



ANNUAL STATEMENT

For the Year Ended December 31, 2019
of the Condition and Affairs of the

Medical Mutual Insurance Company of Maine

NAIC Group Code.....	4775, 4775 (Current Period) (Prior Period)	NAIC Company Code.....	36277	Employer's ID Number.....	01-0355669
Organized under the Laws of ME		State of Domicile or Port of Entry	ME	Country of Domicile	US
Incorporated/Organized.....	March 20, 1978	Commenced Business.....	September 1, 1978		
Statutory Home Office	One City Center .. Portland .. ME .. US .. 04101-4009 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>				
Main Administrative Office	One City Center .. Portland .. ME .. US .. 04101-4009 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>			207-775-2791 <i>(Area Code) (Telephone Number)</i>	
Mail Address	P.O. Box 15275 .. Portland .. ME .. US .. 04112-5275 <i>(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)</i>				
Primary Location of Books and Records	One City Center .. Portland .. ME .. US .. 04101-4009 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>			207-775-2791 <i>(Area Code) (Telephone Number)</i>	
Internet Web Site Address	www.medicalmutual.com				
Statutory Statement Contact	Barbara T. Sinclair <i>(Name)</i> bsinclair@medicalmutual.com <i>(E-Mail Address)</i>			207-775-2791 <i>(Area Code) (Telephone Number) (Extension)</i> 207-523-8380 <i>(Fax Number)</i>	

OFFICERS

Name	Title	Name	Title
1. Frank W. Lavoie M.D.	President	2. O. Robert Stevens M.D.	Treasurer
3. William L. Medd M.D.	Chairman	4. Cynthia A. DeSoi M.D.	Secretary
William F. D'Angelo M.D.	Vice Chairman	Barbara T. Sinclair	VP/CFO
John P. Doyle	VP Marketing/Administration	Stephen D. Hodgkin	VP/CIO
David L. Johnson	VP Underwriting	Mary Elizabeth Knox	VP Claims

OTHER

DIRECTORS OR TRUSTEES

William F. D'Angelo M.D.	Cynthia A. DeSoi M.D.	Matthew C. Dugan D.O.	Rebekah J. Gass M.D.
Sean T. Hanley M.D.	Wendy J. Merchant	Adam W. Kunin M.D.	Frank W. Lavoie M.D.
David B. McDermott M.D.	William L. Medd M.D.	Jeremy R. Morton M.D.	Robert D. Sansonetti M.D.
Lois N. Skillings	O. Robert Stevens M.D.	James M. Totten	

State of..... MAINE
County of..... CUMBERLAND

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

_____ (Signature) Frank W. Lavoie M.D.	_____ (Signature) O. Robert Stevens M.D.	_____ (Signature) William L. Medd M.D.
1. (Printed Name) President	2. (Printed Name) Treasurer	3. (Printed Name) Chairman
_____ (Title)	_____ (Title)	_____ (Title)

Subscribed and sworn to before me
This _____ day of _____ 2020

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			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	227,614,083		227,614,083	231,629,582
2. Stocks (Schedule D):				
2.1 Preferred stocks.....			.0	
2.2 Common stocks.....	55,600,594		55,600,594	43,238,386
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 (less \$.....0 encumbrances).....			.0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			.0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			.0	
5. Cash (\$.....13,066,493, Schedule E-Part 1), cash equivalents (\$.....16,027,311, Schedule E-Part 2) and short-term investments (\$.....4,286,957, Schedule DA).....	33,380,761		33,380,761	15,042,245
6. Contract loans (including \$.....0 premium notes).....			.0	
7. Derivatives (Schedule DB).....			.0	
8. Other invested assets (Schedule BA).....	1,000	1,000	.0	50,000
9. Receivables for securities.....	481		481	7,778
10. Securities lending reinvested collateral assets (Schedule DL).....			.0	
11. Aggregate write-ins for invested assets.....	.0	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	316,596,919	1,000	316,595,919	289,967,991
13. Title plants less \$.....0 charged off (for Title insurers only).....			.0	
14. Investment income due and accrued.....	1,745,132		1,745,132	1,781,254
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	121,845	386	121,459	202,619
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	21,079,793		21,079,793	16,149,603
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			.0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	406,808		406,808	51,684
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.....	321,373	49,661	271,712	226,222
21. Furniture and equipment, including health care delivery assets (\$.....0).....	217,327	217,327	.0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0	
23. Receivables from parent, subsidiaries and affiliates.....	9,250		9,250	16,816
24. Health care (\$.....0) and other amounts receivable.....			.0	
25. Aggregate write-ins for other-than-invested assets.....	1,339,402	377,460	961,942	1,280,261
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	341,837,849	645,834	341,192,015	309,676,450
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
28. TOTAL (Lines 26 and 27).....	341,837,849	645,834	341,192,015	309,676,450

DETAILS OF WRITE-INS

1101.....			.0	
1102.....			.0	
1103.....			.0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	.0	.0	.0	.0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	.0	.0	.0	.0
2501. OTHER RECEIVABLES.....	763,390	377,460	385,930	668,096
2502. RMA ESCROW ACCOUNT.....	576,012		576,012	612,165
2503.....			.0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.0	.0	.0	.0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	1,339,402	377,460	961,942	1,280,261

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	65,362,028	69,882,303
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6).....		
3. Loss adjustment expenses (Part 2A, Line 35, Column 9).....	25,299,383	25,466,537
4. Commissions payable, contingent commissions and other similar charges.....	75,633	54,328
5. Other expenses (excluding taxes, licenses and fees).....	1,454,970	1,030,523
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	323,465	106,560
7.1 Current federal and foreign income taxes (including \$.....8,213 on realized capital gains (losses)).....	2,649,285	999,405
7.2 Net deferred tax liability.....	3,124,655	1,132,727
8. Borrowed money \$.....0 and interest thereon \$.....0.....		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$.....7,966,327 and including warranty reserves of \$.....0 and accrued accident and health experience rating refunds including \$.....0 for medical loss ratio rebate per the Public Health Service Act).....	23,911,762	18,213,971
10. Advance premium.....	165,980	222,060
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....	5,039,494	1,837,343
12. Ceded reinsurance premiums payable (net of ceding commissions).....	6,504,718	5,462,821
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20).....		
14. Amounts withheld or retained by company for account of others.....	576,354	612,510
15. Remittances and items not allocated.....		
16. Provision for reinsurance (including \$.....0 certified) (Schedule F, Part 3, Column 78).....		
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....		
20. Derivatives.....		
21. Payable for securities.....		
22. Payable for securities lending.....		
23. Liability for amounts held under uninsured plans.....		
24. Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	4,678,289	4,275,628
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	139,166,016	129,296,716
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	139,166,016	129,296,716
29. Aggregate write-ins for special surplus funds.....	0	0
30. Common capital stock.....		
31. Preferred capital stock.....		
32. Aggregate write-ins for other-than-special surplus funds.....	0	0
33. Surplus notes.....		
34. Gross paid in and contributed surplus.....		
35. Unassigned funds (surplus).....	202,025,999	180,379,734
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 30 \$.....0).....		
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0).....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39).....	202,025,999	180,379,734
38. TOTAL (Page 2, Line 28, Col. 3).....	341,192,015	309,676,450

DETAILS OF WRITE-INS

2501. OTHER PAYABLES.....	4,678,289	4,275,628
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	4,678,289	4,275,628
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above).....	0	0
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above).....	0	0

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4).....	34,400,980	35,743,714
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7).....	6,280,193	21,244,280
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	7,756,265	4,516,282
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	9,024,379	9,807,052
5. Aggregate write-ins for underwriting deductions.....	0	0
6. Total underwriting deductions (Lines 2 through 5).....	23,060,837	35,567,614
7. Net income of protected cells.....		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	11,340,143	176,100
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	8,462,319	8,020,763
10. Net realized capital gains (losses) less capital gains tax of \$.....10,111 (Exhibit of Capital Gains (Losses)).....	1,185,307	1,665,510
11. Net investment gain (loss) (Lines 9 + 10).....	9,647,626	9,686,273
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0).....	0	
13. Finance and service charges not included in premiums.....	25,535	27,060
14. Aggregate write-ins for miscellaneous income.....	2,946	10,623
15. Total other income (Lines 12 through 14).....	28,481	37,683
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	21,016,250	9,900,056
17. Dividends to policyholders.....	4,997,906	1,495,857
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).....	16,018,344	8,404,199
19. Federal and foreign income taxes incurred.....	3,226,851	907,521
20. Net income (Line 18 minus Line 19) (to Line 22).....	12,791,493	7,496,678
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	180,379,734	178,308,965
22. Net income (from Line 20).....	12,791,493	7,496,678
23. Net transfers (to) from Protected Cell accounts.....		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0.....	10,864,153	(7,027,747)
25. Change in net unrealized foreign exchange capital gain (loss).....		
26. Change in net deferred income tax.....	(1,991,928)	1,653,298
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3).....	(27,105)	97,987
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....		
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.....		
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).....		
37. Aggregate write-ins for gains and losses in surplus.....	9,652	(149,447)
38. Change in surplus as regards policyholders for the year (Lines 22 through 37).....	21,646,265	2,070,769
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	202,025,999	180,379,734
DETAILS OF WRITE-INS		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above).....	0	0
1401. MISCELLANEOUS.....	2,946	10,623
1402.		
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above).....	2,946	10,623
3701. NON VESTED PENSION BENEFITS.....	9,652	(149,447)
3702.		
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above).....	9,652	(149,447)

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	36,845,396	32,894,791
2. Net investment income.....	8,798,754	8,126,079
3. Miscellaneous income.....	28,481	37,683
4. Total (Lines 1 through 3).....	45,672,631	41,058,553
5. Benefit and loss related payments.....	11,155,592	14,147,642
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	16,735,218	18,935,579
8. Dividends paid to policyholders.....	1,795,755	1,708,245
9. Federal and foreign income taxes paid (recovered) net of \$....458,026 tax on capital gains (losses).....	1,587,082	2,328,927
10. Total (Lines 5 through 9).....	31,273,647	37,120,393
11. Net cash from operations (Line 4 minus Line 10).....	14,398,984	3,938,160
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	74,805,107	44,009,527
12.2 Stocks.....	4,288,127	7,348,037
12.3 Mortgage loans.....		
12.4 Real estate.....		
12.5 Other invested assets.....	19,628	
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	727	(950)
12.7 Miscellaneous proceeds.....	34,362	16,749
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	79,147,951	51,373,363
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	70,708,522	63,270,762
13.2 Stocks.....	4,947,543	3,652,630
13.3 Mortgage loans.....		
13.4 Real estate.....		
13.5 Other invested assets.....		50,000
13.6 Miscellaneous applications.....		6,791
13.7 Total investments acquired (Lines 13.1 to 13.6).....	75,656,065	66,980,183
14. Net increase (decrease) in contract loans and premium notes.....		
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	3,491,887	(15,606,820)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....		
16.2 Capital and paid in surplus, less treasury stock.....		
16.3 Borrowed funds.....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....		
16.6 Other cash provided (applied).....	447,645	362,410
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	447,645	362,410
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).....	18,338,516	(11,306,250)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	15,042,245	26,348,495
19.2 End of year (Line 18 plus Line 19.1).....	33,380,761	15,042,245

