1 4 0 0 3 2 0 1 9 2 0 1 0 0 1 0 0

PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

# ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2019
OF THE CONDITION AND AFFAIRS OF THE

# Great Falls Insurance Company

NAIC Group Code 4912 (Current) 4912 (Prior) NAIC Company Code 14003 Employer's ID Number 27-4098108

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

Country of Domicile United States of America

Incorporated/Organized 12/01/2010 Commenced Business 12/30/2010

Statutory Home Office 86 Main Street, Suite 304 (Street and Number), Auburn, ME, US 04210 (City or Town, State, Country and Zip Code)

Main Administrative Office 86 Main Street, Suite 304 (Street and Number)
Auburn, ME, US 04210 (City or Town, State, Country and Zip Code), 207-333-3257 (Area Code) (Telephone Number)

Mail Address 86 Main Street, Suite 304 (Street and Number or P.O. Box), Auburn, ME, US 04210 (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 86 Main Street, Suite 304 (Street and Number)
Auburn, ME, US 04210 (City or Town, State, Country and Zip Code), 207-333-3257 (Area Code) (Telephone Number)

Internet Website Address gficins.com

Statutory Statement Contact Paul M Eiermann (Name), 440-264-9992 (Area Code) (Telephone Number)
Paul.Eiermann@cedarconsulting.net (E-mail Address), 440-264-9993 (FAX Number)

## OFFICERS

President & CFO Gary L Hall
Treasurer John M Ignatowitz
Secretary James E Clemons

## OTHER

## DIRECTORS OR TRUSTEES

| | | |
|---|---|---|
| Anthony B Weller | Arthur P Coleman | Robert L Murch |
| James E Clemons | John M Ignatowitz | Scott C Penwell |
| Gary L Hall | | |

State of New Jersey
County of Somerset 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.

| | | |
|---|---|---|
| Gary L Hall<br>President & CEO | James E Clemons<br>Secretary | John M Ignatowitz<br>Treasurer |

Subscribed and sworn to before me this
_____ day of _____

a. Is this an original filing? ..... Yes [ X ] No [ ]
b. If no,
1. State the amendment number.....
2. Date filed .....
3. Number of pages attached.....

# ASSETS

| | | Current Year 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | Prior Year 4 Net Admitted Assets |
|---|---|---|---|---|---|
| 1. | Bonds (Schedule D) | 6,202,615 | | 6,202,615 | 6,770,299 |
| 2. | Stocks (Schedule D): | | | | |
| | 2.1 Preferred stocks | 403,382 | | 403,382 | 123,429 |
| | 2.2 Common stocks | 0 | | 0 | 0 |
| 3. | Mortgage loans on real estate (Schedule B): | | | | |
| | 3.1 First liens | | | 0 | 0 |
| | 3.2 Other than first liens | | | 0 | 0 |
| 4. | Real estate (Schedule A): | | | | |
| | 4.1 Properties occupied by the company (less $ ..... encumbrances) | | | 0 | 0 |
| | 4.2 Properties held for the production of income (less $ ..... encumbrances) | | | 0 | 0 |
| | 4.3 Properties held for sale (less $ ..... encumbrances) | | | 0 | 0 |
| 5. | Cash ($ 765,465 , Schedule E - Part 1), cash equivalents ($ ..... , Schedule E - Part 2) and short-term investments ($ 115,101 , Schedule DA) | 880,567 | | 880,567 | 1,275,332 |
| 6. | Contract loans (including $ ..... premium notes) | | | 0 | 0 |
| 7. | Derivatives (Schedule DB) | | | 0 | 0 |
| 8. | Other invested assets (Schedule BA) | | | 0 | 0 |
| 9. | Receivable for securities | | | 0 | 0 |
| 10. | Securities lending reinvested collateral assets (Schedule DL) | | | 0 | 0 |
| 11. | Aggregate write-ins for invested assets | 0 | 0 | 0 | 0 |
| 12. | Subtotals, cash and invested assets (Lines 1 to 11) | 7,486,564 | 0 | 7,486,564 | 8,169,061 |
| 13. | Title plants less $ ..... charged off (for Title insurers only) | | | 0 | 0 |
| 14. | Investment income due and accrued | 60,746 | | 60,746 | 71,173 |
| 15. | Premiums and considerations: | | | | |
| | 15.1 Uncollected premiums and agents' balances in the course of collection | 65,021 | 40,385 | 24,636 | 323,647 |
| | 15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including $ ..... earned but unbilled premiums) | 33,755 | | 33,755 | 58,690 |
| | 15.3 Accrued retrospective premiums ($ ..... ) and contracts subject to redetermination ($ ..... ) | | | 0 | 0 |
| 16. | Reinsurance: | | | | |
| | 16.1 Amounts recoverable from reinsurers | 673,121 | | 673,121 | 1,112,259 |
| | 16.2 Funds held by or deposited with reinsured companies | | | 0 | 0 |
| | 16.3 Other amounts receivable under reinsurance contracts | | | 0 | 0 |
| 17. | Amounts receivable relating to uninsured plans | | | 0 | 0 |
| 18.1 | Current federal and foreign income tax recoverable and interest thereon | 171,296 | | 171,296 | 0 |
| 18.2 | Net deferred tax asset | 59,096 | | 59,096 | 115,889 |
| 19. | Guaranty funds receivable or on deposit | | | 0 | 0 |
| 20. | Electronic data processing equipment and software | | | 0 | 0 |
| 21. | Furniture and equipment, including health care delivery assets ($ ..... ) | | | 0 | 0 |
| 22. | Net adjustment in assets and liabilities due to foreign exchange rates | | | 0 | 0 |
| 23. | Receivables from parent, subsidiaries and affiliates | | | 0 | 0 |
| 24. | Health care ($ ..... ) and other amounts receivable | | | 0 | 0 |
| 25. | Aggregate write-ins for other than invested assets | 607,064 | 0 | 607,064 | 775,921 |
| 26. | Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) | 9,156,663 | 40,385 | 9,116,278 | 10,626,640 |
| 27. | From Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | 0 | 0 |
| 28. | Total (Lines 26 and 27) | 9,156,663 | 40,385 | 9,116,278 | 10,626,640 |
| | **DETAILS OF WRITE-INS** | | | | |
| 1101. | | | | 0 | 0 |
| 1102. | | | | 0 | 0 |
| 1103. | | | | 0 | 0 |
| 1198. | Summary of remaining write-ins for Line 11 from overflow page | 0 | 0 | 0 | 0 |
| 1199. | Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above) | 0 | 0 | 0 | 0 |
| 2501. | Loss Fund | 567,125 | | 567,125 | 538,528 |
| 2502. | | | | 0 | 0 |
| 2503. | Miscellaneous Receivables | 39,939 | | 39,939 | 237,393 |
| 2598. | Summary of remaining write-ins for Line 25 from overflow page | 0 | 0 | 0 | 0 |
| 2599. | Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) | 607,064 | 0 | 607,064 | 775,921 |

# LIABILITIES, SURPLUS AND OTHER FUNDS

| | | 1<br>Current Year | 2<br>Prior Year |
|---|---|---|---|
| 1. | Losses (Part 2A, Line 35, Column 8) | 1,473,098 | 1,970,963 |
| 2. | Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6) | 0 | 26,520 |
| 3. | Loss adjustment expenses (Part 2A, Line 35, Column 9) | 255,206 | 333,214 |
| 4. | Commissions payable, contingent commissions and other similar charges | 6,063 | 35,677 |
| 5. | Other expenses (excluding taxes, licenses and fees) | 75,529 | 200,323 |
| 6. | Taxes, licenses and fees (excluding federal and foreign income taxes) | 29,879 | 60,199 |
| 7.1 | Current federal and foreign income taxes (including $ on realized capital gains (losses)) | 11,394 | 11,394 |
| 7.2 | Net deferred tax liability | | |
| 8. | Borrowed money $ and interest thereon $ | | |
| 9. | Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of $ 0 and including warranty reserves of $ and accrued accident and health experience rating refunds including $ 0 for medical loss ratio rebate per the Public Health Service Act) | 5,566 | 95,056 |
| 10. | Advance premium | | 0 |
| 11. | Dividends declared and unpaid: | | |
| | 11.1 Stockholders | | |
| | 11.2 Policyholders | | |
| 12. | Ceded reinsurance premiums payable (net of ceding commissions) | 425,477 | 901,597 |
| 13. | Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20) | 0 | 0 |
| 14. | Amounts withheld or retained by company for account of others | | |
| 15. | Remittances and items not allocated | | |
| 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 | | |
| 18. | Drafts outstanding | | |
| 19. | Payable to parent, subsidiaries and affiliates | 29,167 | 16,668 |
| 20. | Derivatives | 0 | 0 |
| 21. | Payable for securities | | |
| 22. | Payable for securities lending | | |
| 23. | Liability for amounts held under uninsured plans | | |
| 24. | Capital notes $ and interest thereon $ | | |
| 25. | Aggregate write-ins for liabilities | 0 | 0 |
| 26. | Total liabilities excluding protected cell liabilities (Lines 1 through 25) | 2,311,379 | 3,651,611 |
| 27. | Protected cell liabilities | | |
| 28. | Total liabilities (Lines 26 and 27) | 2,311,379 | 3,651,611 |
| 29. | Aggregate write-ins for special surplus funds | 0 | 0 |
| 30. | Common capital stock | 1,500,000 | 1,500,000 |
| 31. | Preferred capital stock | | |
| 32. | Aggregate write-ins for other than special surplus funds | 0 | 0 |
| 33. | Surplus notes | | 0 |
| 34. | Gross paid in and contributed surplus | 3,767,135 | 3,767,135 |
| 35. | Unassigned funds (surplus) | 1,537,764 | 1,707,894 |
| 36. | Less treasury stock, at cost: | | |
| | 36.1 shares common (value included in Line 30 $ ) | | |
| | 36.2 shares preferred (value included in Line 31 $ ) | | |
| 37. | Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39) | 6,804,899 | 6,975,029 |
| 38. | TOTALS (Page 2, Line 28, Col. 3) | 9,116,278 | 10,626,640 |
| | **DETAILS OF WRITE-INS** | | |
| 2501. | | | 0 |
| 2502. | | | 0 |
| 2503. | | | 0 |
| 2598. | Summary of remaining write-ins for Line 25 from overflow page | 0 | 0 |
| 2599. | Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) | 0 | 0 |
| 2901. | | | 0 |
| 2902. | | | 0 |
| 2903. | | | 0 |
| 2998. | Summary of remaining write-ins for Line 29 from overflow page | 0 | 0 |
| 2999. | Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above) | 0 | 0 |
| 3201. | | | 0 |
| 3202. | | | 0 |
| 3203. | | | 0 |
| 3298. | Summary of remaining write-ins for Line 32 from overflow page | 0 | 0 |
| 3299. | Totals (Lines 3201 thru 3203 plus 3298)(Line 32 above) | 0 | 0 |

# STATEMENT OF INCOME

| | | 1<br>Current Year | 2<br>Prior Year |
|---|---|---|---|
| | **UNDERWRITING INCOME** | | |
| 1. | Premiums earned (Part 1, Line 35, Column 4) | (78,175) | 1,638,422 |
| | **DEDUCTIONS:** | | |
| 2. | Losses incurred (Part 2, Line 35, Column 7) | (130,092) | 533,913 |
| 3. | Loss adjustment expenses incurred (Part 3, Line 25, Column 1) | 15,175 | 209,826 |
| 4. | Other underwriting expenses incurred (Part 3, Line 25, Column 2) | 667,068 | 875,414 |
| 5. | Aggregate write-ins for underwriting deductions | 0 | 0 |
| 6. | Total underwriting deductions (Lines 2 through 5) | 552,151 | 1,619,153 |
| 7. | Net income of protected cells | | |
| 8. | Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7) | (630,326) | 19,269 |
| | **INVESTMENT INCOME** | | |
| 9. | Net investment income earned (Exhibit of Net Investment Income, Line 17) | 255,892 | 287,924 |
| 10. | Net realized capital gains or (losses) less capital gains tax of $ 3,265 (Exhibit of Capital Gains (Losses) ) | 8,354 | (64,396) |
| 11. | Net investment gain (loss) (Lines 9 + 10) | 264,246 | 223,528 |
| | **OTHER INCOME** | | |
| 12. | Net gain (loss) from agents' or premium balances charged off (amount recovered $ amount charged off $ 29,559 ) | (29,559) | (63,316) |
| 13. | Finance and service charges not included in premiums | | |
| 14. | Aggregate write-ins for miscellaneous income | 0 | 1,350,000 |
| 15. | Total other income (Lines 12 through 14) | (29,559) | 1,286,684 |
| 16. | Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15) | (395,639) | 1,529,481 |
| 17. | Dividends to policyholders | | |
| 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) | (395,639) | 1,529,481 |
| 19. | Federal and foreign income taxes incurred | (171,296) | 258,835 |
| 20. | Net income (Line 18 minus Line 19)(to Line 22) | (224,343) | 1,270,646 |
| | **CAPITAL AND SURPLUS ACCOUNT** | | |
| 21. | Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2) | 6,975,029 | 5,790,299 |
| 22. | Net income (from Line 20) | (224,343) | 1,270,646 |
| 23. | Net transfers (to) from Protected Cell accounts | | |
| 24. | Change in net unrealized capital gains or (losses) less capital gains tax of $ 615 | 12,769 | (5,937) |
| 25. | Change in net unrealized foreign exchange capital gain (loss) | | |
| 26. | Change in net deferred income tax | (56,793) | (40,986) |
| 27. | Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3) | 98,238 | (38,992) |
| 28. | Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1) | 0 | 0 |
| 29. | Change in surplus notes | | |
| 30. | Surplus (contributed to) withdrawn from protected cells | | |
| 31. | Cumulative effect of changes in accounting principles | | |
| 32. | Capital changes: | | |
| | 32.1 Paid in | | |
| | 32.2 Transferred from surplus (Stock Dividend) | | |
| | 32.3 Transferred to surplus | | |
| 33. | Surplus adjustments: | | |
| | 33.1 Paid in | 0 | 0 |
| | 33.2 Transferred to capital (Stock Dividend) | | |
| | 33.3 Transferred from capital | | |
| 34. | Net remittances from or (to) Home Office | | |
| 35. | Dividends to stockholders | | |
| 36. | Change in treasury stock (Page 3, Lines 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) | (170,129) | 1,184,731 |
| 39. | Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37) | 6,804,900 | 6,975,029 |
| | **DETAILS OF WRITE-INS** | | |
| 0501. | | | 0 |
| 0502. | | | 0 |
| 0503. | | | 0 |
| 0598. | Summary of remaining write-ins for Line 5 from overflow page | 0 | 0 |
| 0599. | Totals (Lines 0501 thru 0503 plus 0598)(Line 5 above) | 0 | 0 |
| 1401. | Sale of Renewal Rights | | 1,350,000 |
| 1402. | | | 0 |
| 1403. | | | 0 |
| 1498. | Summary of remaining write-ins for Line 14 from overflow page | 0 | 0 |
| 1499. | Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above) | 0 | 1,350,000 |
| 3701. | | | 0 |
| 3702. | | | 0 |
| 3703. | | | 0 |
| 3798. | Summary of remaining write-ins for Line 37 from overflow page | 0 | 0 |
| 3799. | Totals (Lines 3701 thru 3703 plus 3798)(Line 37 above) | 0 | 0 |

