ASSET MANAGEMENT

56-2450074

(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?
21 51	FUND INVESTMENT MANAGER	343511	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

SILCHESTER

45-3056700

(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?
28 51	FUND INVESTMENT MANAGER	169761	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

MONDRIAN

56-2475915

(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?
28 51	FUND INVESTMENT MANAGER	82891	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)

JPMORGAN CHASE BANK, N.A.

13-4994650

(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?
19 50	CUSTODIAN	0	Yes ☒ No ☐	Yes ☐ No ☒	11647	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
JP MORGAN CORTINA ACCOUNT	19 50	11647

(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.
J.P. MORGAN ASSET MANAGEMENT 4 NEW YORK PLAZA 12TH FL NY1-E036 NEW YORK, NY 10004	OTHER INVESTMENT FEES AND EXPENSES

(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) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	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 2014 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 STATE AUTO INSURANCE COMPANIES EMPLOYEE RETIREMENT PLAN	B Three-digit plan number (PN) ▶ 001	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 STATE AUTO PROPERTY & CASUALTY INSURANCE COMPANY	D Employer Identification Number (EIN) 57-6010814	

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: INTL VALUE EQUITY GROUP TRUST

b Name of sponsor of entity listed in (a): SILCHESTER INTERNATIONAL INVESTORS LLP

c EIN-PN 36-7045783-001	d Entity code E	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 16446434
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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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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)
-----------------	----------------------	---

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)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

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
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
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
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

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>STATE AUTO INSURANCE COMPANIES EMPLOYEE RETIREMENT PLAN</u>		B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>STATE AUTO PROPERTY & CASUALTY INSURANCE COMPANY</u>		D Employer Identification Number (EIN) <u>57-6010814</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	2815947 2174213
b Receivables (less allowance for doubtful accounts):		
(1) Employer contributions.....	1b(1)	20000000 20000000
(2) Participant contributions.....	1b(2)	
(3) Other.....	1b(3)	1058339 1855677
c General investments:		
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	12505484 5406799
(2) U.S. Government securities	1c(2)	63186086 101482795
(3) Corporate debt instruments (other than employer securities):		
(A) Preferred	1c(3)(A)	
(B) All other	1c(3)(B)	38591027 61176298
(4) Corporate stocks (other than employer securities):		
(A) Preferred	1c(4)(A)	
(B) Common.....	1c(4)(B)	129663806 116243813
(5) Partnership/joint venture interests	1c(5)	0 12298321
(6) Real estate (other than employer real property).....	1c(6)	
(7) Loans (other than to participants)	1c(7)	
(8) Participant loans.....	1c(8)	
(9) Value of interest in common/collective trusts	1c(9)	
(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)	0 16446434
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	1292830 0
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	
(15) Other.....	1c(15)	39042456 0

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	308155975	337084350

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	154478	1097245
k Total liabilities (add all amounts in lines 1g through 1j)	1k	154478	1097245

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	308001497	335987105
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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) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	20000000	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		20000000
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	24	
(B) U.S. Government securities	2b(1)(B)	3442522	
(C) Corporate debt instruments	2b(1)(C)	1984673	
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		5427219
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	2350881	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		2350881
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	84895498	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	71634379	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		13261119
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	5644322	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		5644322

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		
(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)		-46124
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		6074
d Total income. Add all income amounts in column (b) and enter total.....	2d		46643491

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	16472239	
(2) To insurance carriers for the provision of benefits.....	2e(2)		
(3) Other.....	2e(3)	1577824	
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		18050063
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)	607810	
(4) Other.....	2i(4)	10	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		607820
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		18657883

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		27985608
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 & COMPANY

(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		1500000
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.)			
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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information 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). ▶ 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 STATE AUTO INSURANCE COMPANIES EMPLOYEE RETIREMENT PLAN		B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 STATE AUTO PROPERTY & CASUALTY INSURANCE COMPANY		D Employer Identification Number (EIN) 57-6010814
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 0
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): _____ 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 2
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: 38.0% Investment-Grade Debt: 52.0% High-Yield Debt: 0.0% Real Estate: 0.0% Other: 10.0%

- 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):

Audited Financial Statements and Supplemental Schedule

STATE AUTO INSURANCE COMPANIES EMPLOYEE RETIREMENT PLAN

*Years Ended December 31, 2014 and 2013
with Independent Auditors' Report*

STATE AUTO INSURANCE COMPANIES EMPLOYEE RETIREMENT PLAN

Audited Financial Statements and Supplemental Schedule
December 31, 2014 and 2013

Contents

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Independent Auditors' Report

People Strategy Committee
State Auto Insurance Companies Employee Retirement Plan
Columbus, Ohio

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the State Auto Insurance Companies Employee Retirement Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2014 and 2013, and the related statements of changes in net assets available for benefits for the years then ended, 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 audits 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, however, we were unable 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 (ERISA), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by JPMorgan Chase Bank, N.A., the custodian 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 custodian held the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of and for the years ended December 31, 2014 and 2013 that the information provided to the plan administrator by the custodian 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.

Other Matter

The supplemental Schedule of Assets (Held at End of Year) 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 custodian, 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 9, 2015

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STATE AUTO INSURANCE COMPANIES EMPLOYEE RETIREMENT PLAN
Statements of Net Assets Available for Benefits

	December 31	
	2014	2013
Assets		
Cash	\$ 2,174,213	\$ 2,376,017
Investments, at fair value:		
U.S. treasury securities and U.S. government agencies	86,762,589	45,674,119
Corporate obligations	61,065,367	38,323,572
U.S. government agencies mortgage-backed securities	14,385,347	17,511,967
Equity securities	116,243,813	129,663,806
Limited partnerships	28,744,755	39,042,456
Interest-bearing cash	5,399,994	12,505,484
<i>Total investments</i>	<u>312,601,865</u>	<u>282,721,404</u>
Contribution receivable	20,000,000	20,000,000
Accrued investment income	1,702,028	1,053,901
Assets held for Group Comprehensive Medical Insurance Plan for		
Employees (401(h) Account)	452,595	2,000,215
Accrued investment income (401(h) Account)	1,063	4,438
Receivable for securities	152,586	—
<i>Total assets</i>	<u>337,084,350</u>	<u>308,155,975</u>
Liabilities		
Amount due to Group Comprehensive Medical Insurance Plan for		
Employees (401(h) Account)	453,658	2,004,653
Payable for securities	981,784	—
Accrued liabilities	115,461	154,477
<i>Total liabilities</i>	<u>1,550,903</u>	<u>2,159,130</u>
Net assets available for benefits	<u>\$ 335,533,447</u>	<u>\$ 305,996,845</u>

See accompanying notes.

STATE AUTO INSURANCE COMPANIES EMPLOYEE RETIREMENT PLAN
Statements of Changes in Net Assets Available for Benefits

	Year Ended December 31	
	2014	2013
Employer contributions	\$ 20,000,000	\$ 20,000,000
Investment income:		
Interest and dividends	7,762,802	6,604,652
Net appreciation in fair value of investments	18,853,859	28,542,349
<i>Total investment income</i>	<u>26,616,661</u>	<u>35,147,001</u>
<i>Total income</i>	<u>46,616,661</u>	<u>55,147,001</u>
Administrative expenses	607,820	700,578
Benefits paid directly to participants and beneficiaries	16,472,239	18,097,584
<i>Total deductions</i>	<u>17,080,059</u>	<u>18,798,162</u>
<i>Net increase</i>	29,536,602	36,348,839
<u>Net assets available for benefits:</u>		
Beginning of year	305,996,845	269,648,006
End of year	<u><u>\$ 335,533,447</u></u>	<u><u>\$ 305,996,845</u></u>

See accompanying notes

1. Description of the Plan

Organization

The State Auto Insurance Companies Employee Retirement Plan (the “Plan”) was established in July 1945 to provide retirement benefits for eligible employees of State Auto Property & Casualty Insurance Company and its affiliates (the “Company”).

The following description of the Plan provides only general information. Participants should refer to the Plan document for a complete description of the Plan.

General

The Plan is a defined benefit plan and covers approximately 60% of current employees of the Company, except those employees hired on or after January 1, 2010. Participants are eligible to receive pension benefits upon reaching age 65 or early retirement if certain age and length of service requirements are met. Benefits are determined by applying factors specified in the Plan to a participant’s defined average annual compensation and are recognized when paid. Benefits are normally in the form of a life annuity for unmarried participants and joint and survivor annuity for married participants; however, other optional payment methods are also available. Participants become fully vested upon completion of five years of service.

The Company has the right to amend the Plan at any time. No amendment shall cause the assets of the Plan to be used for purposes other than for the benefit of the participants prior to satisfaction of all liabilities under the Plan, or to adversely affect any retirement benefit being received.

