



# ANNUAL STATEMENT

## For the Year Ended DECEMBER 31, 2023

### OF THE CONDITION AND AFFAIRS OF THE

# MMG Insurance Company

NAIC Group Code 0000 , 0000 NAIC Company Code 15997 Employer's ID Number 01-0021090  
(Current Period) (Prior Period)

Organized under the Laws of Maine , State of Domicile or Port of Entry ME

Country of Domicile United States of America

Incorporated/Organized 05/22/1897 Commenced Business 08/19/1897

Statutory Home Office 44 Maysville Road , Presque Isle, ME, US 04769  
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 44 Maysville Road  
(Street and Number) Presque Isle, ME, US 04769 (207)764-6611  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 44 Maysville Road , Presque Isle, ME, US 04769  
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 44 Maysville Road  
(Street and Number) Presque Isle, ME, US 04769 (207)764-6611  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.mmgin.com

Statutory Statement Contact Terri Lee Ouellette (207)764-6611-266  
(Name) (Area Code)(Telephone Number)(Extension)  
terri.ouellette@mmgin.com (207)760-1080  
(E-Mail Address) (Fax Number)

### OFFICERS

Name	Title	#
Matthew Ricker McHatten	President/CEO	#
David Gordon McPherson	Exec. VP/COO/Secretary	#
Kendra Lorraine Coates	Senior VP/CFO/Treasurer	#
Stacy Lee Shaw	Senior VP/CIO	

### OTHERS

Eric Wayne Tawfall Julia Faith Dawson Clukey #	Corey Alan Graham	Derek James Hochradel	Kayla O'Malley Dill
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### DIRECTORS OR TRUSTEES

Samuel Wilson Collins Chairman Jon Joseph Prescott Deborah Ann Jordan	Matthew Ricker McHatten Larry Martin Shaw Deanna Swan Sherman	Donald Eugene Simon Lisa Marie Ventriess Zachary Carpenter Smith #	Donald Walker Perkins Jr. Kevin Paul McCarthy
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State of Maine  
 County of Aroostook ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

_____ (Signature) Matthew Ricker McHatten _____ (Printed Name) 1. President/CEO _____ (Title)	_____ (Signature) David Gordon McPherson _____ (Printed Name) 2. Exec. VP/COO/Secretary _____ (Title)	_____ (Signature) Kendra Lorraine Coates _____ (Printed Name) 3. Senior VP/CFO/Treasurer _____ (Title)
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Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2024

- a. Is this an original filing?  
 b. If no: 1. State the amendment number  
 2. Date filed  
 3. Number of pages attached

Yes[X] No[ ]

0

0

\_\_\_\_\_  
 (Notary Public Signature)

## ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols.1-2)	4 Net Admitted Assets
1. Bonds (Schedule D) .....	206,865,037	0	206,865,037	203,299,925
2. Stocks (Schedule D):				
2.1 Preferred stocks .....	0	0	0	0
2.2 Common stocks .....	58,058,713	0	58,058,713	59,032,601
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....	0	0	0	0
3.2 Other than first liens .....	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances) .....	6,344,843	0	6,344,843	4,349,793
4.2 Properties held for the production of income (less \$.....0 encumbrances) .....	0	0	0	0
4.3 Properties held for sale (less \$.....0 encumbrances) .....	0	0	0	0
5. Cash (\$.....(3,939,335), Schedule E-Part 1), cash equivalents (\$.....11,211,798, Schedule E-Part 2) and short-term investments (\$.....0, Schedule DA) .....	7,272,463	0	7,272,463	20,537,814
6. Contract loans (including \$.....0 premium notes) .....	0	0	0	0
7. Derivatives (Schedule DB) .....	0	0	0	0
8. Other invested assets (Schedule BA) .....	22,338	22,338	0	0
9. Receivables for securities .....	0	0	0	0
10. Securities Lending Reinvested Collateral Assets (Schedule DL) .....	0	0	0	0
11. Aggregate write-ins for invested assets .....	4,603,061	0	4,603,061	4,020,959
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	283,166,455	22,338	283,144,117	291,241,092
13. Title plants less \$.....0 charged off (for Title insurers only) .....	0	0	0	0
14. Investment income due and accrued .....	1,594,896	0	1,594,896	1,568,054
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	10,100,011	115,166	9,984,845	8,877,201
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including \$.....0 earned but unbilled premiums) .....	60,722,704	0	60,722,704	53,178,227
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0) .....	0	0	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	1,462,572	0	1,462,572	470,005
16.2 Funds held by or deposited with reinsured companies .....	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts .....	0	0	0	0
17. Amounts receivable relating to uninsured plans .....	0	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	2,923,683	0	2,923,683	0
18.2 Net deferred tax asset .....	6,070,460	0	6,070,460	4,484,320
19. Guaranty funds receivable or on deposit .....	0	0	0	0
20. Electronic data processing equipment and software .....	1,865,537	210,871	1,654,666	1,302,594
21. Furniture and equipment, including health care delivery assets (\$.....0) .....	295,124	295,124	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates .....	998,702	0	998,702	794,890
24. Health care (\$.....0) and other amounts receivable .....	0	0	0	0
25. Aggregate write-ins for other-than-invested assets .....	6,434,273	2,520,649	3,913,624	3,503,329
26. TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	375,634,417	3,164,147	372,470,270	365,419,712
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0	0
28. TOTAL (Lines 26 and 27) .....	375,634,417	3,164,147	372,470,270	365,419,712
<b>DETAILS OF WRITE-INS</b>				
1101. Deferred Comp Trust Account .....	4,603,061	0	4,603,061	4,020,959
1102. ....	0	0	0	0
1103. ....	0	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....	4,603,061	0	4,603,061	4,020,959
2501. Company Cars .....	676,775	676,775	0	0
2502. Leasehold Improvements .....	54,612	54,612	0	0
2503. Prepaid Expenses .....	1,784,484	1,784,484	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	3,918,402	4,778	3,913,624	3,503,329
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	6,434,273	2,520,649	3,913,624	3,503,329

## LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8) .....	69,907,877	59,399,138
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6) .....	0	0
3. Loss adjustment expenses (Part 2A, Line 35, Column 9) .....	16,600,737	14,769,166
4. Commissions payable, contingent commissions and other similar charges .....	7,126,817	9,817,397
5. Other expenses (excluding taxes, licenses and fees) .....	2,818,234	3,527,341
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	951,085	789,326
7.1 Current federal and foreign income taxes (including \$.....1,809,972 on realized capital gains (losses)) .....	0	67,090
7.2 Net deferred tax liability .....	0	0
8. Borrowed money \$.....0 and interest thereon \$.....0 .....	0	0
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$.....10,654,986 and including warranty reserves of \$.....0 and accrued accident and health experience rating refunds including \$.....0 for medical loss ratio rebate per the Public Health Service Act) .....	125,647,732	114,581,174
10. Advance premium .....	2,361,517	2,450,919
11. Dividends declared and unpaid:		
11.1 Stockholders .....	0	0
11.2 Policyholders .....	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions) .....	4,414,443	2,960,233
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20) .....	67,563	67,563
14. Amounts withheld or retained by company for account of others .....	4,621,448	4,035,224
15. Remittances and items not allocated .....	39,650	23,337
16. Provision for reinsurance (including \$.....0 certified) (Schedule F, Part 3 Column 78) .....	0	0
17. Net adjustments in assets and liabilities due to foreign exchange rates .....	0	0
18. Drafts outstanding .....	2,371	4,419
19. Payable to parent, subsidiaries and affiliates .....	0	0
20. Derivatives .....	0	0
21. Payable for securities .....	0	0
22. Payable for securities lending .....	0	0
23. Liability for amounts held under uninsured plans .....	0	0
24. Capital notes \$.....0 and interest thereon \$.....0 .....	0	0
25. Aggregate write-ins for liabilities .....	0	0
26. TOTAL Liabilities excluding protected cell liabilities (Lines 1 through 25) .....	234,559,475	212,492,327
27. Protected cell liabilities .....	0	0
28. TOTAL Liabilities (Lines 26 and 27) .....	234,559,475	212,492,327
29. Aggregate write-ins for special surplus funds .....	0	0
30. Common capital stock .....	2,500,000	2,500,000
31. Preferred capital stock .....	0	0
32. Aggregate write-ins for other-than-special surplus funds .....	0	0
33. Surplus notes .....	15,000,000	15,000,000
34. Gross paid in and contributed surplus .....	32,454,274	32,454,274
35. Unassigned funds (surplus) .....	87,956,521	102,973,111
36. Less treasury stock, at cost:		
36.1 .....0 shares common (value included in Line 30 \$.....0) .....	0	0
36.2 .....0 shares preferred (value included in Line 31 \$.....0) .....	0	0
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39) .....	137,910,795	152,927,385
38. TOTALS (Page 2, Line 28, Column 3) .....	372,470,270	365,419,712
<b>DETAILS OF WRITE-INS</b>		
2501. ....	0	0
2502. ....	0	0
2503. ....	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	0	0
2901. ....	0	0
2902. ....	0	0
2903. ....	0	0
2998. Summary of remaining write-ins for Line 29 from overflow page .....	0	0
2999. TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above) .....	0	0
3201. ....	0	0
3202. ....	0	0
3203. ....	0	0
3298. Summary of remaining write-ins for Line 32 from overflow page .....	0	0
3299. TOTALS (Lines 3201 through 3203 plus 3298) (Line 32 above) .....	0	0

## STATEMENT OF INCOME

	1 Current Year	2 Prior Year
<b>UNDERWRITING INCOME</b>		
1. Premiums earned (Part 1, Line 35, Column 4)	222,501,787	210,070,783
<b>DEDUCTIONS</b>		
2. Losses incurred (Part 2, Line 35, Column 7)	136,295,628	108,035,679
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	30,042,961	25,252,360
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	82,651,846	78,639,965
5. Aggregate write-ins for underwriting deductions	0	0
6. TOTAL Underwriting Deductions (Lines 2 through 5)	248,990,435	211,928,004
7. Net income of protected cells	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	(26,488,648)	(1,857,221)
<b>INVESTMENT INCOME</b>		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	7,350,942	4,647,814
10. Net realized capital gains (losses) less capital gains tax of \$.....1,809,973 (Exhibit of Capital Gains (Losses))	6,807,928	1,144,178
11. Net investment gain (loss) (Lines 9 + 10)	14,158,870	5,791,992
<b>OTHER INCOME</b>		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....418,173)	(418,173)	(316,879)
13. Finance and service charges not included in premiums	387,226	117,572
14. Aggregate write-ins for miscellaneous income	148,638	123,698
15. TOTAL Other Income (Lines 12 through 14)	117,691	(75,609)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(12,212,088)	3,859,162
17. Dividends to policyholders	0	0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	(12,212,088)	3,859,162
19. Federal and foreign income taxes incurred	(3,939,034)	880,846
20. Net income (Line 18 minus Line 19) (to Line 22)	(8,273,054)	2,978,316
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	152,927,385	156,783,167
22. Net income (from Line 20)	(8,273,054)	2,978,316
23. Net transfers (to) from Protected Cell accounts	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....(1,277,555)	(4,745,668)	(6,598,573)
25. Change in net unrealized foreign exchange capital gain (loss)	0	0
26. Change in net deferred income tax	308,585	708,624
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets Line 28, Column 3)	(556,453)	(944,148)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	0	0
29. Change in surplus notes	0	0
30. Surplus (contributed to) withdrawn from protected cells	0	0
31. Cumulative effect of changes in accounting principles	0	0
32. Capital changes:		
32.1 Paid in	0	0
32.2 Transferred from surplus (Stock Dividend)	0	0
32.3 Transferred to surplus	0	0
33. Surplus adjustments:		
33.1 Paid in	0	0
33.2 Transferred to capital (Stock Dividend)	0	0
33.3 Transferred from capital	0	0
34. Net remittances from or (to) Home Office	0	0
35. Dividends to stockholders	(1,750,000)	0
36. Change in treasury stock (Page 3, Line 36.1 and 36.2, Column 2 minus Column 1)	0	0
37. Aggregate write-ins for gains and losses in surplus	0	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	(15,016,590)	(3,855,782)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	137,910,795	152,927,385
<b>DETAILS OF WRITE-INS</b>		
0501.	0	0
0502.	0	0
0503.	0	0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0
1401. Misc. Income	148,638	123,698
1402.	0	0
1403.	0	0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	148,638	123,698
3701.	0	0
3702.	0	0
3703.	0	0
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Lines 37 above)	0	0

**CASH FLOW**

	1 Current Year	2 Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance .....	226,226,747	211,606,938
2. Net investment income .....	8,026,220	5,870,492
3. Miscellaneous income .....	117,691	(75,609)
4. TOTAL (Lines 1 through 3) .....	234,370,657	217,401,821
5. Benefit and loss related payments .....	126,779,456	108,056,830
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	114,101,165	103,233,905
8. Dividends paid to policyholders .....	0	0
9. Federal and foreign income taxes paid (recovered) net of \$.....1,809,976 tax on capital gains (losses) .....	861,712	738,356
10. TOTAL (Lines 5 through 9) .....	241,742,332	212,029,091
11. Net cash from operations (Line 4 minus Line 10) .....	(7,371,674)	5,372,730
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	17,891,809	28,050,182
12.2 Stocks .....	73,678,176	8,823,129
12.3 Mortgage loans .....	0	0
12.4 Real estate .....	0	0
12.5 Other invested assets .....	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	(179)
12.7 Miscellaneous proceeds .....	0	7,656
12.8 TOTAL Investment proceeds (Lines 12.1 to 12.7) .....	91,569,985	36,880,789
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	22,178,985	26,479,199
13.2 Stocks .....	69,895,220	9,655,731
13.3 Mortgage loans .....	0	0
13.4 Real estate .....	2,249,865	395,231
13.5 Other invested assets .....	0	0
13.6 Miscellaneous applications .....	582,105	4,020,961
13.7 TOTAL Investments acquired (Lines 13.1 to 13.6) .....	94,906,175	40,551,121
14. Net increase/(decrease) in contract loans and premium notes .....	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....	(3,336,190)	(3,670,333)
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....	0	0
16.2 Capital and paid in surplus, less treasury stock .....	0	0
16.3 Borrowed funds .....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0
16.5 Dividends to stockholders .....	1,750,000	0
16.6 Other cash provided (applied) .....	(807,486)	(1,394,707)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	(2,557,486)	(1,394,707)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(13,265,351)	307,690
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	20,537,814	20,230,123
19.2 End of year (Line 18 plus Line 19.1) .....	7,272,463	20,537,814

**Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:**

20.0001		0	0
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## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 1 - PREMIUMS EARNED

Line of Business	1 Net Premiums Written Per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year - per Column 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year - per Column 5, Part 1A	4 Premiums Earned During Year (Columns 1 + 2 - 3)
1. Fire	1,467,986	865,461	882,633	1,450,814
2.1 Allied lines	639,014	390,294	393,914	635,394
2.2 Multiple peril crop	0	0	0	0
2.3 Federal flood	0	0	0	0
2.4 Private crop	0	0	0	0
2.5 Private flood	0	0	0	0
3. Farmowners multiple peril	3,119,600	1,639,191	1,774,124	2,984,667
4. Homeowners multiple peril	47,676,534	26,995,891	28,264,120	46,408,305
5.1 Commercial multiple peril (non-liability portion)	34,305,223	16,049,368	18,568,882	31,785,710
5.2 Commercial multiple peril (liability portion)	31,666,359	14,814,802	17,140,506	29,340,655
6. Mortgage guaranty	0	0	0	0
8. Ocean marine	0	0	0	0
9. Inland marine	3,651,585	2,605,298	1,843,363	4,413,520
10. Financial guaranty	0	0	0	0
11.1 Medical professional liability - occurrence	0	0	0	0
11.2 Medical professional liability - claims-made	0	0	0	0
12. Earthquake	0	0	0	0
13.1 Comprehensive (hospital and medical) individual	0	0	0	0
13.2 Comprehensive (hospital and medical) group	0	0	0	0
14. Credit accident and health (group and individual)	0	0	0	0
15.1 Vision only	0	0	0	0
15.2 Dental only	0	0	0	0
15.3 Disability income	0	0	0	0
15.4 Medicare supplement	0	0	0	0
15.5 Medicaid Title XIX	0	0	0	0
15.6 Medicare Title XVIII	0	0	0	0
15.7 Long-term care	0	0	0	0
15.8 Federal employees health benefits plan	0	0	0	0
15.9 Other health	0	0	0	0
16. Workers' compensation	0	0	0	0
17.1 Other liability - occurrence	5,814,643	2,789,225	2,864,568	5,739,300
17.2 Other liability - claims-made	0	0	0	0
17.3 Excess Workers' Compensation	0	0	0	0
18.1 Products liability - occurrence	0	0	0	0
18.2 Products liability - claims-made	0	0	0	0
19.1 Private passenger auto no-fault (personal injury protection)	733,591	376,076	366,589	743,078
19.2 Other private passenger auto liability	28,981,254	14,287,207	14,707,701	28,560,760
19.3 Commercial auto no-fault (personal injury protection)	115,003	51,419	55,056	111,366
19.4 Other Commercial auto liability	21,592,378	8,681,813	10,985,371	19,288,821
21.1 Private passenger auto physical damage	38,226,519	17,789,393	20,378,174	35,637,738
21.2 Commercial auto physical damage	15,578,656	7,245,729	7,422,731	15,401,655
22. Aircraft (all perils)	0	0	0	0
23. Fidelity	0	0	0	0
24. Surety	0	0	0	0
26. Burglary and theft	0	0	0	0
27. Boiler and machinery	0	0	0	0
28. Credit	0	0	0	0
29. International	0	0	0	0
30. Warranty	0	0	0	0
31. Reinsurance-Nonproportional Assumed Property	0	0	0	0
32. Reinsurance-Nonproportional Assumed Liability	0	0	0	0
33. Reinsurance-Nonproportional Assumed Financial Lines	0	0	0	0
34. Aggregate write-ins for other lines of business	0	0	0	0
35. TOTALS	233,568,345	114,581,174	125,647,732	222,501,787
<b>DETAILS OF WRITE-INS</b>				
3401.	0	0	0	0
3402.	0	0	0	0
3403.	0	0	0	0
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 1A - RECAPITULATION OF ALL PREMIUMS

