

**Report of Organizational Actions
 Affecting Basis of Securities**

▶ See separate instructions.

Part I Reporting Issuer

| | | | |
|--|--|---|----------------------|
| 1 Issuer's name EMC Insurance Group Inc. | | 2 Issuer's employer identification number (EIN) 42-6234555 | |
| 3 Name of contact for additional information Mark Reese Senior VP & CFO | 4 Telephone No. of contact 515-345-2902 | 5 Email address of contact Mark.E.Reese@EMCIns.com | |
| 6 Number and street (or P.O. box if mail is not delivered to street address) of contact 717 Mulberry Street | | 7 City, town, or post office, state, and Zip code of contact Des Moines, IA 50309-3872 | |
| 8 Date of action 06/23/2015 | 9 Classification and description Common Stock | | |
| 10 CUSIP number 268664109 | 11 Serial number(s) | 12 Ticker symbol EMCI | 13 Account number(s) |

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ A three-for-two stock split, completed in the form of a 50% stock dividend. The stock dividend was distributed on June 23, 2015 to stockholders of record as of June 16, 2015.

For stockholders not enrolled in the Amended and Restated Dividend Reinvestment and Common Stock Purchase Plan, fractional shares will not be issued as a result of the stock split. Cash will be paid in lieu of the fractional shares.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ The stock split was a non-taxable transaction under Internal Revenue Code (IRC) Section 305(a) and accordingly a stockholder's basis shall be allocated under IRC Section 307(a). Under IRC Section 307(a), each stockholder will allocate the basis in a share owned prior to the stock split over that share and the additional shares received in the stock split. As a result, a stockholder will multiply the basis in each share held before the stock split by 66.67% to determine the basis, after the stock split, in that share and the additional shares distributed in the stock split. See the example below in #16.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ A shareholder will multiply the basis in each share held before the stock split by 66.67% to determine the basis, after the stock split, in that share and the additional shares distributed in the stock split.

Example:
Before the stock split: A stockholder holds 200 shares of EMC Insurance Group Inc. common stock with a basis of \$30 per share and \$6,000 in total.
After the stock split: A stockholder holds 300 shares of EMC Insurance Group Inc. common stock with a basis of \$20 per share and \$6,000 in total.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶

IRC Section 305(a)

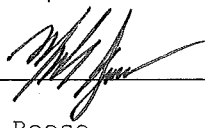
IRC Section 307(a)

18 Can any resulting loss be recognized? ▶ Generally no loss will be recognized. However, shareholders receiving cash in lieu of fractional shares will recognize gain or loss based on the difference between the amount of cash received and the shareholders' adjusted basis in the fractional shares.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The reportable tax year is the calendar year ending December 31, 2015.

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶ 
Print your name ▶ Mark Reese

Date ▶ 06/01/2015

Title ▶ Senior V.P. & C.F.O.

| | | | | | |
|-------------------------------|----------------------------|----------------------|------|---|--------------|
| Paid Preparer Use Only | Print/Type preparer's name | Preparer's signature | Date | Check <input type="checkbox"/> if self-employed | PTIN |
| | Firm's name ▶ | | | | Firm's EIN ▶ |
| | Firm's address ▶ | | | | Phone no. |