Funding Policy

Contributions are made by the Company in such amounts as have been actuarially determined using the Pension Protection Act of 2006 Target Liability Method. The Plan meets the minimum funding requirements of the Employee Retirement Income Security Act of 1974 (“ERISA”).

401(h) Account

During 1990, a provision was made to the Plan to allow funding for future retiree health benefits under Section 401(h) of the Internal Revenue Code (“401(h) Account”). This provision allows an additional annual contribution to the Section 401(h) Account for medical benefits not to exceed certain limitations, as defined by the Internal Revenue Code. The assets related to the Section 401(h) Account are fixed maturities which are available only to pay retiree health and welfare benefits. There were no transfers between the 401(h) Account and the Plan for the years ended December 31, 2014 and 2013.

Administrative Expenses

The Plan paid investment management fees of \$607,820 and \$700,578 for the years ended December 31, 2014 and 2013, respectively. Certain expenses are paid by the Company and are excluded from these financial statements.

Plan Termination

While the Company has not expressed any intent to terminate the Plan or to discontinue contributions, it is free to do so at any time, subject to the provisions set forth by ERISA. Should the Plan be terminated at some future time, all participants become 100% vested in benefits earned as of the termination date.

If the termination is the result of the bankruptcy or near bankruptcy of the Company and the Plan’s assets are not adequate to pay all benefits vested prior to the termination, the Pension Benefit Guaranty Corporation (“PBGC”) will take over the Plan and will pay those benefits which it guarantees. In this case, some participants may receive a smaller benefit than if the Plan had continued. Whether a particular participant’s accumulated plan benefits will be paid depends on both the priority of those benefits (as described in the Plan) and the level of benefits guaranteed by the PBGC at that time.

If, however, the Plan is terminated for any reason other than the bankruptcy or near bankruptcy of the Company and the Plan has insufficient assets, the Company will be required to pay to the Plan an amount which together with Plan assets will satisfy all benefits accumulated to the date of the Plan termination.

Upon termination, the assets of the Plan shall be allocated in the following order:

- a. to continue benefits to participants or beneficiaries who were in pay status as of the beginning of the three-year period ending on the termination date,
- b. to provide benefits to participants who would have been entitled to receive benefits if such participants had retired prior to the beginning of the three-year period ending on the termination date,
- c. to provide all other insured benefits guaranteed by the PBGC,
- d. to provide all other non-forfeitable benefits,
- e. to provide all other benefits, and
- f. to provide any remaining assets to the participating employer.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accounting records of the Plan are maintained in conformity with U.S. generally accepted accounting principles ("GAAP").

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Valuation of Investments and Related Investment Income

The Plan invests in fixed maturities, equity securities, limited partnerships and interest-bearing cash. The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. See Note 3 for discussion on fair value measurements. Security transactions are accounted for on the trade date. Interest income is recognized on the accrual basis. Dividend income is recognized on the ex-dividend date.

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits (see Note 5) are those estimated future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions for services rendered by the participants to the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, and (b) present employees or their beneficiaries and are based on employees' average compensation amounts beginning on January 1, 1993. Benefits payable under all circumstances - retirement, death, disability, and termination of employment - are included, to the extent they are deemed attributable to employee service rendered to the valuation date.

Assets Held for Group Comprehensive Medical Insurance Plan for Employees

The assets for the Group Comprehensive Medical Insurance Plan for Employees ("Group Medical Plan"), a self-insured plan, represent investments that are held for the future benefit of the Group Medical Plan under a 401(h) Account. The investment income, contributions, distributions, gains and losses related to this account are reflected in the Group Medical Plan and not in the accompanying financial statements.

3. Fair Value Measurements and Investments

Below is the fair value hierarchy that categorizes into three levels the inputs to valuation techniques that are used to measure fair value:

- Level 1 includes observable inputs which reflect quoted prices for identical assets or liabilities in active markets at the measurement date.
- Level 2 includes observable inputs for assets or liabilities other than quoted prices included in Level 1, and it includes valuation techniques which use prices for similar assets and liabilities.
- Level 3 includes unobservable inputs which reflect the reporting entity's estimates of the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

Transfers between level categorizations may occur due to changes in the availability of market observable inputs. Transfers in and out of level categorizations are reported as having occurred at the end of the year in which the transfer occurred. There were no transfers between level categorizations during the years ended December 31, 2014 and 2013.

The Plan utilizes one nationally recognized pricing service to estimate the majority of its available for sale investment portfolio's fair value. The Plan obtains one price per security and the processes and control procedures employed by the Plan are designed to ensure the value is accurately recorded on an unadjusted basis. Through discussions with the pricing service, the Plan gains an understanding of the methodologies used to price the different types of securities, that the data and the valuation methods utilized are appropriate and consistently applied, and that the assumptions are reasonable and representative of fair value. To validate the reasonableness of the valuations obtained from the pricing service, the Plan compares to other fair value pricing information gathered from other independent pricing sources. At December 31, 2014 and 2013, the Plan did not adjust any of the prices received from the pricing service.

The following sections describe the valuation methods used by the Plan for each type of financial instrument it holds that are carried at fair value:

Fixed Maturities

The Plan utilizes a pricing service to estimate fair value measurements for its fixed maturity securities (described in the Fair Value table below). The fair value estimates of these investments are 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, interest rate yield curves, credit spreads, and other market-observable information. All unadjusted estimates of fair value for these investments priced by the pricing service are included in the amounts disclosed in Level 2.

Equity Securities

The fair value of each equity security is based on an observable market price for an identical asset in an active market and is priced by the same pricing service discussed above. Equity securities are recorded using unadjusted market prices and have been disclosed in Level 1.

Limited Partnerships

The Plan's limited partnerships invest primarily in equity securities of foreign issuers and are managed by third party investment managers. The limited partnerships fair value has been determined using the net asset value ("NAV") per share of the investments. The Plan employs procedures to assess the reasonableness of the fair value of the limited partnerships including obtaining and reviewing each limited partnership's audited financial statements. There are no unfunded commitments related to the limited partnerships. The Plan may not sell its investment in the limited partnerships; however, the Plan may redeem all or a portion of its investment in the limited partnerships at NAV per share with the appropriate prior written notice. The Plan's limited partnerships have been disclosed in Level 2.

Short-term Money Market Funds and Interest-bearing Cash

The carrying value approximates fair value and has been disclosed in Level 1.

STATE AUTO INSURANCE COMPANIES EMPLOYEE RETIREMENT PLAN
Notes to the Financial Statements, Continued

The table below summarizes the Plan's investments within the fair value hierarchy at December 31, 2014 and 2013:

At December 31, 2014	Total	Level 1	Level 2	Level 3
Fixed maturities:				
U.S. treasury securities and U.S. government agencies	\$ 86,762,589	—	86,762,589	—
Corporate obligations	61,065,367	—	61,065,367	—
U.S. government agencies mortgage-backed securities	14,385,347	—	14,385,347	—
<i>Total fixed maturities</i>	<u>162,213,303</u>	<u>—</u>	<u>162,213,303</u>	<u>—</u>
Equity securities:				
Large-cap equity securities	82,648,563	82,648,563	—	—
Small-cap equity securities	33,595,250	33,595,250	—	—
<i>Total equity securities</i>	<u>116,243,813</u>	<u>116,243,813</u>	<u>—</u>	<u>—</u>
Limited partnerships	28,744,755	—	28,744,755	—
Interest-bearing cash	5,399,994	5,399,994	—	—
<i>Total</i>	<u>\$312,601,865</u>	<u>121,643,807</u>	<u>190,958,058</u>	<u>—</u>

At December 31, 2013	Total	Level 1	Level 2	Level 3
Fixed maturities:				
U.S. treasury securities and U.S. government agencies	\$ 45,674,119	—	45,674,119	—
Corporate obligations	38,323,572	—	38,323,572	—
U.S. government agencies mortgage-backed securities	17,511,967	—	17,511,967	—
<i>Total fixed maturities</i>	<u>101,509,658</u>	<u>—</u>	<u>101,509,658</u>	<u>—</u>
Equity securities:				
Large-cap equity securities	89,193,717	89,193,717	—	—
Small-cap equity securities	40,470,089	40,470,089	—	—
<i>Total equity securities</i>	<u>129,663,806</u>	<u>129,663,806</u>	<u>—</u>	<u>—</u>
Limited partnerships	39,042,456	—	39,042,456	—
Interest-bearing cash	12,505,484	12,505,484	—	—
<i>Total</i>	<u>\$282,721,404</u>	<u>142,169,290</u>	<u>140,552,114</u>	<u>—</u>

