



ANNUAL REPORT 2017





TABLE OF CONTENTS

Inside, Looking Out	4
Message from the Chairman & the CEO	10
Commercial Lines	12
Personal Lines	14
Grange Life	16
The Grange Experience	18
Our Leadership	20
A Community Working Together	26
Financials	32
Connect With Grange	38

NOT JUST SURVIVING. THRIVING.

The only constant is change. As the future brings new challenges in technology, customer expectations and unsure markets, we are driving forward with a sound strategic plan and a foundational flexibility that allows us to change challenges into opportunities.

Our journey continues by combining the stability and consistency of our first eight decades with the agility and innovation that the future requires.

PROVIDING PEACE OF MIND AND PROTECTION DURING LIFE'S UNEXPECTED EVENTS.

BRINGING SECURITY TO OUR CUSTOMERS SINCE 1935

For more than 80 years, Grange has been a source of protection, trust and stability for its customers. Today, combined with our affiliate, Integrity Insurance, we offer customers business, auto, home and life insurance in 13 states. And because we believe that our customers deserve only the best counsel and partnership in making these decisions, we sell our products exclusively through Independent Agents.



WE ARE COMMITTED, CONNECTED, PARTNERS FOR OUR AGENTS.

WE ARE COMMITTED

With an “A” Excellent Rating from A.M. Best and \$3 billion in assets, Grange is a stable, reliable partner that makes decisions based on doing what’s right for our agents and customers.

WE ARE CONNECTED

And while we have the stability of a larger carrier, we’re still small enough to know our agents and their individual business needs. Whether it’s our easy-to-use online platforms, specialized claims representatives or dedicated underwriters, Grange is connected to its agents.

WE ARE PARTNERS

Grange Independent Agents get more than a carrier, they get a partnership. We respect the sacred relationship between agent and client, and that at each interaction, we represent our agents.



TRUSTED ADVISORS.

INDEPENDENT AGENTS ARE A VALUED SOURCE OF EXPERTISE AND EDUCATION

Grange understands and supports the relationship between an agent and their client, and believes this bond is an integral part of our short- and long-term strategy. That's why we build unique relationships that focus on the Ease of Doing Business® for our agents while remaining a stable, consistent partner.

With a long history of partnering with Independent Agents, Grange is big enough to offer the stability of a larger insurance carrier, but small enough to connect with our agents like a small business. We partner with only the best agencies and seek out their feedback to help us make important decisions.

In today's ever-changing economy, we know that partnering with Independent Agents is the way forward. Given the shift in risk caused by technology and consumer trends, the role of an agent as an experienced advisor is more important now than ever. Customers are relying on their agents to help them navigate the sharing economy and the continuing internet of things to make sure they have the appropriate coverages.



“IS PRICE IMPORTANT?”

Absolutely. It always will be. But let's also talk about your needs. Understanding my clients helps me provide them the right coverage for their unique needs – at the best price.”

—Mark Wenclewicz, Wenclewicz Insurance



A MESSAGE FROM THE CHAIRMAN OF THE BOARD

I've had the pleasure to serve on the Grange Board of Directors for nearly 30 years. As I reflect on this time, I'm proud of our lasting strength and stability as well as our unwavering dedication to our agents and policyholders. I'm also very proud that our board itself continues its progress to become more diverse, with a third of our members being women. But at Grange, we don't rest on our laurels, we constantly evolve to meet the changing tides of the industry.

For this reason, 2017 was an exciting year for Grange. It was a successful year financially, with strong profitability and a record year-end surplus. Coming from this position of strength, we made smart investments for our future, evidenced by our new products, improved systems and a growing culture of innovation.

But it's important to note that as we transform how we do business, we remain committed to our mission of providing peace of mind and protection. We've been guided by this mission for 80 years, since we began as a mutual casualty company. There is great power in being a mutual company – it affords us the opportunity to think about the long-term interests of our policyholders. As a mutual, Grange can be fully focused on doing what's best for our agents and policyholders, both now and in the future.

Our Board of Directors takes this responsibility very seriously. The board helps set the strategic course of the enterprise, guiding Grange in making decisions that support the

strength and integrity of the business. In addition to this critical governance and oversight, the board ensures that the company's fiduciary responsibility to our policyholders is met.

In 2017, the board fully supported Grange's strategy to transform and modernize the business, ensuring that we

“THERE IS GREAT POWER IN BEING A MUTUAL COMPANY – IT AFFORDS US THE OPPORTUNITY TO THINK ABOUT THE LONG-TERM INTERESTS OF OUR POLICYHOLDERS.”

thrive in a rapidly changing industry. We know that what led us to this point, won't take us where we need to go in the future. We're embracing innovation, technology and a new course to bring more value to our agents and policyholders.