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

20.0001		
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UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business	1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums December 31 Prior Year- per Col. 3, Last Year's Part 1	3 Unearned Premiums December 31 Current Year- per Col. 5, Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1. Fire.....	0		0	0
2. Allied lines.....	0		0	0
3. Farmowners multiple peril.....	0		0	0
4. Homeowners multiple peril.....	0		0	0
5. Commercial multiple peril.....	0		0	0
6. Mortgage guaranty.....	0		0	0
8. Ocean marine.....	0		0	0
9. Inland marine.....	0		0	0
10. Financial guaranty.....	0		0	0
11.1 Medical professional liability - occurrence.....	1,472,075	1,009,251	906,690	1,574,636
11.2 Medical professional liability - claims-made.....	37,922,680	16,930,645	22,546,379	32,306,946
12. Earthquake.....	0		0	0
13. Group accident and health.....	0		0	0
14. Credit accident and health (group and individual).....	0		0	0
15. Other accident and health.....	0		0	0
16. Workers' compensation.....	0		0	0
17.1 Other liability - occurrence.....	817,493	388,863	510,280	696,076
17.2 Other liability - claims-made.....	(113,477)	(114,788)	(51,587)	(176,678)
17.3 Excess workers' compensation.....	0		0	0
18.1 Products liability - occurrence.....	0		0	0
18.2 Products liability - claims-made.....	0		0	0
19.1, 19.2 Private passenger auto liability.....	0		0	0
19.3, 19.4 Commercial auto liability.....	0		0	0
21. Auto physical damage.....	0		0	0
22. Aircraft (all perils).....	0		0	0
23. Fidelity.....	0		0	0
24. Surety.....	0		0	0
26. Burglary and theft.....	0		0	0
27. Boiler and machinery.....	0		0	0
28. Credit.....	0		0	0
29. International.....	0		0	0
30. Warranty.....	0		0	0
31. Reinsurance - nonproportional assumed property.....	0		0	0
32. Reinsurance - nonproportional assumed liability.....	0		0	0
33. Reinsurance - nonproportional assumed financial lines.....	0		0	0
34. Aggregate write-ins for other lines of business.....	0	0	0	0
35. TOTALS.....	40,098,771	18,213,971	23,911,762	34,400,980

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
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business		1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned But Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums 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.....		906,690			906,690
11.2	Medical professional liability - claims-made.....	22,546,379				22,546,379
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.....					.0
17.1	Other liability - occurrence.....	510,280				510,280
17.2	Other liability - claims-made.....	(51,587)				(51,587)
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.....	23,005,072	906,690	.0	.0	23,911,762
36.	Accrued retrospective premiums based on experience.....					.0
37.	Earned but unbilled premiums.....					.0
38.	Balance (sum of Lines 35 through 37).....					23,911,762

DETAILS OF WRITE-INS

3401.	.....					.0
3402.	.....					.0
3403.	.....					.0
3498.	Summary of remaining write-ins for Line 34 from overflow page.....	.0	.0	.0	.0	.0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	.0	.0	.0	.0	.0

(a) State here basis of computation used in each case: Column 1 basis: Daily pro rata; Column 2 basis: Extended reporting endorsements - Actuarially determined

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
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.....	1,699,545				227,470	1,472,075
11.2 Medical professional liability - claims-made.....	51,098,765				13,176,085	37,922,680
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.....						0
17.1 Other liability - occurrence.....	949,183				131,690	817,493
17.2 Other liability - claims-made.....	10,000				123,477	(113,477)
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.....	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.....	53,757,493	0	0	0	13,658,722	40,098,771

DETAILS OF WRITE-INS

3401.						0
3402.						0
3403.						0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0

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

If yes: 1. The amount of such installment premiums \$.....0.

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

	Line of Business	Losses Paid Less Salvage			5 Net Losses Unpaid Current Year (Part 2A, 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 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered					4 Net Payments (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.....	190,000		190,000	4,246,750	4,563,320	(126,570)	(8.0)	
11.2	Medical professional liability - claims-made.....	12,778,910	2,545,000	10,233,910	59,279,918	64,795,825	4,718,003	14.6	
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.....				.0	.0	.0	.0	
17.1	Other liability - occurrence.....	376,558		376,558	1,835,359	523,158	1,688,759	242.6	
17.2	Other liability - claims-made.....	57,321	57,321	.0	.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.....	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	
35.	TOTALS	13,402,789	.0	2,602,321	10,800,468	65,362,027	69,882,303	6,280,192	18.3
DETAILS OF WRITE-INS									
3401.	.....				.0	.0	.0	.0
3402.	.....				.0	.0	.0	.0
3403.	.....				.0	.0	.0	.0
3498.	Summary of remaining write-ins for Line 34 from overflow page.....	.0	.0	.0	.0	.0	.0	XXX	
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	.0	.0	.0	.0	.0	.0	.0	

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

Line of Business	Reported Losses				Incurred But Not Reported			8 Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	9 Net Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excluding Incurred but not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
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.....	979,000			979,000	3,518,480		250,730	4,246,750	1,948,448
11.2 Medical professional liability - claims-made.....	44,131,194		16,326,153	27,805,041	51,032,855		19,557,978	59,279,918	21,096,924
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.....				.0				.0	
17.1 Other liability - occurrence.....	1,097,818			1,097,818	737,541			1,835,359	1,384,104
17.2 Other liability - claims-made.....				.0	23,708		23,708	.0	869,907
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.....	46,208,012	0	16,326,153	29,881,859	55,312,584	0	19,832,416	65,362,027	25,299,383
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	0	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0	0	0	0

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(a) Including \$.....0 for present value of life indemnity claims.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct.....	5,709,275			5,709,275
1.2 Reinsurance assumed.....				0
1.3 Reinsurance ceded.....	893,390			893,390
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	4,815,885	0	0	4,815,885
2. Commission and brokerage:				
2.1 Direct, excluding contingent.....		2,002,577		2,002,577
2.2 Reinsurance assumed, excluding contingent.....				0
2.3 Reinsurance ceded, excluding contingent.....		2,164,730		2,164,730
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	(162,153)	0	(162,153)
3. Allowances to manager and agents.....				0
4. Advertising.....		12,748		12,748
5. Boards, bureaus and associations.....		171,024		171,024
6. Surveys and underwriting reports.....		18,622		18,622
7. Audit of assureds' records.....				0
8. Salary and related items:				
8.1 Salaries.....	1,614,618	4,348,582	84,057	6,047,257
8.2 Payroll taxes.....	94,766	255,230	4,934	354,930
9. Employee relations and welfare.....	412,297	1,110,423	21,464	1,544,184
10. Insurance.....	78,526	211,492	4,088	294,106
11. Directors' fees.....	186,603	170,699	7,803	365,105
12. Travel and travel items.....	57,683	160,440	2,970	221,093
13. Rent and rent items.....	92,418	248,906	4,811	346,135
14. Equipment.....	17,844	48,057	929	66,830
15. Cost or depreciation of EDP equipment and software.....	262,113	529,592	11,451	803,156
16. Printing and stationery.....	7,903	21,285	412	29,600
17. Postage, telephone and telegraph, exchange and express.....	7,979	21,488	415	29,882
18. Legal and auditing.....	60,939	89,658	541,134	691,731
19. Totals (Lines 3 to 18).....	2,893,689	7,418,246	684,468	10,996,403
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....0.....		1,048,645		1,048,645
20.2 Insurance department licenses and fees.....		34,166		34,166
20.3 Gross guaranty association assessments.....				0
20.4 All other (excluding federal and foreign income and real estate).....		34,411		34,411
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	0	1,117,222	0	1,117,222
21. Real estate expenses.....				0
22. Real estate taxes.....				0
23. Reimbursements by uninsured plans.....				0
24. Aggregate write-ins for miscellaneous expenses.....	46,691	651,064	8,500	706,255
25. Total expenses incurred.....	7,756,265	9,024,379	692,968	(a) 17,473,612
26. Less unpaid expenses - current year.....	25,299,383	1,383,313	150,379	26,833,075
27. Add unpaid expenses - prior year.....	25,466,537	751,239	137,990	26,355,766
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).....	7,923,419	8,392,305	680,579	16,996,303

DETAILS OF WRITE-INS

2401. Miscellaneous Expenses.....	46,691	651,064	8,500	706,255
2402.				0
2403.				0
2498. Summary of remaining write-ins for Line 24 from overflow page.....	0	0	0	0
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above).....	46,691	651,064	8,500	706,255

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

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....1,464,598	.....1,336,297
1.1 Bonds exempt from U.S. tax.....	(a).....2,674,838	.....2,563,189
1.2 Other bonds (unaffiliated).....	(a).....3,760,420	.....3,976,095
1.3 Bonds of affiliates.....	(a).....	.....
2.1 Preferred stocks (unaffiliated).....	(b).....	.....
2.11 Preferred stocks of affiliates.....	(b).....	.....
2.2 Common stocks (unaffiliated).....	.....968,100	.....956,254
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).....323,452	.....323,452
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....	.....
9. Aggregate write-ins for investment income.....	.....0	.....0
10. Total gross investment income.....	.....9,191,408	.....9,155,287
11. Investment expenses.....	.....	(g).....692,968
12. Investment taxes, licenses and fees, excluding federal income taxes.....	.....	(g).....
13. Interest expense.....	.....	(h).....
14. Depreciation on real estate and other invested assets.....	.....	(i).....0
15. Aggregate write-ins for deductions from investment income.....	.....	.....0
16. Total deductions (Lines 11 through 15).....	.....	.....692,968
17. Net investment income (Line 10 minus Line 16).....	.....	.....8,462,319

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 through 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 through 1503 plus 1598) (Line 15 above).....	.....	.....0

- (a) Includes \$.....478,095 accrual of discount less \$.....766,019 amortization of premium and less \$.....194,193 paid for accrued interest on purchases.
- (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
- (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....294,967 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. government bonds.....	.....168,675	.....	.....168,675	.....	.....
1.1 Bonds exempt from U.S. tax.....	.....(6,207)	.....	.....(6,207)	.....	.....
1.2 Other bonds (unaffiliated).....	.....206,542	.....	.....206,542	.....	.....
1.3 Bonds of affiliates.....	.....0	.....	.....0	.....	.....
2.1 Preferred stocks (unaffiliated).....	.....0	.....	.....0	.....	.....
2.11 Preferred stocks of affiliates.....	.....0	.....	.....0	.....	.....
2.2 Common stocks (unaffiliated).....	.....838,639	.....10,178	.....848,817	.....10,864,153	.....
2.21 Common stocks of affiliates.....	.....	.....	.....0	.....	.....
3. Mortgage loans.....	.....	.....	.....0	.....	.....
4. Real estate.....	.....	.....	.....0	.....	.....
5. Contract loans.....	.....	.....	.....0	.....	.....
6. Cash, cash equivalents and short-term investments.....	.....727	.....	.....727	.....	.....
7. Derivative instruments.....	.....	.....	.....0	.....	.....
8. Other invested assets.....	.....(30,372)	.....7,236	.....(23,136)	.....	.....
9. Aggregate write-ins for capital gains (losses).....	.....0	.....0	.....0	.....0	.....0
10. Total capital gains (losses).....	.....1,178,004	.....17,414	.....1,195,418	.....10,864,153	.....0

DETAILS OF WRITE-INS

0901. ....	.....	.....	.....0	.....	.....
0902. ....	.....	.....	.....0	.....	.....
0903. ....	.....	.....	.....0	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0	.....0	.....0	.....0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....	.....0	.....0	.....0	.....0	.....0

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 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).....	1,000	1,000	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).....	1,000	1,000	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.....	386	1,494	1,108
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.....	49,661	61,621	11,960
21. Furniture and equipment, including health care delivery assets.....	217,327	228,576	11,249
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.....	377,460	326,038	(51,422)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	645,834	618,729	(27,105)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0
28. TOTALS (Lines 26 and 27).....	645,834	618,729	(27,105)

DETAILS OF WRITE-INS

1101.....			0
1102.....			0
1103.....			0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0
2501. OTHER RECEIVABLES.....	239,960	198,190	(41,770)
2502. NON VESTED PENSION BENEFITS.....	137,500	127,848	(9,652)
2503.....			0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	377,460	326,038	(51,422)

NOTES TO FINANCIAL STATEMENTS**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GOING CONCERN****A. Accounting Practices**

	SSAP #	F/S Page	F/S Line #	2019	2018
NET INCOME					
(1) Company state basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	12,791,493	7,496,678
(2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP					
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP					
(4) NAIC SAP (1 – 2 – 3 = 4)	XXX	XXX	XXX	12,791,493	7,496,678
SURPLUS					
(5) Company state basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	202,025,999	180,379,734
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP					
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP					
(8) NAIC SAP (5 – 6 – 7 = 8)	XXX	XXX	XXX	202,025,999	180,379,734

B. Use of Estimates in the Preparation of the Financial Statement

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities. It also requires estimates in the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of the revenue and expenses during the period. The most significant estimates affecting the Company's financial statements involve the estimation of future indemnity losses and loss adjustment expenses to be incurred by the Company and the level of reserves required to adequately cover the estimate. Actual results could differ from these estimates.