The following tables summarize investments measured at fair value based on net asset value (NAV) per share as of December 31, 2014 and 2013, respectively:

At December 31, 2014	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Limited partnerships	\$28,744,755	n/a	Daily	30 days

At December 31, 2013	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Limited partnerships	\$39,042,456	n/a	Daily	30 days

STATE AUTO INSURANCE COMPANIES EMPLOYEE RETIREMENT PLAN
Notes to the Financial Statements, Continued

During 2014 and 2013, the Plan's investments (including investments bought and sold, as well as held during the year) appreciated (depreciated) in value as follows:

	Year Ended	
	2014	2013
Level 1:		
Equity securities	\$ 6,730,715	\$ 27,937,006
Level 2:		
U.S. treasury securities and U.S. government agencies	7,548,500	(5,096,186)
U.S. government agencies mortgage-backed securities	4,179,702	(736,262)
Corporate obligations	517,200	(1,950,204)
Limited partnerships	(122,258)	8,387,995
<i>Total realized and unrealized appreciation</i>	<u>\$ 18,853,859</u>	<u>\$ 28,542,349</u>

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

	December 31	
	2014	2013
Limited partnerships:		
Silchester International Investors	*	21,668,001
Mondrian Intl Equity Fund	*	17,374,455

*Value is less than 5% of net assets available for benefits.

4. Information Prepared and Certified by Custodian

The following information included in the accompanying financial statements and supplemental schedule as of and for the years ended December 31, 2014 and 2013 was obtained from data that has been prepared and certified to as complete and accurate by the custodian, except those items related to the limited partnership investments and DFA Emerging Markets Value Portfolio:

- Investments
- Net appreciation in fair value of investments
- Interest and dividend income
- Assets held at the end of year

5. Accumulated Plan Benefits

Calculations of the present value of the accumulated plan benefits were made by consulting actuaries as of January 1, 2014 and 2013. Significant assumptions underlying the actuarial computations for 2014 and 2013 include: (a) assumed rate of return on investments of 7.0% in 2014 and 2013, (b) retirement rate based at retirement age from age 55 to 59 at a rate of 2%, age 60 to 61 at 10%, age 62 at 30%, age 63 at 50%, age 64 at 20%, and age 65 at 100%, (c) assumed mortality rate based on the IRS 2014 Static Table in 2014 and on the 2013 IRS Annuitant and Nonannuitant tables for males and females in 2013, and (d) employee turnover based upon 75% Financial Institution Termination Study Table.

STATE AUTO INSURANCE COMPANIES EMPLOYEE RETIREMENT PLAN
Notes to the Financial Statements, Continued

The risks and uncertainties inherent in the estimate of accumulated plan benefits include, but are not limited to, actual experience different from the estimated factors of rate of return on investments, retirement ages, mortality rates and employee turnover. The Plan's net assets available for benefits and changes in net assets available for benefits could be impacted, perhaps significantly, in the future if the ultimate accumulated plan benefits vary from the amount currently recorded.

	January 1	
	2014	2013
Actuarial present value of accumulated benefits:		
Vested:		
Participants currently receiving benefits	\$ 115,060,651	\$ 107,639,724
Other participants	128,767,505	130,093,724
<i>Total vested</i>	<u>243,828,156</u>	<u>237,733,448</u>
Non-vested	8,028,492	2,895,105
<i>Total actuarial present value of accumulated benefits</i>	<u><u>\$ 251,856,648</u></u>	<u><u>\$ 240,628,553</u></u>

The consulting actuaries have computed the components of the change in the actuarial present value of accumulated pension benefits between the valuation dates as follows:

	January 1	
	2014	2013
Actuarial present value of accumulated pension benefits as of January 1, 2013 and 2012, respectively	\$ 240,628,553	\$ 231,581,231
Increase (decrease) during the year attributable to:		
Pension benefits accumulated	12,788,936	11,231,878
Interest accumulated	16,157,756	15,576,239
Pension benefits paid	(18,097,584)	(18,127,067)
Change in actuarial assumption	378,987	366,272
<i>Actuarial present value of accumulated pension benefits as of January 1, 2014 and 2013, respectively</i>	<u><u>\$ 251,856,648</u></u>	<u><u>\$ 240,628,553</u></u>

6. Federal Income Tax Status

The Plan has received a determination letter from the Internal Revenue Service dated November 14, 2013, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the "Code") and, therefore, the related trust is exempt from taxation. Subsequent to this determination by the Internal Revenue Service, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The plan administrator believes the Plan is being operated in compliance with applicable requirements of the Code and, therefore, believes that the Plan, as amended, is qualified and the related trust is tax exempt.

Accounting principles generally accepted in the United States require plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. 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. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2011.

STATE AUTO INSURANCE COMPANIES EMPLOYEE RETIREMENT PLAN
Notes to the Financial Statements, Continued

7. Reconciliation to Form 5500

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

	2014	2013
Net assets available for benefits per the financial statements	\$ 335,533,447	\$ 305,996,845
401(h) Account net assets included in Form 5500	453,658	2,004,653
<i>Net assets available for benefits per the 5500</i>	<u><u>\$ 335,987,105</u></u>	<u><u>\$ 308,001,498</u></u>

The net assets of the 401(h) Account included in the Form 5500 are not available to pay pension benefits but are used to pay retiree health and welfare benefits.

The following is a reconciliation of the individual captions in the changes in net assets per the financial statements to the Form 5500 for the years ended December 31, 2014 and 2013:

	Financial statements	401(h) Account	Form 5500
	2014		
Interest, dividends and other investment income	\$ 7,762,802	21,372	7,784,174
Net appreciation in fair value of investments	18,853,859	5,457	18,859,316
Benefits paid	16,472,239	1,577,824	18,050,063
	2013		
Interest, dividends and other investment income	\$ 6,604,652	37,414	6,642,066
Net appreciation in fair value of investments	28,542,349	237,593	28,779,942
Benefits paid	18,097,584	1,173,253	19,270,837

8. 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.

9. Transactions with Parties-In-Interest

The Plan invests in corporate obligations managed by JP Morgan Chase, custodian of the Plan. Transactions in such investments qualify as party-in-interest transactions, which are exempt from the prohibited transaction rules.

10. Subsequent Events

The Plan evaluated events subsequent to the date of the financial statements through October 9, 2015, which represented the date the financial statements were available to be issued.

Supplemental Schedule

STATE AUTO INSURANCE COMPANIES EMPLOYEE RETIREMENT PLAN
EIN 57-6010814 / Plan Number 001
Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
December 31, 2014