It has been my pleasure to serve as Chairman of the Board this past year. I am very pleased with the significant progress of our company in 2017 and look forward to an even better year in 2018.

David C. Wetmore



A MESSAGE FROM THE PRESIDENT & CEO

Last year, we continued our exciting journey of transformation. We stayed the course on our strategic plan and built a solid foundation to grow our company in a disciplined way. We also made critical investments and embraced change to prepare our business and our agents to not only survive but thrive in a rapidly changing landscape.

Our industry is faced with unprecedented challenges and opportunities due to the pace of change from technology and customer demands. The new sharing economy is blurring the lines of liability and changing how we look at risk. Technology advances continue to give rise to market disruptors at a record pace. Lastly, the “Amazon experience” is changing customer expectations and we are responding by working to make our customer interactions simple and easy from any place at any time. In fact, we are leading this change with our own skill on Amazon's Alexa Voice Service and our mobile app.

At Grange, we're meeting industry challenges from a position of great strength. In 2017, we generated \$1.21 billion in premium and delivered a combined ratio of 94.7%. We grew new business in both Personal Lines and Commercial Lines combined by nearly 20% over the prior year. In addition, we achieved an all-time high year-end surplus of \$1.27 billion. The industry recognized our financial strength and stability, with A.M. Best affirming Grange's “A” rating with a stable outlook.

Across our business segments we brought new, competitive products to market and made smart investments to position us for future success. In Commercial Lines, new business results were up across the business and we finished the year with our lowest combined ratio in nearly a decade. We also launched innovative products that set us apart from our competitors. Personal Lines continues to enhance our home and auto products, with agent feedback included, to provide customized coverages and competitive prices to our customers. As a result, we were able to grow new business, build our customer base and finish the year profitably.

In addition, we continue to maximize our relationship with our affiliate, Integrity Insurance, to better serve our agents and customers across our 13-state footprint. Integrity delivered its sixth straight year of profitable growth for the enterprise.

Our strength and stability have allowed us to make important investments to meet rising industry challenges. We are

intentionally disrupting ourselves to take advantage of new ideas, both internally and in the marketplace. We launched an innovation incubator for Grange associates and agents, and are partnering with startup accelerators Fintech71 and Rev1 to be on the forefront of change.

Likewise, we've continued to make investments in the communities where we live and work. In 2017, we launched our Grange Insurance Gives foundation to support our charitable giving. We also had a record-setting year in associate volunteer hours and exceeded our goal for our United Way campaign.

“OUR INDUSTRY IS FACED WITH UNPRECEDENTED CHALLENGES AND OPPORTUNITIES DUE TO THE PACE OF CHANGE FROM TECHNOLOGY AND CUSTOMER DEMANDS.”

As a result, we were awarded the United Way's top honor, the Corporate Award of Excellence.

As we embrace and even accelerate change, we do so knowing that having a trusted advisor is even more critical for consumers, in both business and personal, than ever before. That's why we are steadfast in our commitment to Independent Agents and to our mission of providing peace of mind and protection to every customer we serve.

I'm excited about what the future holds for Grange. Thank you to our policyholders, agent partners and associates for being a part of our journey.

John Ammendola



GRANGE MEANS BUSINESS.

NEW BUSINESS LEADS POSITIVE RESULTS FOR 2017

Our dedication to being a strong, stable partner showed remarkable dividends in 2017 with a large leap forward in new business. And we did it while maintaining a strong focus on profitability, finishing 2017 with a combined ratio of 95.8%.

New business results were up across the business, with exceptional results in Package, where we finished up 27.7% over last year. Results were also strong in BOP, finishing 21.6% over last year.

Launched in August, our 36-Month Package Policy became an immediate differentiator in the marketplace. Ensuring consistent rates and coverages for the entire term of the policy, the 36-Month Package option gives our agents and their

clients true long-term stability. We also improved our internal technology to make writing a Package account a simple, straightforward and quicker process for our agents.

In October, we launched Multiple Underwriting Companies, adding a new level of pricing flexibility for our agents and their clients. Throughout the year we increased our marketing presence, offering BusinessAssure™ campaigns in popular segments, sharing videos that highlight our improved Package capabilities and improving the frequency of communication with our agents.

All this, combined with our improved Ease of Doing Business® and filling out our Commercial Lines staff with talented, experienced people, helped Grange make large strides to becoming a go-to carrier for our agents.

In 2018, we will continue to build on the foundation we've created, leveraging our new products and services as well as our improved automated underwriting process and continue the momentum of our growing business.



**MIKE WINNER,
COMMERCIAL LINES PRESIDENT**

“We had a truly transformational year in 2017 thanks to the hard work of our agents and associates. And now we have the products, people and Ease of Doing Business® to continue this momentum into another terrific year in 2018.”