C. Accounting Policy

Direct and ceded premiums are earned over the terms of 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 and ceded business.

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

Net investment income earned consists primarily of interest and dividend income, less investment related expense. Interest income is recognized on an accrual basis and dividends are recognized on an ex-dividend basis. Net realized capital gains (losses) are recognized on a first in-first out basis when securities are sold, redeemed, or otherwise disposed of. Realized capital losses include writedowns for impairments considered to be other than temporary.

In addition, the Company uses the following accounting policies:

- (1) Investments with maturities of less than one year at the time of acquisition are considered short-term investments and are stated at amortized cost using the interest method. Non-investment grade short-term investments are stated at the lower of amortized cost or fair value.
- (2) Investment grade bonds not backed by other loans are stated at amortized cost using the interest method. Non-investment grade bonds with NAIC designations of 3 through 6 are stated at the lower of amortized cost or fair value. Declines in market values that are determined to be other than temporary are recorded as realized losses. The new cost basis is not changed for subsequent recoveries. See paragraph (6) for loan-backed structured securities.
- (3) Common stocks, other than investments in subsidiaries and affiliates, are stated at fair value. Declines in market values that are determined to be other than temporary are recorded as realized losses. The new cost basis is not changed for subsequent recoveries.
- (4) Stated Basis of Preferred Stock
Not Applicable
- (5) Valuation of Mortgage Loans
Not Applicable
- (6) Investment grade loan-backed securities are stated at amortized cost. The retrospective adjustment method is used to value all loan-backed securities. Non-investment grade loan-backed securities are stated at the lower of amortized cost or fair value.

The carrying value and final NAIC designation for non-agency residential mortgage-backed securities are determined using a special two-step NAIC process. Those assigned an NAIC designation in the first step of 1 or 2 are stated at amortized cost and those assigned a 3 through 6 designation are stated at the lower of amortized cost or fair value. The NAIC designation assigned under the second step of the process is reported for these securities in Schedule D and is used in the risk-based capital calculation.

- (7) Investment in the Company's single subsidiary (non-insurance) is stated at GAAP equity value.

NOTES TO FINANCIAL STATEMENTS

- (8) Investments in joint ventures and partnerships
Not Applicable
- (9) Derivatives
Not Applicable
- (10) The Company anticipates investment income as a factor when evaluating the need for premium deficiency reserves (see Note 30).
- (11) Reserves for unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and an amount, based on past experience (adjusted for expected changes in factors potentially affecting future losses), for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes reported reserves are adequate, the ultimate liability may be in excess of, or less than, the amounts provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.
- (12) The Company has a written capitalization policy for purchases of fixed assets. The predefined capitalization thresholds under this policy have not changed from those of the prior year.
- (13) Method to Estimate Pharmaceutical Rebate Receivables
Not Applicable

D. Going Concern

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

NOTE 2 – ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

Not Applicable

NOTE 3 – BUSINESS COMBINATIONS AND GOODWILL

Not Applicable

NOTE 4 – DISCONTINUED OPERATIONS

Not Applicable

NOTE 5 – INVESTMENTS

- A. Mortgage Loans, including Mezzanine Real Estate Loans
Not Applicable
- B. Debt Restructuring
Not Applicable
- C. Reverse Mortgage
Not Applicable
- D. Loan-Backed Securities
- (1) Prepayment assumptions for loan-backed and structured securities were obtained from broker dealer survey values or internal estimates.
- (2) The Company did not recognize any other-than-temporary impairments (OTTI) on loan-backed or structured securities during the period.
- (3) The Company did not hold any loan-backed or structured securities with OTTI at the end of the current period.
- (4) The following table summarizes unrealized losses on loan-backed securities and structured securities by the length of time that the securities have continuously been in unrealized loss positions:

a. The aggregate amount of unrealized losses:	1. Less than 12 Months	8,298
	2. 12 Months or Longer	26,409
b. The aggregate related fair value of securities with unrealized losses:	1. Less than 12 Months	4,501,337
	2. 12 Months or Longer	5,763,051

- (5) All loan-backed and structured securities in an unrealized loss position were reviewed to determine whether an OTTI should be recognized. As of the end of the current period, the Company asserts that it has the intent and believes that it has the ability to hold these securities long enough to allow the cost basis of these securities to be recovered. Unrealized losses are primarily attributable to credit spread widening and increased liquidity discounts. It is possible that the Company could recognize OTTI in the future on some of the securities held at the end of the current period if future events, information and the passage of time cause it to conclude that declines in value are other than temporary.

NOTES TO FINANCIAL STATEMENTS

- E. Dollar Repurchase Agreements and/or Securities Lending Transactions
Not Applicable
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing
Not Applicable
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing
Not Applicable
- H. Repurchase Agreements Transactions Accounted for as a Sale
Not Applicable
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale
Not Applicable
- J. Real Estate
Not Applicable
- K. Low-Income Housing Tax Credits (LIHTC)
Not Applicable
- L. Restricted Assets

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	Gross (admitted & Nonadmitted) Restricted						Current Year				
	Current Year					6	7	8	9	Percentage	
	1	2	3	4	5					10	11
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Call Account (S/A) Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Nonadmitted) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets (d)
a. Subject to contractual obligation for which liability is not shown											
b. Collateral held under security lending arrangements											
c. Subject to repurchase agreements											
d. Subject to reverse repurchase agreements											
e. Subject to dollar repurchase agreements											
f. Subject to dollar reverse repurchase agreements											
g. Placed under option contracts											
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock											
i. FHLB capital stock											
j. On deposit with states	199,281				199,281	198,482	799		199,281	0.1%	0.1%
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	199,281				199,281	198,482	799		199,281	0.1%	0.1%

(a) Subset of column 1
 (b) Subset of column 3
 (c) Column 5 divided by Asset Page, Column 1, Line 28
 (d) Column 9 divided by Asset Page, Column 3, Line 28

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts that Share Similar Characteristics, Such as Reinsurance and Derivatives, are Reported in the Aggregate)

Not Applicable

NOTES TO FINANCIAL STATEMENTS

- (3) Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, such as Reinsurance and Derivatives, are Reported in the Aggregate)

Not Applicable

- (4) Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements

Not Applicable

- M. Working Capital Finance Investments

Not Applicable

- N. Offsetting and Netting of Assets and Liabilities

Not Applicable

- O. 5GI Securities

Not Applicable

- P. Short Sales

Not Applicable

- Q. Prepayment Penalty and Acceleration Fees

Not Applicable

NOTE 6 – JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

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

Not Applicable

- B. Writedowns for Impairment of Joint Ventures, Partnerships and LLCs

Not Applicable

NOTE 7 – INVESTMENT INCOME

- A. Accrued Investment Income

The Company does not admit investment income due and accrued if amounts are over 90 days past due (180 days for mortgage loans).

- B. Amounts Nonadmitted

Not Applicable

NOTE 8 – DERIVATIVE INSTRUMENTS

Not Applicable

NOTE 9 – INCOME TAXES

- A. Deferred Tax Assets/(Liabilities)

1. Components of Net Deferred Tax Asset/(Liability)

	2019			2018			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Gross deferred tax assets	3,476,301	303,726	3,780,027	3,100,923	332,590	3,433,513	375,378	(28,864)	346,514
b. Statutory valuation allowance adjustment									
c. Adjusted gross deferred tax assets (1a-1b)	3,476,301	303,726	3,780,027	3,100,923	332,590	3,433,513	375,378	(28,864)	346,514
d. Deferred tax assets nonadmitted									
e. Subtotal net admitted deferred tax asset (1c-1d)	3,476,301	303,726	3,780,027	3,100,923	332,590	3,433,513	375,378	(28,864)	346,514
f. Deferred tax liabilities	952,657	5,952,025	6,904,682	1,106,230	3,460,010	4,566,240	(153,573)	2,492,015	2,338,442
g. Net admitted deferred tax assets/(net deferred tax liability) (1e-1f)	2,523,644	(5,648,299)	(3,124,655)	1,994,693	(3,127,420)	(1,132,727)	528,951	(2,520,879)	(1,991,928)

NOTES TO FINANCIAL STATEMENTS**2. Admission Calculation Components SSAP No. 101**

	2019			2018			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks	2,461,284		2,461,284	2,827,284		2,827,284	(366,000)		(366,000)
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)	424,010		424,010				424,010		424,010
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	424,010		424,010				424,010		424,010
2. Adjusted gross deferred tax assets allowed per limitation threshold			30,263,143			27,023,027			3,240,116
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	591,007	303,726	894,733	273,639	332,590	606,229	317,368	(28,864)	288,504
d. Deferred tax assets admitted as the result of application of SSAP 101. Total (2(a)+2(b)+2(c))	3,476,301	303,726	3,780,027	3,100,923	332,590	3,433,513	375,378	(28,864)	346,514

3. Other Admissibility Criteria

	2019	2018
a. Ratio percentage used to determine recovery period and threshold limitation amount	2,155.3%	2,007.0%
b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	201,754,287	180,153,512

4. Impact of Tax Planning Strategies

(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.