(a)	Identity of issue, borrower, lessor or similar parties (b)	Description of investment including maturity date, rate of interest, collateral, par or maturity value, or number of shares (c)						Cost (d)	Current value (e)	
U.S. treasury securities and U.S. government agencies										
	FEDERAL FARM CREDIT BANK	Due	12/16/2015	4.88 %	1,000,000	Par	\$	990,610	\$	1,043,480
	FEDERAL FARM CREDIT BANK	Due	9/12/2025	3.89 %	1,000,000	Par		1,032,220		1,081,130
	FEDERAL FARM CREDIT BANK	Due	10/5/2026	2.57 %	1,000,000	Par		1,001,290		955,160
	FEDERAL FARM CREDIT BANK	Due	5/1/2028	3.00 %	2,276,000	Par		2,131,952		2,179,543
	FEDERAL FARM CREDIT BANK	Due	7/24/2031	3.02 %	1,000,000	Par		859,300		996,970
	FEDERAL FARM CREDIT BANK	Due	6/16/2032	4.50 %	500,000	Par		502,235		600,000
	FEDERAL HOME LOAN BANK	Due	7/30/2018	1.00 %	1,460,000	Par		1,431,267		1,443,312
	FEDERAL HOME LOAN BANK	Due	3/13/2026	4.38 %	1,500,000	Par		1,533,870		1,724,325
	FEDERAL HOME LOAN BANK	Due	4/25/2026	4.38 %	1,000,000	Par		1,044,200		1,138,690
	FEDERAL HOME LOAN BANK	Due	7/15/2036	5.50 %	2,000,000	Par		2,611,120		2,742,860
	FEDERAL HOME LOAN MTG CORP	Due	12/17/2029	— %	4,000,000	Par		2,063,560		2,461,760
	FEDERAL HOME LOAN MTG CORP	Due	7/15/2032	6.25 %	1,000,000	Par		1,293,550		1,461,630
	FEDERAL NATIONAL MTG ASSN	Due	5/15/2029	6.25 %	1,000,000	Par		1,274,300		1,393,250
	FEDERAL NATIONAL MTG ASSN	Due	1/15/2030	— %	3,000,000	Par		1,510,590		1,835,550
	FEDERAL NATIONAL MTG ASSN	Due	11/15/2030	— %	2,000,000	Par		971,820		1,185,700
	FEDERAL NATIONAL MTG ASSN	Due	11/15/2030	6.63 %	2,000,000	Par		2,693,800		2,969,700
	FEDERAL NATIONAL MTG ASSN	Due	9/27/2032	3.40 %	2,500,000	Par		2,369,900		2,462,700
	US TREASURY NOTES	Due	12/31/2015	2.13 %	2,000,000	Par		2,107,500		2,036,400
	US TREASURY NOTES	Due	11/30/2017	2.25 %	3,000,000	Par		3,232,500		3,102,420
	US TREASURY NOTES	Due	2/15/2022	2.00 %	1,000,000	Par		1,044,844		1,002,500
	US TREASURY NOTES	Due	11/15/2027	6.13 %	1,000,000	Par		1,321,875		1,422,500
	US TREASURY NOTES	Due	8/15/2028	5.50 %	2,000,000	Par		2,541,875		2,730,620
	US TREASURY NOTES	Due	11/15/2028	5.25 %	2,000,000	Par		2,424,375		2,681,400
	US TREASURY NOTES	Due	5/15/2030	6.25 %	1,000,000	Par		1,337,188		1,494,060
	US TREASURY NOTES	Due	2/15/2031	5.38 %	2,000,000	Par		2,574,063		2,787,660
	US TREASURY NOTES	Due	5/15/2037	5.00 %	2,000,000	Par		2,460,000		2,852,820
	US TREASURY NOTES	Due	8/15/2039	4.50 %	4,000,000	Par		4,586,250		5,330,640
	US TREASURY NOTES	Due	11/15/2040	4.25 %	2,000,000	Par		2,209,375		2,589,060
	US TREASURY NOTES	Due	8/15/2041	3.75 %	3,000,000	Par		3,300,000		3,615,690
	US TREASURY NOTES	Due	11/15/2043	3.75 %	4,000,000	Par		4,000,000		4,808,440
	US TREASURY TIPS	Due	1/15/2016	2.00 %	1,500,000	Par		1,534,204		1,820,908
	US TREASURY TIPS	Due	7/15/2016	2.50 %	1,500,000	Par		1,752,602		1,838,344
	US TREASURY TIPS	Due	1/15/2017	2.38 %	1,500,000	Par		1,534,303		1,852,839
	US TREASURY TIPS	Due	1/15/2018	1.63 %	500,000	Par		511,090		593,371
	US TREASURY TIPS	Due	1/15/2021	1.13 %	600,000	Par		623,521		676,528
	US TREASURY TIPS	Due	7/15/2023	0.38 %	2,000,000	Par		1,991,737		2,017,401
	US TREASURY TIPS	Due	1/15/2025	2.38 %	1,000,000	Par		1,060,470		1,478,858
	US TREASURY TIPS	Due	1/15/2027	2.38 %	1,000,000	Par		1,028,510		1,409,076
	US TREASURY TIPS	Due	1/15/2028	1.75 %	1,000,000	Par		939,572		1,283,077
	US TREASURY TIPS	Due	2/15/2040	2.13 %	1,000,000	Par		1,142,304		1,423,957
	US TREASURY TIPS	Due	2/15/2041	2.13 %	500,00	Par		550,616		707,789
	US TREASURY TIPS	Due	2/15/2042	0.75 %	2,000,000	Par		2,115,085		2,041,940

* Denotes party-in-interest

The data on this schedule has been certified as complete and accurate by JPMorgan Chase Bank, N.A., the custodian of the Plan (with the exception of the limited partnership investments and DFA Emerging Markets Value Portfolio).

STATE AUTO INSURANCE COMPANIES EMPLOYEE RETIREMENT PLAN
EIN 57-6010814 / Plan Number 001
Schedule H, Line 4i - Schedule of Assets (Held at End of Year), continued
December 31, 2014

(a)	Identity of issue, borrower, lessor or similar parties (b)	Description of investment including maturity date, rate of interest, collateral, par or maturity value, or number of shares (c)					Cost (d)	Current value (e)
U.S. treasury securities and U.S. government agencies (continued)								
	MONTGOMERY CO VA ECON DEV AUTH	Due	6/1/2028	5.52 %	1,000,000	Par	1,019,200	1,124,270
	SAN ANTONIO TX	Due	8/15/2028	4.01 %	1,500,000	Par	1,626,570	1,569,510
	TENN VALLEY AUTH	Due	7/15/2033	4.70 %	500,000	Par	508,190	600,150
	TX ST	Due	4/1/2026	4.27 %	1,010,000	Par	1,055,309	1,130,311
	UTAH ST	Due	7/1/2025	3.54 %	1,000,000	Par	1,045,520	1,064,290
Total U.S. treasury securities and U.S. government agencies							\$ 78,494,232	\$ 86,762,589
U.S. government agencies mortgage-backed securities								
	FNMA	Due	5/1/2020	4.75 %	1,267,563	Par	\$ 1,309,551	\$ 1,406,817
	FNMA	Due	7/25/2031	3.00 %	2,375,000	Par	2,211,719	2,360,560
	GNMA	Due	10/15/2028	4.15 %	1,130,405	Par	1,181,627	1,212,667
	GNMA	Due	4/15/2048	6.55 %	1,031,314	Par	1,110,597	1,070,483
	GNMA	Due	3/15/2050	6.25 %	2,925,675	Par	2,987,845	3,095,753
	COULEE MEDICAL FOUNDATION	Due	4/20/2036	6.50 %	4,545,000	Par	4,545,000	5,239,067
Total U.S. government agencies mortgage-backed securities							\$ 13,346,339	\$ 14,385,347
Corporate obligations								
	AT&T INC	Due	2/1/2018	5.50 %	2,000,000	Par	\$ 2,000,000	\$ 2,207,780
	AIR PRODUCTS & CHEMICALS INC	Due	8/21/2019	4.38 %	2,000,000	Par	2,315,360	2,179,680
	APPLE INC	Due	5/4/2043	3.85 %	1,000,000	Par	818,750	1,000,720
	BAKER HUGHES INC	Due	1/15/2029	6.88 %	2,000,000	Par	2,597,500	2,589,040
	CONOCOPHILLIPS	Due	10/15/2032	5.90 %	500,000	Par	547,725	616,695
	DEERE & CO	Due	10/16/2029	5.38 %	500,000	Par	537,410	605,880
	DUKE ENERGY CORP	Due	8/15/2022	3.05 %	1,000,000	Par	1,004,200	1,004,790
	FEDEX CORP	Due	1/15/2034	4.90 %	2,000,000	Par	2,046,640	2,233,740
	GENERAL ELECTRIC CORP	Due	3/11/2044	4.50 %	3,000,000	Par	2,998,980	3,297,660
	GENERAL ELECTRIC CAPITAL CORP	Due	1/14/2038	5.88 %	2,000,000	Par	2,399,140	2,530,720
	GENERAL ELECTRIC CAPITAL CORP	Due	3/15/2032	6.75 %	1,000,000	Par	1,292,110	1,365,880
	GOLDMAN SACHS	Due	2/1/2041	6.25 %	2,000,000	Par	2,421,020	2,528,280
	IBM CORPORATION	Due	8/1/2027	6.22 %	2,000,000	Par	2,498,600	2,535,540
	IBM CORPORATION	Due	11/29/2032	5.88 %	500,000	Par	567,505	640,975
	JOHNSON & JOHNSON	Due	5/15/2033	4.95 %	2,256,000	Par	2,469,057	2,719,992
	JOHNSON & JOHNSON	Due	12/5/2033	4.38 %	2,000,000	Par	2,008,360	2,240,200
	MICROSOFT CORP	Due	6/1/2039	5.20 %	500,000	Par	584,995	595,050
	MIDAMERICAN ENERGY	Due	12/30/2031	6.75 %	1,000,000	Par	1,245,400	1,390,820
	MONSANTO CO	Due	8/15/2025	5.50 %	1,000,000	Par	1,156,660	1,149,240
	MORGAN STANLEY	Due	4/1/2032	7.25 %	2,000,000	Par	2,637,240	2,738,040
	NORTHERN STATES PWR WI	Due	9/1/2038	6.38 %	1,900,000	Par	2,497,284	2,705,220
	PEPSICO INC	Due	3/1/2023	2.75 %	2,500,000	Par	2,503,965	2,459,700
	PROCTER & GAMBLE CO	Due	3/5/2037	5.55 %	3,000,000	Par	3,648,630	3,879,510
	TARGET CORP	Due	11/1/2032	6.35 %	1,100,000	Par	1,401,411	1,442,320
	TRAVELERS PROP CASUALTY CORP	Due	3/15/2033	6.38 %	3,000,000	Par	3,866,310	4,009,830
	UNITED PARCEL SERVICE	Due	1/15/2018	5.50 %	1,000,000	Par	1,013,040	1,115,470