	1 Amount Unearned (Running One Year or Less From Date of Policy) (a)	2 Amount Unearned (Running More Than One Year From Date of Policy) (a)	3 Earned But Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve For Unearned Premiums Columns 1 + 2 + 3 + 4
Line of Business					
1. Fire	882,633	0	0	0	882,633
2.1 Allied lines	393,914	0	0	0	393,914
2.2 Multiple peril crop	0	0	0	0	0
2.3 Federal flood	0	0	0	0	0
2.4 Private crop	0	0	0	0	0
2.5 Private flood	0	0	0	0	0
3. Farmowners multiple peril	1,774,124	0	0	0	1,774,124
4. Homeowners multiple peril	28,264,120	0	0	0	28,264,120
5.1 Commercial multiple peril (non-liability portion)	18,568,882	0	0	0	18,568,882
5.2 Commercial multiple peril (liability portion)	17,140,506	0	0	0	17,140,506
6. Mortgage guaranty	0	0	0	0	0
8. Ocean marine	0	0	0	0	0
9. Inland marine	1,843,363	0	0	0	1,843,363
10. Financial guaranty	0	0	0	0	0
11.1 Medical professional liability - occurrence	0	0	0	0	0
11.2 Medical professional liability - claims-made	0	0	0	0	0
12. Earthquake	0	0	0	0	0
13.1 Comprehensive (hospital and medical) individual	0	0	0	0	0
13.2 Comprehensive (hospital and medical) group	0	0	0	0	0
14. Credit accident and health (group and individual)	0	0	0	0	0
15.1 Vision only	0	0	0	0	0
15.2 Dental only	0	0	0	0	0
15.3 Disability income	0	0	0	0	0
15.4 Medicare supplement	0	0	0	0	0
15.5 Medicaid Title XIX	0	0	0	0	0
15.6 Medicare Title XVIII	0	0	0	0	0
15.7 Long-term care	0	0	0	0	0
15.8 Federal employees health benefits plan	0	0	0	0	0
15.9 Other health	0	0	0	0	0
16. Workers' compensation	0	0	0	0	0
17.1 Other liability - occurrence	2,864,568	0	0	0	2,864,568
17.2 Other liability - claims-made	0	0	0	0	0
17.3 Excess Workers' Compensation	0	0	0	0	0
18.1 Products liability - occurrence	0	0	0	0	0
18.2 Products liability - claims-made	0	0	0	0	0
19.1 Private passenger auto no-fault (personal injury protection)	366,589	0	0	0	366,589
19.2 Other private passenger auto liability	14,707,701	0	0	0	14,707,701
19.3 Commercial auto no-fault (personal injury protection)	55,056	0	0	0	55,056
19.4 Other Commercial auto liability	10,985,371	0	0	0	10,985,371
21.1 Private passenger auto physical damage	20,378,174	0	0	0	20,378,174
21.2 Commercial auto physical damage	7,422,731	0	0	0	7,422,731
22. Aircraft (all perils)	0	0	0	0	0
23. Fidelity	0	0	0	0	0
24. Surety	0	0	0	0	0
26. Burglary and theft	0	0	0	0	0
27. Boiler and machinery	0	0	0	0	0
28. Credit	0	0	0	0	0
29. International	0	0	0	0	0
30. Warranty	0	0	0	0	0
31. Reinsurance-Nonproportional Assumed Property	0	0	0	0	0
32. Reinsurance-Nonproportional Assumed Liability	0	0	0	0	0
33. Reinsurance-Nonproportional Assumed Financial Lines	0	0	0	0	0
34. Aggregate write-ins for other lines of business	0	0	0	0	0
35. TOTALS	125,647,732	0	0	0	125,647,732
36. Accrued retrospective premiums based on experience					0
37. Earned but unbilled premiums					0
38. Balance (Sum of Lines 35 through 37)					125,647,732
<b>DETAILS OF WRITE-INS</b>					
3401.	0	0	0	0	0
3402.	0	0	0	0	0
3403.	0	0	0	0	0
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0	0

(a) State here basis of computation used in each case: Daily Pro Rata Method

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 1B - PREMIUMS WRITTEN

Line of Business	1	Reinsurance Assumed		Reinsurance Ceded		6
	Direct Business (a)	2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	Net Premiums Written Columns 1+2+3-4-5
1. Fire	1,832,647	0	0	0	364,661	1,467,986
2.1 Allied lines	798,664	0	0	0	159,650	639,014
2.2 Multiple peril crop	0	0	0	0	0	0
2.3 Federal flood	0	0	0	0	0	0
2.4 Private crop	0	0	0	0	0	0
2.5 Private flood	0	0	0	0	0	0
3. Farmowners multiple peril	3,822,486	0	0	0	702,886	3,119,600
4. Homeowners multiple peril	57,649,531	0	0	0	9,972,997	47,676,534
5.1 Commercial multiple peril (non-liability portion)	42,200,848	0	0	0	7,895,625	34,305,223
5.2 Commercial multiple peril (liability portion)	38,954,628	0	0	0	7,288,269	31,666,359
6. Mortgage guaranty	0	0	0	0	0	0
8. Ocean marine	0	0	0	0	0	0
9. Inland marine	4,609,654	0	0	0	958,069	3,651,585
10. Financial guaranty	0	0	0	0	0	0
11.1 Medical professional liability - occurrence	0	0	0	0	0	0
11.2 Medical professional liability - claims-made	0	0	0	0	0	0
12. Earthquake	0	0	0	0	0	0
13.1 Comprehensive (hospital and medical) individual	0	0	0	0	0	0
13.2 Comprehensive (hospital and medical) group	0	0	0	0	0	0
14. Credit accident and health (group and individual)	0	0	0	0	0	0
15.1 Vision only	0	0	0	0	0	0
15.2 Dental only	0	0	0	0	0	0
15.3 Disability income	0	0	0	0	0	0
15.4 Medicare supplement	0	0	0	0	0	0
15.5 Medicaid Title XIX	0	0	0	0	0	0
15.6 Medicare Title XVIII	0	0	0	0	0	0
15.7 Long-term care	0	0	0	0	0	0
15.8 Federal employees health benefits plan	0	0	0	0	0	0
15.9 Other health	0	0	0	0	0	0
16. Workers' compensation	0	0	0	0	0	0
17.1 Other liability - occurrence	8,564,529	0	0	0	2,749,886	5,814,643
17.2 Other liability - claims-made	0	0	0	0	0	0
17.3 Excess Workers' Compensation	0	0	0	0	0	0
18.1 Products liability - occurrence	0	0	0	0	0	0
18.2 Products liability - claims-made	0	0	0	0	0	0
19.1 Private passenger auto no-fault (personal injury protection)	769,505	0	0	0	35,914	733,591
19.2 Other private passenger auto liability	31,845,738	0	33,934	0	2,898,418	28,981,254
19.3 Commercial auto no-fault (personal injury protection)	126,299	0	0	0	11,296	115,003
19.4 Other Commercial auto liability	23,687,291	0	0	0	2,094,913	21,592,378
21.1 Private passenger auto physical damage	39,704,049	0	26,929	0	1,504,459	38,226,519
21.2 Commercial auto physical damage	15,996,599	0	0	0	417,943	15,578,656
22. Aircraft (all perils)	0	0	0	0	0	0
23. Fidelity	0	0	0	0	0	0
24. Surety	0	0	0	0	0	0
26. Burglary and theft	0	0	0	0	0	0
27. Boiler and machinery	0	0	0	0	0	0
28. Credit	0	0	0	0	0	0
29. International	0	0	0	0	0	0
30. Warranty	0	0	0	0	0	0
31. Reinsurance-Nonproportional Assumed Property	X X X	0	0	0	0	0
32. Reinsurance-Nonproportional Assumed Liability	X X X	0	0	0	0	0
33. Reinsurance-Nonproportional Assumed Financial Lines	X X X	0	0	0	0	0
34. Aggregate write-ins for other lines of business	0	0	0	0	0	0
35. TOTALS	270,562,468	0	60,863	0	37,054,986	233,568,345
<b>DETAILS OF WRITE-INS</b>						
3401.	0	0	0	0	0	0
3402.	0	0	0	0	0	0
3403.	0	0	0	0	0	0
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0	0	0

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

If yes, (1) The amount of such installment premiums \$.....0.

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



**UNDERWRITING AND INVESTMENT EXHIBIT  
PART 2 - LOSSES PAID AND INCURRED**

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Column 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Columns 4 + 5 - 6)	8 Percentage of Losses Incurred (Column 7, Part 2) to Premiums Earned (Column 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Columns 1 + 2 - 3)				
1. Fire	218,826	0	0	218,826	163,440	134,319	247,947	17.09
2.1 Allied lines	105,853	0	0	105,853	170,719	70,210	206,362	32.48
2.2 Multiple peril crop	0	0	0	0	0	0	0	0.00
2.3 Federal flood	0	0	0	0	0	0	0	0.00
2.4 Private crop	0	0	0	0	0	0	0	0.00
2.5 Private flood	0	0	0	0	0	0	0	0.00
3. Farmowners multiple peril	1,261,729	0	1,863	1,259,866	538,200	177,423	1,620,643	54.30
4. Homeowners multiple peril	26,272,403	0	2,268,616	24,003,787	11,254,727	7,987,790	27,270,724	58.76
5.1 Commercial multiple peril (non-liability portion)	25,301,214	0	8,567,147	16,734,067	4,591,238	5,213,518	16,111,787	50.69
5.2 Commercial multiple peril (liability portion)	7,973,944	0	764,431	7,209,513	17,204,167	10,112,726	14,300,954	48.74
6. Mortgage guaranty	0	0	0	0	0	0	0	0.00
8. Ocean marine	0	0	0	0	0	0	0	0.00
9. Inland marine	1,359,240	0	0	1,359,240	79,417	(35,158)	1,473,815	33.39
10. Financial guaranty	0	0	0	0	0	0	0	0.00
11.1 Medical professional liability - occurrence	0	0	0	0	0	0	0	0.00
11.2 Medical professional liability - claims-made	0	0	0	0	0	0	0	0.00
12. Earthquake	0	0	0	0	0	0	0	0.00
13.1 Comprehensive (hospital and medical) individual	0	0	0	0	0	0	0	0.00
13.2 Comprehensive (hospital and medical) group	0	0	0	0	0	0	0	0.00
14. Credit accident and health (group and individual)	0	0	0	0	0	0	0	0.00
15.1 Vision only	0	0	0	0	0	0	0	0.00
15.2 Dental only	0	0	0	0	0	0	0	0.00
15.3 Disability income	0	0	0	0	0	0	0	0.00
15.4 Medicare supplement	0	0	0	0	0	0	0	0.00
15.5 Medicaid Title XIX	0	0	0	0	0	0	0	0.00
15.6 Medicare Title XVIII	0	0	0	0	0	0	0	0.00
15.7 Long-term care	0	0	0	0	0	0	0	0.00
15.8 Federal employees health benefits plan	0	0	0	0	0	0	0	0.00
15.9 Other health	0	0	0	0	0	0	0	0.00
16. Workers' compensation	0	0	0	0	0	0	0	0.00
17.1 Other liability - occurrence	465,471	0	9,000	456,471	814,010	1,716,043	(445,562)	(7.76)
17.2 Other liability - claims-made	0	0	0	0	0	0	0	0.00
17.3 Excess Workers' Compensation	0	0	0	0	0	0	0	0.00
18.1 Products liability - occurrence	0	0	0	0	0	0	0	0.00
18.2 Products liability - claims made	0	0	0	0	0	0	0	0.00
19.1 Private passenger auto no-fault (personal injury protection)	615,176	0	0	615,176	367,591	389,816	592,951	79.80
19.2 Other private passenger auto liability	24,899,590	45,529	695,842	24,249,277	20,874,685	22,878,952	22,245,010	77.89
19.3 Commercial auto no-fault (personal injury protection)	119,826	0	0	119,826	73,872	64,452	129,246	116.05
19.4 Other Commercial auto liability	9,813,498	0	1,622,925	8,190,573	12,404,178	10,555,299	10,039,452	52.05
21.1 Private passenger auto physical damage	31,094,995	22,450	37,127	31,080,318	687,946	114,493	31,653,771	88.82
21.2 Commercial auto physical damage	10,184,096	0	0	10,184,096	683,687	19,255	10,848,528	70.44
22. Aircraft (all perils)	0	0	0	0	0	0	0	0.00
23. Fidelity	0	0	0	0	0	0	0	0.00
24. Surety	0	0	0	0	0	0	0	0.00
26. Burglary and theft	0	0	0	0	0	0	0	0.00
27. Boiler and machinery	0	0	0	0	0	0	0	0.00
28. Credit	0	0	0	0	0	0	0	0.00
29. International	0	0	0	0	0	0	0	0.00
30. Warranty	0	0	0	0	0	0	0	0.00
31. Reinsurance-Nonproportional Assumed Property	X X X	0	0	0	0	0	0	0.00
32. Reinsurance-Nonproportional Assumed Liability	X X X	0	0	0	0	0	0	0.00
33. Reinsurance-Nonproportional Assumed Financial Lines	X X X	0	0	0	0	0	0	0.00
34. Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0.00
35. TOTALS	139,685,861	67,979	13,966,951	125,786,889	69,907,877	59,399,138	136,295,628	61.26
<b>DETAILS OF WRITE-INS</b>								
3401.	0	0	0	0	0	0	0	0.00
3402.	0	0	0	0	0	0	0	0.00
3403.	0	0	0	0	0	0	0	0.00
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	0.00
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0	0	0	0	0.00

**UNDERWRITING AND INVESTMENT EXHIBIT  
PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES**

Line of Business	Reported Losses				Incurred But Not Reported			8 Net Losses Unpaid (Columns 4 + 5 + 6 - 7)	9 Net Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excluding Incurred But Not Reported (Columns 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire	160,500	0	0	160,500	2,852	0	(88)	163,440	12,655
2.1 Allied lines	169,437	0	0	169,437	1,244	0	(38)	170,719	13,219
2.2 Multiple peril crop	0	0	0	0	0	0	0	0	0
2.3 Federal flood	0	0	0	0	0	0	0	0	0
2.4 Private crop	0	0	0	0	0	0	0	0	0
2.5 Private flood	0	0	0	0	0	0	0	0	0
3. Farmowners multiple peril	567,426	0	26,174	541,252	(3,166)	0	(114)	538,200	81,560
4. Homeowners multiple peril	15,286,817	0	3,985,743	11,301,074	(48,082)	0	(1,735)	11,254,727	1,705,568
5.1 Commercial multiple peril (non-liability portion)	13,793,719	0	7,987,372	5,806,347	(1,526,850)	0	(311,741)	4,591,238	1,642,172
5.2 Commercial multiple peril (liability portion)	14,389,610	0	1,965,786	12,423,824	5,145,064	0	364,721	17,204,167	6,153,505
6. Mortgage guaranty	0	0	0	0	0	0	0	0	0
8. Ocean marine	0	0	0	0	0	0	0	0	0
9. Inland marine	71,975	0	0	71,975	7,219	0	(223)	79,417	6,149
10. Financial guaranty	0	0	0	0	0	0	0	0	0
11.1 Medical professional liability - occurrence	0	0	0	0	0	0	0	0	0
11.2 Medical professional liability - claims-made	0	0	0	0	0	0	0	0	0
12. Earthquake	0	0	0	0	0	0	0	0	0
13.1 Comprehensive (hospital and medical) individual	0	0	0	0	0	0	0	(a)	0
13.2 Comprehensive (hospital and medical) group	0	0	0	0	0	0	0	(a)	0
14. Credit accident & health (group & individual)	0	0	0	0	0	0	0	0	0
15.1 Vision only	0	0	0	0	0	0	0	(a)	0
15.2 Dental only	0	0	0	0	0	0	0	(a)	0
15.3 Disability income	0	0	0	0	0	0	0	(a)	0
15.4 Medicare supplement	0	0	0	0	0	0	0	(a)	0
15.5 Medicaid Title XIX	0	0	0	0	0	0	0	(a)	0
15.6 Medicare Title XVIII	0	0	0	0	0	0	0	(a)	0
15.7 Long-term care	0	0	0	0	0	0	0	(a)	0
15.8 Federal employees health benefits plan	0	0	0	0	0	0	0	(a)	0
15.9 Other health	0	0	0	0	0	0	0	(a)	0
16. Workers' compensation	0	0	0	0	0	0	0	0	0
17.1 Other liability - occurrence	1,839,100	0	1,394,000	445,100	847,673	0	478,763	814,010	330,571
17.2 Other liability - claims-made	0	0	0	0	0	0	0	0	0
17.3 Excess Workers' Compensation	0	0	0	0	0	0	0	0	0
18.1 Products liability - occurrence	0	0	0	0	0	0	0	0	0
18.2 Products liability - claims-made	0	0	0	0	0	0	0	0	0
19.1 Private passenger auto no-fault (personal injury protection)	266,538	0	0	266,538	120,925	0	19,872	367,591	73,863
19.2 Other private passenger auto liability	16,345,060	2,081	484,522	15,862,619	4,959,422	2,236	(50,408)	20,874,685	4,194,497
19.3 Commercial auto no-fault (personal injury protection)	26,098	0	0	26,098	53,808	0	6,034	73,872	11,185
19.4 Other Commercial auto liability	9,685,942	0	1,956,783	7,729,159	5,265,484	0	590,465	12,404,178	1,878,330
21.1 Private passenger auto physical damage	1,718,316	1,413	0	1,719,729	(1,003,064)	1,104	29,823	687,946	249,304
21.2 Commercial auto physical damage	919,423	0	0	919,423	(228,929)	0	6,807	683,687	248,159
22. Aircraft (all perils)	0	0	0	0	0	0	0	0	0
23. Fidelity	0	0	0	0	0	0	0	0	0
24. Surety	0	0	0	0	0	0	0	0	0
26. Burglary and theft	0	0	0	0	0	0	0	0	0
27. Boiler and machinery	0	0	0	0	0	0	0	0	0
28. Credit	0	0	0	0	0	0	0	0	0
29. International	0	0	0	0	0	0	0	0	0
30. Warranty	0	0	0	0	0	0	0	0	0
31. Reinsurance-Nonproportional Assumed Property	X X X	0	0	0	X X X	0	0	0	0
32. Reinsurance-Nonproportional Assumed Liability	X X X	0	0	0	X X X	0	0	0	0
33. Reinsurance-Nonproportional Assumed Financial Lines	X X X	0	0	0	X X X	0	0	0	0
34. Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0	0
35. TOTALS	75,239,961	3,494	17,800,380	57,443,075	13,593,600	3,340	1,132,138	69,907,877	16,600,737
<b>DETAILS OF WRITE-INS</b>									
3401.	0	0	0	0	0	0	0	0	0
3402.	0	0	0	0	0	0	0	0	0
3403.	0	0	0	0	0	0	0	0	0
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	0	0
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0	0	0	0	0	0

(a) Including \$.....0 for present value of life indemnity claims reported in Lines 13 and 15.