	2019		2018		Change	
	1 Ordinary	2 Capital	3 Ordinary	4 Capital	5 (Col. 1-3) Ordinary	6 (Col. 2-4) Capital
1. Adjusted gross DTAs amount from Note 9A1(c)	3,476,301	303,726	3,100,923	332,590	375,378	(28,864)
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies		100.0%		100.0%		
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	3,476,301	303,726	3,100,923	332,590	375,378	(28,864)
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies		100.0%		100.0%		

NOTES TO FINANCIAL STATEMENTS

(b) Does the company's tax planning strategies include the use of reinsurance? NO

B. Deferred Tax Liabilities Not Recognized

Not Applicable

C. Current and Deferred Income Taxes**1. Current Income Tax**

	1	2	3
	2019	2018	(Col 1-2) Change
a. Federal	3,226,851	907,521	2,319,330
b. Foreign			
c. Subtotal	3,226,851	907,521	2,319,330
d. Federal income tax on net capital gains	10,111	761,808	(751,697)
e. Utilization of capital loss carry-forwards			
f. Other			
g. Federal and Foreign income taxes incurred	3,236,962	1,669,329	1,567,633

2. Deferred Tax Assets

	1	2	3
	2019	2018	(Col 1-2) Change
a. Ordinary:			
1. Discounting of unpaid losses	1,477,054	1,443,155	33,899
2. Unearned premium reserve	1,011,265	774,313	236,952
3. Policyholder reserves			
4. Investments			
5. Deferred acquisition costs			
6. Policyholder dividends accrual			
7. Fixed assets			
8. Compensation and benefits accrual	902,840	788,254	114,586
9. Pension accrual			
10. Receivables - nonadmitted			
11. Net operating loss carry-forward			
12. Tax credit carry-forward			
13. Other (items <=5% and >5% of total ordinary tax assets)	85,142	95,201	(10,059)
Other (items listed individually >5% of total ordinary tax assets)			
99. Subtotal	3,476,301	3,100,923	375,378
b. Statutory valuation allowance adjustment			
c. Nonadmitted			
d. Admitted ordinary deferred tax assets (2a99-2b-2c)	3,476,301	3,100,923	375,378
e. Capital:			
1. Investments	303,726	332,590	(28,864)
2. Net capital loss carry-forward			
3. Real estate			
4. Other (items <=5% and >5% of total capital tax assets)			
Other (items listed individually >5% of total capital tax assets)			
99. Subtotal	303,726	332,590	(28,864)
f. Statutory valuation allowance adjustment			
g. Nonadmitted			
h. Admitted capital deferred tax assets (2e99-2f-2g)	303,726	332,590	(28,864)
i. Admitted deferred tax assets (2d+2h)	3,780,027	3,433,513	346,514

NOTES TO FINANCIAL STATEMENTS**3. Deferred Tax Liabilities**

	1 2019	2 2018	3 (Col 1-2) Change
a. Ordinary:			
1. Investments	341,024	495,960	(154,936)
2. Fixed assets	69,033	63,573	5,460
3. Deferred and uncollected premium			
4. Policyholder reserves			
5. Other (items <=5% and >5% of total ordinary tax liabilities)	542,600	546,697	(4,097)
Other (items listed individually >5% of total ordinary tax liabilities)			
99. Subtotal	952,657	1,106,230	(153,573)
b. Capital:			
1. Investments	5,952,025	3,460,010	2,492,015
2. Real estate			
3. Other (Items <=5% and >5% of total capital tax liabilities)			
Other (items listed individually >5% of total capital tax liabilities)			
99. Subtotal	5,952,025	3,460,010	2,492,015
c. Deferred tax liabilities (3a99+3b99)	6,904,682	4,566,240	2,338,442

4. Net Deferred Tax Assets/Liabilities (2i – 3c)

(3,124,655)	(1,132,727)	(1,991,928)
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D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate Among the more significant book to tax adjustments were the following:

	Amount	Effective Tax Rate (%)
Permanent Differences:		
Provision computed at statutory rate	3,364,456	21.0%
Change in nonadmitted assets		
Proration of tax exempt investment income	141,505	0.9%
Tax exempt income deduction	(495,575)	(3.1)%
Dividends received deduction	(70,445)	(0.4)%
Disallowed travel and entertainment	3,175	
Other permanent differences	15,511	0.1%
Temporary Differences:		
Total ordinary DTAs		
Total ordinary DTLs		
Total capital DTAs		
Total capital DTLs	(210,543)	(1.3)%
Other:		
Statutory valuation allowance adjustment		
Accrual adjustment – prior year	(11,207)	(0.1)%
Other		
Totals	2,736,877	17.1%
Federal and foreign income taxes incurred	3,226,851	20.1%
Realized capital gains (losses) tax	10,111	0.1%
Change in net deferred income taxes	(500,085)	(3.1)%
Total statutory income taxes	2,736,877	17.1%

E. Operating Loss Carry Forwards and Income Taxes Available for Recoupment

1. The amounts, origination dates and expiration dates of operating loss and tax credit carryforwards available for tax purposes:

Description (Operating Loss or Tax Credit Carry Forward)	Amounts	Origination Dates	Expiration Dates
NONE			

2. The following is income tax expense for current year and proceeding years that is available for recoupment in the event of future net losses:

Year	Amounts
2019	3,248,168
2018	1,699,111

3. The Company's aggregate amount of deposits admitted under Section 6603 of the Internal Revenue Service Code. The Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

NOTES TO FINANCIAL STATEMENTS**F. Consolidated Federal Income Tax Return**

1. The Company's federal income tax return is consolidated with the following entities:

Specialty Insurance Placement Services, LLC

2. The manner in which the Board of Directors sets forth for allocating the consolidated federal income tax:

Allocation is made primarily on a separate return basis with current credit for any net operating losses or other items utilized in the consolidated return.

G. Federal or Foreign Federal Income Tax Loss Contingencies:

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

H. Repatriation Transition Tax (RTT) - RTT owed under the TCJA

Not Applicable

I. Alternative Minimum Tax (AMT Credit)

Not Applicable

NOTE 10 – INFORMATION CONCERNING PARENT, SUBSIDIARIES, AFFILIATES AND OTHER RELATED PARTIES**A. Nature of Relationships**

The Company owns 100% of its noninsurance subsidiary, Specialty Insurance Placement Services, LLC.

The Company sponsored the creation of a risk retention group named BeaconHarbor Mutual Risk Retention Group ("BeaconHarbor") in 2012, which was dissolved effective December 30, 2019.

B. Detail of Transactions Greater than ½% of Admitted Assets

Not Applicable

C. Changes in Terms of Intercompany Arrangements

Not Applicable

D. Amounts Due to or from Related Parties

The Company reported the following as amounts due from its subsidiaries in the current and prior years:

Related Parties	2019	2018
Specialty Insurance Placement Services, LLC	9,250	9,373
BeaconHarbor Mutual Risk Retention Group	0	57,443
Total	9,250	66,816

These arrangements are subject to written agreements, dated December 28, 2016, which require that intercompany balances be settled within 60 days of the end of the year.

E. Guarantees on Contingencies for Related Companies

Not Applicable

F. Management Service Contracts, Cost Sharing Arrangements

The Company provides certain management services to its subsidiary company under a management agreement.

G. Nature of Relationships that Could Affect Operations

The Company owns 100% of its subsidiary company.

H. Amount Deducted for Investment in Upstream Company

Not Applicable

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

Not Applicable

J. Write down for Impairments of Investments in Affiliates

Not Applicable

K. Investment in Foreign Insurance Subsidiaries Valued using CARNM

Not Applicable

L. Investment in Downstream Noninsurance Holding Company Valued Using Look-Through Method

Not Applicable

NOTES TO FINANCIAL STATEMENTS

- M. Non-Insurance Subsidiary, Controlled and Affiliated (SCA) Entity Valuations
Not Applicable
- N. Investments in Insurance SCA Entities
Not Applicable
- O. SCA Loss Tracking
Not Applicable

NOTE 11 – DEBT

- A. Debt, Including Capital Notes
The Company maintains an unsecured \$2,000,000 line of credit with a local bank. There was no outstanding balance on the line of credit at the end of the current year. Interest on any outstanding balance is charged at one month LIBOR, plus 2.20%. The effective interest rate is equivalent to the stated rate. There was no interest expense incurred relative to the line of credit during the current year. The Company is required to carry a zero balance on the line of credit for 30 days within each year.
- B. FHLB (Federal Home Loan Bank) Agreements
Not Applicable

NOTE 12 – RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

- A. Defined Benefit Plan
Not Applicable
- B-D. Investment Policies and Strategies
Not Applicable
- E. Defined Contribution Plans
The Company sponsors a 401(K) plan covering substantially all employees of the Company. See Note 12G for further information.
- F. Multiemployer Plans
Not Applicable
- G. Consolidated/Holding Company Plans
The Company sponsors a 401(k) plan covering substantially all employees of the Company. The plan has two components, employee funding and employer contributions. The Company elected a safe harbor fixed formula of 3% and a discretionary formula of 10% of eligible compensation up to the maximum allowable earnings prescribed under Federal regulations. Contributions are made to the plan quarterly. In 2019 and 2018, the Company expensed \$627,306 and \$629,591, respectively, for employer contributions.
The Company sponsors a non-qualified supplemental pension plan for employees who have earnings in excess of federally allowed limits for contributions to the defined contribution plan. Participants in the plan are general creditors of the Company. The Company pays participants interest at a rate tracking mutual fund returns as selected by the participants, or at Prime rate as published in the Wall Street Journal on the first business day of the calendar year, based on participants' written elections. Contributions are made quarterly, and are computed at the same rate applicable to the employee contributions to the 401(k) plan. In 2019 and 2018, the Company expensed \$98,501 and \$90,389, respectively, to fund the plan, and the company credited earnings to participants totaling \$40,484 and \$35,315, respectively.
The Company sponsors a non-qualified deferred compensation plan for employees and directors. The plan allows participants to defer receipt of compensation until a future date. Participants in the plan are general creditors of the Company. The Company pays participants interest at a rate tracking mutual fund returns as selected by the participants, or at Prime rate as published in the Wall Street Journal on the first business day of the calendar year, based on participants' written elections. In 2019 and 2018, the Company credited earnings to participants totaling \$188,403 and \$136,786, respectively.
- H. Postemployment Benefits and Compensated Absences
The Company has no obligations to current or former employees for benefits after termination of their employment, but before their retirement, other than for compensation related to earned vacation. The liability for earned but untaken vacation has been accrued.
- I. Impact of Medicare Modernization Act on Postretirement Benefits
The Company has no obligations to former employees for benefits after their retirement.

NOTES TO FINANCIAL STATEMENTS**NOTE 13 – CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS**

(1) Outstanding Shares

Not Applicable

(2) Dividend Rate of Preferred Stock

Not Applicable

(3) Dividend Restrictions

There are no restrictions for dividends paid or credited to policyholders.

(4) Dates and Amounts of Dividends Paid

Dividends are paid to policyholders as declared by the Company's Board of Directors. Dividends of \$4,997,906 and \$1,495,857 were declared in 2019 and 2018, respectively.

(5) Amount of Ordinary Dividends That May Be Paid to Stockholders

Not Applicable

(6) Restrictions on Unassigned Funds

There are no restrictions on the unassigned funds of the Company other than those described in paragraphs (3) and (5) and these unassigned funds are held for the benefit of the policyholders.

(7) Mutual Surplus Advances

Not Applicable

(8) Company Stock Held for Special Purposes

Not Applicable

(9) Changes in Special Surplus Funds

Not Applicable

(10) Changes in Unassigned Funds

The portion of unassigned funds (surplus) represented or reduced by unrealized gains and losses is \$ 28,819,671.

(11) Surplus Notes

Not Applicable

(12) Impact of Quasi-reorganizations

Not Applicable

(13) Dates of Quasi-Reorganizations

Not Applicable

NOTE 14 – LIABILITIES, CONTINGENCIES AND ASSESSMENTS

A. Contingent Commitments

(1) The Company received a surplus note from its sponsored risk retention group, BeaconHarbor, which was to be funded based on the operating needs of BeaconHarbor, up to a maximum amount of \$5,000,000. The Company capitalized BeaconHarbor for \$1,050,000 and funded it with \$50,000 operating cash. As of the end of the prior year, the Company had a contingent commitment balance of \$4,950,000. BeaconHarbor was dissolved effective December 30, 2019. There are no contingent commitments as of the end of the current period.

(2) Detail of Other Contingent Commitments

Nature and Circumstances of Guarantee and Key Attributes, Including Date and Duration of Agreement	Liability Recognition of Guarantee, (Including Amount Recognized at Inception. If no Initial Recognition, Document Exception Allowed Under SSAP No. 5R)	Ultimate Financial Statement Impact if Action under the Guarantee is Required	Maximum Potential Amount of Future Payments (Undiscounted) the Guarantor could be Required to make under the Guarantee. If unable to Develop an Estimate, this Should be Specifically Noted	Current Status of Payment or Performance Risk of Guarantee. Also Provide Additional Discussion as Warranted
		NONE		

NOTES TO FINANCIAL STATEMENTS

(3) Summary of detail in 14.A.2

a.	Aggregate maximum potential of future payments of all guarantees (undiscounted) the guarantor could be required to make under guarantees. (Should equal the total of column 4 for (2) above.)	NONE
b.	Current liability recognized in F/S	NONE
	1. Noncontingent liabilities	
	2. Contingent liabilities	
c.	Ultimate financial statement impact if action under the guarantee is required	NONE
	1. Investments in SCA	
	2. Joint venture	
	3. Dividends to stockholders (capital contribution)	
	4. Expense	
	5. Other	
	6. Total (should equal (3)a)	

B. Assessments

(1) Liability and related asset

The Company is subject to guaranty fund and other assessments by the states in which it writes business (Maine, Massachusetts, New Hampshire, and Vermont). The Company has not accrued a liability for guaranty fund assessments since the assessments/benefits are paid/received concurrent with notice by the states. Guaranty fund assessments are accrued by the states at the time of insolvencies. The Company recorded an expense of \$0 and \$19,418 for guaranty fund assessments in 2019 and 2018, respectively.