* Denotes party-in-interest

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STATE AUTO INSURANCE COMPANIES EMPLOYEE RETIREMENT PLAN
EIN 57-6010814 / Plan Number 001
Schedule H, Line 4i - Schedule of Assets (Held at End of Year), continued
December 31, 2014

(a)	Identity of issue, borrower, lessor or similar parties (b)	Description of investment including maturity date, rate of interest, collateral, par or maturity value, or number of shares (c)						Cost (d)	Current value (e)
Corporate obligations (continued)									
	UNITED TECHNOLOGIES CORP	Due	9/15/2029	7.50%	1,000,000	Par	1,432,590	1,428,500	
	VERIZON COMMUNICATIONS	Due	11/1/2041	4.75%	1,000,000	Par	1,011,550	1,025,170	
	VERIZON COMMUNICATIONS	Due	9/15/2033	6.40%	1,000,000	Par	1,204,280	1,231,780	
	WAL MART STORES	Due	4/5/2027	5.88%	3,000,000	Par	3,685,710	3,799,350	
	WELLS FARGO & CO	Due	2/7/2035	5.38%	1,500,000	Par	1,729,320	1,797,795	
Total corporate obligations							\$ 58,140,742	\$ 61,065,367	
Equity securities									
	AAON INC				4,993	Shares	\$ 56,985	\$ 111,793	
	ABIOMED INC				14,162	Shares	359,275	539,006	
	ADDUS HOMECARE CORP				381	Shares	9,129	9,247	
	AMERISAFE INC				15,630	Shares	296,113	662,087	
	APOGEE ENTERPRISES INC				15,432	Shares	386,751	653,854	
	ARGO GROUP INTL HOLDINGS LTD				6,626	Shares	215,532	367,544	
	AT&T INC				22,500	Shares	704,125	755,775	
	BELDEN INC				5,084	Shares	345,209	400,670	
	BLACKBAUD INC				17,506	Shares	638,092	757,310	
	BLACKROCK INC				4,000	Shares	705,065	1,430,240	
	BURLINGTON STORES				10,527	Shares	443,699	497,506	
	CADENCE DESIGN SYSTEMS INC				26,383	Shares	320,705	500,486	
	CARRIZO OIL & GAS INC				4,294	Shares	174,703	178,630	
	CASEYS GENERAL STORES INC				7,965	Shares	573,283	719,399	
	CHARLES RIVER LABS				7,973	Shares	453,814	507,402	
	CHEVRON CORP				10,000	Shares	1,062,320	1,121,800	
	CISCO SYSTEMS INC				57,485	Shares	1,317,369	1,598,945	
	COCA-COLA COMPANY				22,500	Shares	766,641	949,950	
	COLUMBIA BANKING SYSTEM INC				19,946	Shares	367,234	550,709	
	COMFORT SYSTEMS USA				14,840	Shares	196,999	254,061	
	CST BRANDS INC				9,722	Shares	331,240	423,976	
	CSX CORP				25,000	Shares	541,828	905,750	
	DEVON ENERGY CORP				30,000	Shares	1,856,222	1,836,300	
	DFA EMERGING MRKTS VALUE PORT				466,646	Shares	12,851,422	12,016,132	
	DIGITALGLOBE INC				22,336	Shares	700,679	691,746	
	DUNKIN BRANDS GROUP INC				7,327	Shares	222,474	312,497	
	ELECTRONICS FOR IMAGING INC				7,833	Shares	345,495	335,487	
	EMCOR GROUP INC				11,538	Shares	494,546	513,326	
	EMPLOYERS HOLDINGS INC				14,572	Shares	288,794	342,588	
	ENCORE WIRE				14,775	Shares	712,391	551,551	
	EXAMWORKS GROUP INC				13,765	Shares	455,310	572,486	
	FIVE BELOW INC				14,769	Shares	592,897	603,018	
	GENERAL DYNAMICS				15,000	Shares	1,025,236	2,064,300	
	GENERAL ELECTRIC CORP				75,000	Shares	1,883,549	1,895,250	
	GIII APPAREL GROUP LTD				6,748	Shares	576,807	681,615	

* Denotes party-in-interest

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STATE AUTO INSURANCE COMPANIES EMPLOYEE RETIREMENT PLAN
EIN 57-6010814 / Plan Number 001
Schedule H, Line 4i - Schedule of Assets (Held at End of Year), continued
December 31, 2014

(a)	Identity of issue, borrower, lessor or similar parties (b)	Description of investment including maturity date, rate of interest, collateral, par or maturity value, or number of shares (c)		Cost (d)	Current value (e)
	Equity securities (continued)				
	GLOBUS MEDICAL INC	18,545	Shares	300,325	440,815
	HANCOCK HOLDING CO	11,921	Shares	409,484	365,975
	HEADWATERS INC	39,404	Shares	457,992	590,666
	HEALTHCARE SERVICES GROUP	22,836	Shares	399,813	706,317
	HEALTHWAYS INC	21,759	Shares	380,797	432,569
	HERITAGE INSURANCE HLDGS INC	14,200	Shares	158,058	275,906
	HMS HOLDINGS CORP	12,080	Shares	265,045	255,371
	HOME BANCSHARES INC	18,469	Shares	252,716	593,963
	HOMEAWAY INC	4,177	Shares	135,198	124,391
	IBERIABANK CORP	7,999	Shares	406,710	518,735
	INOGEN INC	15,936	Shares	367,113	499,912
	ISHARES	330,000	Shares	11,957,223	13,358,400
	J2 GLOBAL INC	13,001	Shares	365,970	806,062
	JACK IN THE BOX INC	12,320	Shares	505,143	985,107
*	JP MORGAN CHASE & CO	40,000	Shares	1,572,950	2,503,200
	KORN/FERRY INTL	6,278	Shares	135,958	180,555
	LHC GROUP INC	14,376	Shares	350,388	448,244
	MACQUARIE INFRASTRUCTURE CO	7,996	Shares	442,918	568,436
	MARATHON OIL CORP	35,000	Shares	879,695	990,150
	MARATHON PETROLEUM CORP	25,000	Shares	863,634	2,256,500
	MATADOR RESOURCES CO	24,143	Shares	477,056	488,413
	MICROSTRATEGY INC	3,228	Shares	510,625	524,227
	MOBILE MINI INC	11,902	Shares	467,858	482,150
	MONOTYPE IMAGING HOLDINGS INC	19,430	Shares	235,451	560,167
	MONRO MUFFLER BRAKE	8,563	Shares	388,009	494,941
	MSA SAFETY INC	4,770	Shares	255,689	253,239
	MUELLER WATER PRODUCTS	52,163	Shares	473,115	534,149
	NATIONAL-OILWELL VARCO INC	17,500	Shares	1,097,563	1,146,775
	NORFOLK SOUTHERN CORP	12,500	Shares	824,038	1,370,125
	NXSTAGE MEDICAL INC	37,698	Shares	523,059	675,925
	OLD DOMINION FREIGHT LINE INC	6,333	Shares	193,797	491,694
	OMNICELL INC	15,241	Shares	348,457	504,782
	OSI SYSTEMS INC DELAWARE	2,908	Shares	201,789	205,799
	OXFORD INDUSTRIES INC	6,557	Shares	451,408	362,012
	PDC ENERGY INC	5,669	Shares	248,656	233,960
	PEPSICO INC	15,000	Shares	894,073	1,418,400
	PGT INC	22,554	Shares	212,297	217,195
	PROCTER & GAMBLE CO	10,000	Shares	640,400	910,900
	PROLOGIS INC	20,000	Shares	833,408	860,600
	QUALCOMM INC	30,000	Shares	1,506,644	2,229,900
	REALPAGE INC	16,437	Shares	356,016	360,957
	RESTORATION HARDWARE HLDGS	5,859	Shares	388,327	562,523
	REXNORD CORP	11,790	Shares	297,829	332,596

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STATE AUTO INSURANCE COMPANIES EMPLOYEE RETIREMENT PLAN
 EIN 57-6010814 / Plan Number 001
 Schedule H, Line 4i - Schedule of Assets (Held at End of Year), continued
 December 31, 2014