**COMMERCIAL
LINES**

INSURANCE BUILT TO FIT YOUR NEEDS.

FINDING THE RIGHT SOLUTIONS FOR HOME AND AUTO

In 2017 we upgraded and aligned our home and auto products to provide choice at a competitive price.

The newest versions of both our PinPoint Homeowners® and PinPoint Auto® products rolled out across our footprint, offering different levels of coverages, options and prices that could be customized to the customer's needs. At the same time, we aligned both products to make it even easier for our agents to create a competitive bundle for their clients.

We listened to our agents' feedback and added a number of new features to our products such as Rideshare Gap Coverage, Accident Forgiveness and Minor Violation Forgiveness. Agent input also helped us continue our focus on the Ease of Doing Business®. We made a number of workflow and underwriting changes to help streamline our policy issuance process.

As a result we were able to grow new business, build our customer base and finish the year with a combined ratio of 94.3%.

In 2018, we'll remain focused on improving our products as well as the customer and agent experience and continuing the momentum from our strong performance in 2017.

20.3%
INCREASE IN NEW DIRECT WRITTEN PREMIUM



**JOHN NORTH,
PERSONAL LINES PRESIDENT**

“New, customizable, competitive products helped us take a big step forward in 2017. We look forward to building off that hard work with our agents to keep that momentum going in 2018.”

grangeinsurance.com/insurance/home

**PERSONAL
LINES**

A VALUED, BALANCED PARTNER.

GRANGE AGENT SATISFACTION IS HIGHEST AMONG THOSE WHO SELL P&C AND LIFE

Grange Life's progress in 2017 affirmed the strategic decisions we made in 2016 to help us remain financially stable. We witnessed the positive results of our efforts to strike a balance between profitability and competitiveness.

We began 2017 with a continued commitment to strengthening our financial and strategic foundations, while improving the Ease of Doing Business® for Grange's agents and customers. We introduced improved mobile navigation, online renewal payments, a late payment indicator and an agent feedback function on GAINWeb Life.

Agent feedback also played a key role in helping us refresh our core product offerings. We extended the non-tobacco issue ages for level term policies and riders and added a 30-year level term rider to whole life. Our improved Sensible Benefits product now makes it easier to offer group voluntary life insurance to businesses, affinity groups and chambers of commerce.

Finally, we supported agents with Sales Sites that feature turn-key marketing campaigns, and a team of knowledgeable and reliable professionals who are always available.

In 2018, we look forward to once again being a valued partner by providing the best service possible and core life products for our agents and their clients.