# CASH FLOW

| | | 1<br>Current Year | 2<br>Prior Year |
|---|---|---|---|
| | **Cash from Operations** | | |
| 1. | Premiums collected net of reinsurance | (221,601) | 2,249,072 |
| 2. | Net investment income | 304,881 | 388,559 |
| 3. | Miscellaneous income | (29,559) | 1,286,684 |
| 4. | Total (Lines 1 through 3) | 53,721 | 3,924,315 |
| 5. | Benefit and loss related payments | (71,365) | 2,009,329 |
| 6. | Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts | 0 | 0 |
| 7. | Commissions, expenses paid and aggregate write-ins for deductions | 944,979 | 2,525,379 |
| 8. | Dividends paid to policyholders | 0 | 0 |
| 9. | Federal and foreign income taxes paid (recovered) net of $ ..... tax on capital gains (losses) | 0 | 40,002 |
| 10. | Total (Lines 5 through 9) | 873,614 | 4,574,710 |
| 11. | Net cash from operations (Line 4 minus Line 10) | (819,893) | (650,395) |
| | **Cash from Investments** | | |
| 12. | Proceeds from investments sold, matured or repaid: | | |
| | 12.1 Bonds | 3,163,470 | 3,740,683 |
| | 12.2 Stocks | 0 | 91,724 |
| | 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 | 0 |
| | 12.7 Miscellaneous proceeds | 0 | 0 |
| | 12.8 Total investment proceeds (Lines 12.1 to 12.7) | 3,163,470 | 3,832,407 |
| 13. | Cost of investments acquired (long-term only): | | |
| | 13.1 Bonds | 2,622,116 | 3,899,698 |
| | 13.2 Stocks | 267,183 | 50,487 |
| | 13.3 Mortgage loans | 0 | 0 |
| | 13.4 Real estate | 0 | 0 |
| | 13.5 Other invested assets | 0 | 0 |
| | 13.6 Miscellaneous applications | 0 | 0 |
| | 13.7 Total investments acquired (Lines 13.1 to 13.6) | 2,889,299 | 3,950,185 |
| 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) | 274,171 | (117,777) |
| | **Cash from Financing and Miscellaneous Sources** | | |
| 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 | 0 | 0 |
| | 16.6 Other cash provided (applied) | 150,957 | 239,102 |
| 17. | Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) | 150,957 | 239,102 |
| | **RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS** | | |
| 18. | Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) | (394,765) | (529,070) |
| 19. | Cash, cash equivalents and short-term investments: | | |
| | 19.1 Beginning of year | 1,275,332 | 1,804,402 |
| | 19.2 End of period (Line 18 plus Line 19.1) | 880,566 | 1,275,332 |

Note: Supplemental disclosures of cash flow information for non-cash transactions:

| | | |
|---|---|---|
| | | |

# UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

| | Line of Business | 1<br>Net Premiums Written per Column 6, Part 1B | 2<br>Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1 | 3<br>Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A | 4<br>Premiums Earned During Year (Cols. 1 + 2 - 3) |
|---|---|---|---|---|---|
| 1. | Fire | 0 | 0 | 0 | 0 |
| 2. | Allied lines | 0 | 0 | 0 | 0 |
| 3. | Farmowners multiple peril | 0 | 0 | 0 | 0 |
| 4. | Homeowners multiple peril | 0 | 0 | 0 | 0 |
| 5. | Commercial multiple peril | 0 | 0 | 0 | 0 |
| 6. | Mortgage guaranty | 0 | 0 | 0 | 0 |
| 8. | Ocean marine | 0 | 0 | 0 | 0 |
| 9. | Inland marine | 0 | 0 | 0 | 0 |
| 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. | Group accident and health | 0 | 0 | 0 | 0 |
| 14. | Credit accident and health (group and individual) | 0 | 0 | 0 | 0 |
| 15. | Other accident and health | 0 | 0 | 0 | 0 |
| 16. | Workers' compensation | (167,665) | 95,056 | 5,566 | (78,175) |
| 17.1 | Other liability - occurrence | 0 | 0 | 0 | 0 |
| 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, 19.2 | Private passenger auto liability | 0 | 0 | 0 | 0 |
| 19.3, 19.4 | Commercial auto liability | 0 | 0 | 0 | 0 |
| 21. | Auto physical damage | 0 | 0 | 0 | 0 |
| 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 | (167,665) | 95,056 | 5,566 | (78,175) |
| | **DETAILS OF WRITE-INS** | | | | |
| 3401. | | | 0 | | 0 |
| 3402. | | | 0 | | 0 |
| 3403. | | | 0 | | 0 |
| 3498. | Summary of remaining write-ins for Line 34 from overflow page | 0 | 0 | 0 | 0 |
| 3499. | Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above) | 0 | 0 | 0 | 0 |

# UNDERWRITING AND INVESTMENT EXHIBIT

## PART 1A - RECAPITULATION OF ALL PREMIUMS

| | Line of Business | 1<br>Amount Unearned (Running One Year or Less from Date of Policy) (a) | 2<br>Amount Unearned (Running More Than One Year from Date of Policy) (a) | 3<br>Earned But Unbilled Premium | 4<br>Reserve for Rate Credits and Retrospective Adjustments Based on Experience | 5<br>Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4 |
|---|---|---|---|---|---|---|
| 1. | Fire | | | | | 0 |
| 2. | Allied lines | | | | | 0 |
| 3. | Farmowners multiple peril | | | | | 0 |
| 4. | Homeowners multiple peril | | | | | 0 |
| 5. | Commercial multiple peril | | | | | 0 |
| 6. | Mortgage guaranty | | | | | 0 |
| 8. | Ocean marine | | | | | 0 |
| 9. | Inland marine | | | | | 0 |
| 10. | Financial guaranty | | | | | 0 |
| 11.1 | Medical professional liability - occurrence | | | | | 0 |
| 11.2 | Medical professional liability - claims-made | | | | | 0 |
| 12. | Earthquake | | | | | 0 |
| 13. | Group accident and health | | | | | 0 |
| 14. | Credit accident and health (group and individual) | | | | | 0 |
| 15. | Other accident and health | | | | | 0 |
| 16. | Workers' compensation | 5,566 | | | | 5,566 |
| 17.1 | Other liability - occurrence | | | | | 0 |
| 17.2 | Other liability - claims-made | | | | | 0 |
| 17.3 | Excess workers' compensation | | | | | 0 |
| 18.1 | Products liability - occurrence | | | | | 0 |
| 18.2 | Products liability - claims-made | | | | | 0 |
| 19.1, 19.2 | Private passenger auto liability | | | | | 0 |
| 19.3, 19.4 | Commercial auto liability | | | | | 0 |
| 21. | Auto physical damage | | | | | 0 |
| 22. | Aircraft (all perils) | | | | | 0 |
| 23. | Fidelity | | | | | 0 |
| 24. | Surety | | | | | 0 |
| 26. | Burglary and theft | | | | | 0 |
| 27. | Boiler and machinery | | | | | 0 |
| 28. | Credit | | | | | 0 |
| 29. | International | | | | | 0 |
| 30. | Warranty | | | | | 0 |
| 31. | Reinsurance - nonproportional assumed property | | | | | 0 |
| 32. | Reinsurance - nonproportional assumed liability | | | | | 0 |
| 33. | Reinsurance - nonproportional assumed financial lines | | | | | 0 |
| 34. | Aggregate write-ins for other lines of business | 0 | 0 | 0 | 0 | 0 |
| 35. | TOTALS | 5,566 | 0 | 0 | 0 | 5,566 |
| 36. | Accrued retrospective premiums based on experience | | | | | |
| 37. | Earned but unbilled premiums | | | | | |
| 38. | Balance (Sum of Line 35 through 37) | | | | | 5,566 |
| | **DETAILS OF WRITE-INS** | | | | | |
| 3401. | | | | | | |
| 3402. | | | | | | |
| 3403. | | | | | | |
| 3498. | Summary of remaining write-ins for Line 34 from overflow page | 0 | 0 | 0 | 0 | 0 |
| 3499. | Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above) | 0 | 0 | 0 | 0 | 0 |

(a) State here basis of computation used in each case

# UNDERWRITING AND INVESTMENT EXHIBIT

## PART 1B - PREMIUMS WRITTEN

| | Line of Business | 1<br>Direct Business (a) | Reinsurance Assumed<br>2<br>From Affiliates | <br>3<br>From Non-Affiliates | Reinsurance Ceded<br>4<br>To Affiliates | <br>5<br>To Non-Affiliates | 6<br>Net Premiums Written<br>Cols. 1+2+3-4-5 |
|---|---|---|---|---|---|---|---|
| 1. | Fire | 0 | | | | | 0 |
| 2. | Allied lines | 0 | | | | | 0 |
| 3. | Farmowners multiple peril | 0 | | | | | 0 |
| 4. | Homeowners multiple peril | 0 | | | | | 0 |
| 5. | Commercial multiple peril | 0 | | | | | 0 |
| 6. | Mortgage guaranty | 0 | | | | | 0 |
| 8. | Ocean marine | 0 | | | | | 0 |
| 9. | Inland marine | 0 | | | | | 0 |
| 10. | Financial guaranty | 0 | | | | | 0 |
| 11.1 | Medical professional liability - occurrence | | | | | | 0 |
| 11.2 | Medical professional liability - claims-made | | | | | | 0 |
| 12. | Earthquake | 0 | | | | | 0 |
| 13. | Group accident and health | 0 | | | | | 0 |
| 14. | Credit accident and health (group and individual) | 0 | | | | | 0 |
| 15. | Other accident and health | 0 | | | | | 0 |
| 16. | Workers' compensation | (93,584) | | (144,269) | (70,188) | | (167,665) |
| 17.1 | Other liability - occurrence | 0 | | | | | 0 |
| 17.2 | Other liability - claims-made | 0 | | | | | 0 |
| 17.3 | Excess workers' compensation | 0 | | | | | 0 |
| 18.1 | Products liability - occurrence | | | | | | 0 |
| 18.2 | Products liability - claims-made | | | | | | 0 |
| 19.1, 19.2 | Private passenger auto liability | 0 | | | | | 0 |
| 19.3, 19.4 | Commercial auto liability | 0 | | | | | 0 |
| 21. | Auto physical damage | 0 | | | | | 0 |
| 22. | Aircraft (all perils) | 0 | | | | | 0 |
| 23. | Fidelity | 0 | | | | | 0 |
| 24. | Surety | 0 | | | | | 0 |
| 26. | Burglary and theft | 0 | | | | | 0 |
| 27. | Boiler and machinery | 0 | | | | | 0 |
| 28. | Credit | 0 | | | | | 0 |
| 29. | International | 0 | | | | | 0 |
| 30. | Warranty | 0 | | | | | 0 |
| 31. | Reinsurance - nonproportional assumed property | XXX | | | | | 0 |
| 32. | Reinsurance - nonproportional assumed liability | XXX | | | | | 0 |
| 33. | Reinsurance - nonproportional assumed financial lines | XXX | | | | | 0 |
| 34. | Aggregate write-ins for other lines of business | 0 | 0 | 0 | 0 | 0 | 0 |
| 35. | TOTALS | (93,584) | 0 | (144,269) | (70,188) | 0 | (167,665) |
| | **DETAILS OF WRITE-INS** | | | | | | |
| 3401. | | | | | | | |
| 3402. | | | | | | | |
| 3403. | | | | | | | |
| 3498. | Summary of remaining write-ins for Line 34 from overflow page | 0 | 0 | 0 | 0 | 0 | 0 |
| 3499. | Totals (Lines 3401 thru 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 [ X ]

If yes: 1. The amount of such installment premiums $

2. Amount at which such installment premiums would have been reported had they been reported on an annualized basis $

# UNDERWRITING AND INVESTMENT EXHIBIT

## PART 2 - LOSSES PAID AND INCURRED

| | Line of Business | Losses Paid Less Salvage 1 Direct Business | 2 Reinsurance Assumed | 3 Reinsurance Recovered | 4 Net Payments (Cols. 1 + 2 -3 ) | 5 Net Losses Unpaid Current Year (Part 2A , Col. 8) | 6 Net Losses Unpaid Prior Year | 7 Losses Incurred Current Year (Cols. 4 + 5 - 6) | 8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1) |
|---|---|---|---|---|---|---|---|---|---|
| 1. | Fire | 0 | | | 0 | 0 | | 0 | 0.0 |
| 2. | Allied lines | 0 | | | 0 | 0 | | 0 | 0.0 |
| 3. | Farmowners multiple peril | 0 | | | 0 | 0 | | 0 | 0.0 |
| 4. | Homeowners multiple peril | 0 | | | 0 | 0 | | 0 | 0.0 |
| 5. | Commercial multiple peril | 0 | | | 0 | 0 | | 0 | 0.0 |
| 6. | Mortgage guaranty | 0 | | | 0 | 0 | | 0 | 0.0 |
| 8. | Ocean marine | 0 | | | 0 | 0 | | 0 | 0.0 |
| 9. | Inland marine | 0 | | | 0 | 0 | | 0 | 0.0 |
| 10. | Financial guaranty | 0 | | | 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 | 0.0 |
| 13. | Group accident and health | 0 | | | 0 | 0 | | 0 | 0.0 |
| 14. | Credit accident and health (group and individual) | 0 | | | 0 | 0 | | 0 | 0.0 |
| 15. | Other accident and health | 0 | | | 0 | 0 | | 0 | 0.0 |
| 16. | Workers' compensation | 1,303,434 | 41,915 | 977,576 | 367,773 | 1,473,098 | 1,970,963 | (130,092) | 166.4 |
| 17.1 | Other liability - occurrence | 0 | | | 0 | 0 | 0 | 0 | 0.0 |
| 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 |
| 18.2 | Products liability - claims-made | | | | 0 | 0 | | 0 | 0.0 |
| 19.1, 19.2 | Private passenger auto liability | 0 | | | 0 | 0 | | 0 | 0.0 |
| 19.3, 19.4 | Commercial auto liability | 0 | | | 0 | 0 | | 0 | 0.0 |
| 21. | Auto physical damage | 0 | | | 0 | 0 | | 0 | 0.0 |
| 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 | XXX | | | 0 | 0 | | 0 | 0.0 |
| 32. | Reinsurance - nonproportional assumed liability | XXX | | | 0 | 0 | | 0 | 0.0 |
| 33. | Reinsurance - nonproportional assumed financial lines | XXX | | | 0 | 0 | | 0 | 0.0 |
| 34. | Aggregate write-ins for other lines of business | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 |
| 35. | TOTALS | 1,303,434 | 41,915 | 977,576 | 367,773 | 1,473,098 | 1,970,963 | (130,092) | 166.4 |
| | **DETAILS OF WRITE-INS** | | | | | | | | |
| 3401. | | | | | 0 | | 0 | 0 | |
| 3402. | | | | | 0 | | 0 | 0 | |
| 3403. | | | | | 0 | | 0 | 0 | |
| 3498. | Summary of remaining write-ins for Line 34 from overflow page | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 3499. | Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 |