The Company has no significant liability for other assessments.

(2) Rollforward of related asset

Not Applicable

C. Gain Contingencies

Not Applicable

D. Extra Contractual Obligation and Bad Faith Losses

Not Applicable

E. Product Warranties

Not Applicable

F. Joint and Several Liabilities

Not Applicable

G. All Other Contingencies

At the end of the current and prior years, the Company had admitted assets of \$21,201,252 and \$16,352,222, respectively, in premiums receivable due from policyholders. The Company routinely assesses the collectability of these receivables. Based upon Company experience, any uncollectible premiums receivable as of the end of the current year is not expected to exceed the non-admitted amount of \$386 and, therefore, no additional provision for uncollectible amounts has been recorded. The potential for any additional loss is not believed to be material to the Company's financial condition.

Lawsuits against the Company can arise in the normal course of business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company. The Company has no contingent liability under certain structured settlement agreements (see Note 27A).

NOTE 15 – LEASES**A. Lessee Operating Lease**

- (1) The Company signed a new lease, effective July 1, 2013, for office space under a non-cancelable operating lease ending on December 31, 2025. Rental expense for 2019 and 2018 was \$297,066 and \$293,079, respectively.

As an incentive to sign the lease, the landlord reduced the rental rates and square footage rented prior to the expiration of the existing lease. The savings in rent expense was deferred beginning July 1, 2013, and will be amortized over the remaining lease term. There is \$352,744 and \$411,535 deferred rental savings included on the Company's balance sheet at the end of the current and prior years, respectively.

NOTES TO FINANCIAL STATEMENTS

(2) Leases with Initial or Remaining Noncancelable Lease Terms in Excess of One Year

a. At January 1, 2020 the minimum aggregate rental commitments are as follows:

Year Ending December 31	Operating Leases
1. 2020	333,123
2. 2021	333,123
3. 2022	333,123
4. 2023	333,123
5. 2024	333,123
6. Subtotal	1,665,615
7. Thereafter	333,123
8. Total	1,998,738

(3) The Company has not entered into any sale and leaseback arrangements.

B. Lessor Leases

Not Applicable

NOTE 16 – INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

Not Applicable

NOTE 17 – SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

A. Transfers of Receivables Reported as Sales

Not Applicable

B. Transfer and Servicing of Financial Assets

Not Applicable

C. Wash Sales

Not Applicable

NOTE 18 – GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE PORTION OF PARTIALLY INSURED PLANS

Not Applicable

NOTE 19 – DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS

Not Applicable

NOTE 20 – FAIR VALUE MEASUREMENTS

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

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

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

Level 1 – Quoted Prices in Active Markets for Identical Assets and Liabilities: This category, for items measured at fair value on a recurring basis, includes exchange-traded common stocks. The estimated fair value of the equity securities and derivatives within this category are based on quoted prices in active markets and are thus classified as Level 1.

Level 2 – Significant Other Observable Inputs: This category, for items measured at fair value on a recurring basis, includes bonds. The estimated fair value of some of these items were determined by independent pricing services using observable inputs. Others were based on quotes from markets which were not actively traded.

Level 3 – Significant Unobservable Inputs: The Company has no assets or liabilities measured at fair value in this category.

Description for Each Type of Asset or Liability	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
Assets at Fair Value					
Bonds					
Common Stocks - Industrial	53,993,591				53,993,591
Common Stocks-Mutual Funds	1,607,003				1,607,003
Total	55,600,594				55,600,594
Liabilities at Fair Value					
None					
Total					

NOTES TO FINANCIAL STATEMENTS**(2) Fair Value Measurements in (Level 3) of the Fair Value Hierarchy**

Description	Beginning Balance at 1/1/2019	Transfers Into Level 3	Transfers Out of Level 3	Total Gains and (Losses) Included in Net Income	Total Gains and (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2019
a. Assets										
None										
Total										
b. Liabilities										
None										
Total										

(3) Policies on Transfers Into and Out of Level 3

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

(4) Description of Valuation Techniques and Inputs Used in Fair Value Measurement

The Company has no assets or liabilities measured at fair value in the Level 2 or 3 categories.

(5) Derivative Fair Value

Not Applicable

B. Other Fair Value Disclosures

Not Applicable

C. Fair Value Level for All Financial Instruments by Level 1, 2 and 3

The tables below reflect the fair values and admitted assets and liabilities that are financial instruments, excluding those accounted for under the equity method (subsidiaries, joint ventures and ventures). The fair values are also categorized into the three-level fair value hierarchy as described above in Note 20A.

Type of Financial Instrument as of 12/31/19	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	239,046,757	227,614,083	47,762,049	191,284,708			
Common Stock	55,600,594	55,600,594	55,600,594				
Cash, cash equivalents and short-term investments	33,380,761	33,380,761	33,380,761				

Type of Financial Instrument as of 12/31/18	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	234,178,756	231,629,582	66,347,748	167,831,008			
Common Stock	43,238,386	43,238,386	43,238,386				
Cash, cash equivalents and short-term investments	15,042,245	15,042,245	15,042,245				

D. Not Practicable to Estimate Fair Value

Type of Class or Financial Instrument	Carrying Value	Effective Interest Rate	Maturity Date	Explanation
None	\$ %			

E. NAV Practical Expedient Investments

Not Applicable

NOTE 21 – OTHER ITEMS**A. Unusual or Infrequent Items**

Not Applicable

B. Troubled Debt Restructuring Debtors

Not Applicable

C. Other Disclosures

Not Applicable

D. Business Interruption Insurance Recoveries

Not Applicable

E. State Transferable and Non-Transferable Tax Credits

Not Applicable

NOTES TO FINANCIAL STATEMENTS**F. Subprime Mortgage Related Risk Exposure****(1) Subprime Mortgage Exposures**

The Company invests in several asset classes that could be adversely impacted by subprime mortgage exposure including mortgage-backed securities and equity investments in financial institutions. In addition, all investment classes are impacted by market exposure to adverse news in the economy. Conservative investment guidelines limit the Company's exposure to such losses.

(2) Direct Exposure Through Investments in Subprime Mortgage Loans

Not Applicable

(3) Direct Exposure Through Other Investments

The Company invests in several other asset classes that could have subprime mortgage exposure including:

- Residential mortgage-backed securities
- Structured loan-backed securities
- Debt obligations and equity securities of unaffiliated financial institutions participating in subprime lending practices

The Company has reviewed its investments in debt obligations to determine that they are investment grade quality, are current for interest payments due, and, in the case of mortgage-backed securities, that such investments are in tranches that have minimal default risk. Default risk on bonds appears to be minimal at present; however, the credit crisis could worsen in the future, negatively impacting the status of obligations held. In the case of equity securities, market values that are less than the cost of securities have been deducted from surplus to the extent such differences do not reflect other-than-temporary declines in market value.

There is no subprime residential mortgage exposure as of the end of the current year.

(4) Underwriting Exposure to Subprime Mortgage Risk Through Mortgage Guaranty or Financial Guaranty Insurance Coverage

Not Applicable

G. Insurance-Linked Securities (ILS) Contracts

Not Applicable

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

Not Applicable

NOTE 22 – EVENTS SUBSEQUENT

Subsequent events have been considered through February 25, 2020, the date of issuance of these statutory financial statements. There were no events occurring subsequent to the end of the current year that merited disclosure in these statements.

The Company is not subject to an annual ACA assessment under section 9010 of the Affordable Care Act since it does not write health insurance.

NOTE 23 – REINSURANCE**A. Unsecured Reinsurance Recoverables**

The Company does not have any unsecured aggregate reinsurance recoverables for paid and unpaid losses, loss adjustment expenses and unearned premiums for individual reinsurers authorized, unauthorized or certified, that exceed 3% of policyholders' surplus.

B. Reinsurance Recoverable in Dispute

Name of Reinsurer	Total Amount in Dispute (Including IBNR)	Notification	Arbitration	Litigation
NONE				

C. Reinsurance Assumed and Ceded

(1) The following table summarizes assumed and ceded unearned premiums and the related commission equity at the end of the current year:

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates						
b. All Other			7,966,327		(7,966,327)	
c. Total			7,966,327		(7,966,327)	
d. Direct Unearned Premium Reserves						31,878,089

NOTES TO FINANCIAL STATEMENTS

(2) The Company does not have any reinsurance contracts that provide for additional or return commissions based on the actual loss experience of the reinsurance contracts.

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

D. Uncollectible Reinsurance

Not Applicable

E. Commutation of Ceded Reinsurance

Not Applicable

F. Retroactive Reinsurance

Not Applicable

G. Reinsurance Accounted for as a Deposit

Not Applicable

H. Disclosures for the Transfer of Property and Casualty Run-off Agreements

Not Applicable

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

Not Applicable

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation

Not Applicable

NOTE 24 – RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDETERMINATION

Not Applicable

NOTE 25 – CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES (000's omitted)

A. Current year changes in estimates of the costs of prior year losses and loss adjustment expenses (LAE) affect the current year Statement of Income. Increases in those estimates increase current year expense and are referred to as unfavorable development or prior year reserve shortages. Decreases in those estimates decrease current year expense and are referred to as favorable development or prior year reserve redundancies. Current year losses and LAE reflected on the Statement of Income of \$14,036 were lower by \$13,691 due to favorable development of prior year estimates. This favorable development was approximately 14.4% of the prior year reserves for unpaid losses and LAE reflected on the Balance Sheet of \$95,349.

The first two columns in the table below reflect by line of business the expense on the Statement of Income and what that expense would have been without prior year development (from Schedule P – Part 1). The third column is the difference between the first two columns and reflects the favorable development of \$13,691. The decrease was primarily due to improved experience in the 2014 through 2018 report years. Increases or decreases of this nature occur as a result of claim settlements and receipt and evaluation of additional information regarding unpaid claims. Recent development trends are also taken into account in evaluating the overall adequacy of reserves.

The last two columns reconcile the redundancy shown in the third column to the information shown in Schedule P – Part 2, which includes losses and the defense and cost containment (DCC) portion of LAE, but excludes the adjusting and other (AO) portion of LAE.

(000's omitted)					
Schedule P Lines of Business	Current Calendar Year Losses and LAE Incurred	Current Loss Year Losses and LAE Incurred Schedule P - Part 1	Total Shortage (Redundancy)	Loss and DCC Shortage (Redundancy) Schedule P - Part 2	Impact of AO on Total Shortage (Redundancy)
MPL - Occurrence	(191)	1,010	(1,201)	12	(1,213)
MPL - Claims Made	11,492	25,009	(13,517)	(15,152)	1,635
Other Liability - Occurrence	2,028	440	1,588	2,361	(773)
Other Liability - Claims Made	707	1,268	(561)	(32)	(529)
Total	14,036	27,727	(13,691)	(12,811)	(880)

B. Significant changes in reserving methodologies and assumptions

Not Applicable

NOTE 26 – INTERCOMPANY POOLING ARRANGEMENTS

Not Applicable

NOTES TO FINANCIAL STATEMENTS**NOTE 27 – STRUCTURED SETTLEMENTS**

A. Reserves Released Due to Purchase of Annuities

The Company purchased annuities from life insurers under which the claimants are payees (see Note 14G). The Company has no contingent liability should the issuers of these annuities fail to perform under the terms of the annuities.