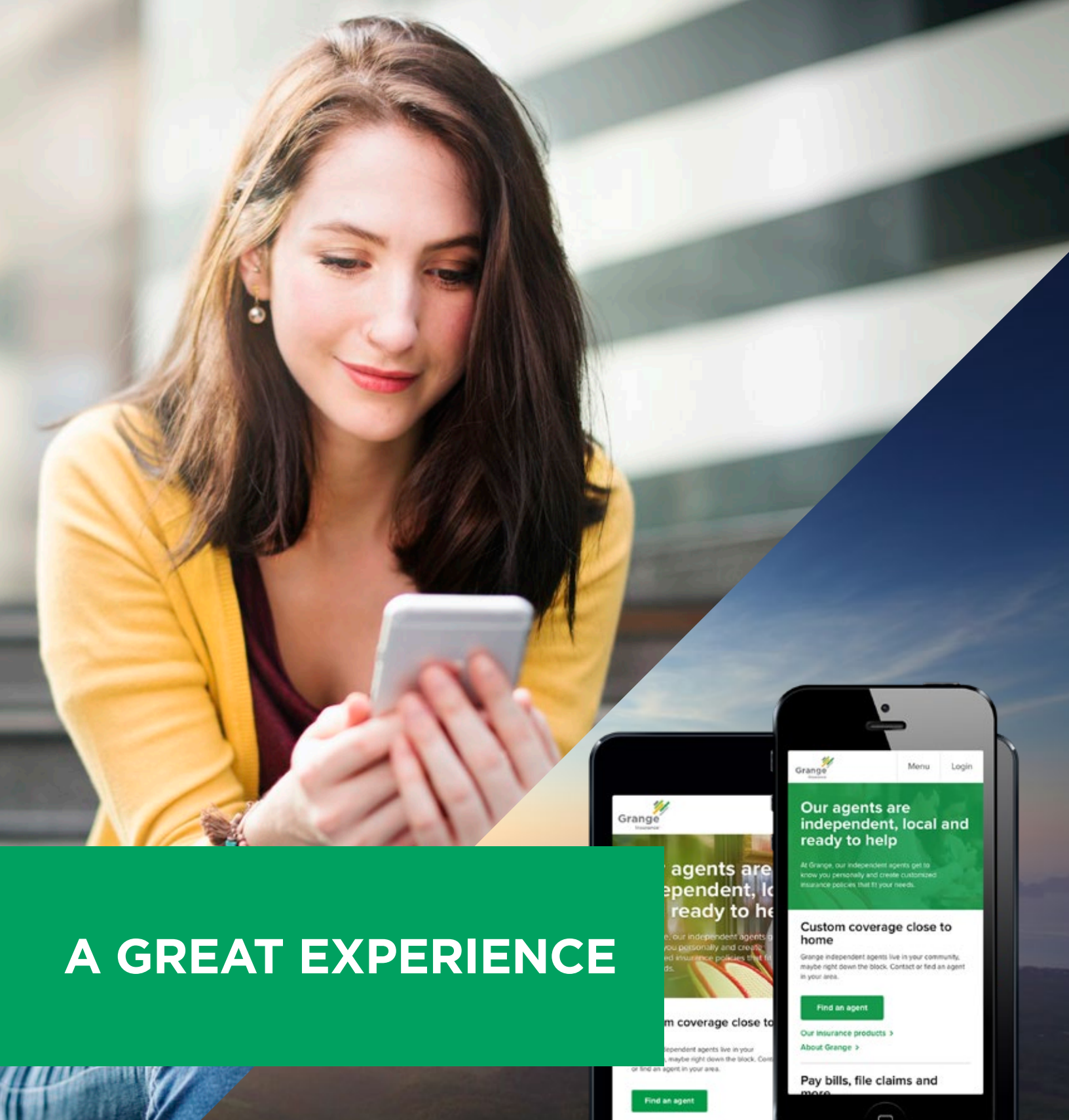


**THERESA MASON,
GRANGE LIFE PRESIDENT**

“In 2018, our dedicated service will continue to be the mainstay of our agent relationships.”



**GRANGE
LIFE**



A GREAT EXPERIENCE

FOR OUR INDEPENDENT AGENTS & OUR POLICYHOLDERS.

Whether it's our best-in-class quoting platform, our MyGrange online customer portal, our customer mobile app or our Easy-Snap claims app, Grange remains connected to agents and customers, providing a simple, straightforward online experience.

COMMITTED TO PROVIDING THE BEST EXPERIENCE.



“By pairing advancing technologies with a strong focus on customer care, we continue to deliver a great experience and are always there for our customers and agents when they need us.”

**LINDA ROUBINEK,
CHIEF CUSTOMER INTERACTIONS OFFICER**

EASE OF DOING BUSINESS®

Whether it was online, on the phone or in person, our focus on Ease of Doing Business helped us offer our agents and policyholders simple, straightforward interactions.

The Grange policyholder mobile app launched in 2017, offering our policyholders a simple, convenient way to manage their account through their mobile device. More than 6,000 policyholders have downloaded the app to access proof of insurance, policies, make a payment, add, modify and remove EasyPay EFT payments or contact their agent.

We implemented a new Voice of the Customer and Agent platform which enables us to gather, analyze and benchmark

feedback more effectively. Actions taken on this feedback have led to significant improvements. We modified the processing of debit and credit endorsements, resulting in more consistent installment amounts and improved equity. By early 2018, agents will be able to make consolidated payments for personal and commercial lines policyholders. And we simplified the claims process by adding tools such as Pix It now, which uses text messaging for a fast and easy solution to submit photos of damage.

In 2018, we'll continue to leverage valuable feedback into services that will enhance the customer and agent experience, such as paperless billing and consolidated payments for customers.

IMPROVING OUR STRONG FOUNDATION

In 2017, Claims continued to transform not only how we do business, but the platform by which we do it, with the goal of becoming more efficient and improving the experience for agents and customers.

Our claims associates have been realigned so that we can ensure that our agents and customers are working with those specialized in that line of business. We made significant strides in improving our ability to handle claims digitally last year, using damage documentation and analysis applications, inspection-free estimates and leading-edge repair programs that appeal to digital-savvy customers and make us more operationally efficient.

During the fourth quarter, we launched our pilot of Fast Track claims for auto, which streamlines the claims adjustment process by providing services and proactively problem solving during the first notice of loss. This reduces customer effort and cycle time, improves satisfaction and leads to a lower claim cost.

We will continue to look for and leverage partnerships with strategic vendors as well as innovate across all lines to enhance the customer experience.

The bottom line is that we are dedicated to being there for our agents and customers in the moment of truth. We exist to provide peace of mind and protection during life's unexpected events.