# UNDERWRITING AND INVESTMENT EXHIBIT

## PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

| | | Reported Losses | | | | Incurred But Not Reported | | | 8 | 9 |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | | |
| | Line of Business | Direct | Reinsurance Assumed | Deduct Reinsurance Recoverable | Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3) | Direct | Reinsurance Assumed | Reinsurance Ceded | Net Losses Unpaid (Cols. 4 + 5 + 6 - 7) | Net Unpaid Loss Adjustment Expenses |
| 1. | Fire | | | | 0 | | | | 0 | |
| 2. | Allied lines | | | | 0 | | | | 0 | |
| 3. | Farmowners multiple peril | | | | 0 | | | | 0 | |
| 4. | Homeowners multiple peril | | | | 0 | | | | 0 | |
| 5. | Commercial multiple peril | | | | 0 | | | | 0 | |
| 6. | Mortgage guaranty | | | | 0 | | | | 0 | |
| 8. | Ocean marine | | | | 0 | | | | 0 | |
| 9. | Inland marine | | | | 0 | | | | 0 | |
| 10. | Financial guaranty | | | | 0 | | | | 0 | |
| 11.1 | Medical professional liability - occurrence | | | | 0 | | | | 0 | |
| 11.2 | Medical professional liability - claims-made | | | | 0 | | | | 0 | |
| 12. | Earthquake | | | | 0 | | | | 0 | |
| 13. | Group accident and health | | | | 0 | | | | (a) 0 | |
| 14. | Credit accident and health (group and individual) | | | | 0 | | | | 0 | |
| 15. | Other accident and health | | | | 0 | | | | (a) 0 | |
| 16. | Workers' compensation | 2,010,974 | 54,772 | 1,508,231 | 557,515 | 3,302,603 | 89,932 | 2,476,952 | 1,473,098 | 255,206 |
| 17.1 | Other liability - occurrence | | | | 0 | 318,551 | | 318,551 | 0 | |
| 17.2 | Other liability - claims-made | | | | 0 | | | | 0 | |
| 17.3 | Excess workers' compensation | | | | 0 | | | | 0 | |
| 18.1 | Products liability - occurrence | | | | 0 | | | | 0 | |
| 18.2 | Products liability - claims-made | | | | 0 | | | | 0 | |
| 19.1, 19.2 | Private passenger auto liability | | | | 0 | | | | 0 | |
| 19.3, 19.4 | Commercial auto liability | | | | 0 | | | | 0 | |
| 21. | Auto physical damage | | | | 0 | | | | 0 | |
| 22. | Aircraft (all perils) | | | | 0 | | | | 0 | |
| 23. | Fidelity | | | | 0 | | | | 0 | |
| 24. | Surety | | | | 0 | | | | 0 | |
| 26. | Burglary and theft | | | | 0 | | | | 0 | |
| 27. | Boiler and machinery | | | | 0 | | | | 0 | |
| 28. | Credit | | | | 0 | | | | 0 | |
| 29. | International | | | | 0 | | | | 0 | |
| 30. | Warranty | | | | 0 | | | | 0 | |
| 31. | Reinsurance - nonproportional assumed property | XXX | | | 0 | XXX | | | 0 | |
| 32. | Reinsurance - nonproportional assumed liability | XXX | | | 0 | XXX | | | 0 | |
| 33. | Reinsurance - nonproportional assumed financial lines | XXX | | | 0 | XXX | | | 0 | |
| 34. | Aggregate write-ins for other lines of business | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 35. | TOTALS | 2,010,974 | 54,772 | 1,508,231 | 557,515 | 3,621,154 | 89,932 | 2,795,503 | 1,473,098 | 255,206 |
| | **DETAILS OF WRITE-INS** | | | | | | | | | |
| 3401. | | | | | 0 | | | | 0 | |
| 3402. | | | | | 0 | | | | 0 | |
| 3403. | | | | | | | | | | |
| 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 thru 3403 plus 3498)(Line 34 above) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

(a) Including $ ..... for present value of life indemnity claims.

# UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

| | 1<br>Loss Adjustment Expenses | 2<br>Other Underwriting Expenses | 3<br>Investment Expenses | 4<br>Total |
|---|---|---|---|---|
| 1. Claim adjustment services: | | | | |
| 1.1 Direct | 21,386 | | | 21,386 |
| 1.2 Reinsurance assumed | | | | 0 |
| 1.3 Reinsurance ceded | 6,211 | | | 6,211 |
| 1.4 Net claim adjustment service (1.1 + 1.2 - 1.3) | 15,175 | 0 | 0 | 15,175 |
| 2. Commission and brokerage: | | | | |
| 2.1 Direct excluding contingent | | (7,487) | | (7,487) |
| 2.2 Reinsurance assumed, excluding contingent | | (35,665) | | (35,665) |
| 2.3 Reinsurance ceded, excluding contingent | | (23,552) | | (23,552) |
| 2.4 Contingent - direct | | | | 0 |
| 2.5 Contingent - reinsurance assumed | | | | 0 |
| 2.6 Contingent - reinsurance ceded | | | | 0 |
| 2.7 Policy and membership fees | | | | 0 |
| 2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7) | 0 | (19,600) | 0 | (19,600) |
| 3. Allowances to managers and agents | | | | 0 |
| 4. Advertising | | 130 | | 130 |
| 5. Boards, bureaus and associations | | 253,154 | | 253,154 |
| 6. Surveys and underwriting reports | | | | 0 |
| 7. Audit of assureds' records | | 1,140 | | 1,140 |
| 8. Salary and related items: | | | | |
| 8.1 Salaries | | 40,000 | | 40,000 |
| 8.2 Payroll taxes | | | | 0 |
| 9. Employee relations and welfare | | | | 0 |
| 10. Insurance | | 43,181 | | 43,181 |
| 11. Directors' fees | | | | 0 |
| 12. Travel and travel items | | | | 0 |
| 13. Rent and rent items | | | | 0 |
| 14. Equipment | | | | 0 |
| 15. Cost or depreciation of EDP equipment and software | | 19,645 | | 19,645 |
| 16. Printing and stationery | | 1,064 | | 1,064 |
| 17. Postage, telephone and telegraph, exchange and express | | 464 | | 464 |
| 18. Legal and auditing | | 309,389 | | 309,389 |
| 19. Totals (Lines 3 to 18) | 0 | 668,167 | 0 | 668,167 |
| 20. Taxes, licenses and fees: | | | | |
| 20.1 State and local insurance taxes deducting guaranty association credits of $ | | (1,872) | | (1,872) |
| 20.2 Insurance department licenses and fees | | 10,220 | | 10,220 |
| 20.3 Gross guaranty association assessments | | (1,415) | | (1,415) |
| 20.4 All other (excluding federal and foreign income and real estate) | | | | 0 |
| 20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4) | 0 | 6,933 | 0 | 6,933 |
| 21. Real estate expenses | | | | 0 |
| 22. Real estate taxes | | | | 0 |
| 23. Reimbursements by uninsured plans | | | | 0 |
| 24. Aggregate write-ins for miscellaneous expenses | 0 | 11,568 | 21,427 | 32,995 |
| 25. Total expenses incurred | 15,175 | 667,068 | 21,427 | (a) 703,670 |
| 26. Less unpaid expenses - current year | 255,206 | | | 255,206 |
| 27. Add unpaid expenses - prior year | 333,214 | | | 333,214 |
| 28. Amounts receivable relating to uninsured plans, prior year | | | | 0 |
| 29. Amounts receivable relating to uninsured plans, current year | | | | 0 |
| 30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29) | 93,183 | 667,068 | 21,427 | 781,678 |
| **DETAILS OF WRITE-INS** | | | | |
| 2401. Bank Fees | | 11,568 | 21,427 | 32,995 |
| 2402. | | | | |
| 2403. | | | | |
| 2498. Summary of remaining write-ins for Line 24 from overflow page | 0 | 0 | 0 | 0 |
| 2499. Totals (Lines 2401 thru 2403 plus 2498)(Line 24 above) | 0 | 11,568 | 21,427 | 32,995 |

(a) Includes management fees of $ 137,500 to affiliates and $ to non-affiliates.

# EXHIBIT OF NET INVESTMENT INCOME

| | | 1<br>Collected During Year | 2<br>Earned During Year |
|---|---|---|---|
| 1. | U.S. Government bonds | (a) 4,055 | 7,585 |
| 1.1 | Bonds exempt from U.S. tax | (a) 8,397 | 8,584 |
| 1.2 | Other bonds (unaffiliated) | (a) 241,384 | 244,031 |
| 1.3 | Bonds of affiliates | (a) | |
| 2.1 | Preferred stocks (unaffiliated) | (b) 8,367 | 8,367 |
| 2.11 | Preferred stocks of affiliates | (b) | |
| 2.2 | Common stocks (unaffiliated) | | |
| 2.21 | Common stocks of affiliates | | |
| 3. | Mortgage loans | (c) | |
| 4. | Real estate | (d) | |
| 5 | Contract loans | | |
| 6 | Cash, cash equivalents and short-term investments | (e) 13,046 | 8,752 |
| 7 | Derivative instruments | (f) | |
| 8. | Other invested assets | | |
| 9. | Aggregate write-ins for investment income | 0 | 0 |
| 10. | Total gross investment income | 275,249 | 277,319 |
| 11. | Investment expenses | | (g) 21,427 |
| 12. | Investment taxes, licenses and fees, excluding federal income taxes | | (g) 0 |
| 13. | Interest expense | | (h) |
| 14. | Depreciation on real estate and other invested assets | | (i) |
| 15. | Aggregate write-ins for deductions from investment income | | 0 |
| 16. | Total deductions (Lines 11 through 15) | | 21,427 |
| 17. | Net investment income (Line 10 minus Line 16) | | 255,892 |
| | **DETAILS OF WRITE-INS** | | |
| 0901. | | | |
| 0902. | | | |
| 0903. | | | |
| 0998. | Summary of remaining write-ins for Line 9 from overflow page | 0 | 0 |
| 0999. | Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) | 0 | 0 |
| 1501. | | | |
| 1502. | | | |
| 1503. | | | |
| 1598. | Summary of remaining write-ins for Line 15 from overflow page | | 0 |
| 1599. | Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above) | | 0 |

(a) Includes $ 5,750 accrual of discount less $ 44,312 amortization of premium and less $ 20,179 paid for accrued interest on purchases.

(b) Includes $ accrual of discount less $ amortization of premium and less $ paid for accrued dividends on purchases.

(c) Includes $ accrual of discount less $ amortization of premium and less $ paid for accrued interest on purchases.

(d) Includes $ for company's occupancy of its own buildings; and excludes $ interest on encumbrances.

(e) Includes $ 2,074 accrual of discount less $ 5,288 amortization of premium and less $ 942 paid for accrued interest on purchases.

(f) Includes $ accrual of discount less $ amortization of premium.

(g) Includes $ investment expenses and $ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.

(h) Includes $ interest on surplus notes and $ interest on capital notes.

(i) Includes $ depreciation on real estate and $ depreciation on other invested assets.

# EXHIBIT OF CAPITAL GAINS (LOSSES)

| | | 1<br>Realized Gain (Loss) On Sales or Maturity | 2<br>Other Realized Adjustments | 3<br>Total Realized Capital Gain (Loss) (Columns 1 + 2) | 4<br>Change in Unrealized Capital Gain (Loss) | 5<br>Change in Unrealized Foreign Exchange Capital Gain (Loss) |
|---|---|---|---|---|---|---|
| 1. | U.S. Government bonds | 1 | 0 | 1 | 0 | 0 |
| 1.1 | Bonds exempt from U.S. tax | | | 0 | | |
| 1.2 | Other bonds (unaffiliated) | 11,618 | 0 | 11,618 | 615 | 0 |
| 1.3 | Bonds of affiliates | 0 | 0 | 0 | 0 | 0 |
| 2.1 | Preferred stocks (unaffiliated) | 0 | 0 | 0 | 12,769 | 0 |
| 2.11 | Preferred stocks of affiliates | 0 | 0 | 0 | 0 | 0 |
| 2.2 | Common stocks (unaffiliated) | 0 | 0 | 0 | 0 | 0 |
| 2.21 | Common stocks of affiliates | 0 | 0 | 0 | 0 | 0 |
| 3. | Mortgage loans | | 0 | 0 | 0 | 0 |
| 4. | Real estate | | 0 | 0 | | 0 |
| 5. | Contract loans | | | 0 | | |
| 6. | Cash, cash equivalents and short-term investments | | | 0 | | |
| 7. | Derivative instruments | | | 0 | | |
| 8. | Other invested assets | | 0 | 0 | 0 | 0 |
| 9. | Aggregate write-ins for capital gains (losses) | 0 | 0 | 0 | 0 | 0 |
| 10. | Total capital gains (losses) | 11,619 | 0 | 11,619 | 13,384 | 0 |
| | **DETAILS OF WRITE-INS** | | | | | |
| 0901. | | | | | | |
| 0902. | | | | | | |
| 0903. | | | | | | |
| 0998. | Summary of remaining write-ins for Line 9 from overflow page | 0 | 0 | 0 | 0 | 0 |
| 0999. | Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) | 0 | 0 | 0 | 0 | 0 |

# EXHIBIT OF NON-ADMITTED ASSETS

| | | 1<br>Current Year Total Nonadmitted Assets | 2<br>Prior Year Total Nonadmitted Assets | 3<br>Change in Total Nonadmitted Assets (Col. 2 - Col. 1) |
|---|---|---|---|---|
| 1. | Bonds (Schedule D) | | | 0 |
| 2. | Stocks (Schedule D): | | | |
| | 2.1 Preferred stocks | | | 0 |
| | 2.2 Common stocks | | | 0 |
| 3. | Mortgage loans on real estate (Schedule B): | | | |
| | 3.1 First liens | | | 0 |
| | 3.2 Other than first liens | | | 0 |
| 4. | Real estate (Schedule A): | | | |
| | 4.1 Properties occupied by the company | | | 0 |
| | 4.2 Properties held for the production of income | | | 0 |
| | 4.3 Properties held for sale | | | 0 |
| 5. | Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA) | | | 0 |
| 6. | Contract loans | | | 0 |
| 7. | Derivatives (Schedule DB) | | | 0 |
| 8. | Other invested assets (Schedule BA) | | | 0 |
| 9. | Receivables for securities | | | 0 |
| 10. | Securities lending reinvested collateral assets (Schedule DL) | | | 0 |
| 11. | Aggregate write-ins for invested assets | 0 | 0 | 0 |
| 12. | Subtotals, cash and invested assets (Lines 1 to 11) | 0 | 0 | 0 |
| 13. | Title plants (for Title insurers only) | | | 0 |
| 14. | Investment income due and accrued | | | 0 |
| 15. | Premiums and considerations: | | | |
| | 15.1 Uncollected premiums and agents' balances in the course of collection | 40,385 | 138,623 | 98,238 |
| | 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due | | | 0 |
| | 15.3 Accrued retrospective premiums and contracts subject to redetermination | | | 0 |
| 16. | Reinsurance: | | | |
| | 16.1 Amounts recoverable from reinsurers | | | 0 |
| | 16.2 Funds held by or deposited with reinsured companies | | | 0 |
| | 16.3 Other amounts receivable under reinsurance contracts | | | 0 |
| 17. | Amounts receivable relating to uninsured plans | | | 0 |
| 18.1 | Current federal and foreign income tax recoverable and interest thereon | | | 0 |
| 18.2 | Net deferred tax asset | | | 0 |
| 19. | Guaranty funds receivable or on deposit | | | 0 |
| 20. | Electronic data processing equipment and software | | | 0 |
| 21. | Furniture and equipment, including health care delivery assets | | | 0 |
| 22. | Net adjustment in assets and liabilities due to foreign exchange rates | | | 0 |
| 23. | Receivables from parent, subsidiaries and affiliates | | | 0 |
| 24. | Health care and other amounts receivable | | | 0 |
| 25. | Aggregate write-ins for other than invested assets | 0 | 0 | 0 |
| 26. | Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) | 40,385 | 138,623 | 98,238 |
| 27. | From Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | 0 |
| 28. | Total (Lines 26 and 27) | 40,385 | 138,623 | 98,238 |
| | **DETAILS OF WRITE-INS** | | | |
| 1101. | | | 0 | 0 |
| 1102. | | | 0 | 0 |
| 1103. | | | 0 | 0 |
| 1198. | Summary of remaining write-ins for Line 11 from overflow page | 0 | 0 | 0 |
| 1199. | Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above) | 0 | 0 | 0 |
| 2501. | Prepaid Expenses | | 0 | 0 |
| 2502. | Allowance for Receivables over 90 days old | | 0 | 0 |
| 2503. | | | 0 | 0 |
| 2598. | Summary of remaining write-ins for Line 25 from overflow page | 0 | 0 | 0 |
| 2599. | Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) | 0 | 0 | 0 |

# NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The accompanying financial statements of the company have been presented in conformity with the NAIC annual statement instructions and accounting practices manuals as well as accounting practices as prescribed by the State of Maine.

| | | SSAP# | F/S Page | F/S Line # | 2019 | 2018 |
|---|---|---|---|---|---|---|
| NET INCOME | | | | | | |
| (1) | Great Falls Ins. Co. state basis | XXX | XXX | XXX | (224,344) | 1,270,646 |
| (2) | State Prescribed Practices that increase/(decrease) NAIC SAP | | | | - | - |
| (3) | State Permitted Practices that increase/(decrease) NAIC SAP | | | | - | - |
| (4) | NAIC SAP | XXX | XXX | XXX | (224,334) | 1,270,646 |

| | | | | | 2019 | 2018 |
|---|---|---|---|---|---|---|
| SURPLUS | | | | | | |
| (1) | Great Falls Ins. Co. state basis | XXX | XXX | XXX | 6,804,900 | 6,975,029 |
| (2) | State Prescribed Practices that increase/(decrease) NAIC SAP | | | | - | - |
| (3) | State Permitted Practices that increase/(decrease) NAIC SAP | | | | - | - |
| (4) | NAIC SAP | XXX | XXX | XXX | 6,804,900 | 6,975,029 |

B. As required by Statutory Accounting Principles, management has made estimates and assumptions that affect the reported amounts of assets and liabilities. Actual results could differ from these estimates. At the date of the financial statements, no contingent assets or liabilities have been included, nor has any revenue or expense impact been included.

C. Accounting Policy - Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro-rata methods for direct business and ceded business.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable under ceded reinsurance contracts.

In addition, the company uses the following accounting policies:

1. Short-term investments would be stated at Amortized Cost.
2. Long-term bonds are stated at Amortized Cost.
3. Common Stocks are stated at Fair Market Value.
4. Preferred Stocks are stated at Fair Market Value.
5. Mortgage Loans – None
6. Asset backed – None
7. The Company has no insurance or non-insurance subsidiaries and has no minority ownership interests.
8. The Company has no investments in joint ventures, partnerships or limited liability companies.
9. Derivatives – None
10. The Company does not anticipate investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53, Property-Casualty Contracts-Premiums.
11. Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss expenses reported and an amount, based on experience, for loss and loss expenses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may differ from 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 not modified its capitalization policy from the prior period.
13. Pharmaceutical Rebates - None

2. ACCOUNTING CHANGES - None

3. BUSINESS COMBINATIONS AND GOODWILL - None

4. DISCONTINUED OPERATIONS - None

# NOTES TO FINANCIAL STATEMENTS

5. INVESTMENTS
   A. Mortgage Loans - None
   B. Debt Restructuring - None
   C. Reverse Mortgages - None
   D. Loan Backed Securities
      (1) Prepayment Assumptions – None
      (2) Securities with other – than - temporary impairment – None
      (3) None
      (4) Impaired Securities - None
      (5) Additional Information - None
   E. Dollar Repurchase Agreements - None
   F. Repurchase Agreement Transactions Accounted for as Secured Borrowing – None
   G. Reverse Repurchase Agreements Transactions Accounted for as a Secured Borrowing - None
   H. Repurchase Agreements Transactions Accounted for as a Sale - None
   I. Reverse Repurchase Agreements Transactions Accounted for as a Sale - None
   J. Real Estate - None
   K. Investments in Low – Income Housing Tax Credits – None
   L. Restricted Assets
      1. Restricted Assets (Including Pledged)

| | Gross (Admitted & Nonadmitted) Restricted | | | | | | |
|---|---|---|---|---|---|---|---|
| | Current Year | | | | | 6 | 7 |
| | 1 | 2 | 3 | 4 | 5 | | |
| Restricted Asset Category | Total General Account (G/A) | G/A Supporting Protected Cell Account Activity (a) | Total Protected Cell Account Restricted Assets | Protected Cell Account Assets Supporting G/A Activity (b) | Total (1 plus 3) | Total From Prior Year | Increase/ (Decrease) (5 minus 6) |
| a. Subject to contractual obligation for which liability in not shown | - | - | - | - | - | - | - |
| b. Collateral held under security lending agreements | - | - | - | - | - | - | - |
| c. Subject to repurchase agreements | - | - | - | - | - | - | - |
| d. Subject to reverse repurchase agreements | - | - | - | - | - | - | - |
| e. Subject to dollar repurchase agreements | - | - | - | - | - | - | - |
| f. Subject to dollar repurchase agreements | - | - | - | - | - | - | - |
| g. Placed under option contracts | - | - | - | - | - | - | - |
| h. Letter stock or securities restricted as to sale - excluding FHLB capital stock | - | - | - | - | - | - | - |
| i. FHLB Stock | - | - | - | - | - | - | - |
| j. On deposit with states | 105,733 | - | - | - | 105,733 | 103,382 | 2,351 |
| k. On deposit with other regulatory bodies | - | - | - | - | - | - | - |
| l. Pledged as collateral to FHLB (including assets backing funding agreements | - | - | - | - | - | - | - |
| Pledged as collateral not captured in other categories | - | - | - | - | - | - | - |
| n. Other restricted assets | - | - | - | - | - | - | - |
| o. Total restricted assets | 105,733 | - | - | - | 105,733 | 103,382 | 2,351 |

(a) Subset of Column 1

# NOTES TO FINANCIAL STATEMENTS

(b) Subset of Column 3

| | Current Year | | | |
|---|---|---|---|---|
| | 8 | 9 | Percentage | |
| | | | 10 | 11 |
| Restricted Asset Category | Total Non admitted Restricted | Total Admitted Restricted (5 minus 8) | Gross (Admitted & Non admitted) Restricted to Total Assets (c ) | Admitted Restricted to Total Admitted Assets (d) |
| a. Subject to contractual obligation for which liability in not shown | - | - | - | - |
| b. Collateral held under security lending agreements | - | - | - | - |
| c. Subject to repurchase agreements | - | - | - | - |
| d. Subject to reverse repurchase agreements | - | - | - | - |
| e. Subject to dollar repurchase agreements | - | - | - | - |
| f. Subject to dollar repurchase agreements | - | - | - | - |
| g. Placed under option contracts | - | - | - | - |
| h. Letter stock or securities restricted as to sale - excluding FHLB capital stock | - | - | - | - |
| i. FHLB Stock | - | - | - | - |
| j. On deposit with states | - | 105,733 | 1.15% | 1.16% |
| k. On deposit with other regulatory bodies | - | - | - | - |
| l. Pledged as collateral to FHLB (including assets backing funding agreements | - | - | - | - |
| m. Pledged as collateral not captured in other categories | - | - | - | - |
| n. Other restricted assets | - | - | - | - |
| o. Total restricted assets | - | 105,733 | 1.15% | 1.16% |

(c) Column 5 divided by Asset Page, Column 1, Line 28

(d) Column 9 divided by Asset Page, Column 3, Line 28

2. Details of Assets Pledged as Collateral Not Captured in Other Categories – None
3. Details of Other Restricted Assets – None
4. Collateral Received as Assets Within the reporting Entities Financial Statement - None

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES - None

7. INVESTMENT INCOME - No investment income due and accrued was excluded

8. DERIVATIVE INSTRUMENTS – None

# NOTES TO FINANCIAL STATEMENTS

## 9. INCOME TAXES

A. The components of the net deferred tax asset/(liability at December 31 are as follows:

1.

| | | 12/31/2019 | | | 12/31/2018 | | | Change | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | (1) | (2) | (3) | (1) | (2) | (3) | (7) | (8) | (9) |
| | | Ordinary | Capital | (Col. 1 + 2) Total | Ordinary | Capital | (Col. 1 + 2) Total | (Col. 1 - 4) Ordinary | (Col. 2 - 5) Capital | (Col. 7 + 8) Total |
| (a) | Gross Deferred Tax Assets | $59,096 | | $59,096 | $115,889 | | $115,889 | ($56,793) | $0 | ($56,793) |
| (b) | Statutory Valuation Allowance Adjustment | $0 | | $0 | | | | | $0 | |
| (c) | Adjusted Gross Deferred Tax Asset | $59,096 | $0 | $59,096 | $115,889 | $0 | $115,889 | ($56,793) | $0 | ($56,793) |
| (d) | Deferred Tax Assets Nonadmitted | $0 | | $0 | | | | | | |
| (e) | Subtotal Net Admitted Deferred Tax Assets) | $59,096 | $0 | $59,096 | $115,889 | $0 | $115,889 | ($56,793) | $0 | ($56,793) |
| (f) | Deferred Tax Liabilities | $0 | $0 | $0 | | | $0 | | $0 | $0 |
| (g) | Net Admitted Deferred Tax Assets. | $59,096 | $0 | $59,096 | $115,889 | $0 | $115,889 | ($56,793) | $0 | ($56,793) |

2. Admission Calculation Components SSAP No. 101

| | | 12/31/2019 | | | 12/31/2018 | | | Change | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | (1) | (2) | (3) | (1) | (2) | (3) | (7) | (8) | (9) |
| | | Ordinary | Capital | (Col. 1 + 2) Total | Ordinary | Capital | (Col. 1 + 2) Total | (Col. 1 - 4) Ordinary | (Col. 2 - 5) Capital | (Col. 7 + 8) Total |
| (a) | Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks | $0 | | $0 | $0 | | $0 | $0 | | $0 |
| (b) | Adjusted Gross Deferred Tax Assets Expected to be Realized (Excluding the Amount of Deferred Tax Assets from 2(a) above) After Application of the Threshold Limitation (The Lesser of 2(b)1 and 2(b) 2 Below | $59,096 | | $59,096 | $115,889 | | $115,889 | ($56,793) | | ($56,793) |
| | 1. Adjusted Gross Deferred Tax Assets Expected to be realized Following the Balance Sheet Date. | $59,096 | | $59,096 | $115,889 | | $115,889 | ($56,793) | | ($56,793) |
| | 2, Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold | XXX | XXX | $0 | XXX | XXX | $0 | XXX | XXX | $0 |
| (c) | Adjusted Gross Deferred Tax Assets (Excluding the Amount of Deferred Tax Assets from 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities | $59,096 | $0 | $59,096 | $115,889 | | $115,889 | -$56,793 | | -$56,793 |
| (d) | Deferred Tax Assets Admitted as the result of application of SSAP No. 101. | $59,096 | $0 | $59,096 | $115,889 | | $115,889 | ($56,793) | | ($56,793) |

| | | 10 Current Year | 11 Prior Year |
|---|---|---|---|
| 3. | a. Ratio Percentage Used to Determine Recovery Period and Threshold Limitation | 15% | 15% |
| | b. Amount of Adjusted Capital and Surplus used to Determine Recovery Period and Threshold Limitation in 2(b)2 Above | 6,745,794 | 6,859,140 |

4. Not Applicable.

B. No Deferred Tax Liabilities have been included

# NOTES TO FINANCIAL STATEMENTS

C. Current Income taxes consist of the following components:

1. Current Income Taxes

| | | (1) | (2) | (3) |
|---|---|---|---|---|
| | | 12/31/2019 | 12/31/2018 | (Col. 1 - 2) Change |
| (a) | Federal | $-171,296 | $258,833 | ($430,129) |
| (b) | Foreign | | | |
| (c) | Subtotal | $-171,296 | $258,833 | ($430,129) |
| (d) | Federal income tax on net capital gains | $0 | $0 | $0 |
| (e) | Utilization of capital loss carry-forwards | $0 | $0 | $0 |
| (f) | Other - Prior year under accrual | $0 | $0 | $0 |
| (g) | Federal and foreign income taxes incurred | $-171,296 | $258,883 | $-430,129 |

2. Deferred Tax Asset

| | | | | |
|---|---|---|---|---|
| (a) | Ordinary | | | |
| | 1. Discounting unpaid losses | $39,218 | $69,096 | -$29,878 |
| | 2. Unearned premium reserve | $234 | $3,992 | ($3,758) |
| | 3. Policy holder reserves | | | |
| | 4. Investments | | | |
| | 5. Organizational Cost | | | |
| | 6. Policyholder dividend accrual | | | |
| | 7. Fixed assets | $7,350 | $29,111 | -$21,761 |
| | 8. Compensation and benefit accrual | | | |
| | 9. Pension accrual | | | |
| | 10. Receivables - nonadmitted | $8,481 | | $8,481 |
| | 11. Net operation loss carry-forward | | | |
| | 12. Tax credit carry-forward | | | |
| | 13. Other | $3,813 | $13,690 | -$9,877 |
| | 99. Subtotal | $59,096 | $102,199 | ($43,103) |
| (b) | Statutory valuation allowance | $59,096 | $102,199 | $88,046 |
| (c) | Nonadmitted | | | |
| (d) | Admitted ordinary deferred tax asset | $59,096 | $115,889 | ($56,793) |
| (e) | Capital | $0 | $0 | $0 |
| (f) | Statutory valuation allowance | $0 | | $0 |
| (g) | Nonadmitted | | | |
| (h) | Admitted capital deferred tax asset | | | |
| (i) | Admitted deferred tax asset | $59,096 | $115,889 | ($56,793) |

3. Deferred tax liabilities

| | | | | |
|---|---|---|---|---|
| (a) | Ordinary | $0 | $0 | $0 |
| (b) | Capital | $0 | $0 | $0 |
| (c) | Deferred tax liabilities | $0 | $0 | $0 |

| | | | | |
|---|---|---|---|---|
| 4. | Net deferred tax assets/liabilities | $59,096 | $115,889 | ($56,793) |

D. Federal tax rates have been used in determining the deferred tax assets and liabilities.

E. At December 31, 2019 the Company had no net operating loss carry forwards available.

F. At December 31, 2019 the Company had no capital loss carry forwards.

G. The Company has no liability related to any federal or foreign tax loss contingencies as of December 31, 2019

H. The Company's federal income tax return is consolidated with Great Falls Holding Company.

# NOTES TO FINANCIAL STATEMENTS

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES.