(a)	Identity of issue, borrower, lessor or similar parties (b)	Description of investment including maturity date, rate of interest, collateral, par or maturity value, or number of shares (c)	Cost (d)	Current value (e)
Equity securities (continued)				
	RITCHIE BROS AUCTIONS	20,244 Shares	477,776	544,361
	S&P 500 SPDR	67,500 Shares	11,554,815	13,873,950
	SAIA INC	10,328 Shares	512,354	571,758
	SCHLUMBERGER LTD	17,500 Shares	1,358,593	1,494,675
	SILICON LABS INC	7,080 Shares	284,891	337,150
	SONIC CORP	27,150 Shares	486,256	739,295
	SOUTH STATE CORP	5,527 Shares	172,084	370,751
	SPDR FUND	30,000 Shares	1,283,757	1,454,700
	SPDR FUND	20,000 Shares	755,000	944,400
	STEVEN MADDEN LTD	20,909 Shares	627,358	665,533
	SURGICAL CARE AFFILIATES	12,504 Shares	385,081	420,760
	TUESDAY MORNING CORP	14,836 Shares	226,319	321,941
	UMPQUA HOLDINGS CORP	27,284 Shares	348,658	464,101
	UNION PACIFIC CORP	24,000 Shares	1,343,812	2,859,120
	UNITED PARCEL SERVICE	7,500 Shares	562,956	833,775
	UNITED TECHNOLOGIES CORP	10,000 Shares	1,021,551	1,150,000
	VANGUARD HIGH DVD YIELD ETF	95,000 Shares	5,337,561	6,531,250
	VERIFONE SYSTEMS INC	14,507 Shares	408,192	539,660
	VERINT SYSTEMS INC	13,012 Shares	600,419	758,339
	VERIZON COMMUNICATIONS	25,000 Shares	710,696	1,169,500
	WATTS WATER TECHNOLOGIES	4,012 Shares	197,218	254,521
	WEYERHAEUSER CO	20,000 Shares	687,000	717,800
	WHITEWAVE FOODS	22,616 Shares	410,622	791,334
	Total equity securities		\$ 94,457,596	\$ 116,243,813
Limited partnerships				
	MONDRIAN INTL EQUITY FUND	416,875 Shares	\$ 10,427,658	\$ 12,298,321
	SILCHESTER INTERNATIONAL INVESTORS	166,559 Shares	9,781,747	16,446,434
	Total limited partnerships		\$ 20,209,405	\$ 28,744,755
	Interest-bearing cash	5,399,994 Par	\$ 5,399,994	\$ 5,399,994
	Total investments		\$ 270,048,308	\$ 312,601,865
401(h) Account				
	GENERAL ELECTRIC CORP	Due 12/6/2017 5.25 % 100,000 Par	\$ 100,000	\$ 110,931
	US TREASURY BILLS	Due 6/26/2015 — % 335,000 Par	334,864	334,859
	Interest-bearing cash	6,805 Par	\$ 6,805	\$ 6,805
	Total 401(h) Account		\$ 441,669	\$ 452,595

* Denotes party-in-interest

The data on this schedule has been certified as complete and accurate by JPMorgan Chase Bank, N.A., the custodian of the Plan (with the exception of the limited partnership investments and DFA Emerging Markets Value Portfolio).

ATTACHMENT TO SCHEDULE SB LINE 26 - SCHEDULE OF ACTIVE PARTICIPANT DATA

EIN: 57-6010814

PLAN NUMBER: 001

(File Gov't Forms)

STATE AUTO INSURANCE COMPANIES EMPLOYEE RETIREMENT PLAN

DISTRIBUTION OF ACTIVE MEMBERS BY AGE, SERVICE & COMPENSATION AS OF 01/01/2014

Attained Age	Years of Credited Service to Date											Total
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+		
Under 25	0	0	0	0	0	0	0	0	0	0		0
25-29	0	4	6	2	0	0	0	0	0	0		12
30-34	0	12	25	21	1	0	0	0	0	0		59
			\$63,579	\$58,648								\$60,866
35-39	0	8	20	34	16	0	0	0	0	0		78
				\$64,383								\$67,519
40-44	0	9	30	38	25	17	1	0	0	0		120
			\$80,053	\$68,091	\$72,418							\$72,431
45-49	0	9	47	32	32	31	24	2	0	0		177
			\$93,887	\$67,575	\$77,800	\$88,519	\$65,544					\$80,169
50-54	0	23	47	47	34	42	40	18	9	0		260
		\$76,906	\$83,747	\$73,750	\$72,814	\$83,025	\$75,552					\$77,984
55-59	0	15	32	40	42	42	21	19	33	5		249
			\$90,874	\$69,421	\$69,689	\$83,382	\$86,709		\$72,476			\$78,612
60-64	0	10	35	22	19	23	15	10	7	5		146
			\$111,279	\$62,515		\$61,339						\$85,523
65-69	0	1	10	10	8	4	1	1	0	3		38
												\$78,621
70+	0	0	1	0	0	0	0	0	0	0		1
Total	0	91	253	246	177	159	102	50	49	13		1,140

Average Age: 50.7 Years Average Service to Date: 16.2 Years

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods

Name of Plan: State Auto Insurance Companies Employee Retirement Plan

EIN: 57-6010814

PN: 001

Plan Year: 1/1/2014 - 12/31/2014

Interest Rates

	<u>MAP-21</u>	<u>Pre MAP-21</u>
First Segment (1 to 60 months):	4.99%	1.25%
Second Segment (61 to 240 months):	6.32%	4.06%
Third Segment (Beyond 240 months):	6.99%	5.08%

Pls in an Effective Interest Rate of 6.54% under MAP-21, amended by HATFA

Salary

5.00% Annual Increase

Withdrawal

75% Financial institution termination study table. Rates of withdrawal vary by age and years of service. Sample rates for employees with more than 5 years of service are shown below. Rates for new employees start at 22.5% and decrease with age and service.

<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>
20	10.4625%	35	5.5000%	50	1.8750%
25	10.4625%	40	3.8625%	55	1.2750%
30	7.9125%	45	2.5125%	60	0.7500%

Mortality

IRS 2014 Static Table

Incorporated into the table are rates for annuitants projected 7 years and rates for non-annuitants projected 15 years using Scale AA to reflect mortality improvement.

Disability

No disability was assumed.

Retirement

Rates of retirement for participants eligible to retire:

<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>
Less than 55	0.0000%	58	2.0000%	62	30.0000%
55	2.0000%	59	2.0000%	63	50.0000%
56	2.0000%	60	10.0000%	64	20.0000%
57	2.0000%	61	10.0000%	65+	100.0000%

Weighted average retirement age: 62

The weighted average retirement age is computed by first determining, for each possible retirement age, the probability that an eligible employee would retire at that age, given survival to the earliest possible retirement age. Then these probabilities at each age are multiplied (or weighted) by the age and summed. This sum, rounded to the nearest integral age, is the weighted average retirement age.

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods

Name of Plan: State Auto Insurance Companies Employee Retirement Plan

EIN: 57-6010814

PN: 001

Plan Year: 1/1/2014 - 12/31/2014

Preretirement Death Benefit

Liabilities computed on the assumption that 85% of participants will be married at the date of eligibility for the benefit. It is assumed that husbands will be 3 years older than their wives

Lump Sum Distributions

70% assumed to elect a 50% lump sum distribution valued using the IRS 2014 Applicable Mortality Table.

Expenses

Non-Investment plan-related expenses expected to be paid from plan assets during the plan year.

Social Security Wage Base

4.00% Annual Increase

Actuarial Value of Assets

Average of the Adjusted Market Values as of the valuation date and the 2 preceding valuation dates. The averaging is adjusted for contributions, distributions and expected earnings, using an assumed interest rate of 8.00% (but not in excess of the applicable third segment rate for that year). The resulting value may not be less than 90% nor more than 110% of the Adjusted Market Value of Assets.

Changes in Non-Prescribed Actuarial Assumptions and Methods

	Prior	Current
Actuarial Value of Assets	Expected Investment Return based on compound interest	Expected Investment Return based on simple interest.