BOARD OF DIRECTORS

FRONT ROW (from left to right)

Christianna Wood • Thomas S. Stewart • David C. Wetmore, Chairman of the Board
John Ammendola, President & CEO • Terri J. Dalenta • M. Marnette Perry

BACK ROW (from left to right)

Michael D. Fraizer • Glenn E. Corlett • Douglas P. Buth • Mark L. Boxer • Robert E. Hoyt



JOHN AMMENDOLA,
PRESIDENT & CEO



MICHELLE BENZ,
CHIEF SALES & MARKETING OFFICER



LAVAWN COLEMAN,
SECRETARY & GENERAL COUNSEL



TIM CUNNINGHAM,
CHIEF INFORMATION OFFICER



TERRI DALENTA,
CHIEF FINANCIAL OFFICER



DOREEN DELANEY CRAWLEY,
CHIEF OPERATIONS OFFICER



CHERYL LEBENS,
CHIEF RISK & STRATEGY OFFICER



THERESA MASON,
PRESIDENT OF GRANGE LIFE



JOHN NORTH,
PRESIDENT OF PERSONAL LINES



LINDA ROUBINEK,
CHIEF CUSTOMER INTERACTIONS
OFFICER



JILL WAGNER KELLY,
PRESIDENT OF INTEGRITY INSURANCE



MIKE WINNER,
PRESIDENT OF COMMERCIAL LINES

LEADERSHIP TEAM

THANK YOU TO THE SELECT GROUP OF INDEPENDENT AGENTS WHO COLLABORATE WITH OUR SENIOR LEADERS TO STRENGTHEN ALL OF OUR AGENT RELATIONSHIPS. WE'RE TRULY GRATEFUL TO BE YOUR PARTNERS.



AGENT ADVISORY BOARD

FRONT ROW (from left to right)

Pat Lamb, Select Insurance Services Agency, OH; Kevin Panter, Panter Insurance, Southeastern Network Agency, GA; Sandra Moody Dehan, Dehan Insurance, OH; Doug Erwin, Advanced Insurance Solutions, PA; Thomas Crosby, The Insurance Exchange, IL; Jay Harvill, Lipscomb & Pitts Insurance LLC, TN; Mike Rice, American Heritage Insurance Group, OH; Diana Hunt, Mountain Valley Insurance, KY; Bill Wethington, Cornerstone Insurance, KY; Sam Crudo, CIA Financial Group, MI; Matt Trittschuh, Matt Trittschuh Agency, OH; Greg Trimble, Trimble Insurance Agency, OH.

MIDDLE ROW (from left to right)

Rob Strachan, Strachan Novak Insurance, OH; Doug Halpin, Elite Insurance, OH; Howard Friedman, Friedman Insurance, VA; Drew Monroe, Prosper Insurance Group, VA; Tom Davenport, Blue Marsh Insurance Group, PA; Peter Krause, J Smith Lanier & Company, GA; Chris Wiseman, Van Meter Insurance, KY; Patrick Baggett, Full Service Insurance, TN; Jim Wehar, Rodgers Insurance Group, PA; Mark Wenclewicz, Wenclewicz Insurance, IN; Steve Hopkins, United Group Alliance, OH; Jim Hynes, Old National Insurance, IN.

BACK ROW (from left to right)

Mike Stansbury, Elite Insurance Solutions, TN; Travis Shrum, Shrum Insurance Services, TN; Rob Newman, Newman & Tucker, KY; Charlie Spencer, Spencer Insurance, PA; Ryan Atkinson, Atkinson Insurance, VA; Steve Maloof, Tanner, Ballew & Maloof, GA; Gary Rowland, Rowland Insurance Agency Inc, KY; Bruce Braselton, Winder Insurance, GA; Phil Carson, Carson Agency, IN.

NOT PICTURED

Ken Jansen, Lake Michigan Insurance, MI; Jerry Thompson, MVP Insurance, IL.

A LEGACY OF PARTNERSHIP.

FOCUSED ON A COLLABORATIVE, STRONG ENTERPRISE

Celebrating 16 years together in 2017, our affiliation with Integrity Insurance is stronger than ever. Combined, we offer financial stability and a strong market presence that provides more value to our Independent Agents and policyholders.

Today, more than 4,500 agents proudly partner with Grange and Integrity throughout our 13-state footprint. In 2017, Integrity grew premium at double the industry average and enjoyed its sixth straight year of profitability and growth. We will continue to bring our combined power to bear for the good of our policyholders, agents and associates.



PHOTO

Integrity Insurance
Corporate Headquarters
Appleton, WI

MAP

Grange Enterprise Footprint
★ Integrity Insurance HQ
★ Grange Insurance HQ

integrityinsurance.com/about



**CELEBRATING 16 YEARS
WITH INTEGRITY INSURANCE**



"WONDERFUL WORKPLACE FOR YOUNG PROFESSIONALS"

—Columbus Young Professionals Club, Human Resources Association of Central Ohio

INVESTING IN EACH ASSOCIATE.