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct .....	9,296,802	0	0	9,296,802
1.2 Reinsurance assumed .....	0	0	0	0
1.3 Reinsurance ceded .....	682,518	0	0	682,518
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3) .....	8,614,284	0	0	8,614,284
2. Commission and brokerage:				
2.1 Direct, excluding contingent .....	0	48,103,301	0	48,103,301
2.2 Reinsurance assumed, excluding contingent .....	0	3,098	0	3,098
2.3 Reinsurance ceded, excluding contingent .....	0	6,041,694	0	6,041,694
2.4 Contingent - direct .....	0	2,977,441	0	2,977,441
2.5 Contingent - reinsurance assumed .....	0	0	0	0
2.6 Contingent - reinsurance ceded .....	0	0	0	0
2.7 Policy and membership fees .....	0	0	0	0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7) .....	0	45,042,145	0	45,042,145
3. Allowances to manager and agents .....	0	0	0	0
4. Advertising .....	16,091	321,446	0	337,537
5. Boards, bureaus and associations .....	721,556	1,033,392	35,450	1,790,398
6. Surveys and underwriting reports .....	0	2,502,606	0	2,502,606
7. Audit of assureds' records .....	0	0	0	0
8. Salary and related items:				
8.1 Salaries .....	9,285,617	14,112,462	472,640	23,870,719
8.2 Payroll taxes .....	724,542	875,438	34,930	1,634,910
9. Employee relations and welfare .....	1,928,466	2,660,539	92,698	4,681,703
10. Insurance .....	135,918	194,752	6,680	337,350
11. Directors' fees .....	277,633	393,364	13,554	684,551
12. Travel and travel items .....	791,627	1,069,801	34,929	1,896,357
13. Rent and rent items .....	2,292,897	3,267,659	111,874	5,672,430
14. Equipment .....	851,150	1,194,994	41,332	2,087,476
15. Cost or depreciation of EDP equipment and software .....	412,321	590,799	20,263	1,023,383
16. Printing and stationery .....	381,259	502,779	17,858	901,895
17. Postage, telephone and telegraph, exchange and express .....	570,100	804,608	27,769	1,402,477
18. Legal and auditing .....	158,531	184,668	585,370	928,569
19. TOTALS (Lines 3 to 18) .....	18,547,705	29,709,306	1,495,345	49,752,357
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....0 .....	0	5,088,910	0	5,088,910
20.2 Insurance department licenses and fees .....	120,490	247,334	7,430	375,254
20.3 Gross guaranty association assessments .....	0	0	0	0
20.4 All other (excluding federal and foreign income and real estate) .....	6,727	9,639	331	16,697
20.5 TOTAL taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4) .....	127,217	5,345,883	7,761	5,480,861
21. Real estate expenses .....	0	0	457,138	457,138
22. Real estate taxes .....	0	0	93,257	93,257
23. Reimbursements by uninsured plans .....	0	0	0	0
24. Aggregate write-ins for miscellaneous expenses .....	2,753,755	2,554,512	88,535	5,396,802
25. TOTAL expenses incurred .....	30,042,961	82,651,846	2,142,036	(a) 114,836,843
26. Less unpaid expenses - current year .....	16,600,737	9,582,082	322,904	26,505,723
27. Add unpaid expenses - prior year .....	14,769,166	12,573,304	335,971	27,678,441
28. Amounts receivable relating to uninsured plans, prior year .....	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year .....	0	0	0	0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29) .....	28,211,390	85,643,068	2,155,103	116,009,561
<b>DETAILS OF WRITE-INS</b>				
2401. Miscellaneous Expense .....	2,428,755	2,554,512	88,535	5,071,802
2402. IBNR Unallocated Adjustment .....	325,000	0	0	325,000
2403. ....	0	0	0	0
2498. Summary of remaining write-ins for Line 24 from overflow page .....	0	0	0	0
2499. TOTALS (Lines 2401 through 2403 plus 2498) (Line 24 above) .....	2,753,755	2,554,512	88,535	5,396,802

(a) Includes management fees of \$.....0 to affiliates and \$.....0 to non-affiliates.

## EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 122,796	134,471
1.1 Bonds exempt from U.S. tax	(a) 936,683	915,244
1.2 Other bonds (unaffiliated)	(a) 5,384,362	5,475,322
1.3 Bonds of affiliates	(a) 0	0
2.1 Preferred stocks (unaffiliated)	(b) 0	0
2.11 Preferred stocks of affiliates	(b) 0	0
2.2 Common stocks (unaffiliated)	3,148,473	3,089,885
2.21 Common stocks of affiliates	0	0
3. Mortgage loans	(c) 0	0
4. Real estate	(d) 876,565	876,565
5. Contract loans	0	0
6. Cash, cash equivalents and short-term investments	(e) 416,205	420,314
7. Derivative instruments	(f) 0	0
8. Other invested assets	0	0
9. Aggregate write-ins for investment income	(6,777)	(6,777)
10. TOTAL gross investment income	10,878,307	10,905,025
11. Investment expenses		(g) 2,041,020
12. Investment taxes, licenses and fees, excluding federal income taxes		(g) 101,018
13. Interest expense		(h) 1,158,243
14. Depreciation on real estate and other invested assets		(i) 253,802
15. Aggregate write-ins for deductions from investment income		0
16. TOTAL Deductions (Lines 11 through 15)		3,554,083
17. Net Investment income (Line 10 minus Line 16)		7,350,942
<b>DETAILS OF WRITE-INS</b>		
0901. NH Auto Facility	(6,777)	(6,777)
0902.	0	0
0903.	0	0
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)	(6,777)	(6,777)
1501.		0
1502.		0
1503.		0
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. TOTALS (Lines 1501 through 1503 plus 1598) (Line 15 above)		0

- (a) Includes \$ 383,654 accrual of discount less \$ 831,966 amortization of premium and less \$ 102,337 paid for accrued interest on purchases.
- (b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.
- (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (d) Includes \$ 876,565 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.
- (e) Includes \$ 8,751 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.
- (g) Includes \$ 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ 1,026,563 interest on surplus notes and \$ 0 interest on capital notes.
- (i) Includes \$ 253,802 depreciation on real estate and \$ 0 depreciation on other invested assets.

## EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	(18,075)	0	(18,075)	0	0
1.1 Bonds exempt from U.S. tax	(10,007)	0	(10,007)	0	0
1.2 Other bonds (unaffiliated)	(216,068)	0	(216,068)	(29,600)	0
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	0	0	0	0	0
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	8,863,063	0	8,863,063	(6,053,994)	0
2.21 Common stocks of affiliates	0	0	0	0	0
3. Mortgage loans	0	0	0	0	0
4. Real estate	(1,011)	0	(1,011)	0	0
5. Contract loans	0	0	0	0	0
6. Cash, cash equivalents and short-term investments	0	0	0	0	0
7. Derivative instruments	0	0	0	0	0
8. Other invested assets	0	0	0	60,372	0
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. TOTAL Capital gains (losses)	8,617,904	0	8,617,904	(6,023,223)	0
<b>DETAILS OF WRITE-INS</b>					
0901.	0	0	0	0	0
0902.	0	0	0	0	0
0903.	0	0	0	0	0
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0	0	0	0

**EXHIBIT OF NONADMITTED ASSETS**

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D) .....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks .....	0	0	0
2.2 Common stocks .....	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....	0	0	0
3.2 Other than first liens .....	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....	0	0	0
4.2 Properties held for the production of income .....	0	0	0
4.3 Properties held for sale .....	0	0	0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA) .....	0	0	0
6. Contract loans .....	0	0	0
7. Derivatives (Schedule DB) .....	0	0	0
8. Other invested assets (Schedule BA) .....	22,338	(38,034)	(60,372)
9. Receivables for securities .....	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL) .....	0	0	0
11. Aggregate write-ins for invested assets .....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	22,338	(38,034)	(60,372)
13. Title plants (for Title insurers only) .....	0	0	0
14. Investment income due and accrued .....	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection .....	115,166	60,879	(54,287)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due .....	0	0	0
15.3 Accrued retrospective premiums and contracts subject to redetermination .....	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers .....	0	0	0
16.2 Funds held by or deposited with reinsured companies .....	0	0	0
16.3 Other amounts receivable under reinsurance contracts .....	0	0	0
17. Amounts receivable relating to uninsured plans .....	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	0	0	0
18.2 Net deferred tax asset .....	0	0	0
19. Guaranty funds receivable or on deposit .....	0	0	0
20. Electronic data processing equipment and software .....	210,871	274,256	63,385
21. Furniture and equipment, including health care delivery assets .....	295,124	283,980	(11,143)
22. Net adjustment in assets and liabilities due to foreign exchange rates .....	0	0	0
23. Receivables from parent, subsidiaries and affiliates .....	0	0	0
24. Health care and other amounts receivable .....	0	0	0
25. Aggregate write-ins for other-than-invested assets .....	2,520,649	2,026,612	(494,037)
26. TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	3,164,147	2,607,694	(556,453)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0
28. TOTAL (Lines 26 and 27) .....	3,164,147	2,607,694	(556,453)
<b>DETAILS OF WRITE-INS</b>			
1101. ....	0	0	0
1102. ....	0	0	0
1103. ....	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....	0	0	0
2501. Company Cars .....	676,775	430,468	(246,307)
2502. Leasehold Improvements .....	54,612	49,133	(5,479)
2503. Prepaid Expenses .....	1,784,484	1,539,314	(245,170)
2598. Summary of remaining write-ins for Line 25 from overflow page .....	4,778	7,697	2,919
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	2,520,649	2,026,612	(494,037)

## Notes to Financial Statements

### Note 1 – Summary of Significant Accounting Policies and Going Concern

#### A. Accounting Practices

The accompanying financial statements of MMG Insurance Company (Company) have been prepared on the basis of accounting practices prescribed by the Maine Insurance Department.

The Maine Insurance Department recognizes only statutory accounting practices prescribed or permitted by the state of Maine for determining and reporting the financial condition and results of operations of an insurance company for determining its solvency under the Maine Insurance Law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Maine.

NAIC regulations require that guaranty fund assessments be accrued for throughout the year. However, the Company has been granted permission by the State of Maine Insurance Department to account for guaranty fund assessments on a paid basis. This treatment had an immaterial effect on net income and policyholders' surplus for 2023 and 2022.

The Company was granted permission by the State of Maine Insurance Department to recognize the book value of a company-owned aircraft as an admitted asset. Reconciliations of net income and policyholders' surplus between the amounts reported in the accompanying financial statements (ME basis) and NAIC SAP follow:

Description	SSAP #	F/S Page	F/S Line #	2023	2022
1. Net income, state basis	XXX	XXX	XXX	\$ (8,273,054)	\$ 2,978,317
2. Effect of state prescribed practices				0	0
3. Effect of state permitted practices	35R	4	4	(1,010)	(9,384)
4. Net income, NAIC SAP basis	XXX	XXX	XXX	\$ (8,274,064)	\$ 2,968,933

Description	SSAP #	F/S Page	F/S Line #	Dec. 31, 2023	Dec. 31, 2022
5. Policyholders' surplus, state basis	XXX	XXX	XXX	\$ 137,910,795	\$ 152,927,385
6. Effect of state prescribed practices				0	0
7. Effect of state permitted practices					
Guaranty fund assessments	35R	3	5	(23,160)	(22,150)
Company-owned aircraft	20	2	25	(1,889,699)	(1,916,975)
8. Policyholders' surplus, NAIC SAP basis	XXX	XXX	XXX	\$ 135,997,936	\$ 150,988,260

#### B. Use of Estimates

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the amounts reported in these financial statements and notes. Actual results could differ from these estimates.

The Company has determined that the enactment of the Corporate Alternative Minimum Tax, based on average adjusted financial statement income, is not applicable for the year 2023.

## Notes to Financial Statements

### C. Accounting Policies

Direct, assumed and ceded premiums are earned over the terms of the related policies and reinsurance contracts. Unearned premiums are established to cover the unexpired portion of premiums written. Such reserves are computed by daily pro rata methods for direct business and are based on reports received from ceding companies for reinsurance assumed. Premiums receivable are primarily due from policyholders and agents and are charged off when specific balances are determined to be uncollectible. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable. Net investment income earned consists primarily of interest, dividends and rent income less investment-related expense. Interest is recognized on an accrual basis and dividends are recognized on an ex-dividend basis. Rental income includes an imputed rent for the Company's occupancy of its own building. Net realized capital gains (losses) are recognized on a specific identification basis when securities are sold, redeemed or otherwise disposed. Realized capital losses include writedowns for impairments considered to be other than temporary.

In addition, the Company uses the following accounting policies:

1. Short-term investments are stated at amortized value using the scientific constant yield-to-worse method.
2. Investment grade non-loan-backed bonds with NAIC designations 1 or 2 are stated at amortized cost using the scientific constant yield-to-worse method. Non-investment grade bonds with NAIC designations of 3 through 6 are stated at the lower of amortized value or fair value. In accordance with SSAP 26, *Bonds, Excluding Loan-Backed and Structured Securities*, the Company recognizes other than temporary impairments in the fair value of its fixed income portfolio. The Company recognized \$0 and \$0 of realized losses for other than temporary impairments on its fixed income portfolio in 2023 and 2022, respectively. At December 31, 2023, the Company held two bonds rated as NAIC 3 or lower. As a result, the Company had unrealized losses totaling \$143,080 (\$113,033 net of tax) for these securities as of year-end 2023.
3. Common stocks are stated at market value. In accordance with SSAP 30, *Investments in Common Stock*, the Company recognizes other than temporary impairments in the fair value of its common stock portfolio. The Company recognized \$0 and \$731,515 (\$577,897 net of tax) of realized losses for other than temporary impairments on its common stock portfolio in 2023 and 2022, respectively. See Note 14G for more details.
4. Not applicable as the company did not hold preferred stocks at year end.
5. Not applicable as the company did not hold mortgage loans at year end.
6. Investment grade loan-backed securities are stated at amortized value. The prospective adjustment method is used to value all loan-backed and asset-backed securities.
7. Not applicable as the company did not hold investments in subsidiary and affiliated companies at year end.
8. Please see Note 10E for information regarding valuation of joint ventures and partnerships.
9. Not applicable as the company does not invest in derivatives.
10. The Company does not anticipate investment income when evaluating the need for premium deficiency reserves.

## Notes to Financial Statements

11. Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amounts are adequate, the ultimate liabilities may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.
12. The Company has a capitalization policy for prepaid expenses and purchases of items such as electronic data processing equipment, software, furniture, vehicles, leasehold improvements, and other equipment. The predefined capitalization thresholds under this policy have not changed from those of the prior year.
13. Not applicable as the Company does not write major medical insurance with prescription drug coverage.

### D. Going Concern

Based upon its evaluation of relevant conditions and events, management does not have substantial doubt about the Company's ability to continue as a going concern.

### **Note 2 – Accounting Changes and Correction of Errors**

#### A. Accounting Changes and Correction of Errors

Not Applicable

### **Note 3 – Business Combinations and Goodwill**

#### A. Statutory Purchase Method

Not Applicable

#### B. Statutory Mergers

Not Applicable

#### C. Writedowns for Impairment of Investments in Affiliates

Not Applicable

#### D. Calculation of Adjusted Capital and Surplus and Total Admitted Goodwill

Not Applicable

### **Note 4 – Discontinued Operations**

#### A. Discontinued Operation Disposed of or Classified as Held for Sale

Not Applicable

#### B. Change in Plan of Sale of Discontinued Operation

Not Applicable

#### C. Nature of Any Significant Continuing Involvement with Discontinued Operations After Disposal

Not Applicable



## Notes to Financial Statements

### D. Equity Interest Retained in the Discontinued Operation After Disposal

Not Applicable

### Note 5 – Investments

#### A. Mortgage Loans

Not Applicable

#### B. Troubled Debt Restructuring for Creditors

Not Applicable

#### C. Reverse Mortgages

Not Applicable

#### D. Loan-Backed and Structured Securities

1. Prepayment assumptions for single-class and multi-class mortgage-backed/asset-backed securities were obtained from Bloomberg or other widely accepted securities data providers. A proprietary model is used for loss assumptions and widely accepted models are used for prepayment assumptions in valuing mortgage-backed and asset-backed securities.
2. The Company did not recognize any other-than-temporary impairments on loan-backed securities during the period.
3. The Company did not recognize any other-than-temporary impairments on loan-backed securities during the period.
4. Loan-backed and structured securities in unrealized loss positions as of year-end, stratified based on length of time continuously in these unrealized loss positions, are as follows:

December 31, 2023

	Less than 12 Months		12 Months or Longer		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Single-class residential mortgage-backed/asset-backed securities	\$7,281,270	\$75,924	\$47,414,719	\$6,560,673	\$54,695,989	\$6,636,597
<b>TOTAL</b>	<b>\$7,281,270</b>	<b>\$75,924</b>	<b>\$47,414,719</b>	<b>\$6,560,673</b>	<b>\$54,695,989</b>	<b>\$6,636,597</b>

5. All loan-backed and structured securities in an unrealized loss position were reviewed to determine whether other-than-temporary impairments should be recognized. For those securities in an unrealized loss position as of December 31, 2023, the Company has made a decision to not sell any such securities. The Company has evaluated its cash flow requirements and believes that its liquidity is adequate and it will not be required to sell these securities before recovery of their cost basis. As of December 31, 2023, the Company can assert that it has the intent and believes that it has the ability to hold these securities long enough to allow the cost basis of these securities to be recovered. The conclusions are supported by a detailed analysis of the underlying credit and cash flows on each security. It is possible that the Company could recognize other-than-temporary impairments in the future on some of the securities held at December 31, 2023 if future events, information and the passage of time causes it to conclude that declines in value are other-than temporary.