    A. The Company is 100% owned by Great Falls Holding Company.
    B. The Company has no subsidiaries.
    C. The Company does not own shares of an upstream intermediate or ultimate parent, either directly or indirectly.
    D. The Company has not guaranteed or commenced any undertaking on behalf of any affiliate.
    E. The Company has a receivable due from its affiliate, American Millennium Insurance Company, for $681. The Company has a payable due to it's parent company, Great Falls Holding Company, for $16,020 and a payable due to it's affiliate Citadel Risk Management Inc. in the amount of $ 13,829.
    F. The Company has entered into a contract with Citadel Risk Management Inc for $137,500.

11. DEBT - None

12. The Company maintains a 401K retirement plan for eligible employees whereby the Company matches 100% of the first 3% and 50% of the next 2% of employees' contributions.

13. CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATION

    A. The company has 1,000 shares of common stock authorized and outstanding.
    B. The company has no preferred stock.
    C. The Company is subject to regulatory limitations with respect to statutory surplus level and dividends. Under these restrictions, annual dividends cannot exceed the greater of 10% of insurer's surplus as of the prior end or 10 % of the net gain from operations for the prior year. Dividends are paid at the discretion of the Board of Directors.
    D. No dividends have been paid.
    E. Without prior approval of the Maine Bureau of Insurance, no dividends to shareholders' are permitted.
    F. There are no restrictions placed on the Company's surplus.
    G. There have been no advances to surplus.
    H. There are no amounts of stock held by the Company for special purposes.
    I. There are no special funds.
    J. The portion of unassigned funds (surplus) represented by cumulative unrealized capital losses is $49,123.
    K. The Company has issued no surplus debentures.
    L. There has been no impact from any restatement due to prior quasi-reorganizations.
    M. Quasi-reorganizations. - None.

14. CONTINGENCIES – None

15. LEASES -None

16. FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATION OF CREDIT RISK - None

17. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENT OF LIABILITIES
    A. Transfer of Receivables Reported as Sales – None
    B. Transfer and Servicing of Financial Assets – None
    C. Wash Sales - None

18. GAIN OR LOSS TO THE REPORTING ENTITY UNINSURED PLANS AND THE UNISURED PORTION OF PARTIALLY INSURED PLANS - None

19. DIRECT PREMIUMS WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS – None

# NOTES TO FINANCIAL STATEMENTS

## 20. FAIR VALUE MEASUREMENTS

A.

(1) Fair Value Measurements at Reporting Date

| (1) Description | (2) (Level 1) | (3) (Level 2) | (4) (Level 3) | (5) Total |
|---|---|---|---|---|
| a. Assets at Fair Value | $0 | $0 | $0 | $0 |
| Preferred Stock | $0 | $0 | $0 | $0 |
| Industrial & Misc. | $217,000 | $0 | $0 | $217,000 |
| Parent, Subs. & Affiliates | $0 | $0 | $0 | $0 |
| Total Preferred Stocks | $217,000 | $0 | $0 | $217,000 |
| Bonds | | | | |
| U.S. Governments | $0 | $0 | $0 | $0 |
| Industrial & Misc. | $0 | $0 | $0 | 0 |
| Hybrid Securities | $0 | $0 | $0 | $0 |
| Parent, Subs. & Affiliates | $0 | $0 | $0 | $0 |
| Total Bonds | $0 | $0 | $0 | $0 |
| Common Stock | | | | |
| Industrial & Misc. | $0 | $0 | $0 | $0 |
| Parent, Subs. & Affiliates | $0 | $0 | $0 | $0 |
| Total Common Stocks | $0 | | | $0 |
| Derivative Assets | $0 | $0 | $0 | $0 |
| Separate Account Assets | $0 | $0 | $0 | $0 |
| Total Assets at Fair Value | $217,000 | $0 | $0 | $217,000 |
| b. Liabilities at Fair Value - None | $0 | $0 | $0 | $0 |

(2) Fair Value Measurements in (Level 3) of the Fair Value - Not applicable.

(3) Not Applicable

(4) Not Applicable

(5) Not Applicable

B. None

C.

| Type of Financial Instrument | Aggregate Fair Value | Admitted Assets | (Level 1) | (Level 2) | (Level 3) | Not Practicable |
|---|---|---|---|---|---|---|
| Bonds | 6,267,561 | 6,202,615 | 6,267,561 | 0 | 0 | 0 |
| Common Stock | 0 | 0 | 0 | 0 | 0 | 0 |
| Perpetual Preferred Stock | 407,000 | 403,382 | 407,000 | 0 | 0 | 0 |
| Mortgage Loans | 0 | | 0 | 0 | 0 | 0 |
| | 6,674,561 | 6,605,997 | 6,674,561 | 0 | 0 | 0 |

D. Not Applicable

## 21. OTHER ITEMS – None

## 22. EVENTS SUBSEQUENT – None

# NOTES TO FINANCIAL STATEMENTS

23. REINSURANCE
A. Unsecured Reinsurance Recoverables in excess of 3% of surplus

| Fed Tax ID | NAIC Code | Name | Net Recoverable |
|---|---|---|---|
| AA-3190148 | | Citadel Reins. Co., LTD | 4,936,035 |

B. Reinsurance Recoverable in Dispute - None
C. Reinsurance Assumed and Ceded
1. The maximum amount of return commission that would have been due reinsurers if they or the company had cancelled all reinsurance at the end of this reporting period is $0.

| | | Assumed Reinsurance | | Ceded Reinsurance | | Net | |
|---|---|---|---|---|---|---|---|
| | | Premium Reserve | Commission Equity | Premium Reserve | Commission Equity | Premium Reserve | Commission Equity |
| a. | Affiliates | - | - | - | - | - | - |
| b. | All Other | 5,566 | - | - | - | 5,566 | - |
| c. | TOTAL | 5,566 | - | - | - | 5,566 | - |

| | | |
|---|---|---|
| d. | Direct Unearned Premium Reserve | - |

Note: There is no concern about the entity to continue as a going concern.

2. Additional commissions payable at December 31, 2019 – None.
3. Protected Cells - None

D. Uncollectible Reinsurance - None
E. Commutation of Ceded reinsurance - None
F. Retroactive reinsurance - None
G. Reinsurance Accounted for as a Deposit - None

24. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION - None

25. CHANGES IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES
Reserves as of December 31, 2018 were $2,304,177. As of December 31, 2019 $443,376 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now $1,728,304 as a result of re-estimation of unpaid claims and claim adjusting expenses on workers' compensation insurance. Therefore, there has been a $165,190 favorable prior-year development from December 31, 2018 to December 31, 2019. The decrease is generally the result of ongoing analysis of recent development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims. None of the development relates to retrospectively rated policies so surplus has been positively affected

26. INTERCOMPANY POOLING ARRANGEMENTS - None

27. STRUCTURED SETTLEMENTS - None

28. HEALTH CARE RECEIVABLES - None

29. PARTICIPATING POLICIES - None

30. PREMIUM DEFICIENCY RESERVES
1. Liability Carried for Premium Deficiency Reserve - None
2. Liability was evaluated at 12/31/2019.
3. Investment Income was not utilized.

31. HIGH DEDUCTIBLES - None

32. DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES OR UNPAID LOSS

# NOTES TO FINANCIAL STATEMENTS

33. SUBSCRIBER SAVINGS ACCOUNT - Not applicable.

34. MULTIPLE PER CROP INSURANCE - None

35. FINANCIAL GUARANTY INSURANCE - None

# 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 and 2

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. 12/31/2014

3.2 State the 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. 12/31/2014

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). 03/22/2016

3.4 By what department or departments?
Maine

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 [ X ] No [ ] N/A [ ]

3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [ X ] No [ ] N/A [ ]

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<br>Name of Entity | 2<br>NAIC Company Code | 3<br>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 [ X ] No [ ]

7.2 If yes,
7.21 State the percentage of foreign control; 81.6 %
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 or government, manager or attorney in fact).

| 1<br>Nationality | 2<br>Type of Entity |
|---|---|
| Bermuda | Reinsurance Company |
| | |

# GENERAL INTERROGATORIES

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [ ] No [ X ]

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

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 below the names and location (city and state of the main office) of any affiliates regulated by a federal 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<br>Affiliate Name | 2<br>Location (City, State) | 3<br>FRB | 4<br>OCC | 5<br>FDIC | 6<br>SEC |
|---|---|---|---|---|---|
| | | | | | |

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Bonamassa, Maietta, & Cartelli, LLP 147 West 40th Street New York, New York 10018

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

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?
Julie Ekdom, ACAS, MAAA
Principle & CEO
Epsilon Actuarial Solutions, LLC
P.O. Box 339
Gilbert, AZ 85299

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [ ] No [ X ]

12.11 Name of real estate holding company

12.12 Number of parcels involved

12.13 Total book/adjusted carrying value $

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 [ ]

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [ ]

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 [ X ] 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 [ X ]

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 [ X ]

14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

# GENERAL INTERROGATORIES

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 [ X ]

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<br>American Bankers Association (ABA) Routing Number | 2<br>Issuing or Confirming Bank Name | 3<br>Circumstances That Can Trigger the Letter of Credit | 4<br>Amount |
|---|---|---|---|
| | | | |

## 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 [ X ] 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 [ X ] 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 with the official duties of such person? Yes [ X ] 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 [ X ]

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers $
- 20.12 To stockholders not officers $
- 20.13 Trustees, supreme or grand (Fraternal Only) $

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 $
- 20.22 To stockholders not officers $
- 20.23 Trustees, supreme or grand (Fraternal Only) $

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 [ X ]

21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others $
- 21.22 Borrowed from others $
- 21.23 Leased from others $
- 21.24 Other $

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 [ X ]

22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment $
- 22.22 Amount paid as expenses $
- 22.23 Other amounts paid $

23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [ ] No [ X ]

23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $

## INVESTMENT

24.01 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 24.03) Yes [ ] No [ X ]

24.02 If no, give full and complete information relating thereto
All securities were held by the company's custodial banks or in a state depository account.

24.03 For security 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)

24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [ ] No [ ] N/A [ X ]

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. $

24.06 If answer to 24.04 is no, report amount of collateral for other programs. $

24.07 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 ]

24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [ ] No [ ] N/A [ X ]

24.09 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 ]

# GENERAL INTERROGATORIES

24.10 For the reporting entity's security lending program state the amount of the following as December 31 of the current year:

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. $ 0
24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 $ 0
24.103 Total payable for securities lending reported on the liability page. $ 0

25.1 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 24.03). Yes [ X ] No [ ]

25.2 If yes, state the amount thereof at December 31 of the current year:

25.21 Subject to repurchase agreements $
25.22 Subject to reverse repurchase agreements $
25.23 Subject to dollar repurchase agreements $
25.24 Subject to reverse dollar repurchase agreements $
25.25 Placed under option agreements $
25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock $
25.27 FHLB Capital Stock $
25.28 On deposit with states $ 105,732
25.29 On deposit with other regulatory bodies $
25.30 Pledged as collateral - excluding collateral pledged to an FHLB $
25.31 Pledged as collateral to FHLB - including assets backing funding agreements $
25.32 Other $

25.3 For category (25.26) provide the following:

| 1<br>Nature of Restriction | 2<br>Description | 3<br>Amount |
|---|---|---|
| | | |

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [ ] No [ X ]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ] N/A [ X ]
If no, attach a description with this statement.

LINES 26.3 through 26.5: FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:

26.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? Yes [ ] No [ X ]

26.4 If the response to 26.3 is YES, does the reporting entity utilize:
26.41 Special accounting provision of SSAP No. 108 Yes [ ] No [ ]
26.42 Permitted accounting practice Yes [ ] No [ ]
26.43 Other accounting guidance Yes [ ] No [ ]

26.5 By responding YES to 26.41 regarding utilizing the special accounting provisions of SSAP No. 108, the reporting entity attests to the following: Yes [ ] No [ ]

- 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.

27.1 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 ]

27.2 If yes, state the amount thereof at December 31 of the current year. $

28. 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 [ ]

28.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

| 1<br>Name of Custodian(s) | 2<br>Custodian's Address |
|---|---|
| Peoples United Bank | 850 Main St. Bridgeport CT 06604 |
| | |

# GENERAL INTERROGATORIES

28.02 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<br>Name(s) | 2<br>Location(s) | 3<br>Complete Explanation(s) |
|---|---|---|
| | | |

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [ ] No [ X ]

28.04 If yes, give full and complete information relating thereto:

| 1<br>Old Custodian | 2<br>New Custodian | 3<br>Date of Change | 4<br>Reason |
|---|---|---|---|
| | | | |

28.05 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<br>Name of Firm or Individual | 2<br>Affiliation |
|---|---|
| Maple Capital Management | U |
| | |

28.0597 For those firms/individuals listed in the table for Question 28.05, 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 [ ]

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets? Yes [ X ] No [ ]

28.06 For those firms or individuals listed in the table for 28.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

| 1<br>Central Registration Depository Number | 2<br>Name of Firm or Individual | 3<br>Legal Entity Identifier (LEI) | 4<br>Registered With | 5<br>Investment Management Agreement (IMA) Filed |
|---|---|---|---|---|
| 13209 | Maple Capital Management | | | |
| | | | | |

29.1 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 [ ] No [ X ]

29.2 If yes, complete the following schedule:

| 1<br>CUSIP # | 2<br>Name of Mutual Fund | 3<br>Book/Adjusted Carrying Value |
|---|---|---|
| | | |
| 29.2999 - Total | | 0 |

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

| 1<br>Name of Mutual Fund (from above table) | 2<br>Name of Significant Holding of the Mutual Fund | 3<br>Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding | 4<br>Date of Valuation |
|---|---|---|---|
| | | | |

# GENERAL INTERROGATORIES

30. 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<br>Statement (Admitted) Value | 2<br>Fair Value | 3<br>Excess of Statement over Fair Value (-), or Fair Value over Statement (+) |
|---|---|---|---|
| 30.1 Bonds | 6,323,408 | 6,382,712 | 59,304 |
| 30.2 Preferred stocks | 403,382 | 407,000 | 3,618 |
| 30.3 Totals | 6,726,790 | 6,789,712 | 62,922 |

30.4 Describe the sources or methods utilized in determining the fair values:
Bank Statements

31.1 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 [ ]

31.2 If the answer to 31.1 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 [ ]

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? Yes [ X ] No [ ]
32.2 If no, list exceptions:

33. By self-designating 5GI securities, the reporting entity is certifying the following elements of 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 ]

34. 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 ]

35. 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 ]

## OTHER

36.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? $ 13,754

36.2 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<br>Name | 2<br>Amount Paid |
|---|---|
| NCCI | 13,754 |
| | |

# GENERAL INTERROGATORIES

37.1 Amount of payments for legal expenses, if any? $ 5,260

37.2 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<br>Name | 2<br>Amount Paid |
|---|---|
| Preti Flaherty | 3,932 |
| | |

38.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? $

38.2 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<br>Name | 2<br>Amount Paid |
|---|---|
| | |

# GENERAL INTERROGATORIES

## PART 2 - PROPERTY AND 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. $

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? $
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. $

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<br>Current Year | 2<br>Prior Year |
|---|---|---|---|
| 2.1 | Premium Numerator | | |
| 2.2 | Premium Denominator | (78,175) | 1,638,422 |
| 2.3 | Premium Ratio (2.1/2.2) | 0.000 | 0.000 |
| 2.4 | Reserve Numerator | 0 | 0 |
| 2.5 | Reserve Denominator | 1,733,870 | 2,425,753 |
| 2.6 | Reserve Ratio (2.4/2.5) | 0.000 | 0.000 |

3.1 Does the reporting entity issue both participating and non-participating policies? Yes [ ] No [ X ]

3.2 If yes, state the amount of calendar year premiums written on:

3.21 Participating policies $
3.22 Non-participating policies $

4. For mutual reporting Entities and Reciprocal Exchanges Only:
4.1 Does the reporting entity issue assessable policies? Yes [ ] No [ ]
4.2 Does the reporting entity issue non-assessable policies? Yes [ ] No [ ]
4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? %
4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. $

5. For Reciprocal Exchanges Only:
5.1 Does the Exchange appoint local agents? Yes [ ] No [ ]
5.2 If yes, is the commission paid:
5.21 Out of Attorney's-in-fact compensation Yes [ ] No [ ] N/A [ ]
5.22 As a direct expense of the exchange Yes [ ] No [ ] N/A [ ]
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 [ ]

5.5 If yes, give full information

# GENERAL INTERROGATORIES

## PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

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 has 3 excess reinsurance programs at Lloyds led by a Caitlin Syndicate to provide up to 20million in excess of 1 million

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 does not write property business

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 does not write property business

6.4 Does the reporting entity carry catastrophe 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 this 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 ratio cap, an aggregate limit or any similar provisions)? Yes [ ] No [ X ]

7.2 If yes, indicate the number of reinsurance contracts containing such provisions:

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 [ ]

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;
(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 37 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 [ ]

# GENERAL INTERROGATORIES

## PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

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 $

12.12 Unpaid underwriting expenses (including loss adjustment expenses) $

12.2 Of the amount on Line 15.3, Page 2, state the amount which is secured by letters of credit, collateral, and other funds $

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 [ X ] N/A [ ]

12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:

12.41 From %

12.42 To %

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 the current year:

12.61 Letters of credit $

12.62 Collateral and other funds $

13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): $

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.