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2014 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

► **Round off amounts to nearest dollar.**

► **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan STATE AUTO INSURANCE COMPANIES EMPLOYEE RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF STATE AUTO PROPERTY & CASUALTY INSURANCE COMPANY	D Employer Identification Number (EIN) 57-6010814	
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500	

Part I Basic Information			
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2014</u>			
2 Assets:			
a Market value	2a	305392994	
b Actuarial value	2b	292719738	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	1403	121114736	121114736
b For terminated vested participants	1125	39230024	39230024
c For active participants	1415	96555047	105147112
d Total	3943	256899807	265491872
4 If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5	6.54%	
6 Target normal cost	6	7676231	

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	 Signature of actuary	<u>10/12/2015</u> Date 1406050 Most recent enrollment number 717-652-5633 Telephone number (including area code)
Mark A. Bonsall, F.S.A. Type or print name of actuary Conrad Siegel Actuaries Firm name P.O. Box 5900, 501 Corporate Circle Harrisburg PA 17110-0900 Address of the firm		

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2014
v. 140124

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:			
a Segment rates:	1st segment: 4.99%	2nd segment: 6.32%	3rd segment: 6.99%
			☐ N/A, full yield curve used
b Applicable month (enter code)			21b 0
22 Weighted average retirement age			22 62
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute			

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.		☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.		☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.		☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment		27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)		31a	7676231
b Excess assets, if applicable, but not greater than line 31a		31b	265481
32 Amortization installments:		Outstanding Balance Installment	
a Net shortfall amortization installment		0	0
b Waiver amortization installment		0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount		33	0
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)		34	7410750
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	7611845	7611845
36 Additional cash requirement (line 34 minus line 35)		36	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)		37	18255213
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)		38a	18255213
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances		38b	7410750
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)		39	0
40 Unpaid minimum required contributions for all years		40	0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected		☐ 2 plus 7 years ☐ 15 years	
b Eligible plan year(s) for which the election in line 41a was made		☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011	
42 Amount of acceleration adjustment		42	0
43 Excess installment acceleration amount to be carried over to future plan years		43	0

Schedule SB, line 22 - Description of Weighted Average Retirement Age

Name of Plan: State Auto Insurance Companies Employee Retirement Plan

EIN: 57-6010814

PN: 001

Plan Year: 1/1/2014 - 12/31/2014

The description of weighted average retirement age is contained in the first page of the attached Schedule SB, Part V - Statement of Actuarial Assumptions/ Methods.

Schedule SB, line 19 - Discounted Employer Contributions

Name of Plan: State Auto Insurance Companies Employee Retirement Plan

EIN: 57-6010814

PN: 001

Plan Year: 1/1/2014 - 12/31/2014

Effective Interest Rate: 6.54%

Late Quarterly Interest Rate: 11.54%

Contribution Date	Applicable Plan Year	Contribution Amount	Interest Adjusted Contribution
3/19/2015	2014	5,000,000	4,630,771
5/20/2015	2014	5,000,000	4,581,207
7/7/2015	2014	5,000,000	4,543,199
8/31/2015	2014	5,000,000	4,500,036

Total

20,000,000

18,255,213

Schedule SB, Part V - Summary of Plan Provisions
State Auto Insurance Companies Employee Retirement Plan
EIN: 57-6010814
Plan Number: 001

State Auto Insurance Companies Employee Retirement Plan
Actuarial Valuation as of January 1, 2014
Summary of Plan Provisions

State Auto Insurance Companies Employee Retirement Plan is a defined benefit pension plan that was established July 1, 1945, and was last amended and restated effective as of January 1, 2002. The plan year begins January 1 and ends December 31.

ELIGIBILITY TO PARTICIPATE

Participation under this Plan was frozen effective January 1, 2010, with respect to employees with a first day of employment on or after that date. Effective July 1, 2010, participants were given the opportunity to opt-out of this defined benefit plan in favor of an enhanced defined contribution plan.

An employee becomes a participant in the Plan on the January 1 immediately following the date he meets the following requirement:

- Attains age 20.

NORMAL RETIREMENT BENEFIT

Normal Retirement Date

Prior to June 1, 2009, a participant is eligible for his normal retirement pension as of the first day of the month after the participant attains age 65.

Effective June 1, 2009, a participant is eligible for his normal retirement pension as of the first day of the month on or after the participant satisfies the following conditions:

- Attainment of age 65.
- Completion of 5 years of vesting service.

Normal Retirement Benefit

The normal retirement pension is payable monthly as long as the participant lives, with payments ceasing upon the participant's death.

Normal Retirement Pension Formula

If the participant retires as of his normal retirement date, his monthly pension will equal the sum of his monthly pension credits. The monthly pension benefit will equal 1/12 of:

- 1.75% of annual compensation as of January 1, 1993, multiplied by years of service as of January 1, 1993; plus
- 0.65% of annual compensation as of January 1, 1993, in excess of the 1992 Social Security integration level, multiplied by years of service as of January 1, 1993, up to a maximum of 35 years less any service attributable to former Patrons accruals; plus
- 1.75% of average compensation earned since January 1, 1993, multiplied by years of service earned after January 1, 1993; plus

State Auto Insurance Companies Employee Retirement Plan
Actuarial Valuation as of January 1, 2014
Summary of Plan Provisions

- 0.65% of average compensation earned since January 1, 1993, in excess of the Social Security integration level, multiplied by years of service earned after January 1, 1993, up to a maximum of 35 years less Service as of January 1, 1993, and less any service attributed to former Patrons benefit formula.

For former Meridian Participants, the monthly benefit is 1/12 of the lesser of:

- The Meridian formula using all service and compensation; or
- The Meridian formula using service through December 31, 2001, and all compensation; plus the State Auto formula for service earned since December 31, 2001.

For former Meridian Participants, in no event will the benefit be less than the accrued benefit as of December 31, 2001, under the Meridian Plan.

For former Patrons Participants, the monthly benefit is 1/12 of the sum of:

- The Accrued Benefit in the Patrons Plan as of December 31, 2008, increased 4% annually through the last day of the month preceding the termination date; plus,
- The State Auto benefit after December 31, 2008, assuming all Patrons service for the purposes of applying the 35 year cap.

For participants who opted out of the plan, benefits are frozen as of June 30, 2010.

Social Security Integration Level

The Social Security integration level equals the average of the taxable wage bases over the 35-year period ending with the year the participant is entitled to full Social Security benefits.

Compensation

For the purposes of the Plan, "compensation" means the participant's basic annualized earnings determined on each January 1, excluding any extraordinary pay, such as overtime and bonuses, but including any 401(k) and similar deferrals, but subject to the Code section 401(a)(17) dollar limitation.

Accrued Benefit

The accrued benefit on any date other than the normal retirement date is determined according to the normal retirement pension formula, but based upon the participant's compensation and benefit service to date.

Retirement Payment Options

A participant may elect to receive his monthly pension in one of these optional forms of payment:

- **Lifetime Pension**
- **Lifetime Pension with Guaranteed Period** with guaranteed payments for 120 months.

State Auto Insurance Companies Employee Retirement Plan
Actuarial Valuation as of January 1, 2014
Summary of Plan Provisions

- **Joint and Survivor Pension** with 100%, 75%, 66⅔%, or 50% survivor pension.
- **Social Security Adjusted Lifetime Pension** providing an increased monthly pension payable until the participant is eligible to begin receiving full retirement Social Security benefits.
- **Social Security Adjusted Joint and 100% Survivor Pension** providing an increased monthly pension payable until the participant is eligible to begin receiving full retirement Social Security benefits.
- **Partial Lump Sum Payment** – A lump sum payment of up to 50% of the value of the participant's Accrued Benefit is available with the balance payable under any of the above listed options. If the present value of the vested pension does not exceed \$1,000, this is the only payment option. Former Patrons participants may be eligible to receive the entire Patrons benefit in a lump sum payment. This payment option is not available if the Plan does not meet certain Internal Revenue Code funding requirements.

The monthly pension payable shall be reduced by 0.05% for each full calendar month prior to the participant's Normal Retirement Date that the Qualified Preretirement Survivor Benefit was in effect, including the calendar month of the participant's death, if applicable.

If the present value of the vested pension does not exceed \$1,000, the Plan will automatically distribute the benefit in cash if there is no election.

If the participant is married at the time payments are to begin, the automatic form of payment will be a Joint and 50% Survivor Pension with the spouse named as survivor annuitant. If the participant is not married at the time payments are to begin, the automatic form of payment will be a Lifetime Pension.

No option where the actuarial reduction is more than 50% shall be permitted other than the Qualified Joint and Survivor Annuity.

Payment options available for Pre-January 1, 2009, accrual under Patrons plan: Lifetime Annuity, Term Certain, Lump Sum.

Employment after Retirement. If a participant in pay status returns to employment, retirement benefits will not be suspended.

OTHER RETIREMENT BENEFITS

Late Retirement

If a participant continues working after his normal retirement date, his pension will not commence until he actually retires. The late retirement benefit is the normal retirement benefit determined under the pension formula using compensation and benefit service to date.

Benefits accrued by a participant in the Patrons plan prior to January 1, 2009, shall be increased actuarially for late retirement. Benefits accrued after January 1, 2009, shall have no actuarial increase for late retirement.