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

Not Applicable

#### F. Repurchase Agreements Transactions Accounted for as Secured Borrowings

## Notes to Financial Statements

Not Applicable

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

Not Applicable

H. Repurchase Agreements Transactions Accounted for as a Sale

Not Applicable

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

Not Applicable

J. Writedowns for Impairments of Real Estate, Real Estate Sales, Retail Land Sales Operations, and Real Estate with Participating Mortgage Loan Features

Not Applicable

K. Low Income Housing Tax Credits

Not Applicable

## Notes to Financial Statements

## L. Restricted Assets

Restricted Asset Category	Gross (Admitted and Nonadmitted) Restricted				Current Year		
	Current Year					Percentage	
	Total General Account (G/A)	Total From Prior Year	Increase From Prior Year	Total Nonadmitted Restricted	Total Admitted Restricted	Gross (Admitted and Nonadmitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
a. Subject to contractual obligation for which liability is not shown							
b. Collateral held under security lending arrangements							
c. Subject to repurchase agreements							
d. Subject to reverse repurchase agreements							
e. Subject to dollar repurchase agreements							
f. Subject to dollar reverse repurchase agreements							
g. Placed under option contracts							
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock							
i. FHLB capital stock	190,300	183,300	7,000		190,300	0.05%	0.05%
j. On deposit with states	2,171,172	2,116,594	54,578		2,171,172	0.57%	0.58%
k. On deposit with other regulatory bodies							
l. Pledged as collateral to FHLB (including assets backing funding agreements)	1,282,457	992,069	290,388		1,282,457	0.34%	0.34%
m. Pledged as collateral not captured in other categories							
n. Other restricted assets							
o. Total restricted assets	3,643,929	3,291,963	351,966		3,643,929	0.97%	0.98%

## Notes to Financial Statements

Detail of assets pledged as collateral not captured in other categories:

Not Applicable

M. Working Capital Finance Investments

Not Applicable

N. Offsetting and Netting of Assets and Liabilities

Not Applicable

O. 5GI Securities

Not Applicable

P. Short Sales

Not Applicable

Q. Prepayment Penalty and Acceleration Fees

The company had two bonds called during the year, none of which included prepayment penalties

	General Account	Protected Cell
(1) Number of CUSIPs	2	
(2) Aggregate Amount of Investment Income	\$-0-	

R. Share of Cash Pool by Asset Type

Not Applicable

### **Note 6 – Joint Ventures, Partnerships, and Limited Liability Companies**

A. Detail for Those Greater than 10% of Admitted Assets

Not Applicable

B. Writedowns for Impairment of Joint Ventures, Partnerships and LLC's

Not Applicable

### **Note 7 – Investment Income**

A. Accrued Investment Income

The Company does not admit investment income due and accrued if amounts are over 90 days past due.

B. Amounts Nonadmitted

Not applicable

### **Note 8 – Derivative Instruments**

A. Not Applicable

### **Note 9 – Income Taxes**

A. Components of Net Deferred Tax Assets:

## Notes to Financial Statements

### 1. Components of Net Deferred Tax Asset

	December 31, 2023			December 31, 2022			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Total gross deferred tax assets	8,221,971	0	8,221,971	7,545,023	358,939	7,903,962	676,948	(358,939)	318,009
Statutory valuation allowance	0	0	0	0	0	0	0	0	0
Adjusted gross deferred tax assets	8,221,971	0	8,221,971	7,545,023	358,939	7,903,962	676,948	(358,939)	318,009
Deferred tax assets nonadmitted	0	0	0	0	0	0	0	0	0
Subtotal net admitted deferred tax asset	8,221,971	0	8,221,971	7,545,023	358,939	7,903,962	676,948	(358,939)	318,009
Gross deferred tax liabilities	(1,358,385)	(793,126)	(2,151,511)	(1,357,316)	(2,062,326)	(3,419,642)	(1,069)	1,269,200	1,268,131
Net admitted deferred tax asset	6,863,586	(793,126)	6,070,460	6,187,707	(1,703,387)	4,484,320	675,879	910,261	1,586,140

### 2. Admission Calculation Components

	December 31, 2023			December 31, 2022			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
<b>Admission Calculation Components- SSAP 101</b>									
Federal income taxes paid in prior years recoverable through carrybacks	292,221	0	292,221	1,757,968	358,939	2,116,907	(1,465,747)	(358,939)	(1,824,686)
Deferred tax assets allowed per limitation threshold	6,634,874	0	6,634,874	4,657,572	0	4,657,572	1,977,302	0	1,977,302
Deferred tax assets expected to be realized following balance sheet date	6,634,874	0	6,634,874	4,657,572	358,939	5,016,511	1,977,302	(358,939)	1,618,363
Surplus limitation	XXX	XXX	19,527,850	XXX	XXX	22,071,071	XXX	XXX	(2,543,221)
Adjusted gross deferred tax assets offset by gross deferred tax liabilities	1,294,876	0	1,294,876	1,129,483	0	1,129,483	163,393	0	163,393
Deferred tax assets admitted as the result of SSAP 101	8,221,971	0	8,221,971	7,545,023	358,939	7,903,962	676,948	(358,939)	318,009

### 3. Other Admissibility Criteria

	Dec. 31, 2023	Dec. 31, 2022
Ratio percentage used to determine recovery period and threshold limitation amount	718.287	887.300
Amount of adjusted capital and surplus used to determine recovery period and threshold limitation	130,185,669	147,140,471

### 4. Impact of Tax Planning Strategies

The Company does not have any tax planning strategies that would impact the numbers reported above.

#### B. Deferred Tax Liabilities Not Recognized:

Not Applicable

#### C. Current and Deferred Income Taxes

## Notes to Financial Statements

The provisions for income taxes incurred on earnings for the years ended December 31 are:

	<u>2023</u>	<u>2022</u>	<u>Change</u>
Federal	\$ (3,939,035)	\$ 880,846	\$ (4,819,881)
Foreign	0	0	0
Realized capital gains tax	<u>1,809,972</u>	<u>304,149</u>	<u>1,505,823</u>
Federal and foreign income taxes incurred \$	<u>(2,129,063)</u>	<u>\$ 1,184,995</u>	<u>\$ (3,314,058)</u>

The tax effect of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are as follows:

	<u>2023</u>	<u>2022</u>	<u>Change</u>
Deferred tax assets:			
Ordinary:			
20% of unearned premiums	5,378,054	4,916,328	461,726
Discount of unpaid losses and LAE	911,239	818,271	92,968
Nonadmitted assets	659,780	555,603	104,177
Compensation and benefits	1,215,446	1,184,947	30,499
Other	<u>57,452</u>	<u>69,874</u>	<u>(12,422)</u>
Total Ordinary tax assets	8,221,971	7,545,023	676,948
Capital:			
Wash sales	0	1,795	(1,795)
Other Than Temporary Impairments	<u>0</u>	<u>357,144</u>	<u>(357,144)</u>
Total Capital tax assets	0	358,939	(358,939)
Total DTAs nonadmitted	<u>0</u>	<u>0</u>	<u>0</u>
<b>Admitted deferred tax assets</b>	<b>\$8,221,971</b>	<b>\$7,903,962</b>	<b>\$318,009</b>
Deferred tax liabilities:			
Ordinary:			
Accelerated premium acq exp.	(100,849)	(103,919)	3,070
TCJA Transition Adjustment	(102,292)	(153,438)	51,146
Fixed assets	(947,356)	(906,166)	(41,190)
Change in Accounting Method	(38,206)	(76,413)	38,207
Investments	<u>(169,682)</u>	<u>(117,380)</u>	<u>(52,302)</u>
Total Ordinary tax liabilities	(1,358,385)	(1,357,316)	(1,069)
Capital:			
Net unrealized capital gains	<u>(793,126)</u>	<u>(2,062,326)</u>	<u>1,269,200</u>
Total Capital tax liabilities	(793,126)	(2,062,326)	1,269,200
<b>Total deferred tax liabilities</b>	<b><u>(\$2,151,511)</u></b>	<b><u>(\$3,419,642)</u></b>	<b><u>\$1,268,131</u></b>
<b>Net Admitted Deferred Tax Assets</b>	<b><u>\$6,070,460</u></b>	<b><u>\$4,484,320</u></b>	<b><u>\$1,586,140</u></b>

## Notes to Financial Statements

The change in net deferred income taxes is comprised of the following:

	2023	2022	Change
Total gross deferred tax assets	\$8,221,971	\$7,903,962	\$318,009
Total gross deferred tax liabilities	(\$2,151,511)	(\$3,419,642)	\$1,268,131
Net deferred tax asset	\$6,070,460	\$4,484,320	\$1,586,140
Deferred tax on change in net unrealized gains (losses)			(1,277,555)
Change in net deferred income taxes			308,585

### D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate:

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate of 21% for 2023 and 2022 to income before income taxes. The significant items causing this difference are as follows:

	<u>2023</u>	<u>2022</u>
Provision computed at statutory rate @ 21%	\$(2,184,444)	\$874,295
Tax exempt interest and dividends	(257,909)	(288,118)
Travel and entertainment	78,094	91,280
Lobbying expenses	7,861	8,319
Prior year under (over) accrual	(55,389)	(33,574)
Change in Non-Admitted Assets	(116,855)	(198,271)
Other	90,993	22,440
	\$(2,437,649)	\$476,371
Federal income tax incurred	\$(3,939,035)	\$880,846
Realized capital gains tax	1,809,972	304,149
Change in net deferred income taxes	(308,586)	(708,624)
Total statutory income taxes	\$(2,437,649)	\$476,371

### E. Operating Loss and Tax Credit Carryforwards and Protective Tax Deposits

1. At December 31, 2023 the Company had \$2,067,366 of net operating losses, which the Company can carryback two years or carryforward to offset against future taxable income. This will be determined upon filing of the Company's 2023 tax return.
2. The following is income tax expense for 2023 and 2022 that is available for recoupment in the event of future net losses:

a) 2023	\$	0
b) 2022	\$	1,148,539
3. The Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

### F. Consolidated Federal Income Tax Return

1. The Company's federal income tax return is consolidated with the following entities: Maine Mutual Group and MMG Financial Services, Inc.

## Notes to Financial Statements

2. The method of allocation among companies is subject to a written tax sharing agreement approved by the Board of Directors, whereby allocation is made primarily on a separate return basis with current credit for any net operating losses or other items utilized in the consolidated tax return. Intercompany balances are settled after the tax return is filed.

### G. Federal and Foreign Income Tax Loss Contingencies

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

### H. Repatriation Transition Tax (RTT)

Not Applicable

### I. Alternative Minimum Tax (AMT) Credit

Not Applicable

## **Note 10 – Information Concerning Parent, Subsidiaries, Affiliates, and Other Related Parties**

### A. Nature of Relationships

The Company is a wholly-owned subsidiary of MMG Financial Services, Inc.

### B. Significant Transactions and Changes in Terms of Intercompany Arrangements

Not Applicable

### C. Transactions with related parties who are not reported on Schedule Y

Not Applicable

### D. Amounts Due to or from Related Parties

The Company reported \$0 and \$0 due to Parent and \$986,194 and \$781,459 due from Parent in 2023 and 2022, respectively. Additionally, the Company reported \$12,508 and \$11,613 due from Subsidiary in 2023 and 2022, respectively.

### E. Management, service contracts, cost sharing arrangements

MMG Insurance Services, LLC (MMGIS) was organized in connection with a program (Program) established by MMG Insurance Company (MMGIC) and Eastern Insurance Holdings, Inc. (Eastern) for purpose of extending Eastern's workers' compensation product line as companion offerings to MMGIC's commercial lines products. MMGIC and Eastern entered into a Participation Agreement and Operating Agreement dated June 5, 2019, governing the organization and administration of a segregated portfolio established by and under Inova Re Ltd., MMG Portfolio, MMG Re is owned 50% by Eastern and 50% by MMGIC. The Program facilitates the offering of workers' compensation insurance by Eastern (through certain of its licensed insurance company subsidiaries) to MMGIC's commercial lines insureds. MMGIC's financial exposure pursuant to the Participation Agreement and Operating Agreement governing the Program is limited to collateral posted under those agreements, based upon a formula as a function of premium written. MMGIC retains no exposure for workers' compensation policies written by Eastern. MMGIS was formed as a captive agency and subsidiary of MMGIC in order to facilitate the placement of workers' compensation business between Eastern and independent agents appointed by MMGIC, acting as sub-agents for MMGIS. MMGIC and MMGIS entered into a Management Agreement to which MMGIC will provide certain executive management,



## Notes to Financial Statements

underwriting, marketing, financial services, information services and customer services to MMGIS.

F. Guarantees or undertakings for related parties

Not Applicable

G. Nature of Relationships that Could Affect Operations

All outstanding shares of the Company are owned by Parent.

H. Amount Deducted for Investment of Upstream Company

Not Applicable

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

Not Applicable

J. Writedowns for Impairments of Investments in Affiliates

Not Applicable

K. Foreign Insurance Subsidiary Valued Using CARVM

Not Applicable

L. Downstream Holding Company Valued Using Look-Through Method.

Not Applicable

M. Non-Insurance Subsidiary, Controlled and Affiliated (SCA) Entity Valuations

Not Applicable

N. Insurance SCA Entities Utilizing Prescribed or Permitted Practices

Not Applicable

O. SCA or SSAP 48 Entity Loss Tracking

Not Applicable

### **Note 11 – Debt**

A. Amount, Interest, Maturities, Collateral, Covenants

In 2010, the Company renewed an unsecured line of credit (“LOC”) of \$3 million. The LOC was converted to a demand line, meaning any loan shall be due and payable on demand. In lieu of a formal expiration date, the agreement has an annual review requirement. The LOC has been extended until September 30, 2024. Interest is accrued on advances at 30 day SOFR plus 1.75% per annum, is payable monthly, and is not subject to a minimum (floor) rate. The line of credit must be cleared for a minimum of 30 consecutive days during each fiscal year. During 2023 and 2022, the Company had no advances on the line of credit.

B. Funding Agreements with Federal Home Loan Bank (FHLB)

The Company became a member of the Federal Home Loan Bank (FHLB) of Boston in December 2019. To satisfy the membership requirement, the Company holds 1,903 shares of Class B Capital Stock with a par value and market value of \$190,300 as of December 31, 2023.

## Notes to Financial Statements

To provide the Company with liquidity in case the need arises, the Company has transferred several bonds into its FHLB portfolio. Bonds with a market value of \$28,134,400 and \$6,108,450, and a book value of \$31,074,743 and \$6,349,211 as of December 31, 2023 and 2022, respectively, are on deposit with FHLB. The Company's Borrowing Capacity with FHLB was \$22,550,109 and \$4,643,546 as of December 31, 2023 and 2022, respectively. The Company also increased its Letter of Credit with FHLB to the amount of \$1,093,343 as of July 31, 2023.

The Company had borrowings from FHLB during the year. On February 22, 2023, the Company signed a \$5.0 million, 3-month promissory note, with an interest rate of 5.09%, which was paid in full on May 22, 2023 and on April 18, 2023, the Company signed a \$5.2 million, 3-month promissory note, with an interest rate of 5.18%, which was paid in full on July 18, 2023.

### **Note 12 – Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans**

#### A. Defined Benefit Plans and Post-Retirement Benefits

The Company does not maintain a defined benefit pension plan.

The Company adopted a postretirement benefit plan in 2004 covering officers of the Company. The plan covers 50% of retiree medical and prescription drug premium costs for eligible participants. For eligible participants who retired prior to 2004, the benefit is 100%. Prior to 2012, eligible participants were defined as those participants who attained age 62 with 5 years of accrued service. Coverage was provided through the Company's group health insurance policy. The plan was amended effective January 1, 2012 to redefine eligibility to cover those participants who attain age 62 while still in the employ of the Company as an officer and he or she is enrolled and covered with the Company's group health insurance policy on the date immediately preceding their retirement date.

Under the amended plan, eligible participants will remain covered under the Company's group health insurance policy until they become eligible for Medicare. Upon attaining Medicare eligibility, they will be carved out of the group health plan and will purchase individual Medicare supplement policies with the cost sharing the same as mentioned above. The postretirement benefit plan is an unfunded plan.