"Diversity & Inclusion is an important part of our enterprise strategy, helping us bring our Communicate Openly value to life. An essential building block for our culture, D&I will help us evolve as individuals to form stronger, more high-performing teams."

**PRISCILLA HAMMONDS,
AVP, DIVERSITY & INCLUSION**

In 2017, we introduced many new initiatives to invest in and listen to our most important resource: associates. By supporting our associates, we can create a more dynamic workplace and a higher performing company.

One example is our new Change Champions program. The Change Champions are 40 associates who complete change management training and provide feedback and ideas to leadership. We've also been developing ideas at our Innovation Bowls, where associates participate in day-long competitions to create the best solution to a known problem.

Through our Emerging Leaders and LeaderView programs, we invest in the professional development of high-potential talent as they cultivate new ideas for the enterprise. Another opportunity for professional growth last year was iLearn Week. The new, in-house technology conference consisted of more than 50 training sessions and leveraged the skills of both external and internal experts.

As we invest in our associates, we know it's important to strengthen our focus on diversity and inclusion. In 2017, we held Inclusive Leadership training for all leaders and Inclusion training for all associates. We also launched a Diversity & Inclusion Team to further inspire these values within the organization. We continued to promote an inclusive, respectful and engaging workplace culture through our Grange Pride Partnership and Allies, Grange Women's Group and Grange Young Professionals Associate Resource Groups.

These major initiatives strengthen our culture, as do smaller changes to our day-to-day routines. When walking into the home office, you may now see an associate wearing jeans or writing an idea on our innovation wall – in permanent marker. No matter how large or small, these changes strengthen our workplace culture, attract and retain top talent and, in return, propel our growth as an enterprise.

80

GRANGE PRIDE PARTNERSHIP AND ALLIES MEMBERS

241

GRANGE WOMEN'S GROUP MEMBERS

125

GRANGE YOUNG PROFESSIONALS MEMBERS

30

PERCENT OF GRANGE ASSOCIATES ARE MEMBERS OF AT LEAST ONE ASSOCIATE RESOURCE GROUP



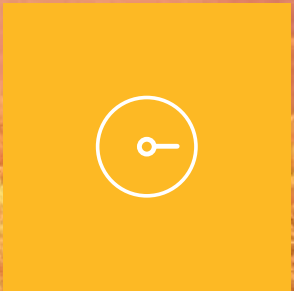
PHILANTHROPIC AWARDS 2017
United Way Central Ohio Corporate Award of Excellence
American Red Cross Life Sharing Challenge Award, 1st Place Insurance



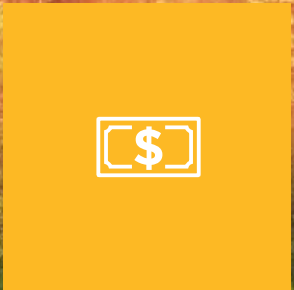
\$110,000 in charitable printing services



50% of Grange officers serving on non-profit boards in 2017



7,384 hours volunteered by Grange associates



\$670,000 in non-profit donations

GRANGE INSURANCE GIVES BACK

We're always searching for new ways to give back to the communities where we do business. So, in 2017, we launched Grange Insurance Gives, a donor-advised fund administered through The Columbus Foundation. The fund allows us to be more consistent in our charitable giving and have a greater impact on our community.

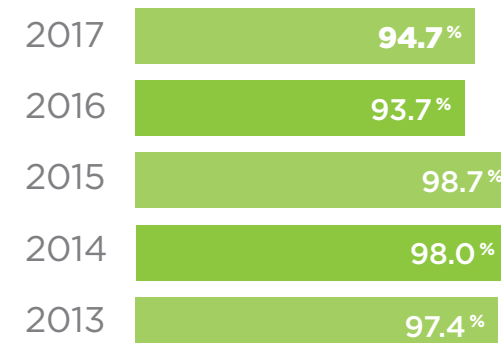
But our community relations program doesn't stop there. With a record-setting number of volunteer hours and goal-exceeding United Way campaign, we're continuing to support local non-profit organizations in their mission to transform lives, provide comfort and enrich the community.