14.1 Is the company 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 [ ]

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 [ ]

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<br>Direct Losses<br>Incurred | 2<br>Direct Losses<br>Unpaid | 3<br>Direct Written<br>Premium | 4<br>Direct Premium<br>Unearned | 5<br>Direct Premium<br>Earned |
|---|---|---|---|---|---|
| 16.11 Home | | | | | |
| 16.12 Products | | | | | |
| 16.13 Automobile | | | | | |
| 16.14 Other* | | | | | |

* Disclose type of coverage:

# GENERAL INTERROGATORIES

## PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

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 $

17.12 Unfunded portion of Interrogatory 17.11 $

17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11 $

17.14 Case reserves portion of Interrogatory 17.11 $

17.15 Incurred but not reported portion of Interrogatory 17.11 $

17.16 Unearned premium portion of Interrogatory 17.11 $

17.17 Contingent commission portion of Interrogatory 17.11 $

18.1 Do you act as a custodian for health savings accounts? Yes [ ] No [ X ]

18.2 If yes, please provide the amount of custodial funds held as of the reporting date. $

18.3 Do you act as an administrator for health savings accounts? Yes [ ] No [ X ]

18.4 If yes, please provide the balance of funds administered as of the reporting date. $

19. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes [ X ] No [ ]

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 [ ] No [ ]

# FIVE-YEAR HISTORICAL DATA

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

| | | 1<br>2019 | 2<br>2018 | 3<br>2017 | 4<br>2016 | 5<br>2015 |
|---|---|---|---|---|---|---|
| | **Gross Premiums Written (Page 8, Part 1B Cols. 1, 2 & 3)** | | | | | |
| 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) | (237,853) | 1,607,924 | 11,968,528 | 13,281,581 | 10,028,003 |
| 2. | Property lines (Lines 1, 2, 9, 12, 21 & 26) | 0 | 0 | 0 | 0 | |
| 3. | Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) | 0 | 0 | 0 | 0 | |
| 4. | All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) | 0 | 0 | 0 | 0 | |
| 5. | Nonproportional reinsurance lines (Lines 31, 32 & 33) | 0 | 0 | 0 | 0 | |
| 6. | Total (Line 35) | (237,853) | 1,607,924 | 11,968,528 | 13,281,581 | 10,028,003 |
| | **Net Premiums Written (Page 8, Part 1B, Col. 6)** | | | | | |
| 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) | (167,665) | 695,791 | 2,986,206 | 3,014,871 | 2,282,967 |
| 8. | Property lines (Lines 1, 2, 9, 12, 21 & 26) | 0 | 0 | 0 | 0 | |
| 9. | Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) | 0 | 0 | 0 | 0 | |
| 10. | All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) | 0 | 0 | 0 | 0 | |
| 11. | Nonproportional reinsurance lines (Lines 31, 32 & 33) | 0 | 0 | 0 | 0 | |
| 12. | Total (Line 35) | (167,665) | 695,791 | 2,986,206 | 3,014,871 | 2,282,967 |
| | **Statement of Income (Page 4)** | | | | | |
| 13 | Net underwriting gain (loss) (Line 8) | (630,326) | 19,269 | (297,573) | 738,418 | (114,228) |
| 14. | Net investment gain or (loss) (Line 11) | 264,246 | 223,528 | 194,452 | 178,724 | 127,070 |
| 15. | Total other income (Line 15) | (29,559) | 1,286,684 | 2,754,095 | (67,787) | (10,497) |
| 16. | Dividends to policyholders (Line 17) | | | | | |
| 17. | Federal and foreign income taxes incurred (Line 19) | (171,296) | 258,835 | 348,563 | 21,009 | |
| 18. | Net income (Line 20) | (224,343) | 1,270,646 | 2,302,411 | 828,346 | 2,345 |
| | **Balance Sheet Lines (Pages 2 and 3)** | | | | | |
| 19. | Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3) | 9,116,278 | 10,626,640 | 13,401,434 | 12,308,108 | 9,038,390 |
| 20. | Premiums and considerations (Page 2, Col. 3) | | | | | |
| | 20.1 In course of collection (Line 15.1) | 24,636 | 323,647 | 379,868 | 508,151 | 352,631 |
| | 20.2 Deferred and not yet due (Line 15.2) | 33,755 | 58,690 | 2,684,012 | 4,700,281 | 3,306,892 |
| | 20.3 Accrued retrospective premiums (Line 15.3) | 0 | 0 | 0 | 0 | |
| 21. | Total liabilities excluding protected cell business (Page 3, Line 26) | 2,311,379 | 3,651,611 | 7,611,136 | 8,513,049 | 6,595,551 |
| 22. | Losses (Page 3, Line 1) | 1,473,098 | 1,970,963 | 2,711,339 | 1,910,420 | 1,488,232 |
| 23. | Loss adjustment expenses (Page 3, Line 3) | 255,206 | 333,214 | 443,678 | 366,203 | 309,440 |
| 24. | Unearned premiums (Page 3, Line 9) | 5,566 | 95,056 | 1,037,687 | 1,473,317 | 1,065,445 |
| 25. | Capital paid up (Page 3, Lines 30 & 31) | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 |
| 26. | Surplus as regards policyholders (Page 3, Line 37) | 6,804,899 | 6,975,029 | 5,790,298 | 3,795,060 | 2,442,839 |
| | **Cash Flow (Page 5)** | | | | | |
| 27. | Net cash from operations (Line 11) | (819,893) | (650,395) | 3,559,400 | 997,755 | 816,866 |
| | **Risk-Based Capital Analysis** | | | | | |
| 28. | Total adjusted capital | 6,804,899 | 6,975,029 | 5,790,298 | 3,795,060 | 2,442,840 |
| 29. | Authorized control level risk-based capital | 231,259 | 500,124 | 737,770 | 665,509 | 535,050 |
| | **Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line divided by Page 2, Line 12, Col. 3) x100.0** | | | | | |
| 30. | Bonds (Line 1) | 82.8 | 82.9 | 77.2 | 50.0 | 33.4 |
| 31. | Stocks (Lines 2.1 & 2.2) | 5.4 | 1.5 | 2.0 | 13.0 | 28.7 |
| 32. | Mortgage loans on real estate (Lines 3.1 and 3.2) | 0.0 | 0.0 | 0.0 | 0.0 | |
| 33. | Real estate (Lines 4.1, 4.2 & 4.3) | 0.0 | 0.0 | 0.0 | 0.0 | |
| 34. | Cash, cash equivalents and short-term investments (Line 5) | 11.8 | 15.6 | 20.8 | 37.0 | 37.9 |
| 35. | Contract loans (Line 6) | 0.0 | 0.0 | 0.0 | 0.0 | |
| 36. | Derivatives (Line 7) | 0.0 | 0.0 | 0.0 | 0.0 | |
| 37. | Other invested assets (Line 8) | 0.0 | 0.0 | 0.0 | 0.0 | |
| 38. | Receivables for securities (Line 9) | 0.0 | 0.0 | 0.0 | 0.0 | |
| 39. | Securities lending reinvested collateral assets (Line 10) | 0.0 | 0.0 | 0.0 | 0.0 | |
| 40. | Aggregate write-ins for invested assets (Line 11) | 0.0 | 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 |
| | **Investments in Parent, Subsidiaries and Affiliates** | | | | | |
| 42. | Affiliated bonds (Schedule D, Summary, Line 12, Col. 1) | | | | | |
| 43. | Affiliated preferred stocks (Schedule D, Summary, Line 18, Col. 1) | 0 | | | | |
| 44. | Affiliated common stocks (Schedule D, Summary, Line 24, Col. 1) | 0 | | | | |
| 45. | Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10) | 0 | 0 | 0 | 0 | |
| 46. | Affiliated mortgage loans on real estate | | | | | |
| 47. | All other affiliated | | | | | |
| 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 | | | | | |
| 50. | Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0) | 0.0 | 0.0 | 0.0 | 0.0 | |

# FIVE-YEAR HISTORICAL DATA

(Continued)

| | 1<br>2019 | 2<br>2018 | 3<br>2017 | 4<br>2016 | 5<br>2015 |
|---|---|---|---|---|---|
| **Capital and Surplus Accounts (Page 4)** | | | | | |
| 51. Net unrealized capital gains (losses) (Line 24) | 12,769 | (5,937) | 55,105 | 45,378 | (124,155) |
| 52. Dividends to stockholders (Line 35) | | | | | |
| 53. Change in surplus as regards policyholders for the year (Line 38) | (170,129) | 1,184,731 | 1,995,238 | 1,352,221 | (174,475) |
| **Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)** | | | | | |
| 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) | 1,345,349 | 4,661,085 | 5,559,509 | 3,400,560 | 2,835,220 |
| 55. Property lines (Lines 1, 2, 9, 12, 21 & 26) | 0 | 0 | 0 | 0 | |
| 56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) | 0 | 0 | 0 | 0 | |
| 57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) | 0 | 0 | 0 | 0 | |
| 58. Nonproportional reinsurance lines (Lines 31, 32 & 33) | 0 | 0 | 0 | 0 | |
| 59. Total (Line 35) | 1,345,349 | 4,661,085 | 5,559,509 | 3,400,560 | 2,835,220 |
| **Net Losses Paid (Page 9, Part 2, Col. 4)** | | | | | |
| 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) | 367,773 | 1,274,289 | 1,408,536 | 819,472 | 681,278 |
| 61. Property lines (Lines 1, 2, 9, 12, 21 & 26) | 0 | 0 | 0 | 0 | |
| 62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) | 0 | 0 | 0 | 0 | |
| 63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) | 0 | 0 | 0 | 0 | |
| 64. Nonproportional reinsurance lines (Lines 31, 32 & 33) | 0 | 0 | 0 | 0 | |
| 65. Total (Line 35) | 367,773 | 1,274,289 | 1,408,536 | 819,472 | 681,278 |
| **Operating Percentages (Page 4) (Line divided by Page 4, Line 1) x 100.0** | | | | | |
| 66. Premiums earned (Line 1) | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| 67. Losses incurred (Line 2) | 166.4 | 32.6 | 64.6 | 47.6 | 55.9 |
| 68. Loss expenses incurred (Line 3) | (19.4) | 12.8 | 18.0 | 19.5 | 24.6 |
| 69. Other underwriting expenses incurred (Line 4) | (853.3) | 53.4 | 26.1 | 4.5 | 25.1 |
| 70. Net underwriting gain (loss) (Line 8) | 806.3 | 1.2 | (8.7) | 28.3 | (5.6) |
| **Other Percentages** | | | | | |
| 71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0) | (415.5) | (59.1) | (62.3) | 6.2 | 22.8 |
| 72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0) | 147.0 | 45.4 | 82.6 | 67.1 | 80.5 |
| 73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0) | (2.5) | 10.0 | 51.6 | 79.4 | 93.5 |
| **One Year Loss Development ($000 omitted)** | | | | | |
| 74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P - Part 2 - Summary, Line 12, Col. 11) | (183) | (149) | (68) | (171) | (2) |
| 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, Col. 1 x 100.0) | (2.6) | (2.6) | (1.8) | (7.0) | (0.1) |
| **Two Year Loss Development ($000 omitted)** | | | | | |
| 76. Development in estimated losses and loss expenses incurred two years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12) | (187) | (199) | (138) | (71) | 87 |
| 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, Col. 2 x 100.0) | (3.2) | (5.2) | (5.6) | (2.7) | 4.3 |

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 [ ]