The following tables set forth the obligations and funded status, assumptions, plan assets and cash flows associated with the postretirement benefits as of December 31, 2023 and 2022:

	Other Postretirement Benefits	
	<b>2023</b>	<b>2022</b>
<b>Change in projected benefit obligation-underfunded</b>		
Projected benefit obligation at beginning of year	\$ 665,004	\$ 840,833
Service cost	26,324	38,400
Interest cost	32,224	23,488
Actuarial (gain) loss	77,549	(220,081)
Benefits and expenses paid	(31,074)	(17,636)
<b>Projected benefit obligation at end of year</b>	<b>\$ 770,027</b>	<b>\$ 665,004</b>

	Other Postretirement Benefits	
	<b>2023</b>	<b>2022</b>
<b>Change in plan assets</b>		
Fair value of plan assets at beginning of year	\$ -	\$ -
Actual return on plan assets	-	-
Employer contributions	31,074	17,636
Benefits and expenses paid	(31,074)	(17,636)
<b>Fair value of plan assets at end of year</b>	<b>\$ -</b>	<b>\$ -</b>

## Notes to Financial Statements

	Other Postretirement Benefits	
<b>Funded status - underfunded</b>	<b>2023</b>	<b>2022</b>
Accrued current benefit costs	\$ 38,213	\$ 46,163
Liability for pension benefits	731,814	618,841
<b>Total liabilities recognized</b>	<b>\$ 770,027</b>	<b>\$ 665,004</b>

The components of net periodic benefit costs consist of:

	Other Postretirement Benefits	
	<b>2023</b>	<b>2022</b>
Service cost	\$ 26,324	\$ 38,400
Interest cost	32,224	23,488
Expected return on plan assets	-	-
Transition asset or obligation	-	-
Amortization of unrecognized loss	-	18,816
Unrecognized past service liability	-	(31,162)
<b>Total net periodic benefit cost (income)</b>	<b>\$ 58,548</b>	<b>\$ 49,542</b>

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

	Other Postretirement Benefits	
	<b>2023</b>	<b>2022</b>
Items not yet recognized as comp. of net periodic cost-prior year	\$ 38,237	\$ 245,972
Net transition asset or obligation recognized	-	-
New prior service cost arising during the period	-	-
Net prior service cost recognized	-	31,162
Net gain and loss arising during the period	77,549	(220,081)
Net gain and loss recognized	-	(18,816)
<b>Items not yet recognized as comp. of net periodic cost-current yr.</b>	<b>\$ 115,786</b>	<b>\$ 38,237</b>

Amounts in unassigned funds (surplus) expected to be recognized in the next fiscal year as components of net periodic benefit cost are as follows:

	Other Postretirement Benefits	
	<b>2024</b>	<b>2023</b>
Service cost	\$ 36,220	\$ 26,324
Interest cost	36,268	32,224
Amortization of unrecognized (gain)/loss	2,940	-
Net prior service cost or credit	-	-
Net recognized gains and losses	-	-
<b>Total postretirement benefit expense</b>	<b>\$ 75,428</b>	<b>\$ 58,548</b>

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

	Other Postretirement Benefits	
	<b>2023</b>	<b>2022</b>
Net transition asset or obligation	\$ -	\$ -
Net prior service cost or credit	-	-
Net recognized gains and losses	115,786	38,237
<b>Accumulated other comprehensive income</b>	<b>\$ 115,786</b>	<b>\$ 38,237</b>

## Notes to Financial Statements

The weighted average assumptions used to determine net periodic benefit costs were:

	Other Postretirement Benefits	
	2023	2022
Discount rate	5.02%	2.83%

The weighted average assumptions used to determine benefit obligations were:

	Other Postretirement Benefits	
	2023	2022
Discount rate	4.83%	5.02%

Amounts recognized in the financial statements consist of:

	Other Postretirement Benefits	
	2023	2022
Prepaid benefit cost at beginning of year	\$ (626,767)	\$ (594,861)
Net periodic benefit cost	(58,548)	(49,542)
Employer contributions	31,074	17,636
<b>Net amount prepaid (accrued)</b>	<b>\$ (654,241)</b>	<b>\$ (626,767)</b>

The accumulated postretirement benefit obligation was determined using a weighted-average health care cost trend of 6.5% in 2023 and 6.5% in 2022. The expected health care cost trend rate for 2024 is 6.5%. In 2030, the health care cost trend is expected to reach the ultimate trend rate of 5.0%.

The following benefit payments, which reflect future service, are expected to be paid:

	Other Postretirement Benefits
2024	38,213
2025	35,525
2026	27,184
2027	28,531
2028	29,850
2029-2033	184,680

**B. Investment Policies**

The postretirement benefit plan is an unfunded plan, thus no assets are invested.

**C. Fair Value of Plan Assets**

Not Applicable

**D. Rate of Return Assumptions**

Not Applicable

**E. Defined Contribution Plans**

The Company adopted a 401k Profit Sharing Plan on July 1, 1995. Since inception and up to January 1, 2009, the Company approved a discretionary match of employee compensation contributed to the plan subject to approval by the Board of Directors. This discretionary match was reviewed annually by the Board of Directors.

Effective January 1, 2009, the plan was amended to become the MMG Insurance Company 401(k) Retirement Savings Plan. Pursuant to the termination of the defined

## Notes to Financial Statements

benefit pension plan in 2009, the plan was redesigned to provide an offsetting increase in retirement benefits. The plan was enhanced as follows effective January 1, 2009:

- ∅ **Automatic enrollment;** i.e., all employees will be enrolled in the plan
- ∅ **Nonelective Contributions** – Each plan year, the Company will make nonelective contributions to the plan on the participant’s behalf in an amount equal to 3% of their pay for such year.
- ∅ **Employer matching contribution** broken down as follows:
  - \$1.00 for each dollar of elective contributions made on the participant’s behalf up to 2% of pay; and
  - \$.50 for each dollar of elective contributions made on the participant’s behalf in excess of 2% of their pay and up to 6% of their pay

Thus, if a participant’s elective contributions equal 6% or more of their pay, the Company will contribute on their behalf a maximum matching contribution of 4% of their pay.
- ∅ **Discretionary Contribution** – In addition to the above, from time to time, the Company may elect to make a discretionary contribution to the Plan to be determined by the Board of Directors.

The Company made contributions to the plan of \$1,524,117 and \$1,425,354 in 2023 and 2022, respectively.

Employees were able to contribute a maximum of \$22,500 and \$20,500 in 2023 and 2022, respectively. Employees attaining age 50 or older during 2023 or 2022 were allowed a catch-up contribution of \$7,500 in those years.

John Hancock serves as the plan’s service provider and trustee, and Downeast Pension Services is the plan’s third-party administrator.

### F. Multiemployer Plans

Not applicable

### G. Consolidated/Holding Company Plans

Not applicable

### H. Postemployment Benefits and Compensated Absences

The Company has no obligations to current or former employees for benefits after their employment but before their retirement other than for compensation related to earned vacation pay. The liability for earned but untaken vacation pay has been accrued.

### I. Impact of Medicare Modernization Act on Postretirement Benefits

The Medicare Prescription Drug, Improvement and Modernization Act of 2003 (the Act) was signed into law in December of 2003. The Act includes the following two new features to Medicare Part D that could affect the measurement of the accumulated postretirement benefit obligation (APBO) and net periodic postretirement cost for the Plan:

- A federal subsidy (based on 28% of an individual beneficiary’s annual prescription drug costs between \$250 and \$5,000), which is not taxable, to sponsors or retiree healthcare benefit plans that provide a prescription drug benefit that is at least actuarially equivalent to Medicare Part D; and
- The opportunity for a retiree to obtain a prescription drug benefit under Medicare.

## Notes to Financial Statements

The Company sponsors a postretirement health care benefit plan that provides medical and prescription drug coverage eligible officers of the Company. See Note 12A for more details.

### **Note 13 – Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations**

#### A. Outstanding Shares

The Company has 5,000,000 shares authorized, 2,500,000 issued and outstanding. All shares are Class A shares.

#### B. Dividend Rate of Preferred Stock

Not applicable

#### C. Dividend Restrictions

Without prior approval of its domiciliary commissioner, dividends to shareholders are limited by the laws of the Company's state of incorporation to the greater of prior year income or 10% of surplus. Within the limitations above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders. There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.

#### D. Dates and Amounts of Dividends Paid

The Company paid ordinary dividends of \$1,750,000 to its Parent on December 28, 2023.

#### E. Amount of Ordinary Dividends That May be Paid

There are no other limitations on the amount of ordinary dividends that may be paid.

#### F. Restrictions on Unassigned Funds

There are no restrictions on the unassigned funds of the Company.

#### G. Mutual Surplus Advances

Not Applicable

#### H. Company Stock Held for Special Purposes

Not Applicable

#### I. Changes in Special Surplus Funds

Not Applicable

#### J. Changes in Unassigned Funds

The portion of unassigned funds (surplus) represented by cumulative unrealized capital gains is \$3,645,863 less applicable deferred taxes of \$760,940, for a net balance of \$2,884,923.

#### K. Surplus Notes

Effective February 9, 2018, the Company issued a 25-year, \$15,000,000 Surplus Promissory Note to Farm Bureau Life Insurance Company of Michigan (FBLMI). The note carries a fixed interest rate of 6.75% per annum, payable quarterly. The note is callable by the Issuer, at its option, at par, in whole or in part, at any time or from time to time after the 10th anniversary of the date of issuance, subject to redemption

## Notes to Financial Statements

premiums. The proceeds from the surplus note were used to pay off two Trust Preferred securities for \$12 million in the aggregate and to provide \$3 million of additional capital. On March 20, 2018, the Company redeemed Trust Preferred Security II for \$6,000,000, and on April 27th, 2018, the Company redeemed Trust Preferred I for \$6,000,000.

L. Impact of Quasi-Reorganizations

Not Applicable

M. Date of Quasi-Reorganizations

Not Applicable

### **Note 14 – Liabilities, Contingencies and Assessments**

A. Contingent Commitments

Not Applicable

B. Assessments

The Company is subject to guaranty fund and other assessments by the states in which it writes business. The Company is permitted by the State of Maine to account for guaranty funds on a cash basis rather than the NAIC prescribed method of accruing at the time of insolvency. In the year 2023, the Company paid \$-0- for guaranty funds, and incurred \$183,978 in expenses related to other assessments.

C. Gain Contingencies

Not Applicable

D. Extra Contractual Obligation and Bad Faith Losses

The company paid the following amounts in the reporting period to settle claims related extra contractual obligations or bad faith claims stemming from lawsuits.

	Direct
Claims related ECO and bad faith losses paid during the reporting period.	\$0

Number of claims where amounts were paid to settle claims related extra contractual obligations or bad faith claims resulting from lawsuits during the reporting period.

(a) 0-25 Claims	(b) 26-50 Claims	(c) 51-100 Claims	(d) 101-500 Claims	(e) More than 500 Claims
X				

Indicate whether claim count information is disclosed per claim or per claimant.

(f) Per Claim [  ]      (g) Per Claimant [  ]

E. Product Warranties

Not Applicable

F. Joint and Several Liabilities

Not Applicable

G. Other Contingencies and Writedowns for Impairment

## Notes to Financial Statements

At the end of the current and prior year, the Company had admitted assets of \$70,707,550 and \$62,055,428, respectively, in premiums receivable due from policyholders, agents and ceding insurers. The Company routinely assesses the collectability of these receivables. Based upon Company experience, any uncollectible premiums receivable as of the end of the current year are not expected to exceed the nonadmitted amounts and, therefore, no additional provision for uncollectible amounts has been recorded. The potential for any additional loss is not believed to be material to the Company's financial condition.

Lawsuits arise against the Company in the normal course of business. Contingent liabilities arising from litigation, income taxes, and other matters are not considered material in relation to the financial position of the Company.

During December 31, 2023, the Company did not recognize any other-than-temporary impairments (OTTI) on common equities.

The company underwent a Maine Bureau of Insurance Exam for the years 2016 - 2020. The audit was finalized in 2022 with no financial findings noted.

### Note 15 – Leases

#### A. Lessee Leasing Arrangements

Effective December 1, 2018, the Company entered into a lease for its regional office to Portsmouth, New Hampshire. The 10-year lease will expire on November 30, 2028. In August 2022, this lease was modified, with an effective date of January 1, 2023, to expand the premises and extend the lease expiration to December 31, 2032. New Hampshire rental expense for the current year and the prior year was \$195,364 and \$95,704, respectively.

The Company entered into a lease agreement on November 27, 2019 (effective date of March 1, 2020) for its Mid-Atlantic regional office in Lancaster, Pennsylvania. The 7-year lease will expire on February 28, 2027. Rental expenses for the Mid-Atlantic regional office for the current year and prior year were \$101,780 and \$89,492, respectively.

The Company entered into a lease agreement on January 12, 2022 (effective date of February 1, 2022) for its regional office in Richmond, Virginia. This lease was modified and extended on July 11, 2022 and will expire on January 31, 2025. Rental expenses for the Virginia regional office for the current year and prior year were \$30,197 and \$8,630, respectively.

Effective July 28, 2016, and continuing for an initial period of thirteen (13) years, until February 28, 2029, the company entered into a system operating lease with its parent, MMG Financial Services, Inc. Through this lease agreement, the Company leases an operating software technology platform integrated into its upgraded Core Operating System for use in the operation of its business. During the current year, this lease was modified and extended until July 2032. Lease expense for the current year and the prior year were \$4,244,379 and \$3,888,000, respectively.

As of December 31, 2023, MMG Financial Services, Inc. had an outstanding commercial loan balance of \$37,026,022 and a net book value of its operating software technology platform of \$44,532,680.

Total combined lease expense for the current year and the prior year were \$4,571,720 and \$4,081,826, respectively.

Minimum lease payments for the remainder of the lease term to be incurred are:

2024	\$5,275,207
2025	\$5,214,948
2026	\$5,121,346



## Notes to Financial Statements

2027	\$4,997,630
2028	\$4,947,666
Thereafter	<u>\$17,607,330</u>
Total	\$43,164,127

B. Lessor Leasing Arrangements

Not Applicable

**Note 16 – Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk**

A. Face or Contract Amounts

Not Applicable

B. Nature and Terms

Not Applicable

C. Exposure to Credit-Related Losses

Not Applicable

D. Collateral Policy

Not Applicable

**Note 17 – Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**

A. Transfers of Receivables Reported as Sales

Not Applicable

B. Transfers and Servicing of Financial Assets

Not Applicable

C. Wash Sales

In the course of the Company's asset management, equity securities are sold and reacquired within 30 days of the sale date. No securities with an NAIC designation of 3 or lower were sold and reacquired within 30 days of the sale date.

**Note 18 – Gain or Loss from Uninsured Plans and the Uninsured Portion of Partially Insured Plans**

A. Administrative Services Only (ASO) Plans

Not Applicable

B. Administrative Services Contract (ASC) Plans

Not Applicable

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contracts

Not Applicable

## Notes to Financial Statements

### Note 19 – Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

A. Not Applicable

### Note 20 – Fair Value Measurements

A. Inputs Used for Assets and Liabilities Measured and Reported at Fair Value

1. Items Measured and Reported at Fair Value by Levels 1, 2 and 3

The Company has categorized its assets and liabilities that are measured at fair value into the three-level fair value hierarchy as reflected in the table below. The three-level fair value hierarchy is based on the degree of subjectivity inherent in the valuation method by which fair value was determined. The three levels are defined as follows:

**Level 1 – Quoted Prices in Active Markets for Identical Assets and Liabilities:**

This category, for items measured at fair value on a recurring basis, includes exchange-traded preferred and common stocks. The estimated fair value of the equity securities within this category are based on quoted prices in active markets and are thus classified as Level 1.

**Level 2 – Significant Other Observable Inputs:** This category for items measured at fair value on a recurring basis includes bonds which are not exchange traded.

The estimated fair values of these items were determined by independent pricing services using observable inputs. Others were based on quotes from markets which were not considered actively traded.

**Level 3 – Significant Unobservable Inputs:** This category is for items measured at fair value on a recurring basis for which fair value is derived from techniques in which one or more of the significant inputs are unobservable, including broker quotes which are non-binding.

<b>2023</b>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common stocks	57,778,762	-	279,951	58,058,713
Total fair value	<u>\$ 57,778,762</u>	<u>\$ -</u>	<u>\$ 279,951</u>	<u>\$58,058,713</u>
<b>2022</b>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common stocks	58,749,463	-	283,138	59,032,601
Total fair value	<u>\$ 58,749,463</u>	<u>\$ -</u>	<u>\$ 283,138</u>	<u>\$59,032,601</u>

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred between Levels 1 and 2. This policy also applies to transfers into or out of Level 3 as stated in paragraph 3 below.

2. Rollforward of Level 3 Items

	<b>2023</b>	<b>2022</b>
	<u>Common Stock</u>	<u>Common Stock</u>
Beginning of year	\$ 283,138	\$ 181,316
Purchases	409,400	93,100
Sales	(402,400)	-
Total gains and losses (realized and unrealized)		
Included in net income	-	-
Included in surplus	(10,187)	8,722
Transfers in and out of significant unobservable inputs	-	-
End of year	<u>\$ 279,951</u>	<u>\$ 283,138</u>

## Notes to Financial Statements

The amount of total gains or losses for the period included in earnings (or changes in net assets) attributable to the change in unrealized gains or losses relating to assets still held as of December 31

	\$	-	\$	-
--	----	---	----	---

### 3. Policy on Transfers Into and Out of Level 3

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred into or out of Level 3. During the current year, no transfers into or out of Level 3 were required.

### 4. Inputs and Techniques Used for Level 2 and Level 3 Fair Values

The common stock carried at fair value and categorized as Level 3 was valued using figures provided by the underlying company, and was derived using the prior-year's book value per share, provided by the issuing company.

### 5. Derivative Fair Values

Not Applicable

### B. Other Fair Value Disclosures

Not Applicable

### C. Fair Values for All Financial Instruments by Levels 1, 2 and 3

The table below reflects the fair values and admitted values of all admitted assets and liabilities that are financial instruments. The fair values are also categorized into the three-level fair value hierarchy as described above in Note 20A.