State Auto Insurance Companies Employee Retirement Plan
Actuarial Valuation as of January 1, 2014
Summary of Plan Provisions

Early Retirement

A participant is eligible for early retirement after attainment of age 55 and completion of 15 years of vesting service. Former Meridian participants who were either age 55 or had completed 5 years of vesting service as of December 31, 2001, are eligible for early retirement after attainment of age 55. The early retirement pension is the actuarial equivalent of the pension accrued to the date of early retirement.

Patrons plan participants prior to January 1, 2009, with 10 years of service as of December 31, 2008, can retire as early as age 55. If they do not meet the age 55 with 15 years of vesting service eligibility, then a special early retirement reduction applies ($1/180^{\text{th}}$ per month for the first 60 months followed by $1/360^{\text{th}}$ per month for the next 60 months).

A participant is eligible for early retirement after attainment of age 55 and completion of 30 years of vesting service, and after the attained age plus years of vesting service equal at least 90. The early retirement pension is the pension accrued to the date of early retirement.

DISABILITY BENEFIT

The participant will be credited with years of benefit service and compensation while he is disabled and not working for the employer if he meets all of the following requirements as of the date he becomes disabled.

- Is actively employed.
- Becomes disabled and remains so for six months.

A participant is disabled if he is eligible for Social Security disability benefits or long-term disability benefits under an Employer maintained long-term disability plan.

Years of benefit service will be credited and compensation is assumed to remain constant while the participant is disabled.

DEATH BENEFIT

Preretirement Survivor Benefit

If a participant dies after he has become vested under the Plan but before he begins to receive a retirement pension benefit, his surviving spouse will receive a 100% survivor benefit. Payment will begin on the date on which he first would have been eligible for retirement. The amount of his surviving spouse's benefit is equal to the 100% survivor benefit payable under the joint and 100% survivor pension option, based upon his accrued pension at the date of death and reduced for early commencement of benefits, if applicable. If the participant is not married at the time of death, no benefit will be paid by the Plan.

The monthly pension payable shall be reduced by 0.05% for each full calendar month prior to the participant's Normal Retirement Date that the Qualified Preretirement Survivor Benefit was in effect, including the calendar month of the participant's death, if applicable.

State Auto Insurance Companies Employee Retirement Plan
Actuarial Valuation as of January 1, 2014
Summary of Plan Provisions

For disabled participants with more than 15 years of vesting service upon disablement, there is no reduction for QPSA charge and the benefit is calculated as if the disabled participant were employed through the date of death.

Death benefits with a present value of under \$5,000 are immediately distributed as a lump sum payment.

The above provisions only apply to participants credited with an hour of service on or after August 23, 1984. Former participants who did not have an hour of service credited on or after August 23, 1984, are subject to separate provisions detailed in the plan document.

TERMINATION OF EMPLOYMENT BENEFITS

Vesting in Accrued Pension

If employment terminates other than by retirement or disability, the amount payable from the Plan is based upon the following vesting schedule:

<u>Years of Vesting Service</u>	<u>Vesting Percentage</u>
0–4 Years	0%
5 or More Years	100%

Time of Payment

The participant may elect payment after his early retirement date, reduced to reflect the early commencement of benefits. No pension payment is available under the Plan prior to early retirement, disability, or death, with one exception. If the present value of the vested accrued benefit does not exceed \$1,000, the lump sum value can be paid following termination of employment. If the present value of the participant's vested accrued benefit does not exceed \$1,000, the Plan will automatically distribute the amount in cash, if the participant does not elect a rollover to an IRA or another qualified plan.

Forfeitures

Forfeiture occurs when the participant terminates employment.

SERVICE RULES

Vesting Service Rules

Vesting service is determined using the elapsed time method. Fractional years of vesting service will be credited to the next higher month. For the purpose of determining years of vesting service, the Plan excludes the following service:

- Years of service before July 1, 1945, which is the date the employer adopted the Plan.
- Service with a prior employer as noted below.

State Auto Insurance Companies Employee Retirement Plan
Actuarial Valuation as of January 1, 2014
Summary of Plan Provisions

Benefit Service Rules

A participant is credited with a year of benefit service for each 12-month period he is employed by the employer. Fractional years of benefit service will be credited to the next higher month.

For the purpose of determining years of benefit service, the Plan excludes the following service:

- Service before July 1, 1945, the date the Plan was adopted.
- Service with a prior employer as noted below.

Service with Prior Employers

The Plan takes into account service with the following employer(s) for the purpose noted, provided the employee was employed by the employer as of the listed effective date:

Employer	Purpose	Effective Date
The Meridian Plan	eligibility/vesting/benefit service	December 31, 2001
The Patrons Plan	eligibility/vesting/benefit service	December 31, 2008
Columbus Mutual Insurance Company	eligibility/vesting/benefit service	January 1, 1982
Southern Home Insurance Company	eligibility/vesting/benefit service	July 1, 1958
Royal Indemnity Company	benefit service	August 23, 1993

The Plan excludes service prior to the effective date with the following employer(s) for the purpose noted:

Employer	Purpose	Effective Date
Midwest Security Insurance Company	eligibility/vesting/benefit service	January 1, 1997
Farmers Casualty Insurance Company	eligibility/vesting/benefit service	January 1, 1999
Beacon National Insurance Company	eligibility/vesting/benefit service	January 1, 2008

ACTUARIAL EQUIVALENCE

Early Retirement –As described in Section 3.02 of the plan document. (For example, the factor at age 62 is 0.88, the factor at age 60 is 0.80, and the factor at age 55 is 0.55.)

Monthly Pension – Actuarial equivalence will be determined based on the participant's attained age and following mortality and interest assumptions:

Mortality table:	Preretirement – GA1971-M (-5,0)
	Postretirement – GA1971-M (-5,0)
Interest rate:	Preretirement – 5.5%
	Postretirement – 5.5%

State Auto Insurance Companies Employee Retirement Plan
Actuarial Valuation as of January 1, 2014
Summary of Plan Provisions

Lump Sum – Actuarial equivalence will be determined based on the following mortality and interest assumptions:

Mortality table: The Code section 417 mortality table
Interest rate: The Code section 417 interest rates

Code Section 417 Mortality Table

The Code section 417 mortality table is the Applicable Mortality Table released annually by the Internal Revenue Service.

Code Section 417 Interest Rates

The Code section 417 interest rates are the Transitional Segment Rates for the second month preceding the first day of the plan year that contains the annuity starting date.

CHANGES IN PRINCIPAL PLAN BENEFIT PROVISIONS SINCE THE LAST VALUATION

None

SIGNIFICANT EVENTS THAT OCCURRED DURING THE YEAR

None

Schedule H, line 4i – Schedule of Assets (Held At End of Year)

Plan Name: State Auto Insurance Companies Employee Retirement Plan
Employer I.D. #: 57-6010814
Plan Number: 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(d) Cost	(e) Current Value
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Schedule of Assets (Held At End of Year) is contained in the attached audit report.

Schedule SB, line 25 – Change in Method

Plan Year: January 1, 2014 to December 31, 2014

Plan Name: State Auto Insurance Companies Employee Retirement Plan

EIN: 57-6010814 **Plan #** 001

The following changes in funding method were made for the actuarial valuation for the plan and plan year stated above:

Changes in Funding Method

Change in Takeover Plans

A change in funding method occurred due to the new enrolled actuary's use of a different valuation software.

Internal Revenue Service approval is not required for the changes in funding method shown here because the changes meet the requirements of the Announcement 2015-3.

Schedule SB, line 24 – Change in Actuarial Assumptions

Plan Year: January 1, 2014 to December 31, 2014

Plan Name: State Auto Insurance Companies Employee Retirement Plan

EIN: 57-6010814 Plan # 001

The following changes were made in the non-prescribed actuarial assumptions used for the actuarial valuation for the plan and plan year stated above:

Changes in non-prescribed actuarial assumptions

	<u>Prior</u>	<u>Current</u>
Actuarial Value of Assets	Expected Investment Return Based on compound interest	Expected Investment Return based on simple interest

The changes in actuarial assumptions described above were made to reflect recent and expected future experience in order that the actuarial assumptions continue to each be reasonable (taking into account the experience of the plan and reasonable expectations) or which would, in the aggregate, continue to result in a total contribution equivalent to that which would be determined if each such assumption were reasonable, and which, in combination, offer the best estimate of anticipated experience under the plan.

Internal Revenue Service approval is not required since

1) The aggregate unfunded vested benefits as of the close of the preceding plan year of this plan and all other plans maintained by the contributing sponsor and members of such sponsor's controlled groups (if any) which are covered by title IV does not exceed \$50 million, OR

2) The change in assumptions (determined after taking into account any changes in interest rate and mortality table) results in a decrease in the funding shortfall of the plan for the current plan year that does not exceed \$50 million, and that does not exceed \$5 million and that is 5% or more of the funding target of the plan before such change.