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

Not Applicable

NOTE 28 – HEALTH CARE RECEIVABLES

Not Applicable

NOTE 29 – PARTICIPATING POLICIES

Not Applicable

NOTE 30 – PREMIUM DEFICIENCY RESERVES

1. Liability carried for premium deficiency reserve: None
2. Date of most recent evaluation of this liability: October 31, 2019
3. Was anticipated investment income utilized in the calculation? Yes

NOTE 31 – HIGH DEDUCTIBLES

A. Reserve Credit Recorded on Unpaid Claims and Amount Billed and Recoverable on Paid Claims for High Deductibles

(1) Counterparty Exposure Recorded on Unpaid Claims and Billed Recoverables on Paid Claims

Annual Statement Line of Business (ASL)		3	4	5	6
1	2	Gross (of High Deductible) Loss Reserves	Reserve Credit for High Deductibles	Billed Recoverables on Paid Claims	Total High Deductibles and Billed Recoverables (Col 4 + Col 5)
ASL #	ASL Description				
11	Medical Professional Liability - Occurrence				
11	Medical Professional Liability - Claims Made	27,169,937	12,186,117		12,186,117
17	Other Liability - Occurrence	2,055,559	616,784		616,784
17	Other Liability - Claims Made	93,786			
Total		29,319,282	12,802,901		

(2) Unsecured Amounts of High Deductibles

a. Total high deductibles and billed recoverables on paid claims	12,802,901
b. Collateral on balance sheet	50,000
c. Collateral off balance sheet	
d. Total unsecured deductibles and billed recoverables on paid claims	12,752,901
e. Percentage unsecured	99.7%

(3) High Deductible Recoverable Amounts on Paid Claims

a. Amount of overdue nonadmitted (either due to aging or collateral)	0
b. Total over 90 days overdue admitted	0
c. Total overdue (a + b)	0

(4) The Deductible Amounts for the Highest Ten Unsecured High Deductible Policies

Counterparty Ranking	Top Ten Unsecured High Deductible Amounts
Counterparty 1	8,453,778
Counterparty 2	4,299,123
Counterparty 3	
Counterparty 4	
Counterparty 5	
Counterparty 6	
Counterparty 7	
Counterparty 8	
Counterparty 9	
Counterparty 10	

NOTES TO FINANCIAL STATEMENTS

B. Unsecured High Deductible Recoverables for Individual Obligors Part of a Group under the Same Management or Control which are Greater than 1% of Capital and Surplus. For this purpose, a group of entities under common control shall be regarded as a single customer.

(1) Total Group Unsecured Aggregate Recoverable

Group Name	Total Unsecured Aggregate Recoverable
NONE	

(2) Obligors and Related Members in the Group

Group Name	Obligors and Related Group Members
NONE	

NOTE 32 – DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES OR UNPAID LOSS ADJUSTMENT EXPENSES

The Company does not discount liabilities for unpaid losses or loss adjustment expenses.

NOTE 33 – ASBESTOS/ENVIRONMENTAL RESERVES

The Company is not exposed to asbestos and/or environmental claims.

NOTE 34 – SUBSCRIBER SAVINGS ACCOUNTS

Not Applicable

NOTE 35 – MULTIPLE PERIL CROP INSURANCE

Not Applicable

NOTE 36 – FINANCIAL GUARANTY INSURANCE

Not Applicable

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? If yes, complete Schedule Y, Parts 1, 1A and 2. Yes No
- 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 No N/A
- 1.3 State regulating? MAINE
- 1.4 Is the reporting entity publicly traded or a member of publicly traded group? Yes No
- 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
- 2.2 If yes, date of change: 5/1/19, 1/24/19
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2016
- 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. 12/31/2016
- 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). 07/23/2018
- 3.4 By what department or departments?
MAINE BUREAU OF INSURANCE
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes No N/A
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes 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
- 4.12 renewals? Yes No
- 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
- 4.22 renewals? Yes No
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes No
If the answer is YES, complete and file the merger history data file with the NAIC.
- 5.2 If yes, provide the name of entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.
- | 1
Name of Entity | 2
NAIC
Company
Code | 3
State of
Domicile |
|---------------------|------------------------------|---------------------------|
| | | |
- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes No
- 6.2 If yes, give full information:
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes No
- 7.2 If yes,
- 7.21 State the percentage of foreign control _____ %
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).
- | 1
Nationality | 2
Type of Entity |
|------------------|---------------------|
| | |
- 8.1 Is the company a subsidiary of a bank holding company regulated with the Federal Reserve Board? Yes No
- 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
- 8.4 If the response to 8.3 is yes, please provide below the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.
- | 1
Affiliate Name | 2
Location (City, State) | 3
FRB | 4
OCC | 5
FDIC | 6
SEC |
|---------------------|-----------------------------|----------|----------|-----------|----------|
| | | | | | |
9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
BAKER NEWMAN & NOYES, LLC 280 FORE STREET PORTLAND, ME 04101
- 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
- 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 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
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

- 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?
CHAD C. KARLS, PRINCIPAL & CONSULTING ACTUARY MILLIMAN, INC. BROOKFIELD, WI
- 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 0
- 12.13 Total book/adjusted carrying value \$ 0
- 12.2 If yes, provide explanation
13. **FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 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).
- 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 [X] No []
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.
- | 1
American Bankers Association (ABA)
Routing Number | 2
Issuing or Confirming Bank Name | 3
Circumstances That Can Trigger
the Letter of Credit | 4
Amount |
|---|--------------------------------------|---|-------------|
| 211274502 | KENNEBUNK SAVINGS BANK | UNREIMBURSED DEDUCTIBLE | \$ 250,000 |
- 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 subordinator 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 or is likely to 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 \$ 0
- 20.12 To stockholders not officers \$ 0
- 20.13 Trustees, supreme or grand (Fraternal only) \$ 0
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers \$ 0
- 20.22 To stockholders not officers 0
- 20.23 Trustees, supreme or grand (Fraternal only) 0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reporting 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 \$ 0
- 21.22 Borrowed from others \$ 0
- 21.23 Leased from others \$ 0
- 21.24 Other \$ 0
- 22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes [] No [X]
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$ 0
- 22.22 Amount paid as expenses \$ 0
- 22.23 Other amounts paid \$ 0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 0

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

24.02 If no, give full and complete information, relating thereto:

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

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$ 0

24.06 If answer to 24.04 is no, report amount of collateral for other programs \$ 0

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

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

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

24.10 For the reporting entity's security lending program, state the amount of the following as of 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 current in force? (Exclude securities subject to Interrogatory 21.1 and 24.03.) Yes No

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

25.21 Subject to repurchase agreements \$ 0

25.22 Subject to reverse repurchase agreements \$ 0

25.23 Subject to dollar repurchase agreements \$ 0

25.24 Subject to reverse dollar repurchase agreements \$ 0

25.25 Placed under option agreements \$ 0

25.26 Letter stock or securities restricted as sale – excluding FHLB Capital Stock \$ 0

25.27 FHLB Capital Stock \$ 0

25.28 On deposit with states \$ 199,281

25.29 On deposit with other regulatory bodies \$ 0

25.30 Pledged as collateral – excluding collateral pledged to an FHLB \$ 0

25.31 Pledged as collateral to FHLB – including assets backing funding agreements \$ 0

25.32 Other \$ 0

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount
		\$

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

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes No N/A

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 results of interest rate sensitivity? Yes No

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 Guidance 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 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

27.2 If yes, state the amount thereof at December 31 of the current year: \$ 0

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 No

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

1 Name of Custodian(s)	2 Custodian's Address
BROWN BROTHERS HARRIMAN & CO.	140 BROADWAY NEW YORK, NY 10005-1101

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

1 Name(s)	2 Location(s)	3 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 Old Custodian	2 New Custodian	3 Date of Change	4 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 Name of Firm or Individual	2 Affiliation
BROWN BROTHERS HARRIMAN & CO.	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 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
104487	BROWN BROTHERS HARRIMAN & CO.		NOT REGISTERED	DS

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 [X] No []

29.2 If yes, complete the following schedule:

1 CUSIP	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
316071 10 9	FIDELITY CONTRAFUND	\$ 232,666
316389 30 3	FIDELITY BLUE CHIP GROWTH	\$ 8,192
316389 40 9	FIDELITY DIVIDEND GROWTH	\$ 17,618
29.2999	TOTAL	\$ 258,476

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
FIDELITY CONTRAFUND	FACEBOOK, INC. CLASS A	\$ 17,450	12/31/2019
FIDELITY CONTRAFUND	AMAZON.COM, INC.	\$ 15,123	12/31/2019
FIDELITY CONTRAFUND	MICROSOFT CORP	\$ 13,029	12/31/2019
FIDELITY CONTRAFUND	BERKSHIRE HATHAWAY, INC. CLASS A	\$ 12,797	12/31/2019
FIDELITY CONTRAFUND	VISA, INC. CLASS A	\$ 9,074	12/31/2019
FIDELITY BLUE CHIP GROWTH	APPLE, INC.	\$ 614	12/31/2019
FIDELITY BLUE CHIP GROWTH	ALPHABET, INC. CLASS A	\$ 582	12/31/2019
FIDELITY BLUE CHIP GROWTH	AMAZON.COM, INC.	\$ 541	12/31/2019
FIDELITY BLUE CHIP GROWTH	MICROSOFT CORP	\$ 467	12/31/2019
FIDELITY BLUE CHIP GROWTH	FACEBOOK, INC. CLASS A	\$ 344	12/31/2019
FIDELITY DIVIDEND GROWTH	BERKSHIRE HATHAWAY, INC. CLASS B	\$ 1,251	12/31/2019
FIDELITY DIVIDEND GROWTH	GENERAL ELECTRIC CO.	\$ 1,163	12/31/2019
FIDELITY DIVIDEND GROWTH	COMCAST CORP. CLASS A	\$ 934	12/31/2019
FIDELITY DIVIDEND GROWTH	APPLE, INC.	\$ 793	12/31/2019
FIDELITY DIVIDEND GROWTH	BANK OF AMERICA, CORP.	\$ 722	12/31/2019

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 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1	Bonds	\$ 247,894,634	\$ 259,327,308	\$ 11,432,674
30.2	Preferred Stocks	\$ 0	\$ 0	\$ 0
30.3	Totals	\$ 247,894,634	\$ 259,327,308	\$ 11,432,674

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

SVO prices were used to determine the fair value for securities if the prices were available within time constraints. For those bonds that didn't have SVO prices, fair values were obtained from Brown Brothers Harriman & Co. who serves as both investment advisor and custodian.