2023

	<u>Fair Value</u>	<u>Admitted Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Not Practicable (Carrying Value)</u>
Assets						
Bonds	191,856,829	206,865,037	-	206,865,037	-	-
Common stocks	58,058,713	58,058,713	57,778,762	-	279,951	-
Deferred compensation trust account	4,603,061	4,603,061	4,603,061	-	-	-
Cash, cash equivalents & short-term investments	7,272,463	7,272,463	7,272,463	-	-	-
Total fair value	<u>\$261,791,066</u>	<u>\$276,799,274</u>	<u>\$69,654,286</u>	<u>\$206,865,037</u>	<u>\$279,951</u>	<u>\$ -</u>

### D. Items for Which Not Practicable to Determine Fair Values

Not Applicable

### E. Instruments measured at NAV

### F. Not Applicable

## Note 21 – Other Items

### A. Unusual or Infrequent Items

Not Applicable

## Notes to Financial Statements

### B. Troubled Debt Restructuring for Debtors

Not Applicable

### C. Other Disclosures

Not Applicable

### D. Business Interruption Insurance Recoveries

Not Applicable

### E. State Transferable and Non-Transferable Tax Credits

Not Applicable

### F. Subprime Mortgage Related Exposure

#### 1. Subprime Mortgage Exposures

The Company invests in several asset classes that could potentially be adversely affected by subprime mortgage exposure. These investments include asset-backed securities, US agency debt securities, investment-grade corporate bonds and equity investments in financial institutions. The Company believes that its greatest exposure is to unrealized losses from declines in asset values versus realized losses resulting from defaults or foreclosures. Conservative investment practices limit the Company's exposure to such losses.

#### 2. Direct Exposure - Mortgage Loans

The Company does not participate in mortgage lending.

#### 3. Direct Exposure - Other Investment Classes

The Company has several other investment classes that could have subprime mortgage exposure including:

- Asset-backed securities
- Debt obligations of financial institutions participating in subprime lending practices
- Unaffiliated equity securities issued by financial institutions participating in subprime lending.

The Company has reviewed its mortgage-backed security portfolio and determined that all of these investments are in pools that are backed by loans made to well-qualified borrowers or in tranches that have minimal default risk. In accordance with SSAP 43R, all residential mortgage-backed securities were examined at year end 2023 for possible other-than-temporary impairments. As explained in Note 5D above, no loss due to other-than-temporary impairments has been realized in 2023 on residential mortgage-backed securities.

At the end of the current year, the Company did not hold any securities with direct exposure to subprime mortgages.

All bonds held that were issued by financial institutions participating in subprime lending activities are investment grade quality. Default risk on these bonds appears minimal at this time.

The Company has no exposure to subprime mortgages in either the mortgage-backed, commercial mortgage-backed or U.S. Agency security sectors of the market.

## Notes to Financial Statements

The Company has indirect exposure to subprime mortgages in the investment-grade corporate bond sector. The Company has approximately \$86.6 million book value in investment-grade corporate fixed income securities. Of these corporate holdings, approximately \$16.2 million were in the banking sector, \$3.0 million were in the brokerage sector, and \$1.4 million were in the financing sector.

4. Underwriting Exposure

Not Applicable

G. Insurance-Linked Securities (ILS) Contracts

Not Applicable

H. The Amount That Could Be Realized on Life Insurance Where Reporting Entity Is Owner and Beneficiary or Has Otherwise Obtained Rights to Control the Policy

Not Applicable

### Note 22 – Events Subsequent

Subsequent events have been considered through February 27, 2024, the date of issuance of these statutory financial statements.

On February 1, 2024, the Company signed a \$8 million, 3-month promissory note with FHLB. This note has an interest rate of 5.51% and is set to mature on May 1, 2024.

The Company is not aware of any other events that occurred subsequent to the close of the books or accounts for this statement which would have had a material effect on the financial condition of the Company.

### Note 23 – Reinsurance

A. Unsecured Reinsurance Recoverables

The Company has one unsecured aggregate reinsurance recoverable for paid and unpaid losses, loss adjustment expenses and unearned premiums from an individual reinsurer that exceeds 3% of policyholders' surplus. For 2023, the \$4,891,117 due from Hannover Rueck SE exceeds 3% of policyholders' surplus.

B. Reinsurance Recoverables in Dispute

The Company does not have reinsurance recoverables in dispute for paid losses and loss adjustment expenses that exceed 5% of policyholders' surplus from an individual reinsurer or exceed 10% of policyholders' surplus in aggregate.

C. Reinsurance Assumed and Ceded and Protected Cells

- The following table summarizes ceded and assumed unearned premiums and the related commission equity at the end of the current year.

	Assumed		Ceded		Assumed Less Ceded	
	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity
a.Affiliates	0	0	0	0	0	0
b.All Other	0	0	\$10,654,986	\$ 2,999,977	(\$10,654,986)	(\$2,999,977)
c.Totals	0	0	\$10,654,986	\$ 2,999,977	(\$10,654,986)	(\$2,999,977)
d. Direct Unearned Premium Reserve is \$ 136,302,718						

## Notes to Financial Statements

2. Certain agency agreements and ceded reinsurance contracts provide for additional or return commissions based on the actual loss experience of the produced or reinsured business. Amounts accrued at the end of the current year are as follows:

Description	Direct	Assumed	Ceded	Net
a. Contingent Commissions	\$ 2,971,528	0	0	\$ 2,971,528
b. Sliding Scale Adjustments	0	0	0	0
c. Other Profit Commissions	0	0	\$ 314,387	(\$ 314,387)
d. Totals	\$ 2,971,528	0	\$ 314,387	\$ 2,657,141

3. The Company does not use protected cells as an alternative to traditional reinsurance.

D. Uncollectible Reinsurance

Not Applicable

E. Commutation of Ceded Reinsurance

Not Applicable

F. Retroactive Reinsurance

Not Applicable

G. Reinsurance Accounted for as a Deposit

Not Applicable

H. Run-off Agreements

Not Applicable

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

Not Applicable

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation

Not Applicable

K. Reinsurance Credit on Contracts Covering Health Business

Not Applicable

**Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination**

A. & B. Methods Used to Estimate and Record

Not Applicable.

C. Amount and Percent of Net Retrospective Premiums

Not Applicable

D. Medical Loss Ratio Rebates

Not Applicable

## Notes to Financial Statements

E. Calculation of Nonadmitted Accrued Retrospective Premiums

Not Applicable

F. Risk Sharing Provisions of the Affordable Care Act (ACA)

Not Applicable

### **Note 25 – Changes in Incurred Losses and Loss Adjustment Expenses**

The estimated cost of loss and loss adjustment expenses (LAE) attributable to insured events of prior years increased by \$10,749,000 during the current year. This increased the current calendar year losses and LAE incurred by this amount, as shown in the chart below. Increases or decreases of this nature occur as the result of claim settlements during the current year, and as additional information is received regarding unpaid individual claims, causing changes from the original estimates of the cost of these claims. Recent loss development trends are also taken into account in evaluating the overall adequacy of unpaid losses and loss adjustment expenses.

(000's omitted) Lines of Business	2023 Calendar Year Losses and LAE Incurred			2023 Loss Year Losses and LAE Incurred	Shortage (Redundancy)
	Losses Incurred	LAE Incurred	Totals		
Homeowners & Farmowners	\$ 28,843	\$ 4,666	\$ 33,509	\$ 31,614	\$ 1,895
Auto Liability-Private Passenger	22,838	4,856	27,694	26,050	1,644
Auto Liability-Commercial	10,170	2,180	12,350	11,655	695
Commercial Multiple Peril	30,413	6,346	36,759	32,593	4,166
Other Liability-Occurrence	(398)	115	(283)	706	(989)
Special Property	1,928	263	2,191	2,069	122
Auto Physical Damage	42,501	11,614	54,115	50,899	3,216
<b>Totals</b>	<b>\$ 136,295</b>	<b>\$ 30,040</b>	<b>\$166,335</b>	<b>\$ 155,586</b>	<b>\$ 10,749</b>

### **Note 26 – Intercompany Pooling Arrangements**

Not Applicable

### **Note 27 – Structured Settlements**

A. Reserves Released due to Purchase of Annuities

Not Applicable

B. Annuity Insurers with Balances Due Greater than 1% of Policyholders' Surplus

Not Applicable

### **Note 28 – Health Care Receivables**

A. Pharmacy Rebates Billed, Received and Accrued for Twelve Quarters

Not Applicable

B. Risk Sharing Receivables Billed, Received and accrued for Three Years

Not Applicable

## Notes to Financial Statements

### **Note 29 – Participating Policies**

Not Applicable

### **Note 30 – Premium Deficiency Reserves**

Not Applicable

### **Note 31 – High Deductibles**

A. High Deductible Policies

Not Applicable

B. Unsecured High Deductible Recoverables

Not Applicable

### **Note 32 – Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses**

A. Tabular Discounts

Not Applicable

B. Non-Tabular Discounts

Not Applicable

C. Changes in Discount Assumptions

Not Applicable

### **Note 33 – Asbestos and Environmental Reserves**

A. Five-Year Rollforward of Asbestos Reserves, Direct, Assumed and Net

Not Applicable

B. Asbestos IBNR and Bulk Reserve, Direct, Assumed and Net

Not Applicable

C. Asbestos LAE Reserve, Direct, Assumed and Net

Not Applicable

D. Five-Year Rollforward of Environmental Reserves, Direct, Assumed and Net

Not Applicable

E. Environmental IBNR and Bulk Reserve, Direct, Assumed and Net

Not Applicable

F. Environmental LAE Reserve, Direct, Assumed and Net

Not Applicable

### **Note 34 – Subscriber Savings Accounts**

Not Applicable



## Notes to Financial Statements

### **Note 35 – Multiple Peril Crop Insurance**

Not Applicable

### **Note 36 – Financial Guaranty Insurance**

A. Premiums, Claim Liabilities and Risk Management Activities

Not Applicable

B. Schedule of Insured Financial Obligations

Not Applicable

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

### GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes[X] No[ ]  
 If yes, complete Schedule Y, Parts 1, 1A, 2 and 3.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes[X] No[ ] N/A[ ]
- 1.3 State Regulating? Maine
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes[ ] No[X]
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. .....
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes[ ] No[X]
- 2.2 If yes, date of change: .....
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. .....12/31/2020.....
- 3.2 State as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. .....12/31/2020.....
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). .....06/27/2022.....
- 3.4 By what department or departments?  
 Maine Bureau of Insurance
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes[ ] No[ ] N/A[X]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[ ] No[ ] N/A[X]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes[ ] No[X]
- 4.12 renewals? Yes[ ] No[X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes[ ] No[X]
- 4.22 renewals? Yes[ ] No[X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[ ] No[X]  
 If yes, complete and file the merger history data file with the NAIC.
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes[ ] No[X]
- 6.2 If yes, give full information:
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes[ ] No[X]
- 7.2 If yes, 0.000%
- 7.21 State the percentage of foreign control
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity
.....	.....

- 8.1 Is the company a subsidiary of a depository institution holding company (DIHC) or a DIHC itself, regulated by the Federal Reserve Board? Yes[ ] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the DIHC.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes[ ] No[X]
- 8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

- 8.5 Is the reporting entity a depository institution holding company with significant insurance operations as defined by the Board of Governors of Federal Reserve System or a subsidiary of the depository institution holding company? Yes[ ] No[X]
- 8.6 If response to 8.5 is no, is the reporting entity a company or subsidiary of a company that has otherwise been made subject to the Federal Reserve Board's capital rule? Yes[ ] No[ ] N/A[X]
9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
 PricewaterhouseCoopers, LLP, 101 Seaport Blvd Suite 500, Boston, MA 02210
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes[ ] No[X]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes[ ] No[X]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes[X] No[ ] N/A[ ]
- 10.6 If the response to 10.5 is no or n/a, please explain:

## GENERAL INTERROGATORIES (Continued)

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
Eric Pince, FCAS, MAAA employee of Willis Towers Watson 1735 Market Street, Philadelphia PA 19103
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes  No   
 12.11 Name of real estate holding company  
 12.12 Number of parcels involved 0  
 12.13 Total book/adjusted carrying value \$ 0
- 12.2 If yes, provide explanation
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:  
 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?  
 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes  No  N/A   
 13.3 Have there been any changes made to any of the trust indentures during the year? Yes  No  N/A   
 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes  No  N/A
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes  No   
 a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;  
 b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;  
 c. Compliance with applicable governmental laws, rules and regulations;  
 d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and  
 e. Accountability for adherence to the code.
- 14.11 If the response to 14.1 is no, please explain:  
 14.2 Has the code of ethics for senior managers been amended? Yes  No   
 14.21 If the response to 14.2 is yes, provide information related to amendment(s).  
 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes  No   
 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes  No   
 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount
			0

### BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof? Yes  No
17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes  No
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes  No

### FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes  No
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):  
 20.11 To directors or other officers \$ 0  
 20.12 To stockholders not officers \$ 0  
 20.13 Trustees, supreme or grand (Fraternal only) \$ 0
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):  
 20.21 To directors or other officers \$ 0  
 20.22 To stockholders not officers \$ 0  
 20.23 Trustees, supreme or grand (Fraternal only) \$ 0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes  No   
 21.2 If yes, state the amount thereof at December 31 of the current year:  
 21.21 Rented from others \$ 0  
 21.22 Borrowed from others \$ 0  
 21.23 Leased from others \$ 0  
 21.24 Other \$ 0
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes  No   
 22.2 If answer is yes:  
 22.21 Amount paid as losses or risk adjustment \$ 0  
 22.22 Amount paid as expenses \$ 0  
 22.23 Other amounts paid \$ 0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes  No   
 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 998,702
- 24.1 Does the insurer utilize third parties to pay agent commissions in which the amounts advanced by the third parties are not settled in full within 90 days? Yes  No   
 24.2 If the response to 24.1 is yes, identify the third-party that pays the agents and whether they are a related party.

## GENERAL INTERROGATORIES (Continued)

1 Name of Third-Party	2 Is the Third-Party Agent a Related Party (Yes/No)
	No

### INVESTMENT

- 25.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 25.03) Yes[ ] No[X]
- 25.02 If no, give full and complete information, relating thereto  
See Interrogatory 29 below
- 25.03 For securities lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 25.04 For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk-Based Capital Instructions. \$ ..... 0
- 25.05 For the reporting entity's securities lending program, report amount of collateral for other programs. \$ ..... 0
- 25.06 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes[ ] No[ ] N/A[X]
- 25.07 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes[ ] No[ ] N/A[X]
- 25.08 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes[ ] No[ ] N/A[X]
- 25.09 For the reporting entity's securities lending program, state the amount of the following as of December 31 of the current year:
- 25.091 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$ ..... 0
- 25.092 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$ ..... 0
- 25.093 Total payable for securities lending reported on the liability page. \$ ..... 0
- 26.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 25.03). Yes[X] No[ ]
- 26.2 If yes, state the amount thereof at December 31 of the current year:
- 26.21 Subject to repurchase agreements \$ ..... 0
- 26.22 Subject to reverse repurchase agreements \$ ..... 0
- 26.23 Subject to dollar repurchase agreements \$ ..... 0
- 26.24 Subject to reverse dollar repurchase agreements \$ ..... 0
- 26.25 Placed under option agreements \$ ..... 0
- 26.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock \$ ..... 0
- 26.27 FHLB Capital Stock \$ ..... 190,300
- 26.28 On deposit with states \$ ..... 2,171,172
- 26.29 On deposit with other regulatory bodies \$ ..... 0
- 26.30 Pledged as collateral - excluding collateral pledged to an FHLB \$ ..... 0
- 26.31 Pledged as collateral to FHLB - including assets backing funding agreements \$ ..... 1,282,457
- 26.32 Other \$ ..... 0
- 26.3 For category (26.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount
		0

- 27.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes[ ] No[X]
- 27.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?  
If no, attach a description with this statement. Yes[ ] No[ ] N/A[X]
- LINES 27.3 through 27.5: FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:
- 27.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? Yes[ ] No[X]
- 27.4 If the response to 27.3 is yes, does the reporting entity utilize:
- 27.41 Special Accounting Provision of SSAP No. 108 Yes[ ] No[X]
- 27.42 Permitted Accounting Practice Yes[ ] No[X]
- 27.43 Other Accounting Guidance Yes[ ] No[X]
- 27.5 By responding yes to 27.41 regarding utilizing the special accounting provisions of SSAP No. 108, the reporting entity attests to the following:
- The reporting entity has obtained explicit approval from the domiciliary state.
  - Hedging strategy subject to the special accounting provisions is consistent with the requirements of VM-21.
  - Actuarial certification has been obtained which indicates that the hedging strategy is incorporated within the establishment of VM-21 reserves and provides the impact of the hedging strategy within the Actuarial Guideline Conditional Tail Expectation Amount.
  - Financial Officer Certification has been obtained which indicates that the hedging strategy meets the definition of a Clearly Defined Hedging Strategy within VM-21 and that the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts
- 28.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes[ ] No[X]
- 28.2 If yes, state the amount thereof at December 31 of the current year. \$ ..... 0

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

1 Name of Custodian(s)	2 Custodian's Address
TD Bank, N.A. ....	12000 Horizon Way 3rd Floor Mount Laurel, NJ 08054 .....

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

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

- 29.03 Have there been any changes, including name changes, in the custodian(s) identified in 29.01 during the current year? Yes[ ] No[X]
- 29.04 If yes, give full and complete information relating thereto:

## GENERAL INTERROGATORIES (Continued)

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

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

1 Name of Firm or Individual	2 Affiliation
Conning, Inc .....	U .....
Mercer Investments, LLC .....	U .....

29.0597 For those firms/individuals listed in the table for Question 29.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's invested assets? Yes[X] No[ ]

29.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 29.05, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets? Yes[X] No[ ]

29.06 For those firms or individuals listed in the table for 29.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
Conning, Inc .....	Jonathan Rappaport .....	549300ZOGI4KK37BDV40 .....	SEC .....	DS .....
Mercer Investments, LLC .....	Kyle Ekstrom .....	549300EH2E3BUOC07W92 .....	SEC .....	DS .....