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 | | | | | | | | 12 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | Loss Payments | | Defense and Cost Containment Payments | | Adjusting and Other Payments | | 10 | 11 | Number of Claims Reported Direct and Assumed |
| | Direct and Assumed | Ceded | Net (1 - 2) | 4 Direct and Assumed | 5 Ceded | 6 Direct and Assumed | 7 Ceded | 8 Direct and Assumed | 9 Ceded | Salvage and Subrogation Received | Total Net Paid Cols (4 - 5 + 6 - 7 + 8 - 9) | |
| 1. Prior | XXX | XXX | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 2. 2010 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 3. 2011 | 772 | 666 | 106 | 552 | 414 | 58 | 44 | 122 | 0 | 0 | 275 | XXX |
| 4. 2012 | 2,404 | 1,917 | 487 | 910 | 682 | 106 | 79 | 149 | 0 | 0 | 403 | XXX |
| 5. 2013 | 4,775 | 3,742 | 1,033 | 2,525 | 1,904 | 429 | 331 | 195 | 0 | 0 | 913 | XXX |
| 6. 2014 | 7,000 | 5,370 | 1,630 | 2,935 | 2,221 | 578 | 447 | 220 | 0 | 0 | 1,065 | XXX |
| 7. 2015 | 9,014 | 6,979 | 2,035 | 4,210 | 3,193 | 527 | 408 | 360 | 0 | 0 | 1,495 | XXX |
| 8. 2016 | 11,541 | 8,934 | 2,607 | 3,692 | 2,747 | 441 | 334 | 343 | 0 | 0 | 1,395 | XXX |
| 9. 2017 | 14,540 | 11,118 | 3,422 | 5,494 | 4,056 | 594 | 459 | 477 | 0 | 0 | 2,050 | XXX |
| 10. 2018 | 5,410 | 3,772 | 1,638 | 946 | 639 | 82 | 62 | 16 | 0 | 0 | 343 | XXX |
| 11. 2019 | (148) | (70) | (78) | 18 | 0 | 0 | 0 | 0 | 0 | 0 | 18 | XXX |
| 12. Totals | XXX | XXX | XXX | 21,281 | 15,857 | 2,815 | 2,163 | 1,881 | 0 | 0 | 7,956 | XXX |

| | Losses Unpaid | | | | Defense and Cost Containment Unpaid | | | | Adjusting and Other Unpaid | | 23 | 24 | 25 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Case Basis | | Bulk + IBNR | | Case Basis | | Bulk + IBNR | | | | | | |
| | 13 Direct and Assumed | 14 Ceded | 15 Direct and Assumed | 16 Ceded | 17 Direct and Assumed | 18 Ceded | 19 Direct and Assumed | 20 Ceded | 21 Direct and Assumed | 22 Ceded | Salvage and Subrogation Anticipated | Total Net Losses and Expenses Unpaid | Number of Claims Outstanding Direct and Assumed |
| 1. Prior | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 2. 2010 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 3. 2011 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 4. 2012 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 1 | XXX |
| 5. 2013 | 0 | 0 | (34) | (25) | 0 | 0 | 34 | 26 | 2 | 0 | 0 | 1 | XXX |
| 6. 2014 | 901 | 676 | 179 | 134 | 41 | 31 | (16) | (13) | 3 | 0 | 0 | 280 | XXX |
| 7. 2015 | 488 | 366 | 349 | 285 | 26 | 19 | 84 | 73 | 4 | 0 | 0 | 208 | XXX |
| 8. 2016 | 177 | 133 | 636 | 496 | 27 | 20 | 252 | 192 | 4 | 0 | 0 | 255 | XXX |
| 9. 2017 | 335 | 243 | 1,904 | 1,417 | 43 | 32 | 277 | 206 | 6 | 0 | 0 | 667 | XXX |
| 10. 2018 | 132 | 90 | 677 | 489 | 29 | 22 | 193 | 147 | 1 | 0 | 0 | 284 | XXX |
| 11. 2019 | 33 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 33 | XXX |
| 12. Totals | 2,066 | 1,508 | 3,711 | 2,796 | 166 | 124 | 824 | 631 | 21 | 0 | 0 | 1,729 | XXX |

| | Total Losses and Loss Expenses Incurred | | | Loss and Loss Expense Percentage (Incurred /Premiums Earned) | | | Nontabular Discount | | 34 | 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 | Inter-Company Pooling Participation Percentage | 35 Losses Unpaid | 36 Loss Expenses Unpaid |
| 1. Prior | XXX | XXX | XXX | XXX | XXX | XXX | 0 | 0 | XXX | 0 | 0 |
| 2. 2010 | 0 | 0 | 0 | 0.0 | 0.0 | 0.0 | 0 | 0 | | 0 | 0 |
| 3. 2011 | 733 | 458 | 275 | 94.9 | 68.8 | 259.1 | 0 | 0 | | 0 | 0 |
| 4. 2012 | 1,166 | 762 | 404 | 48.5 | 39.7 | 82.9 | 0 | 0 | | 0 | 1 |
| 5. 2013 | 3,150 | 2,236 | 914 | 66.0 | 59.7 | 88.5 | 0 | 0 | | (9) | 10 |
| 6. 2014 | 4,841 | 3,496 | 1,345 | 69.2 | 65.1 | 82.5 | 0 | 0 | | 270 | 10 |
| 7. 2015 | 6,047 | 4,344 | 1,703 | 67.1 | 62.2 | 83.7 | 0 | 0 | | 186 | 22 |
| 8. 2016 | 5,572 | 3,923 | 1,650 | 48.3 | 43.9 | 63.3 | 0 | 0 | | 184 | 71 |
| 9. 2017 | 9,130 | 6,413 | 2,717 | 62.8 | 57.7 | 79.4 | 0 | 0 | | 579 | 88 |
| 10. 2018 | 2,076 | 1,449 | 627 | 38.4 | 38.4 | 38.3 | 0 | 0 | | 230 | 54 |
| 11. 2019 | 51 | 0 | 51 | (34.5) | 0.0 | (65.4) | 0 | 0 | | 33 | 0 |
| 12. Totals | XXX | XXX | XXX | XXX | XXX | XXX | 0 | 0 | XXX | 1,473 | 256 |

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<br>2010 | 2<br>2011 | 3<br>2012 | 4<br>2013 | 5<br>2014 | 6<br>2015 | 7<br>2016 | 8<br>2017 | 9<br>2018 | 10<br>2019 | 11<br>One Year | 12<br>Two Year |
| 1. Prior | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. 2010 | | | | | | | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. 2011 | XXX | 116 | 160 | 189 | 173 | 171 | 154 | 153 | 153 | 153 | 0 | 0 |
| 4. 2012 | XXX | XXX | 368 | 287 | 292 | 266 | 266 | 258 | 254 | 254 | 0 | (4) |
| 5. 2013 | XXX | XXX | XXX | 731 | 795 | 857 | 819 | 747 | 741 | 717 | (24) | (29) |
| 6. 2014 | XXX | XXX | XXX | XXX | 944 | 908 | 894 | 967 | 1,039 | 1,122 | 83 | 155 |
| 7. 2015 | XXX | XXX | XXX | XXX | XXX | 1,274 | 1,172 | 1,214 | 1,233 | 1,339 | 106 | 125 |
| 8. 2016 | XXX | XXX | XXX | XXX | XXX | XXX | 1,613 | 1,512 | 1,299 | 1,303 | 4 | (209) |
| 9. 2017 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 2,459 | 2,441 | 2,234 | (207) | (225) |
| 10. 2018 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 755 | 610 | (145) | XXX |
| 11. 2019 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 51 | XXX | XXX |
| | | | | | | | | | | 12. Totals | (183) | (187) |

# 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<br>Number of Claims Closed With Loss Payment | 12<br>Number of Claims Closed Without Loss Payment |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1<br>2010 | 2<br>2011 | 3<br>2012 | 4<br>2013 | 5<br>2014 | 6<br>2015 | 7<br>2016 | 8<br>2017 | 9<br>2018 | 10<br>2019 | | |
| 1. Prior | 000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | XXX |
| 2. 2010 | | | | | | | | 0 | 0 | 0 | XXX | XXX |
| 3. 2011 | XXX | 17 | 100 | 138 | 149 | 152 | 152 | 153 | 153 | 153 | XXX | XXX |
| 4. 2012 | XXX | XXX | 57 | 157 | 188 | 227 | 255 | 254 | 254 | 254 | XXX | XXX |
| 5. 2013 | XXX | XXX | XXX | 178 | 430 | 599 | 680 | 720 | 718 | 718 | XXX | XXX |
| 6. 2014 | XXX | XXX | XXX | XXX | 192 | 463 | 584 | 733 | 806 | 845 | XXX | XXX |
| 7. 2015 | XXX | XXX | XXX | XXX | XXX | 321 | 678 | 837 | 1,034 | 1,135 | XXX | XXX |
| 8. 2016 | XXX | XXX | XXX | XXX | XXX | XXX | 373 | 837 | 988 | 1,052 | XXX | XXX |
| 9. 2017 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 717 | 1,431 | 1,573 | XXX | XXX |
| 10. 2018 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 272 | 327 | XXX | XXX |
| 11. 2019 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 18 | XXX | XXX |

# 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<br>2010 | 2<br>2011 | 3<br>2012 | 4<br>2013 | 5<br>2014 | 6<br>2015 | 7<br>2016 | 8<br>2017 | 9<br>2018 | 10<br>2019 |
| 1. Prior | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. 2010 | | | | | | | | 0 | 0 | 0 |
| 3. 2011 | XXX | 22 | 27 | 26 | 15 | 10 | 2 | 0 | 0 | 0 |
| 4. 2012 | XXX | XXX | 263 | 96 | 48 | 20 | 11 | 4 | 0 | 0 |
| 5. 2013 | XXX | XXX | XXX | 407 | 233 | 126 | 89 | 19 | 23 | (1) |
| 6. 2014 | XXX | XXX | XXX | XXX | 543 | 277 | 144 | 80 | 42 | 42 |
| 7. 2015 | XXX | XXX | XXX | XXX | XXX | 666 | 341 | 176 | 79 | 75 |
| 8. 2016 | XXX | XXX | XXX | XXX | XXX | XXX | 837 | 535 | 245 | 200 |
| 9. 2017 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 1,126 | 782 | 558 |
| 10. 2018 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 378 | 234 |
| 11. 2019 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 |

# SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

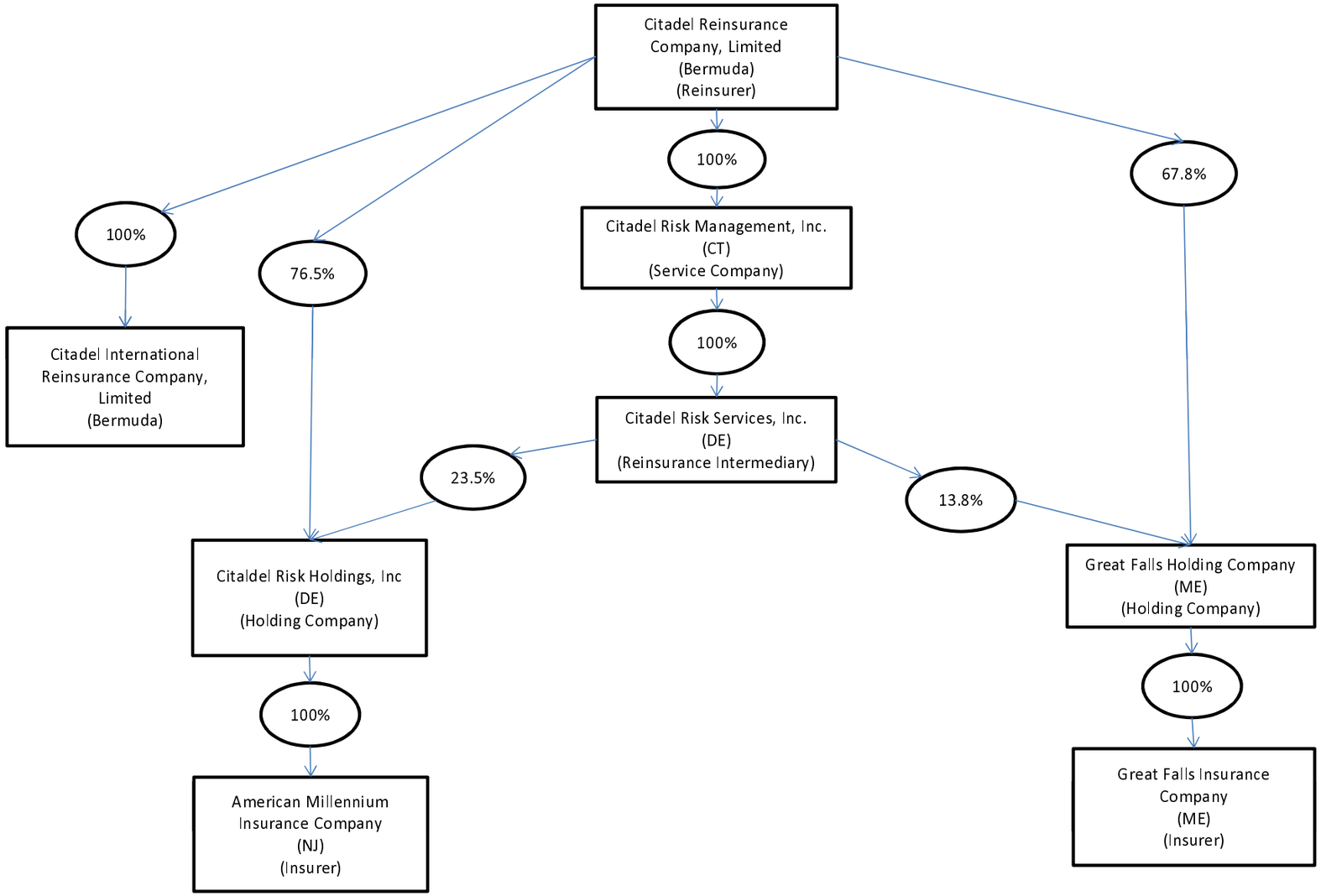
| States, Etc. | 1<br>Active Status (a) | Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies Not Taken<br>2<br>Direct Premiums Written | 3<br>Direct Premiums Earned | 4<br>Dividends Paid or Credited to Policyholders on Direct Business | 5<br>Direct Losses Paid (Deducting Salvage) | 6<br>Direct Losses Incurred | 7<br>Direct Losses Unpaid | 8<br>Finance and Service Charges Not Included in Premiums | 9<br>Direct Premiums Written for Federal Purchasing Groups (Included in Column 2) |
|---|---|---|---|---|---|---|---|---|---|
| 1. Alabama AL | N | | | | | | | | |
| 2. Alaska AK | N | | | | | | | | |
| 3. Arizona AZ | N | | | | | | | | |
| 4. Arkansas AR | N | | | | | | | | |
| 5. California CA | N | | | | | | | | |
| 6. Colorado CO | N | | | | | | | | |
| 7. Connecticut CT | N | | | | | | | | |
| 8. Delaware DE | N | | | | | | | | |
| 9. District of Columbia DC | N | | | | | | | | |
| 10. Florida FL | N | | | | | | | | |
| 11. Georgia GA | N | | | | | | | | |
| 12. Hawaii HI | N | | | | | | | | |
| 13. Idaho ID | N | | | | | | | | |
| 14. Illinois IL | N | | | | | | | | |
| 15. Indiana IN | N | | | | | | | | |
| 16. Iowa IA | N | | | | | | | | |
| 17. Kansas KS | N | | | | | | | | |
| 18. Kentucky KY | N | | | | | | | | |
| 19. Louisiana LA | N | | | | | | | | |
| 20. Maine ME | L | (70,736) | (70,736) | 0 | 1,092,813 | 14,199 | 5,673,681 | | |
| 21. Maryland MD | N | | | | | | | | |
| 22. Massachusetts MA | N | | | | | | | | |
| 23. Michigan MI | N | | | | | | | | |
| 24. Minnesota MN | N | | | | | | | | |
| 25. Mississippi MS | N | | | | | | | | |
| 26. Missouri MO | N | | | | | | | | |
| 27. Montana MT | N | | | | | | | | |
| 28. Nebraska NE | N | | | | | | | | |
| 29. Nevada NV | N | | | | | | | | |
| 30. New Hampshire NH | L | (22,848) | (22,848) | 0 | 210,621 | (277,151) | (41,553) | | |
| 31. New Jersey NJ | N | | | | | | | | |
| 32. New Mexico NM | N | | | | | | | | |
| 33. New York NY | N | | | | | | | | |
| 34. North Carolina NC | N | | | | | | | | |
| 35. North Dakota ND | N | | | | | | | | |
| 36. Ohio OH | N | | | | | | | | |
| 37. Oklahoma OK | N | | | | | | | | |
| 38. Oregon OR | N | | | | | | | | |
| 39. Pennsylvania PA | N | | | | | | | | |
| 40. Rhode Island RI | N | | | | | | | | |
| 41. South Carolina SC | N | | | | | | | | |
| 42. South Dakota SD | N | | | | | | | | |
| 43. Tennessee TN | N | | | | | | | | |
| 44. Texas TX | N | | | | | | | | |
| 45. Utah UT | N | | | | | | | | |
| 46. Vermont VT | N | | | | | | | | |
| 47. Virginia VA | N | | | | | | | | |
| 48. Washington WA | N | | | | | | | | |
| 49. West Virginia WV | N | | | | | | | | |
| 50. Wisconsin WI | N | | | | | | | | |
| 51. Wyoming WY | N | | | | | | | | |
| 52. American Samoa AS | N | | | | | | | | |
| 53. Guam GU | N | | | | | | | | |
| 54. Puerto Rico PR | N | | | | | | | | |
| 55. U.S. Virgin Islands VI | N | | | | | | | | |
| 56. Northern Mariana Islands MP | N | | | | | | | | |
| 57. Canada CAN | N | | | | | | | | |
| 58. Aggregate other alien OT | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 59. Totals | XXX | (93,584) | (93,584) | 0 | 1,303,434 | (262,952) | 5,632,128 | 0 | 0 |
| DETAILS OF WRITE-INS | | | | | | | | | |
| 58001. | XXX | | | | | | | | |
| 58002. | XXX | | | | | | | | |
| 58003. | XXX | | | | | | | | |
| 58998. Summary of remaining write-ins for Line 58 from overflow page | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above) | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