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 []

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

- 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 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 No
- 32.2 If no, list exceptions:
33. By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designation 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
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 an 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
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

OTHER

36.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ 167,228

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 Name	2 Amount Paid
INSURANCE SERVICES OFFICE, INC.	\$ 101,611
MPLA	\$ 42,924

37.1 Amount of payments for legal expenses, if any? \$ 82,107

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 Name	2 Amount Paid
VERRILL DANA, LLP	\$ 33,055
MORRISON MAHONEY LLP	\$ 41,668

38.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$ 18,995

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 Name	2 Amount Paid
SOLTAN BASS, LLP	\$ 17,865

GENERAL INTERROGATORIES**PART 2 – PROPERTY & CASUALTY INTERROGATORIES**

1.1	Does the reporting entity have any direct Medicare Supplement Insurance in force?			Yes []	No [X]
1.2	If yes, indicate premium earned on U.S. business only.	\$			0
1.3	What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?	\$			0
1.31	Reason for excluding:				
1.4	Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.	\$			0
1.5	Indicate total incurred claims on all Medicare Supplement insurance.	\$			0
1.6	Individual policies:				
	Most current three years:				
1.61	Total premium earned	\$			0
1.62	Total incurred claims	\$			0
1.63	Number of covered lives				0
	All years prior to most current three years:				
1.64	Total premium earned	\$			0
1.65	Total incurred claims	\$			0
1.66	Number of covered lives				0
1.7	Group policies:				
	Most current three years:				
1.71	Total premium earned	\$			0
1.72	Total incurred claims	\$			0
1.73	Number of covered lives				0
	All years prior to most current three years:				
1.74	Total premium earned	\$			0
1.75	Total incurred claims	\$			0
1.76	Number of covered lives				0
2.	Health Test:				
			1	2	
			Current Year	Prior Year	
2.1	Premium Numerator	\$	0	\$	0
2.2	Premium Denominator	\$	34,400,980	\$	35,743,714
2.3	Premium Ratio (2.1/2.2)		0.0%		0.0%
2.4	Reserve Numerator	\$	0	\$	0
2.5	Reserve Denominator	\$	114,573,173	\$	113,562,811
2.6	Reserve Ratio (2.4/2.5)		0.0%		0.0%
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	\$			0
3.22	Non-participating policies	\$			0
4.	FOR MUTUAL REPORTING ENTITIES AND RECIPROCAL EXCHANGES ONLY:				
4.1	Does the reporting entity issue assessable policies?				Yes [] No [X]
4.2	Does the reporting entity issue non-assessable policies?				Yes [X] 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.	\$			0
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:				
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? <u>Not applicable - The Company does not issue workers' compensation policies.</u>				
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: <u>Maximum loss exposure per claim is limited by reinsurance treaty loss retention limitation and clash coverage. Medical professional liability coverage in ME, MA, NH and VT comprise the most significant risk of loss. Ultimate losses are estimated in cooperation with the Company's actuary, Milliman, Inc.</u>				
6.3	What provision has this reporting entity made (such as 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? <u>Losses in excess of contractually established retention limits are reinsured and clash coverage limits potential losses on related claims.</u>				
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 [] No [X]
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 uninsured catastrophic loss: <u>The Company writes only medical professional liability policies with related coverage. Catastrophe insurance is not applicable to this line of business.</u>				

GENERAL INTERROGATORIES**PART 2 – PROPERTY & CASUALTY INTERROGATORIES**

7.1	Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)?	Yes []	No [X]
7.2	If yes, indicate the number of reinsurance contracts containing such provisions.	<u>0</u>	
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 <i>SSAP No. 62R, Property and Casualty Reinsurance</i> , 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 (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 (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 []	No [] N/A [X]
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 assets schedule, Page 2, state the amount of corresponding liabilities recorded for: 12.11 Unpaid losses 12.12 Unpaid underwriting expenses (including loss adjustment expenses)	\$	<u>0</u>
		\$	<u>0</u>
12.2	Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds?	\$	<u>0</u>
12.3	If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses?	Yes []	No [] N/A [X]
12.4	If yes, provide the range of interest rates charged under such notes during the period covered by this statement: 12.41 From 12.42 To		<u>%</u> <u>%</u>
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 [X]	No []
12.6	If yes, state the amount thereof at December 31 of current year: 12.61 Letters of Credit 12.62 Collateral and other funds	\$	<u>250,000</u>
		\$	<u>0</u>
13.1	Largest net aggregate amount insured in any one risk (excluding workers' compensation):	\$	<u>750,000</u>
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]

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

- 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. 13
- 14.1 Is the reporting entity a cedant in a multiple cedant reinsurance contract? Yes [] No [X]
- 14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:
- 14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes [] No []
- 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 | 2 | 3 | 4 | 5 |
|------------------|---------------------------|-------------------------|---------------------------|----------------------------|--------------------------|
| | Direct Losses
Incurred | Direct Losses
Unpaid | Direct Written
Premium | Direct Premium
Unearned | Direct Premium
Earned |
| 16.11 Home | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| 16.12 Products | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| 16.13 Automobile | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| 16.14 Other* | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
- * Disclose type of coverage:
- 17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F-Part 3 that is exempt from the statutory provision for unauthorized reinsurance? Yes [] No [X]
 Incurred but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from the statutory provision for unauthorized reinsurance. Provide the following information for this exemption:
- | | | |
|--|----|---|
| 17.11 Gross amount of unauthorized reinsurance in Schedule F-Part 3 exempt from the statutory provision for unauthorized reinsurance | \$ | 0 |
| 17.12 Unfunded portion of Interrogatory 17.11 | \$ | 0 |
| 17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11 | \$ | 0 |
| 17.14 Case reserves portion of Interrogatory 17.11 | \$ | 0 |
| 17.15 Incurred but not reported portion of Interrogatory 17.11 | \$ | 0 |
| 17.16 Unearned premium portion of Interrogatory 17.11 | \$ | 0 |
| 17.17 Contingent commission portion of Interrogatory 17.11 | \$ | 0 |
- 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. \$ 0
- 18.3 Do you act as an administrator for health savings accounts? Yes [] No [X]
- 18.4 If yes, please provide the balance of the funds administered as of the reporting date. \$ 0
19. Is the reporting entity licensed or chartered, registered, qualified, eligible, or writing business in at least 2 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 2019	2 2018	3 2017	4 2016	5 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).....	53,757,493	42,065,376	46,852,574	46,260,660	46,863,944
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....					
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....					
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....					
5. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
6. Total (Line 35).....	53,757,493	42,065,376	46,852,574	46,260,660	46,863,944
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).....	40,098,771	31,875,654	34,503,466	36,343,697	37,325,973
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....					
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....					
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....					
11. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
12. Total (Line 35).....	40,098,771	31,875,654	34,503,466	36,343,697	37,325,973
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8).....	11,340,143	176,100	831,963	1,658,273	6,847,262
14. Net investment gain (loss) (Line 11).....	9,647,626	9,686,273	8,819,747	8,453,479	7,765,257
15. Total other income (Line 15).....	28,481	37,683	38,523	53,878	86,182
16. Dividends to policyholders (Line 17).....	4,997,906	1,495,857	1,986,732	1,818,767	5,510,776
17. Federal and foreign income taxes incurred (Line 19).....	3,226,851	907,521	1,256,872	1,584,263	2,112,216
18. Net income (Line 20).....	12,791,493	7,496,678	6,446,629	6,762,600	7,075,709
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3).....	341,192,015	309,676,450	312,776,517	297,222,733	281,576,169
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 15.1).....	121,459	202,619	341,294	515,075	391,662
20.2 Deferred and not yet due (Line 15.2).....	21,079,793	16,149,603	17,896,562	17,533,917	17,773,713
20.3 Accrued retrospective premiums (Line 15.3).....					
21. Total liabilities excluding protected cell business (Page 3, Line 26).....	139,166,016	129,296,716	134,467,552	131,406,744	124,025,125
22. Losses (Page 3, Line 1).....	65,362,028	69,882,303	63,194,706	62,125,171	55,100,034
23. Loss adjustment expenses (Page 3, Line 3).....	25,299,383	25,466,537	28,890,763	29,240,961	28,088,973
24. Unearned premiums (Page 3, Line 9).....	23,911,762	18,213,971	22,082,031	21,456,623	21,637,043
25. Capital paid up (Page 3, Lines 30 & 31).....					
26. Surplus as regards policyholders (Page 3, Line 37).....	202,025,999	180,379,734	178,308,965	165,815,989	157,551,044
Cash Flow (Page 5)					
27. Net cash from operations (Line 11).....	14,398,984	3,938,160	8,920,892	12,069,325	14,367,116
Risk-Based Capital Analysis					
28. Total adjusted capital.....	202,025,999	180,379,734	178,308,965	165,815,989	157,551,044
29. Authorized control level risk-based capital.....	9,373,609	8,988,646	9,485,514	8,775,782	7,874,941
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1).....	71.9	79.9	73.4	75.8	75.5
31. Stocks (Lines 2.1 & 2.2).....	17.6	14.9	17.6	15.4	15.1
32. Mortgage loans on real estate (Lines 3.1 & 3.2).....					
33. Real estate (Lines 4.1, 4.2 & 4.3).....					
34. Cash, cash equivalents and short-term investments (Line 5).....	10.5	5.2	9.1	8.8	9.5
35. Contract loans (Line 6).....					
36. Derivatives (Line 7).....					
37. Other invested assets (Line 8).....		0.0			
38. Receivables for securities (Line 9).....	0.0	0.0		0.0	0.0
39. Securities lending reinvested collateral assets (Line 10).....					
40. Aggregate write-ins for invested assets (Line 11).....					
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 (Sch. D, Summary, Line 12, Col. 1).....					
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1).....					
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1).....					
45. Affiliated short-term investments (subtotals included in Schedule DA, Verification, Column 5, Line 10).....					
46. Affiliated mortgage loans on real estate.....					
47. All other affiliated.....	1,000	51,000	1,000	1,000	1,000
48. Total of above lines 42 to 47.....	1,000	51,000	1,000	1,000	1,000
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	0.0

Annual Statement for the year 2019 of the **Medical Mutual Insurance Company of Maine**
FIVE-YEAR HISTORICAL DATA
(Continued)

	1	2	3	4	5
	2019	2018	2017	2016	2015
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24).....	10,864,153	(7,027,747)	7,360,896	2,756,893	(1,096,932)
52. Dividends to stockholders (Line 35).....					
53. Change in surplus as regards policyholders for the year (Line 38).....	21,646,265	2,070,769	12,492,976	8,264,945	6,378,837
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).....	13,402,789	19,069,662	28,804,328	11,027,143	6,307,944
55. Property lines (Lines 1, 2, 9, 12, 21 & 26).....					
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....					
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....					
58. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
59. Total (Line 35).....	13,402,789	19,069,662	28,804,328	11,027,143	6,307,944
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).....	10,800,468	14,556,684	15,420,709	10,292,902	6,045,399
61. Property lines (Lines 1, 2, 9, 12, 21 & 26).....					
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....					
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....					
64. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
65. Total (Line 35).....	10,800,468	14,556,684	15,420,709	10,292,902	6,045,399
Operating Percentages (Page 4) (Item 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).....	18.3	59.4	48.7	47.4	36.7
68. Loss expenses incurred (Line 3).....	22.5	12.6	21.6	22.8	16.9
69. Other underwriting expenses incurred (Line 4).....	26.2	27.4	27.3	25.1	26.8
70. Net underwriting gain (loss) (Line 8).....	33.0	0.5	2.5	4.5	19.6
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).....	22.4	30.6	26.7	25.2	24.8
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	40.8	72.1	70.3	70.2	53.6
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).....	19.8	17.7	19.4	21.9	23.7
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).....	(12,811)	(2,363)	(5,620)	(4,008)	(10,626)
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).....	(7.1)	(1.3)	(3.4)	(2.5)	(7.0)
Two Year Loss Development (\$000 omitted)					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12).....	(13,450)	(11,341)	(9,535)	(11,341)	(23,554)
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).....	(7.5)	(6.8)	(6.1)	(7.5)	(16.1)

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?
If no, please explain:

Yes [] No []