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

30.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
58805V700 .....	MERCER OPPORTUNISTIC FIXED INCOME Y3 (MOFIX) .....	23,444,745 .....
58805V858 .....	MERCER NON-US CORE EQUITY Y3 (MNCEX) .....	4,809,280 .....
30.2999 Total .....		28,254,025 .....

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
MERCER OPPORTUNISTIC FIXED INCOME Y3 (MOFIX) .....	2 YEAR TREASURY NOTE FUTURE .....	1,901,369 .....	12/31/2023 .....
MERCER OPPORTUNISTIC FIXED INCOME Y3 (MOFIX) .....	10 YEAR TREASURY NOTE FUTURE .....	1,083,147 .....	12/31/2023 .....
MERCER OPPORTUNISTIC FIXED INCOME Y3 (MOFIX) .....	US 5 YEAR NOTE .....	604,874 .....	12/31/2023 .....
MERCER OPPORTUNISTIC FIXED INCOME Y3 (MOFIX) .....	US ULTRA BOND .....	583,774 .....	12/31/2023 .....
MERCER OPPORTUNISTIC FIXED INCOME Y3 (MOFIX) .....	UNITED STATES TREASURY BILLS .....	361,049 .....	12/31/2023 .....
MERCER NON US CORE EQUITY Y3 (MNCEX) .....	TOTALENERGIES SE .....	92,819 .....	12/31/2023 .....
MERCER NON US CORE EQUITY Y3 (MNCEX) .....	SAP SE .....	84,643 .....	12/31/2023 .....
MERCER NON US CORE EQUITY Y3 (MNCEX) .....	NOVO NORDISK A/S - CLASS B .....	67,330 .....	12/31/2023 .....
MERCER NON US CORE EQUITY Y3 (MNCEX) .....	SHELL PLC .....	63,483 .....	12/31/2023 .....
MERCER NON US CORE EQUITY Y3 (MNCEX) .....	SCHNEIDER ELECTRIC SE .....	60,597 .....	12/31/2023 .....

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
31.1 Bonds .....	206,865,037 .....	191,856,829 .....	(15,008,208) .....
31.2 Preferred stocks .....	0 .....	0 .....	0 .....
31.3 Totals .....	206,865,037 .....	191,856,829 .....	(15,008,208) .....

31.4 Describe the sources or methods utilized in determining the fair values:  
Fair values obtained from Conning, Inc

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

32.2 If the answer to 32.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes[X] No[ ] N/A[ ]

32.3 If the answer to 32.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

## GENERAL INTERROGATORIES (Continued)

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

33.2 If no, list exceptions:

34. By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:  
 a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.  
 b. Issuer or obligor is current on all contracted interest and principal payments.  
 c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.  
 Has the reporting entity self-designated 5GI securities? Yes[ ] No[X]

35. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:  
 a. The security was purchased prior to January 1, 2018.  
 b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security  
 c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.  
 d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.  
 Has the reporting entity self-designated PLGI securities? Yes[ ] No[X]

36. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:  
 a. The shares were purchased prior to January 1, 2019.  
 b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security  
 c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.  
 d. The fund only or predominantly holds bonds in its portfolio.  
 e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.  
 f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.  
 Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? Yes[ ] No[X]

37. By rolling/renewing short-term or cash equivalent investments with continued reporting on Schedule DA, Part 1 or Schedule E Part 2 (identified through a code (%) in those investment schedules), the reporting entity is certifying to the following:  
 a. The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.  
 b. If the investment is with a nonrelated party or nonaffiliate, then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.  
 c. If the investment is with a related party or affiliate, then the reporting entity has completed robust re-underwriting of the transaction for which documentation is available for regulator review.  
 d. Short-term and cash equivalent investments that have been renewed/rolled from the prior period that do not meet the criteria in 37.a-37.c are reported as long-term investments.  
 Has the reporting entity rolled/renewed short-term or cash equivalent investments in accordance with these criteria? Yes[ ] No[ ] N/A[X]

38.1 Does the reporting entity directly hold cryptocurrencies? Yes[ ] No[X]  
 38.2 If the response to 38.1 is yes, on what schedule are they reported?

39.1 Does the reporting entity directly or indirectly accept cryptocurrencies as payments for premiums on policies? Yes[ ] No[X]  
 39.2 If the response to 39.1 is yes, are the cryptocurrencies held directly or are they immediately converted to U.S. dollars?  
     39.21 Held directly Yes[ ] No[ ]  
     39.22 Immediately converted to U.S. dollars Yes[ ] No[ ]  
 39.3 If the response to 38.1 or 39.1 is yes, list all cryptocurrencies accepted for payments of premiums or that are held directly.

1	2	3
Name of Cryptocurrency	Immediately Converted to USD, Directly Held, or Both	Accepted for Payment of Premiums

### OTHER

40.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any? \$..... 1,790,603  
 40.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

1	2
Name	Amount Paid
Insurance Services Office .....	1,316,525

41.1 Amount of payments for legal expenses, if any? \$..... 128,836  
 41.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1	2
Name	Amount Paid
Pierce Atwood .....	112,466

42.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers, or departments of government, if any? \$..... 14,731  
 42.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers, or departments of government during the period covered by this statement.

1	2
Name	Amount Paid
Soltan Bass LLC .....	14,731

# GENERAL INTERROGATORIES (Continued)

## PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [ ] No[X]
  - 1.2 If yes, indicate premium earned on U.S. business only. \$ ..... 0
  - 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$ ..... 0
  - 1.31 Reason for excluding:
  - 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$ ..... 0
  - 1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$ ..... 0
  - 1.6 Individual policies
  - Most current three years:
  - 1.61 Total premium earned \$ ..... 0
  - 1.62 Total incurred claims \$ ..... 0
  - 1.63 Number of covered lives ..... 0
  - All years prior to most current three years:
  - 1.64 Total premium earned \$ ..... 0
  - 1.65 Total incurred claims \$ ..... 0
  - 1.66 Number of covered lives ..... 0
  - 1.7 Group policies
  - Most current three years:
  - 1.71 Total premium earned \$ ..... 0
  - 1.72 Total incurred claims \$ ..... 0
  - 1.73 Number of covered lives ..... 0
  - All years prior to most current three years:
  - 1.74 Total premium earned \$ ..... 0
  - 1.75 Total incurred claims \$ ..... 0
  - 1.76 Number of covered lives ..... 0
2. Health Test

	1 Current Year	2 Prior Year
2.1 Premium Numerator .....	0	0
2.2 Premium Denominator .....	222,501,787	210,070,783
2.3 Premium Ratio (2.1 / 2.2) .....	0.000	0.000
2.4 Reserve Numerator .....	0	0
2.5 Reserve Denominator .....	212,156,346	188,749,477
2.6 Reserve Ratio (2.4 / 2.5) .....	0.000	0.000

- 3.1 Did the reporting entity issue participating policies during the calendar year? Yes [ ] No[X]
- 3.2 If yes, provide the amount of premium written for participating and/or non-participating policies during the calendar year:
  - 3.21 Participating policies \$ ..... 0
  - 3.22 Non-participating policies \$ ..... 0
- 4. For Mutual reporting entities and Reciprocal Exchanges only:
- 4.1 Does the reporting entity issue assessable policies? Yes [ ] No [ ] N/A[X]
- 4.2 Does the reporting entity issue non-assessable policies? Yes [ ] No [ ] N/A[X]
- 4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? ..... 0.000%
- 4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. \$ ..... 0
- 5. For Reciprocal Exchanges Only:
- 5.1 Does the exchange appoint local agents? Yes [ ] No [ ] N/A[X]
- 5.2 If yes, is the commission paid:
  - 5.21 Out of Attorney's-in-fact compensation Yes [ ] No [ ] N/A[X]
  - 5.22 As a direct expense of the exchange Yes [ ] No [ ] N/A[X]
- 5.3 What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?
- 5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions been deferred? Yes [ ] No [ ] N/A[X]
- 5.5 If yes, give full information:
- 6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss:  
The Company does not write Workers' Compensation Insurance.
- 6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:  
The Company utilizes the services of Guy Carpenter to perform a catastrophe exposure analysis for hurricane and winter storm possible losses.
- 6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?  
The Company carries catastrophe reinsurance to cover loss events which exceed \$7,000,000.
- 6.4 Does the reporting entity carry catastrophic reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? Yes[X] No [ ]
- 6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to unreinsured catastrophic loss
- 7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)? Yes [ ] No[X]
- 7.2 If yes, indicate the number of reinsurance contracts containing such provisions. ..... 0
- 7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)? Yes [ ] No [ ] N/A[X]
- 8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured? Yes [ ] No[X]
- 8.2 If yes, give full information.
- 9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
  - (a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;
  - (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
  - (c) Aggregate stop loss reinsurance coverage;

# GENERAL INTERROGATORIES (Continued)

- (d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
- (e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
- (f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity. Yes [ ] No[X]
- 9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:
- (a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
- (b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract. Yes [ ] No[X]
- 9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:
- (a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income.
- (b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
- (c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.
- 9.4 Except for transactions meeting the requirements of paragraph 36 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
- (a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
- (b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? Yes [ ] No[X]
- 9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (section D) why the contract(s) is treated differently for GAAP and SAP.
- 9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
- (a) The entity does not utilize reinsurance; or Yes [ ] No[X]
- (b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or Yes [ ] No[X]
- (c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. Yes [ ] No[X]
10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes[X] No [ ] N/A [ ]
- 11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force? Yes [ ] No[X]
- 11.2 If yes, give full information:
- 12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:
- 12.11 Unpaid losses \$ ..... 0
- 12.12 Unpaid underwriting expenses (including loss adjustment expenses) \$ ..... 0
- 12.2 Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds. \$ ..... 0
- 12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes [ ] No [ ] N/A[X]
- 12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
- 12.41 From ..... 0.000%
- 12.42 To ..... 0.000%
- 12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? Yes [ ] No[X]
- 12.6 If yes, state the amount thereof at December 31 of current year:
- 12.61 Letters of Credit \$ ..... 0
- 12.62 Collateral and other funds \$ ..... 0
- 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$ ..... 475,000
- 13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes [ ] No[X]
- 13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount. ..... 1
- 14.1 Is the reporting entity a cedant in a multiple cedant reinsurance contract? Yes [ ] No[X]
- 14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants
- 14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes [ ] No [ ] N/A[X]
- 14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? Yes [ ] No [ ] N/A[X]
- 14.5 If the answer to 14.4 is no, please explain
- 15.1 Has the reporting entity guaranteed any financed premium accounts? Yes [ ] No[X]
- 15.2 If yes, give full information:
- 16.1 Does the reporting entity write any warranty business? Yes [ ] No[X]
- If yes, disclose the following information for each of the following types of warranty coverage:

	1 Direct Losses Incurred	2 Direct Losses Unpaid	3 Direct Written Premium	4 Direct Premium Unearned	5 Direct Premium Earned
16.11 Home .....	0	0	0	0	0
16.12 Products .....	0	0	0	0	0
16.13 Automobile .....	0	0	0	0	0
16.14 Other * .....	0	0	0	0	0

\* Disclose type of coverage:

- 17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F - Part 3 that is exempt from the statutory provision for unauthorized reinsurance? Yes [ ] No[X]
- Incurred but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from the statutory provision for unauthorized reinsurance. Provide the following information for this exemption.
- 17.11 Gross amount of unauthorized reinsurance in Schedule F - Part 3 exempt from the statutory provision for unauthorized reinsurance \$ ..... 0
- 17.12 Unfunded portion of Interrogatory 17.11 \$ ..... 0
- 17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11 \$ ..... 0
- 17.14 Case reserves portion of Interrogatory 17.11 \$ ..... 0
- 17.15 Incurred but not reported portion of Interrogatory 17.11 \$ ..... 0
- 17.16 Unearned premium portion of Interrogatory 17.11 \$ ..... 0
- 17.17 Contingent commission portion of Interrogatory 17.11 \$ ..... 0



## GENERAL INTERROGATORIES (Continued)

- |  |   |   |
|--|---|---|
| 18.1 Do you act as a custodian for health savings accounts?  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |   |
| 18.2 If yes, please provide the amount of custodial funds held as of the reporting date:   | \$.....   | 0 |
| 18.3 Do you act as an administrator for health savings accounts?   | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |   |
| 18.4 If yes, please provide the balance of the funds administered as of the reporting date:  | \$.....   | 0 |
| 19. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states?   | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |   |
| 19.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |   |

## FIVE - YEAR HISTORICAL DATA

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

	1 2023	2 2022	3 2021	4 2020	5 2019
<b>Gross Premiums Written (Page 8, Part 1B, Columns 1, 2 &amp; 3)</b>					
1. Liability Lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2, 19.3 & 19.4)	65,027,296	60,532,526	59,337,487	56,757,194	55,182,835
2. Property Lines (Lines 1, 2, 9, 12, 21, & 26)	62,968,542	57,777,323	53,943,665	51,515,255	50,433,715
3. Property and Liability Combined Lines (Lines 3, 4, 5, 8, 22 & 27)	142,627,493	128,288,950	117,974,239	111,640,503	105,342,886
4. All Other Lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
5. Nonproportional Reinsurance Lines (Lines 31, 32, & 33)	0	0	0	0	0
6. TOTAL (Line 35)	270,623,331	246,598,799	231,255,391	219,912,952	210,959,436
<b>Net Premiums Written (Page 8, Part 1B, Column 6)</b>					
7. Liability Lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2, 19.3 & 19.4)	57,236,869	53,683,681	51,076,687	49,023,818	48,274,318
8. Property Lines (Lines 1, 2, 9, 12, 21 & 26)	59,563,760	55,566,601	52,028,603	49,568,412	48,465,112
9. Property and Liability Combined Lines (Lines 3, 4, 5, 8, 22 & 27)	116,767,716	109,264,374	101,697,373	94,390,079	88,753,499
10. All Other Lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
11. Non-proportional Reinsurance Lines (Lines 31, 32 & 33)	0	0	0	0	0
12. TOTAL (Line 35)	233,568,345	218,514,656	204,802,663	192,982,309	185,492,929
<b>Statement of Income (Page 4)</b>					
13. Net underwriting gain (loss) (Line 8)	(26,488,648)	(1,857,221)	1,946,993	10,698,190	6,522,261
14. Net investment gain (loss) (Line 11)	14,158,870	5,791,992	6,098,059	4,583,905	5,525,551
15. TOTAL other income (Line 15)	117,691	(75,609)	77,001	249,855	581,821
16. Dividends to policyholders (Line 17)	0	0	0	0	0
17. Federal and foreign income taxes incurred (Line 19)	(3,939,034)	880,846	1,627,130	3,616,309	2,367,855
18. Net income (Line 20)	(8,273,054)	2,978,316	6,494,924	11,915,642	10,261,778
<b>Balance Sheet Lines (Pages 2 and 3)</b>					
19. TOTAL admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	372,470,270	365,419,712	362,516,905	333,381,723	313,512,006
20. Premiums and considerations (Page 2, Column 3)					
20.1 In course of collection (Line 15.1)	9,984,845	8,877,201	8,018,724	7,596,846	7,314,576
20.2 Deferred and not yet due (Line 15.2)	60,722,704	53,178,227	48,551,000	47,763,361	46,091,782
20.3 Accrued retrospective premiums (Line 15.3)	0	0	0	0	0
21. TOTAL liabilities excluding protected cell business (Page 3, Line 26)	234,559,475	212,492,327	205,733,738	189,984,506	183,874,791
22. Losses (Page 3, Line 1)	69,907,877	59,399,138	60,540,643	49,914,178	50,862,090
23. Loss adjustment expenses (Page 3, Line 3)	16,600,737	14,769,166	14,642,593	13,663,907	13,323,079
24. Unearned premiums (Page 3, Line 9)	125,647,732	114,581,174	106,137,301	101,397,960	97,735,101
25. Capital paid up (Page 3, Lines 30 & 31)	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
26. Surplus as regards policyholders (Page 3, Line 37)	137,910,795	152,927,385	156,783,167	143,397,217	129,637,215
<b>Cash Flow (Page 5)</b>					
27. Net cash from operations (Line 11)	(7,371,674)	5,372,730	20,955,859	14,466,018	8,191,516
<b>Risk-Based Capital Analysis</b>					
28. TOTAL adjusted capital	137,910,795	152,927,385	156,783,167	143,397,217	129,637,215
29. Authorized control level risk-based capital	18,124,471	16,582,938	15,484,537	14,988,901	13,886,721
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Column 3)</b>					
(Item divided by Page 2, Line 12, Column 3) x 100.0					
30. Bonds (Line 1)	73.1	69.8	69.7	72.3	68.0
31. Stocks (Lines 2.1 & 2.2)	20.5	20.3	22.0	20.1	20.3
32. Mortgage loans on real estate (Lines 3.1 and 3.2)	0.0	0.0	0.0	0.0	0.0
33. Real estate (Lines 4.1, 4.2 & 4.3)	2.2	1.5	1.4	1.7	1.8
34. Cash, cash equivalents and short-term investments (Line 5)	2.6	7.1	6.8	6.0	9.9
35. Contract loans (Line 6)	0.0	0.0	0.0	0.0	0.0
36. Derivatives (Line 7)	0.0	0.0	0.0	0.0	0.0
37. Other invested assets (Line 8)	0.0	0.0	0.0	0.0	0.0
38. Receivables for securities (Line 9)	0.0	0.0	0.0	0.0	0.0
39. Securities lending reinvested collateral assets (Line 10)	0.0	0.0	0.0	0.0	0.0
40. Aggregate write-ins for invested assets (Line 11)	1.6	1.4	0.0	0.0	0.0
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
42. Affiliated bonds, (Schedule D, Summary, Line 12, Column 1)	0	0	0	0	0
43. Affiliated preferred stocks (Schedule D, Summary, Line 18, Column 1)	0	0	0	0	0
44. Affiliated common stocks (Schedule D, Summary, Line 24, Column 1)	0	0	0	0	0
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Column 5, Line 10)	0	0	0	0	0
46. Affiliated mortgage loans on real estate	0	0	0	0	0
47. All other affiliated	0	0	0	0	0
48. TOTAL of above Lines 42 to 47	0	0	0	0	0
49. TOTAL investment in parent included in Lines 42 to 47 above	0	0	0	0	0
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Column 1, Line 37 x 100.0)	0.0	0.0	0.0	0.0	0.0