(a) Active Status Counts:

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG 2
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile - see DSLI) 0
D - Domestic Surplus Lines Insurer (DSLI) - Reporting entities authorized to write surplus lines in the state of domicile 0
R - Registered - Non-domiciled RRGs 0
Q - Qualified - Qualified or accredited reinsurer 0
N - None of the above - Not allowed to write business in the state 55

(b) Explanation of basis of allocation of premiums by states, etc.
Premiums are reported in the state risk is located

**CITADEL GROUP OF COMPANIES**
**CORPORATE STRUCTURE**



## OVERFLOW PAGE FOR WRITE-INS

# NONE

# ALPHABETICAL INDEX

## ANNUAL STATEMENT BLANK


Assets ..... 2
Cash Flow ..... 5
Exhibit of Capital Gains (Losses) ..... 12
Exhibit of Net Investment Income ..... 12
Exhibit of Nonadmitted Assets ..... 13
Exhibit of Premiums and Losses (State Page) ..... 19
Five-Year Historical Data ..... 17
General Interrogatories ..... 15
Jurat Page ..... 1
Liabilities, Surplus and Other Funds ..... 3
Notes To Financial Statements ..... 14
Overflow Page For Write-ins ..... 100
Schedule A - Part 1 ..... E01
Schedule A - Part 2 ..... E02
Schedule A - Part 3 ..... E03
Schedule A - Verification Between Years ..... SI02
Schedule B - Part 1 ..... E04
Schedule B - Part 2 ..... E05
Schedule B - Part 3 ..... E06
Schedule B - Verification Between Years ..... SI02
Schedule BA - Part 1 ..... E07
Schedule BA - Part 2 ..... E08
Schedule BA - Part 3 ..... E09
Schedule BA - Verification Between Years ..... SI03
Schedule D - Part 1 ..... E10
Schedule D - Part 1A - Section 1 ..... SI05
Schedule D - Part 1A - Section 2 ..... SI08
Schedule D - Part 2 - Section 1 ..... E11
Schedule D - Part 2 - Section 2 ..... E12
Schedule D - Part 3 ..... E13
Schedule D - Part 4 ..... E14
Schedule D - Part 5 ..... E15
Schedule D - Part 6 - Section 1 ..... E16
Schedule D - Part 6 - Section 2 ..... E16
Schedule D - Summary By Country ..... SI04
Schedule D - Verification Between Years ..... SI03
Schedule DA - Part 1 ..... E17
Schedule DA - Verification Between Years ..... SI10
Schedule DB - Part A - Section 1 ..... E18
Schedule DB - Part A - Section 2 ..... E19
Schedule DB - Part A - Verification Between Years ..... SI11
Schedule DB - Part B - Section 1 ..... E20
Schedule DB - Part B - Section 2 ..... E21
Schedule DB - Part B - Verification Between Years ..... SI11
Schedule DB - Part C - Section 1 ..... SI12
Schedule DB - Part C - Section 2 ..... SI13
Schedule DB - Part D - Section 1 ..... E22
Schedule DB - Part D - Section 2 ..... E23
Schedule DB - Part E ..... E24
Schedule DB - Verification ..... SI14
Schedule DL - Part 1 ..... E25
Schedule DL - Part 2 ..... E26
Schedule E - Part 1 - Cash ..... E27
Schedule E - Part 2 - Cash Equivalents ..... E28
Schedule E - Part 2 - Verification Between Years ..... SI15
Schedule E - Part 3 - Special Deposits ..... E29
Schedule F - Part 1 ..... 20
Schedule F - Part 2 ..... 21
Schedule F - Part 3 ..... 22
Schedule F - Part 4 ..... 27
Schedule F - Part 5 ..... 28
Schedule F - Part 6 ..... 29
Schedule H - Accident and Health Exhibit - Part 1 ..... 30
Schedule H - Part 2, Part 3 and 4 ..... 31
Schedule H - Part 5 - Health Claims ..... 32

**ANNUAL STATEMENT BLANK (Continued)**


Schedule P - Part 1 - Summary ..... 33
Schedule P - Part 1A - Homeowners/Farmowners ..... 35
Schedule P - Part 1B - Private Passenger Auto Liability/Medical ..... 36
Schedule P - Part 1C - Commercial Auto/Truck Liability/Medical ..... 37
Schedule P - Part 1D - Workers' Compensation (Excluding Excess Workers' Compensation) ..... 38
Schedule P - Part 1E - Commercial Multiple Peril ..... 39
Schedule P - Part 1F - Section 1 - Medical Professional Liability - Occurrence ..... 40
Schedule P - Part 1F - Section 2 - Medical Professional Liability - Claims-Made ..... 41
Schedule P - Part 1G - Special Liability (Ocean, Marine, Aircraft (All Perils), Boiler and Machinery) ..... 42
Schedule P - Part 1H - Section 1 - Other Liability-Occurrence ..... 43
Schedule P - Part 1H - Section 2 - Other Liability - Claims-Made ..... 44
Schedule P - Part 1I - Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary & Theft) ..... 45
Schedule P - Part 1J - Auto Physical Damage ..... 46
Schedule P - Part 1K - Fidelity/Surety ..... 47
Schedule P - Part 1L - Other (Including Credit, Accident and Health) ..... 48
Schedule P - Part 1M - International ..... 49
Schedule P - Part 1N - Reinsurance - Nonproportional Assumed Property ..... 50
Schedule P - Part 1O - Reinsurance - Nonproportional Assumed Liability ..... 51
Schedule P - Part 1P - Reinsurance - Nonproportional Assumed Financial Lines ..... 52
Schedule P - Part 1R - Section 1 - Products Liability - Occurrence ..... 53
Schedule P - Part 1R - Section 2 - Products Liability - Claims-Made ..... 54
Schedule P - Part 1S - Financial Guaranty/Mortgage Guaranty ..... 55
Schedule P - Part 1T - Warranty ..... 56
Schedule P - Part 2, Part 3 and Part 4 - Summary ..... 34
Schedule P - Part 2A - Homeowners/Farmowners ..... 57
Schedule P - Part 2B - Private Passenger Auto Liability/Medical ..... 57
Schedule P - Part 2C - Commercial Auto/Truck Liability/Medical ..... 57
Schedule P - Part 2D - Workers' Compensation (Excluding Excess Workers' Compensation) ..... 57
Schedule P - Part 2E - Commercial Multiple Peril ..... 57
Schedule P - Part 2F - Section 1 - Medical Professional Liability - Occurrence ..... 58
Schedule P - Part 2F - Section 2 - Medical Professional Liability - Claims-Made ..... 58
Schedule P - Part 2G - Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery) ..... 58
Schedule P - Part 2H - Section 1 - Other Liability - Occurrence ..... 58
Schedule P - Part 2H - Section 2 - Other Liability - Claims-Made ..... 58
Schedule P - Part 2I - Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, and Theft) ..... 59
Schedule P - Part 2J - Auto Physical Damage ..... 59
Schedule P - Part 2K - Fidelity, Surety ..... 59
Schedule P - Part 2L - Other (Including Credit, Accident and Health) ..... 59
Schedule P - Part 2M - International ..... 59
Schedule P - Part 2N - Reinsurance - Nonproportional Assumed Property ..... 60
Schedule P - Part 2O - Reinsurance - Nonproportional Assumed Liability ..... 60
Schedule P - Part 2P - Reinsurance - Nonproportional Assumed Financial Lines ..... 60
Schedule P - Part 2R - Section 1 - Products Liability - Occurrence ..... 61
Schedule P - Part 2R - Section 2 - Products Liability - Claims-Made ..... 61
Schedule P - Part 2S - Financial Guaranty/Mortgage Guaranty ..... 61
Schedule P - Part 2T - Warranty ..... 61
Schedule P - Part 3A - Homeowners/Farmowners ..... 62
Schedule P - Part 3B - Private Passenger Auto Liability/Medical ..... 62
Schedule P - Part 3C - Commercial Auto/Truck Liability/Medical ..... 62
Schedule P - Part 3D - Workers' Compensation (Excluding Excess Workers' Compensation) ..... 62
Schedule P - Part 3E - Commercial Multiple Peril ..... 62
Schedule P - Part 3F - Section 1 - Medical Professional Liability - Occurrence ..... 63
Schedule P - Part 3F - Section 2 - Medical Professional Liability - Claims-Made ..... 63
Schedule P - Part 3G - Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery) ..... 63
Schedule P - Part 3H - Section 1 - Other Liability - Occurrence ..... 63
Schedule P - Part 3H - Section 2 - Other Liability - Claims-Made ..... 63
Schedule P - Part 3I - Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, and Theft) ..... 64
Schedule P - Part 3J - Auto Physical Damage ..... 64
Schedule P - Part 3K - Fidelity/Surety ..... 64
Schedule P - Part 3L - Other (Including Credit, Accident and Health) ..... 64
Schedule P - Part 3M - International ..... 64
Schedule P - Part 3N - Reinsurance - Nonproportional Assumed Property ..... 65
Schedule P - Part 3O - Reinsurance - Nonproportional Assumed Liability ..... 65
Schedule P - Part 3P - Reinsurance - Nonproportional Assumed Financial Lines ..... 65
Schedule P - Part 3R - Section 1 - Products Liability - Occurrence ..... 66
Schedule P - Part 3R - Section 2 - Products Liability - Claims-Made ..... 66
Schedule P - Part 3S - Financial Guaranty/Mortgage Guaranty ..... 66
Schedule P - Part 3T - Warranty ..... 66

**ANNUAL STATEMENT BLANK (Continued)**


Schedule P - Part 4A - Homeowners/Farmowners ..... 67
Schedule P - Part 4B - Private Passenger Auto Liability/Medical ..... 67
Schedule P - Part 4C - Commercial Auto/Truck Liability/Medical ..... 67
Schedule P - Part 4D - Workers' Compensation (Excluding Excess Workers' Compensation) ..... 67
Schedule P - Part 4E - Commercial Multiple Peril ..... 67
Schedule P - Part 4F - Section 1 - Medical Professional Liability - Occurrence ..... 68
Schedule P - Part 4F - Section 2 - Medical Professional Liability - Claims-Made ..... 68
Schedule P - Part 4G - Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery) ..... 68
Schedule P - Part 4H - Section 1 - Other Liability - Occurrence ..... 68
Schedule P - Part 4H - Section 2 - Other Liability - Claims-Made ..... 68
Schedule P - Part 4I - Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary and Theft) ..... 69
Schedule P - Part 4J - Auto Physical Damage ..... 69
Schedule P - Part 4K - Fidelity/Surety ..... 69
Schedule P - Part 4L - Other (Including Credit, Accident and Health) ..... 69
Schedule P - Part 4M - International ..... 69
Schedule P - Part 4N - Reinsurance - Nonproportional Assumed Property ..... 70
Schedule P - Part 4O - Reinsurance - Nonproportional Assumed Liability ..... 70
Schedule P - Part 4P - Reinsurance - Nonproportional Assumed Financial Lines ..... 70
Schedule P - Part 4R - Section 1 - Products Liability - Occurrence ..... 71
Schedule P - Part 4R - Section 2 - Products Liability - Claims-Made ..... 71
Schedule P - Part 4S - Financial Guaranty/Mortgage Guaranty ..... 71
Schedule P - Part 4T - Warranty ..... 71
Schedule P - Part 5A - Homeowners/Farmowners ..... 72
Schedule P - Part 5B - Private Passenger Auto Liability/Medical ..... 73
Schedule P - Part 5C - Commercial Auto/Truck Liability/Medical ..... 74
Schedule P - Part 5D - Workers' Compensation (Excluding Excess Workers' Compensation) ..... 75
Schedule P - Part 5E - Commercial Multiple Peril ..... 76
Schedule P - Part 5F - Medical Professional Liability - Claims-Made ..... 78
Schedule P - Part 5F - Medical Professional Liability - Occurrence ..... 77
Schedule P - Part 5H - Other Liability - Claims-Made ..... 80
Schedule P - Part 5H - Other Liability - Occurrence ..... 79
Schedule P - Part 5R - Products Liability - Claims-Made ..... 82
Schedule P - Part 5R - Products Liability - Occurrence ..... 81
Schedule P - Part 5T - Warranty ..... 83
Schedule P - Part 6C - Commercial Auto/Truck Liability/Medical ..... 84
Schedule P - Part 6D - Workers' Compensation (Excluding Excess Workers' Compensation) ..... 84
Schedule P - Part 6E - Commercial Multiple Peril ..... 85
Schedule P - Part 6H - Other Liability - Claims-Made ..... 86
Schedule P - Part 6H - Other Liability - Occurrence ..... 85
Schedule P - Part 6M - International ..... 86
Schedule P - Part 6N - Reinsurance - Nonproportional Assumed Property ..... 87
Schedule P - Part 6O - Reinsurance - Nonproportional Assumed Liability ..... 87
Schedule P - Part 6R - Products Liability - Claims-Made ..... 88
Schedule P - Part 6R - Products Liability - Occurrence ..... 88
Schedule P - Part 7A - Primary Loss Sensitive Contracts ..... 89
Schedule P - Part 7B - Reinsurance Loss Sensitive Contracts ..... 91
Schedule P Interrogatories ..... 93
Schedule T - Exhibit of Premiums Written ..... 94
Schedule T - Part 2 - Interstate Compact ..... 95
Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group ..... 96
Schedule Y - Part 1A - Detail of Insurance Holding Company System ..... 97
Schedule Y - Part 2 - Summary of Insurer's Transactions With Any Affiliates ..... 98
Statement of Income ..... 4
Summary Investment Schedule ..... SI01
Supplemental Exhibits and Schedules Interrogatories ..... 99
Underwriting and Investment Exhibit Part 1 ..... 6
Underwriting and Investment Exhibit Part 1A ..... 7
Underwriting and Investment Exhibit Part 1B ..... 8
Underwriting and Investment Exhibit Part 2 ..... 9
Underwriting and Investment Exhibit Part 2A ..... 10
Underwriting and Investment Exhibit Part 3 ..... 11