2017 FINANCIAL REPORT

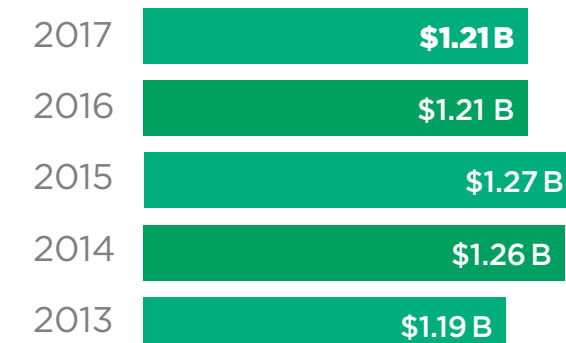


FINANCIAL OVERVIEW

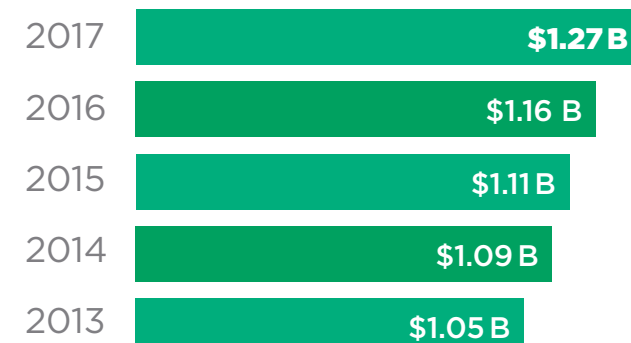
Net combined operating ratio: 2013-2017



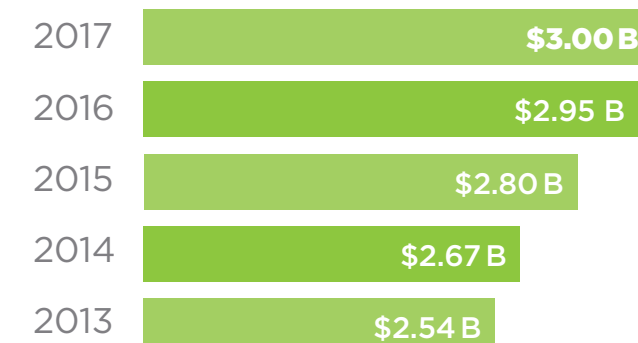
Direct Written Premium: 2013-2017



Combined surplus: 2013-2017



Consolidated Assets: 2013-2017



GRANGE ENTERPRISE P&C FINANCIAL REPORT*

Assets

Cash and Cash Equivalents	\$ 77,884,527
Bonds (at amortized cost)	1,562,425,654
Stocks (at market value)	497,087,568
Real Estate (at cost less accumulated depreciation)	98,414,323
Floating Rate Bank Loans	65,207,049
Other Invested Assets	49,073,817
Securities Lending Reinvested Collateral Assets	3,072,388
Accrued Investment Income	14,904,872
Premiums in Course of Collection	252,877,720
Federal Income Tax Receivable	2,747,955
Net Deferred Tax Asset	12,605,813
Other Miscellaneous Assets	24,281,646
Total Assets	\$ 2,660,583,332

Liabilities and Policyholders' Surplus

Unearned Premiums	\$ 480,432,342
Reserve for Losses	541,434,933
Reserve for Loss Adjustment Expenses	156,880,950
General Expenses Payable	55,967,471
Borrowed Money	60,000,000
Payable for Securities Lending	3,072,388
Other Liabilities	94,516,461
Total Liabilities	1,392,304,545
Policyholders' Surplus	1,268,278,787
Total Liabilities and Policyholders' Surplus	\$ 2,660,583,332

Statement of Income and Surplus 2017

Premiums Earned	\$ 1,164,300,996
Losses and Loss Adjustment Expenses Incurred	752,704,536
Other Underwriting Expenses Incurred	364,443,005
Net Underwriting Gain	47,153,455
Net Investment Gain	76,645,425
Other Income Less Other Expense	14,618,961
Dividends to Policyholders	(4,142,362)
Income Before Federal Income Taxes	134,275,479
Federal Income Taxes Incurred	12,981,407
Net Income	121,294,072
Other Surplus Changes	(10,213,818)
Change in Policyholders' Surplus	111,080,254
Policyholders' Surplus — January 1	1,157,198,533
Policyholders' Surplus—December 31	\$ 1,268,278,787





GRANGE LIFE FINANCIAL REPORT*

Assets

Cash and Cash Equivalents	\$ 16,633,826
Bonds (at amortized cost)	322,855,683
Policy Loans	11,907,704
Accrued Investment Income	3,039,525
Premiums Due and Uncollected	42,541,966
Amounts Due from Reinsurers	11,138,198
Net Deferred Tax Asset	3,958,433
Other Miscellaneous Assets	112,475
Total Assets	\$ 412,187,810