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

(\$'000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments						10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	12 Number of Claims Reported-Direct and Assumed
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments				
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	.....XXX.....	.....XXX.....	.....XXX.....	.....	.....	.....1.....	.....	.....5.....	.....	.....6.....	.....XXX.....
2. 2010.....	.....49,730.....	.....11,049.....	.....38,681.....	.....16,765.....	.....3,475.....	.....6,384.....	.....251.....	.....2,688.....	.....	.....22,111.....	.....XXX.....
3. 2011.....	.....50,183.....	.....9,915.....	.....40,268.....	.....11,567.....	.....1,900.....	.....6,150.....	.....134.....	.....2,868.....	.....	.....18,551.....	.....XXX.....
4. 2012.....	.....45,343.....	.....9,471.....	.....35,872.....	.....12,422.....	.....2,850.....	.....5,078.....	.....193.....	.....2,652.....	.....	.....17,109.....	.....XXX.....
5. 2013.....	.....43,641.....	.....8,276.....	.....35,365.....	.....17,256.....	.....7,025.....	.....4,709.....	.....508.....	.....2,567.....	.....	.....16,999.....	.....XXX.....
6. 2014.....	.....42,522.....	.....7,944.....	.....34,578.....	.....8,464.....	.....63.....	.....4,117.....	.....11.....	.....2,281.....	.....	.....14,788.....	.....XXX.....
7. 2015.....	.....42,931.....	.....8,071.....	.....34,860.....	.....12,486.....	.....1,403.....	.....4,224.....	.....104.....	.....2,721.....	.....	.....17,924.....	.....XXX.....
8. 2016.....	.....46,569.....	.....10,045.....	.....36,524.....	.....11,548.....	.....2,671.....	.....4,430.....	.....290.....	.....2,430.....	.....	.....15,447.....	.....XXX.....
9. 2017.....	.....46,045.....	.....12,167.....	.....33,878.....	.....5,332.....	.....1,307.....	.....3,145.....	.....99.....	.....2,614.....	.....	.....9,685.....	.....XXX.....
10. 2018.....	.....47,008.....	.....11,264.....	.....35,744.....	.....1,031.....	.....89.....	.....2,047.....	.....217.....	.....1,847.....	.....	.....4,619.....	.....XXX.....
11. 2019.....	.....46,249.....	.....11,848.....	.....34,401.....	.....188.....	.....	.....472.....	.....	.....1,251.....	.....	.....1,911.....	.....XXX.....
12. Totals.....	.....XXX.....	.....XXX.....	.....XXX.....	.....97,059.....	.....20,783.....	.....40,757.....	.....1,807.....	.....23,924.....	.....0.....	.....139,150.....	.....XXX.....

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding-Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. Prior.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....0.....	.....XXX.....
2. 2010.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....0.....	.....XXX.....
3. 2011.....	.....252.....	.....	.....202.....	.....	.....48.....	.....	.....67.....	.....	.....41.....	.....	.....610.....	.....XXX.....
4. 2012.....	.....200.....	.....	.....264.....	.....	.....48.....	.....	.....88.....	.....	.....46.....	.....	.....646.....	.....XXX.....
5. 2013.....	.....225.....	.....	.....446.....	.....	.....63.....	.....	.....149.....	.....	.....71.....	.....	.....954.....	.....XXX.....
6. 2014.....	.....1,127.....	.....	.....977.....	.....551.....	.....179.....	.....	.....268.....	.....1.....	.....184.....	.....	.....2,183.....	.....XXX.....
7. 2015.....	.....990.....	.....	.....1,899.....	.....751.....	.....244.....	.....	.....407.....	.....9.....	.....283.....	.....	.....3,063.....	.....XXX.....
8. 2016.....	.....7,203.....	.....2,052.....	.....5,217.....	.....2,112.....	.....634.....	.....83.....	.....866.....	.....71.....	.....970.....	.....	.....10,572.....	.....XXX.....
9. 2017.....	.....22,643.....	.....12,323.....	.....11,828.....	.....5,222.....	.....2,131.....	.....85.....	.....2,257.....	.....363.....	.....2,567.....	.....	.....23,433.....	.....XXX.....
10. 2018.....	.....8,828.....	.....1,951.....	.....15,426.....	.....5,809.....	.....1,379.....	.....221.....	.....3,663.....	.....278.....	.....2,347.....	.....	.....23,384.....	.....XXX.....
11. 2019.....	.....4,740.....	.....	.....19,054.....	.....5,388.....	.....950.....	.....	.....4,220.....	.....295.....	.....2,535.....	.....	.....25,816.....	.....XXX.....
12. Totals.....	.....46,208.....	.....16,326.....	.....55,313.....	.....19,833.....	.....5,676.....	.....389.....	.....11,985.....	.....1,017.....	.....9,044.....	.....0.....	.....90,661.....	.....XXX.....

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves after Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior..	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....	.....	.....XXX.....	.....0.....	.....0.....
2. 2010..	.....25,837.....	.....3,726.....	.....22,111.....	.....52.0.....	.....33.7.....	.....57.2.....	.....	.....	.....	.....0.....	.....0.....
3. 2011..	.....21,195.....	.....2,034.....	.....19,161.....	.....42.2.....	.....20.5.....	.....47.6.....	.....	.....	.....	.....454.....	.....156.....
4. 2012..	.....20,798.....	.....3,043.....	.....17,755.....	.....45.9.....	.....32.1.....	.....49.5.....	.....	.....	.....	.....464.....	.....182.....
5. 2013..	.....25,486.....	.....7,533.....	.....17,953.....	.....58.4.....	.....91.0.....	.....50.8.....	.....	.....	.....	.....671.....	.....283.....
6. 2014..	.....17,597.....	.....626.....	.....16,971.....	.....41.4.....	.....7.9.....	.....49.1.....	.....	.....	.....	.....1,553.....	.....630.....
7. 2015..	.....23,254.....	.....2,267.....	.....20,987.....	.....54.2.....	.....28.1.....	.....60.2.....	.....	.....	.....	.....2,138.....	.....925.....
8. 2016..	.....33,298.....	.....7,279.....	.....26,019.....	.....71.5.....	.....72.5.....	.....71.2.....	.....	.....	.....	.....8,256.....	.....2,316.....
9. 2017..	.....52,517.....	.....19,399.....	.....33,118.....	.....114.1.....	.....159.4.....	.....97.8.....	.....	.....	.....	.....16,926.....	.....6,507.....
10. 2018..	.....36,568.....	.....8,565.....	.....28,003.....	.....77.8.....	.....76.0.....	.....78.3.....	.....	.....	.....	.....16,494.....	.....6,890.....
11. 2019..	.....33,410.....	.....5,683.....	.....27,727.....	.....72.2.....	.....48.0.....	.....80.6.....	.....	.....	.....	.....18,406.....	.....7,410.....
12. Totals	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....0.....	.....0.....	.....XXX.....	.....65,362.....	.....25,299.....

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 2010	2 2011	3 2012	4 2013	5 2014	6 2015	7 2016	8 2017	9 2018	10 2019	11 One Year	12 Two Year
1. Prior.....	65,349	50,839	44,782	38,576	35,966	34,626	36,088	35,777	35,847	35,776	(71)	(1)
2. 2010.....	34,338	29,491	26,956	23,389	19,975	18,966	19,699	19,530	19,424	19,423	(1)	(107)
3. 2011.....	XXX	30,664	28,194	22,392	19,414	19,271	19,180	16,739	16,470	16,252	(218)	(487)
4. 2012.....	XXX	XXX	28,652	23,376	20,747	18,394	17,954	15,665	14,859	15,057	198	(608)
5. 2013.....	XXX	XXX	XXX	24,386	20,110	17,308	15,597	17,270	15,243	15,315	72	(1,955)
6. 2014.....	XXX	XXX	XXX	XXX	22,516	19,537	18,869	15,716	14,793	14,506	(287)	(1,210)
7. 2015.....	XXX	XXX	XXX	XXX	XXX	26,694	23,401	24,564	24,476	17,983	(6,493)	(6,581)
8. 2016.....	XXX	XXX	XXX	XXX	XXX	XXX	26,400	26,307	24,735	22,619	(2,116)	(3,688)
9. 2017.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	26,750	30,108	27,937	(2,171)	1,187
10. 2018.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	25,533	23,809	(1,724)	XXX
11. 2019.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	23,941	XXX	XXX
12. Totals.....											(12,811)	(13,450)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	Cumulative Paid Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										11	12
	1 2010	2 2011	3 2012	4 2013	5 2014	6 2015	7 2016	8 2017	9 2018	10 2019	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
1. Prior.....	000	14,502	25,410	30,697	33,859	34,255	34,351	35,775	35,775	35,776	XXX	XXX
2. 2010.....	1,385	6,262	9,231	13,865	17,681	17,924	18,714	19,424	19,424	19,423	XXX	XXX
3. 2011.....	XXX	578	3,965	7,797	8,616	11,080	14,097	15,126	15,225	15,683	XXX	XXX
4. 2012.....	XXX	XXX	602	4,013	6,687	8,153	10,159	12,446	14,452	14,457	XXX	XXX
5. 2013.....	XXX	XXX	XXX	599	2,855	5,158	6,009	9,622	13,820	14,432	XXX	XXX
6. 2014.....	XXX	XXX	XXX	XXX	736	2,426	6,504	9,641	12,028	12,507	XXX	XXX
7. 2015.....	XXX	XXX	XXX	XXX	XXX	1,592	4,979	8,561	13,360	15,203	XXX	XXX
8. 2016.....	XXX	XXX	XXX	XXX	XXX	XXX	524	4,460	7,416	13,017	XXX	XXX
9. 2017.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	598	2,929	7,071	XXX	XXX
10. 2018.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	867	2,772	XXX	XXX
11. 2019.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	660	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 2010	2 2011	3 2012	4 2013	5 2014	6 2015	7 2016	8 2017	9 2018	10 2019
1. Prior.....	36,293	14,068	5,898	1,914	389	129	39			
2. 2010.....	23,265	15,292	8,216	2,961	951	230	123			
3. 2011.....	XXX	23,817	15,160	8,022	3,014	849	579	161	21	269
4. 2012.....	XXX	XXX	19,526	10,770	5,551	3,023	1,170	513	151	352
5. 2013.....	XXX	XXX	XXX	17,366	8,547	5,151	2,267	1,353	241	595
6. 2014.....	XXX	XXX	XXX	XXX	16,056	8,385	5,691	2,875	977	693
7. 2015.....	XXX	XXX	XXX	XXX	XXX	18,023	10,220	5,964	4,058	1,546
8. 2016.....	XXX	XXX	XXX	XXX	XXX	XXX	19,965	12,731	8,251	3,900
9. 2017.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	21,091	14,593	8,500
10. 2018.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	18,648	13,002
11. 2019.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	17,591

Medical Mutual Insurance Company of Maine SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.	1 Active Status (a)	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Incl. in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
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	37,946,566	32,457,632	1,330,277	5,060,460	7,980,876	65,751,086	19,960	
21. Maryland.....MD	N								
22. Massachusetts.....MA	L	1,570,063	607,232	3,806		273,083	330,485	350	
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	7,036,124	6,200,632	225,850	4,913,231	7,566,421	17,516,612	2,855	
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	L	7,204,740	6,975,599	235,822	3,429,098	7,440,389	17,922,413	2,370	
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. US 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	53,757,493	46,241,095	1,795,755	13,402,789	23,260,769	101,520,596	25,535	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 thru 58003+ Line 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.....	4
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 (DSL) - 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.....	53

(b) Explanation of Basis of Allocation of Premiums by States, etc.
Premiums are allocated to those states where the insured risks are located.

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 – ORGANIZATIONAL CHART

MEDICAL MUTUAL INSURANCE
COMPANY OF MAINE
FEIN #01-0355669
NAIC Company Code: 36277 ME

SPECIALTY INSURANCE PLACEMENT SERVICES, LLC
FEIN #94-3414988
100%

2019 ALPHABETICAL INDEX -- PROPERTY & CASUALTY ANNUAL STATEMENT BLANK

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