## FIVE - YEAR HISTORICAL DATA (Continued)

	1 2023	2 2022	3 2021	4 2020	5 2019
<b>Capital and Surplus Accounts (Page 4)</b>					
51. Net unrealized capital gains (losses) (Line 24) .....	(4,745,668)	(6,598,573)	6,428,565	1,013,859	6,348,920
52. Dividends to stockholders (Line 35) .....	(1,750,000)	0	0	0	0
53. Change in surplus as regards policyholders for the year (Line 38) .....	(15,016,590)	(3,855,782)	13,385,950	13,760,003	20,935,913
<b>Gross Losses Paid (Page 9, Part 2, Columns 1 and 2)</b>					
54. Liability Lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2, 19.3 & 19.4) .....	35,959,090	30,498,272	25,532,357	25,415,654	29,364,621
55. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....	42,985,460	39,392,485	31,498,287	27,547,524	29,888,284
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22, & 27) .....	60,809,290	46,463,656	42,739,286	43,337,633	40,641,528
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....	0	0	0	0	0
58. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....	0	0	0	0	0
59. TOTAL (Line 35) .....	139,753,840	116,354,413	99,769,930	96,300,811	99,894,433
<b>Net Losses Paid (Page 9, Part 2, Column 4)</b>					
60. Liability Lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2, 19.3 & 19.4) .....	33,631,323	28,255,077	23,500,221	24,034,181	27,449,379
61. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....	42,948,333	39,342,181	31,499,110	27,472,095	29,870,813
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22, & 27) .....	49,207,233	41,579,926	36,322,388	35,909,334	35,898,557
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30, & 34) .....	0	0	0	0	0
64. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....	0	0	0	0	0
65. TOTAL (Line 35) .....	125,786,889	109,177,184	91,321,719	87,415,610	93,218,748
<b>Operating Percentages (Page 4)</b>					
<b>(Item divided by Page 4, Line 1) x 100.0</b>					
66. Premiums earned (Line 1) .....	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2) .....	61.3	51.4	51.0	45.7	48.8
68. Loss expenses incurred (Line 3) .....	13.5	12.0	11.8	11.5	12.0
69. Other underwriting expenses incurred (Line 4) .....	37.1	37.4	36.3	37.2	35.6
70. Net underwriting gain (loss) (Line 8) .....	(11.9)	(0.9)	1.0	5.7	3.6
<b>Other Percentages</b>					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Column 6, Line 35 x 100.0) .....	35.3	36.0	35.4	36.3	34.7
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0) .....	74.8	63.4	62.7	57.2	60.8
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Column 6, Line 35 divided by Page 3, Line 37, Column 1 x 100.0) .....	169.4	142.9	130.6	134.6	143.1
<b>One Year Loss Development (\$000 omitted)</b>					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2 - Summary, Line 12, Column 11) .....	8,469	(5,747)	1,092	(1,519)	(9,086)
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year-end (Line 74 above divided by Page 4, Line 21, Column 1 x 100.0) .....	5.5	(3.7)	0.8	(1.2)	(8.4)
<b>Two Year Loss Development (\$000 omitted)</b>					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Column 12) .....	(1,931)	139	(1,089)	(7,343)	(5,955)
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year-end (Line 76 above divided by Page 4, Line 21, Column 2 x 100.0) .....	(1.2)	0.1	(0.8)	(6.8)	(6.0)

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

If no, please explain:

# SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

## SCHEDULE P - PART 1 - SUMMARY

(\$000 omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							10 Salvage and Subrogation Received	11 Total Net Paid (Columns 4 - 5 + 6 - 7 + 8 - 9)	12 Number of Claims Reported - Direct and Assumed
	1 Direct and Assumed	2 Ceded	3 Net (Columns 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments					
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded				
1. Prior	X X X	X X X	X X X	(27)	(2)	2	0	8	0	34	(16)	X X X	
2. 2014	154,136	17,297	136,840	83,376	3,590	2,702	74	10,652	145	5,529	92,920	X X X	
3. 2015	167,707	18,640	149,067	90,418	8,726	2,717	15	11,727	722	6,188	95,399	X X X	
4. 2016	180,676	19,852	160,824	91,723	6,348	2,984	41	12,260	87	7,771	100,492	X X X	
5. 2017	188,533	21,102	167,431	106,568	9,753	3,716	45	14,710	202	7,653	114,994	X X X	
6. 2018	197,939	22,993	174,946	96,316	5,679	3,422	16	15,798	77	8,712	109,764	X X X	
7. 2019	206,519	24,051	182,468	101,827	8,214	4,209	231	18,648	214	9,393	116,024	X X X	
8. 2020	215,513	26,194	189,319	93,160	8,581	2,868	50	17,593	162	8,139	104,829	X X X	
9. 2021	226,625	26,562	200,063	100,611	9,830	2,124	72	19,865	156	10,824	112,541	X X X	
10. 2022	238,229	28,158	210,071	107,744	3,548	1,714	17	21,750	39	11,127	127,605	X X X	
11. 2023	258,262	35,760	222,501	93,836	7,250	713	0	18,701	28	7,453	105,973	X X X	
12. Totals	X X X	X X X	X X X	965,552	71,517	27,171	562	161,711	1,831	82,822	1,080,525	X X X	

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. Prior	20	0	0	0	0	0	0	0	0	0	0	20	X X X
2. 2014	28	0	0	0	0	0	0	0	0	0	0	28	X X X
3. 2015	300	0	0	0	0	0	0	0	6	0	0	306	X X X
4. 2016	121	25	0	0	0	0	0	0	3	0	0	99	X X X
5. 2017	502	0	0	0	0	0	0	0	10	0	0	513	X X X
6. 2018	1,109	0	58	2	0	0	96	(1)	146	(1)	0	1,409	X X X
7. 2019	2,891	311	163	24	0	0	354	35	410	35	0	3,412	X X X
8. 2020	2,788	236	491	29	0	0	529	28	664	28	3	4,152	X X X
9. 2021	6,503	908	1,122	103	0	0	979	57	1,147	57	13	8,625	X X X
10. 2022	13,548	2,160	3,527	304	0	0	1,747	78	2,130	79	37	18,331	X X X
11. 2023	47,432	14,160	8,237	671	0	0	5,259	247	3,819	55	647	49,614	X X X
12. Totals	75,243	17,800	13,597	1,132	0	0	8,963	445	8,336	254	700	86,509	X X X

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior	X X X	X X X	X X X	X X X	X X X	X X X	0	0	X X X	20	0
2. 2014	96,757	3,809	92,948	62.8	22.0	67.9	0	0	0.0	28	0
3. 2015	105,168	9,463	95,705	62.7	50.8	64.2	0	0	0.0	300	6
4. 2016	107,092	6,501	100,591	59.3	32.7	62.5	0	0	0.0	96	3
5. 2017	125,507	10,000	115,507	66.6	47.4	69.0	0	0	0.0	502	10
6. 2018	116,945	5,772	111,173	59.1	25.1	63.5	0	0	0.0	1,165	243
7. 2019	128,502	9,065	119,436	62.2	37.7	65.5	0	0	0.0	2,719	693
8. 2020	118,094	9,113	108,981	54.8	34.8	57.6	0	0	0.0	3,015	1,137
9. 2021	132,350	11,184	121,166	58.4	42.1	60.6	0	0	0.0	6,614	2,011
10. 2022	152,160	6,224	145,935	63.9	22.1	69.5	0	0	0.0	14,611	3,719
11. 2023	177,998	22,411	155,586	68.9	62.7	69.9	0	0	0.0	40,838	8,776
12. Totals	X X X	X X X	X X X	X X X	X X X	X X X	0	0	X X X	69,908	16,601

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

## SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR-END (\$000 OMITTED)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	One Year	Two Year
1. Prior	17,715	20,129	25,042	25,006	25,309	25,091	24,973	24,970	25,118	25,115	(3)	145
2. 2014	81,360	79,978	82,204	81,868	82,193	82,277	82,418	82,422	82,383	82,441	58	19
3. 2015	X X X	85,792	87,714	86,607	85,633	84,801	84,689	84,634	84,524	84,694	171	60
4. 2016	X X X	X X X	90,069	90,083	89,495	88,146	88,520	88,347	88,270	88,415	144	67
5. 2017	X X X	X X X	X X X	102,416	101,665	99,712	100,124	100,470	100,643	100,988	345	518
6. 2018	X X X	X X X	X X X	X X X	97,847	93,028	94,075	94,452	94,460	95,305	845	853
7. 2019	X X X	X X X	X X X	X X X	X X X	101,917	98,654	98,587	98,781	100,628	1,847	2,041
8. 2020	X X X	X X X	X X X	X X X	X X X	X X X	91,253	91,914	90,665	90,913	248	(1,001)
9. 2021	X X X	X X X	X X X	X X X	X X X	X X X	X X X	105,001	100,207	100,367	161	(4,634)
10. 2022	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	117,520	122,173	4,654	X X X
11. 2023	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	133,149	X X X	X X X
12. TOTALS											8,469	(1,931)

## SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR-END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		
1. Prior	000	10,328	18,349	22,335	23,971	24,531	24,789	24,876	25,119	25,095	X X X	X X X
2. 2014	57,222	72,244	76,832	79,613	80,768	81,584	82,218	82,348	82,408	82,413	X X X	X X X
3. 2015	X X X	59,155	73,556	79,287	81,444	83,409	84,037	84,298	84,304	84,394	X X X	X X X
4. 2016	X X X	X X X	59,106	74,954	82,559	85,307	86,847	87,251	87,891	88,319	X X X	X X X
5. 2017	X X X	X X X	X X X	65,728	86,230	92,109	95,837	97,645	99,639	100,486	X X X	X X X
6. 2018	X X X	X X X	X X X	X X X	65,127	81,775	87,306	90,356	93,039	94,043	X X X	X X X
7. 2019	X X X	X X X	X X X	X X X	X X X	68,292	85,764	90,475	94,290	97,591	X X X	X X X
8. 2020	X X X	X X X	X X X	X X X	X X X	X X X	61,277	78,221	83,675	87,398	X X X	X X X
9. 2021	X X X	X X X	X X X	X X X	X X X	X X X	X X X	67,349	86,644	92,831	X X X	X X X
10. 2022	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	78,967	105,894	X X X	X X X
11. 2023	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	87,299	X X X	X X X

## SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR-END (\$000 OMITTED)									
	1	2	3	4	5	6	7	8	9	10
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
1. Prior	2,152	1,075	940	223	120	(7)	(4)	(11)	(6)	0
2. 2014	5,831	1,605	1,112	344	91	44	30	(6)	(36)	0
3. 2015	X X X	6,298	2,671	1,421	704	185	50	21	(46)	0
4. 2016	X X X	X X X	5,884	1,923	1,547	505	424	62	(51)	0
5. 2017	X X X	X X X	X X X	8,963	3,064	1,304	1,376	256	32	0
6. 2018	X X X	X X X	X X X	X X X	8,829	2,493	1,694	667	105	153
7. 2019	X X X	X X X	X X X	X X X	X X X	11,721	4,816	1,807	629	457
8. 2020	X X X	X X X	X X X	X X X	X X X	X X X	9,273	5,137	1,979	963
9. 2021	X X X	X X X	X X X	X X X	X X X	X X X	X X X	11,719	4,609	1,941
10. 2022	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	10,401	4,891
11. 2023	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	12,578

# SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN ALLOCATED BY STATES AND TERRITORIES

	1	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4	5	6	7	8	9
		2	3						
States, Etc.	Active Status (a)	Direct Premiums Written	Direct Premiums Earned						
1. Alabama (AL)	N	0	0	0	0	0	0	0	0
2. Alaska (AK)	N	0	0	0	0	0	0	0	0
3. Arizona (AZ)	N	0	0	0	0	0	0	0	0
4. Arkansas (AR)	N	0	0	0	0	0	0	0	0
5. California (CA)	N	0	0	0	0	0	0	0	0
6. Colorado (CO)	N	0	0	0	0	0	0	0	0
7. Connecticut (CT)	N	0	0	0	0	0	0	0	0
8. Delaware (DE)	N	0	0	0	0	0	0	0	0
9. District of Columbia (DC)	N	0	0	0	0	0	0	0	0
10. Florida (FL)	N	0	0	0	0	0	0	0	0
11. Georgia (GA)	N	0	0	0	0	0	0	0	0
12. Hawaii (HI)	N	0	0	0	0	0	0	0	0
13. Idaho (ID)	N	0	0	0	0	0	0	0	0
14. Illinois (IL)	N	0	0	0	0	0	0	0	0
15. Indiana (IN)	N	0	0	0	0	0	0	0	0
16. Iowa (IA)	N	0	0	0	0	0	0	0	0
17. Kansas (KS)	N	0	0	0	0	0	0	0	0
18. Kentucky (KY)	N	0	0	0	0	0	0	0	0
19. Louisiana (LA)	N	0	0	0	0	0	0	0	0
20. Maine (ME)	L	114,177,284	108,431,303	0	53,289,364	64,805,362	39,203,177	(12,043)	0
21. Maryland (MD)	N	0	0	0	0	0	0	0	0
22. Massachusetts (MA)	L	0	0	0	0	0	0	0	0
23. Michigan (MI)	N	0	0	0	0	0	0	0	0
24. Minnesota (MN)	N	0	0	0	0	0	0	0	0
25. Mississippi (MS)	N	0	0	0	0	0	0	0	0
26. Missouri (MO)	N	0	0	0	0	0	0	0	0
27. Montana (MT)	N	0	0	0	0	0	0	0	0
28. Nebraska (NE)	N	0	0	0	0	0	0	0	0
29. Nevada (NV)	N	0	0	0	0	0	0	0	0
30. New Hampshire (NH)	L	63,312,651	61,183,302	0	33,265,127	38,627,387	21,333,213	(6,678)	0
31. New Jersey (NJ)	N	0	0	0	0	0	0	0	0
32. New Mexico (NM)	N	0	0	0	0	0	0	0	0
33. New York (NY)	N	0	0	0	0	0	0	0	0
34. North Carolina (NC)	N	0	0	0	0	0	0	0	0
35. North Dakota (ND)	N	0	0	0	0	0	0	0	0
36. Ohio (OH)	N	0	0	0	0	0	0	0	0
37. Oklahoma (OK)	N	0	0	0	0	0	0	0	0
38. Oregon (OR)	N	0	0	0	0	0	0	0	0
39. Pennsylvania (PA)	L	36,855,295	35,262,651	0	20,301,819	23,323,098	12,157,538	(3,887)	0
40. Rhode Island (RI)	N	0	0	0	0	0	0	0	0
41. South Carolina (SC)	N	0	0	0	0	0	0	0	0
42. South Dakota (SD)	N	0	0	0	0	0	0	0	0
43. Tennessee (TN)	N	0	0	0	0	0	0	0	0
44. Texas (TX)	N	0	0	0	0	0	0	0	0
45. Utah (UT)	N	0	0	0	0	0	0	0	0
46. Vermont (VT)	L	33,176,437	31,992,629	0	18,565,441	17,916,370	8,411,564	(3,499)	0
47. Virginia (VA)	L	23,040,801	21,391,983	0	14,264,110	15,324,953	7,728,064	(2,430)	0
48. Washington (WA)	N	0	0	0	0	0	0	0	0
49. West Virginia (WV)	N	0	0	0	0	0	0	0	0
50. Wisconsin (WI)	N	0	0	0	0	0	0	0	0
51. Wyoming (WY)	N	0	0	0	0	0	0	0	0
52. American Samoa (AS)	N	0	0	0	0	0	0	0	0
53. Guam (GU)	N	0	0	0	0	0	0	0	0
54. Puerto Rico (PR)	N	0	0	0	0	0	0	0	0
55. U.S. Virgin Islands (VI)	N	0	0	0	0	0	0	0	0
56. Northern Mariana Islands (MP)	N	0	0	0	0	0	0	0	0
57. Canada (CAN)	N	0	0	0	0	0	0	0	0
58. Aggregate other alien (OT)	X X X	0	0	0	0	0	0	0	0
59. TOTALS	X X X	270,562,468	258,261,868	0	139,685,861	159,997,170	88,833,556	(28,538)	0

**DETAILS OF WRITE-INS**

58001.	X X X	0	0	0	0	0	0	0	0
58002.	X X X	0	0	0	0	0	0	0	0
58003.	X X X	0	0	0	0	0	0	0	0
58998. Summary of remaining write-ins for Line 58 from overflow page	X X X	0	0	0	0	0	0	0	0
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X	0	0	0	0	0	0	0	0

(a) Active Status Counts:

1. L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG

2. R - Registered - Non-domiciled RRGs

3. E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile - See DSLI)

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4. Q - Qualified - Qualified or accredited reinsurer

5. D - Domestic Surplus Lines Insurer (DSLII) - Reporting entities authorized to write surplus lines in the state of domicile.

6. N - None of the above - Not allowed to write business in the state

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(b) Explanation of basis of allocation of premiums by states, etc.: Allocation by state is based on the geographic location of the underwriting exposure.

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER  
MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 - ORGANIZATIONAL CHART**