Liabilities, Capital and Surplus

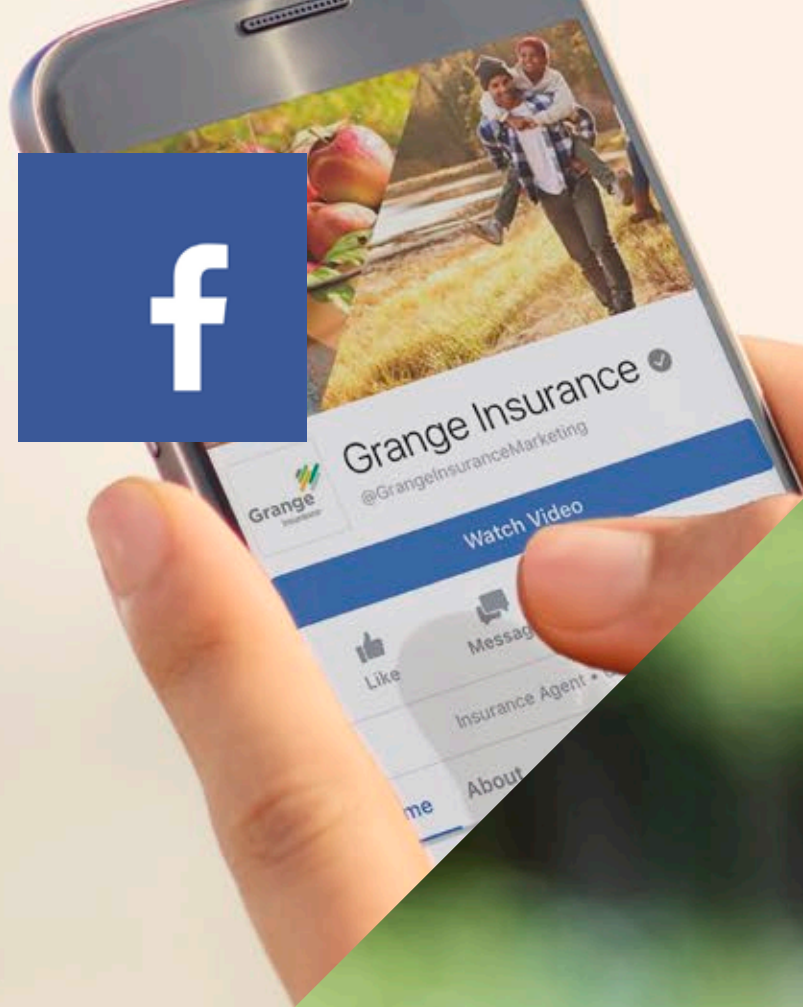
Policy Reserves	\$ 311,520,045
Policy Claims Payable	6,695,341
General Expense Payable	4,062,134
Payable to Parent	9,624,487
Reinsurance Payable	3,402,004
Other Liabilities	4,336,682
Total Liabilities	339,640,693
Total Capital and Surplus	72,547,117
Total Liabilities, Capital and Surplus	\$ 412,187,810

Statement of Income and Capital and Surplus 2017

Premium Income	\$ 57,057,672
**Ceded Annuity Premium	(55,211,271)
**Net Premium Income	1,846,401
Net Investment Income	15,263,798
Benefits Paid to Policyholders	58,328,802
**Ceded Annuity Benefits Paid to Policyholders	(54,764,795)
**Net Benefits Paid to Policyholders	3,564,007
Operating Expenses	14,823,688
Income (Loss) Before Federal Income Taxes	(1,277,496)
Federal Income Taxes Incurred	(7,066)
Net Loss from Operations after Dividends to Policyholders & Federal Income Taxes	(1,270,430)
Net Realized Capital Gain	5,478
Net Loss	(1,264,952)
Other Surplus Changes	2,465,988
Net Change in Capital and Surplus	1,201,036
Capital and Surplus - January 1	71,346,081
Capital and Surplus - December 31	\$ 72,547,117

* Balance Sheet — December 31, 2017

** In 2017, the inforce Fixed Annuity block was 100% reinsured with a 3rd party.



VISIT US ON SOCIAL MEDIA

- Twitter@grangeinsurance
- YouTubegrangeinsurance
- Facebook@grangeinsurancemarketing
- Google++grangeinsurance
- LinkedIn.....company/grange-insurance

**FIND MORE INFORMATION,
TIPS & OTHER RESOURCES AT
GRANGEINSURANCE.COM**



IT'S JUST INSURANCE

UNLESS IT'S GRANGE INSURANCE.

With humble beginnings insuring central Ohio's farming community, today we serve policyholders across 13 states. With an "A" Excellent rating from A.M. Best and \$3 billion in assets, Grange has the strength and stability of a large insurance carrier, but with the local, personalized service of a small company. Get the most from your insurance. Visit grangeinsurance.com/tips to learn more about your insurance and protect you on your journey.

Because the stories you tell start with the choices you've made, choose Grange—providing peace of mind and protection during life's unexpected events.

grangeinsurance.com

Grange Corporate Headquarters:
671 S. High Street, Columbus, OH 43206

