

PROPERTY AND CASUALTY COMPANIES-ASSOCIATED EDITION

ANNUAL STATEMENT

For the Year Ended December 31, 2020

OF THE CONDITION AND AFFAIRS OF THE

PATRIOT INSURANCE COMPANY

NAIC Group Code: 1309 , 1309 NAIC Company Code: 32069 Employer's ID Number: 01-6022422
(Current Period) (Prior Period)

Organized under the Laws of Maine
 State of Domicile or Port of Entry Maine Country of Domicile United States of America

Incorporated/Organized: April 22, 1966 Commenced Business: July 1, 1966

Statutory Home Office: 701 U.S. Route 1, Suite 1, Yarmouth, ME, US 04096-6927
 Main Administrative Office: 701 U.S. Route 1, Suite 1, Yarmouth, ME, US 04096-6927 (207) 847-1800
 Mail Address: One Mutual Avenue, Frankenmuth, MI, US 48787-0001
 Primary Location of Books and Records: One Mutual Avenue, Frankenmuth, MI, US 48787-0001 (989) 652-6121
 Internet Website Address: www.patriotinsuranceco.com
 Statutory Statement Contact: Aaron Michael Weycker (989) 480-6296
Email: aaron.weycker@fmins.com Fax: (989) 652-4069

OFFICERS

- | | | | |
|--------------------------------------|----------------------------|-------------------------------|-----------------------|
| 1. <u>Lincoln Jerry Merrill, Jr.</u> | <u>President & CEO</u> | 2. <u>Bryan Lee Gilleland</u> | <u>Secretary</u> |
| 3. <u>John David Rosilier</u> | <u>Treasurer</u> | 4. <u>Alan Robert Small</u> | <u>Vice President</u> |

OTHER OFFICERS

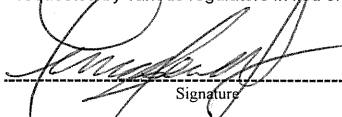
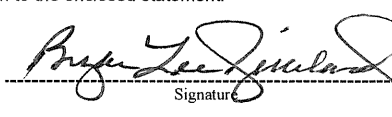
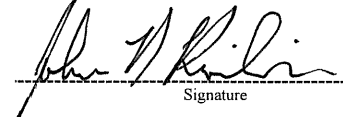
Zachary James Martin, VP

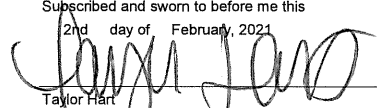
DIRECTORS OR TRUSTEES

<u>John Stewart Benson, Chairman</u>	<u>Lyle Gerald Davis, Jr.</u>	<u>Frederick Allen Edmond, Jr.</u>
<u>Bryan Lee Gilleland</u>	<u>Scott Lee Mandel</u>	<u>Mary Rose Merkel #</u>
<u>Lincoln Jerry Merrill, Jr.</u>	<u>Yanina Montau-Thatcher #</u>	<u>David Allen Pendleton</u>
<u>Susan DiDonato Royles</u>	<u>Drew Randall Zehnder</u>	

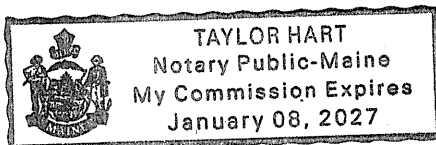
State of: Maine
 County of: Cumberland

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the 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 _____ Lincoln Jerry Merrill, Jr. 1. (Printed Name) _____ President & CEO (Title)	 _____ Signature _____ Bryan Lee Gilleland 2. (Printed Name) _____ Secretary (Title)	 _____ Signature _____ John David Rosilier 3. (Printed Name) _____ Treasurer (Title)
--	--	---

Subscribed and sworn to before me this
2nd day of February, 2021

 Taylor Hart
 Notary Public
 My Commission Expires: 01/08/2027

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).....	108,730,807		108,730,807	101,506,033
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 (less \$.....0 encumbrances).....	10,345,510		10,345,510	10,428,330
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 (\$.....(1,243,922), Schedule E-Part 1), cash equivalents (\$.....4,263,862, Schedule E-Part 2) and short-term investments (\$.....0, Schedule DA).....	3,019,940		3,019,940	3,957,563
6. Contract loans (including \$.....0 premium notes).....			.0	
7. Derivatives (Schedule DB).....			.0	
8. Other invested assets (Schedule BA).....			.0	
9. Receivables for securities.....			.0	
10. Securities lending reinvested collateral assets (Schedule DL).....			.0	
11. Aggregate write-ins for invested assets.....	.0	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	122,096,256	.0	122,096,256	115,891,926
13. Title plants less \$.....0 charged off (for Title insurers only).....			.0	
14. Investment income due and accrued.....	813,189		813,189	755,460
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	10,433,639	5,083	10,428,556	10,441,925
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....386,542 earned but unbilled premiums).....	12,241,806	38,654	12,203,152	12,933,169
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			.0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	8,378,373		8,378,373	6,889,965
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.....	1,919,231	128,171	1,791,060	1,608,811
19. Guaranty funds receivable or on deposit.....			.0	
20. Electronic data processing equipment and software.....	23,856	32	23,823	92,357
21. Furniture and equipment, including health care delivery assets (\$.....0).....	909,954	909,954	.0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0	
23. Receivables from parent, subsidiaries and affiliates.....	62,715		62,715	11,020
24. Health care (\$.....0) and other amounts receivable.....			.0	
25. Aggregate write-ins for other-than-invested assets.....	127,178	126,436	741	548
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	157,006,197	1,208,331	155,797,866	148,625,181
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
28. TOTAL (Lines 26 and 27).....	157,006,197	1,208,331	155,797,866	148,625,181

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 assets.....	126,436	126,436	.0	
2502. Deposits and other receivables.....	741		741	548
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).....	127,178	126,436	741	548

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	39,795,986	36,618,143
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6).....	7,956,099	8,317,088
3. Loss adjustment expenses (Part 2A, Line 35, Column 9).....	6,895,568	6,250,800
4. Commissions payable, contingent commissions and other similar charges.....	2,612,105	2,132,780
5. Other expenses (excluding taxes, licenses and fees).....	1,722,798	1,149,707
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	228,226	250,865
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....	82,000	163,000
7.2 Net deferred tax liability.....		
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 \$.....26,157,890 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).....	28,391,360	27,539,441
10. Advance premium.....	270,849	264,019
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	7,178,377	7,745,338
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20).....	33,000	33,000
14. Amounts withheld or retained by company for account of others.....	20,871	25,378
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.....	598,578	518,247
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.....	10,000	46,804
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	95,795,819	91,054,610
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	95,795,819	91,054,610
29. Aggregate write-ins for special surplus funds.....	0	0
30. Common capital stock.....	8,750,000	8,750,000
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.....	16,250,000	16,250,000
35. Unassigned funds (surplus).....	35,002,047	32,570,571
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).....	60,002,047	57,570,571
38. TOTAL (Page 2, Line 28, Col. 3).....	155,797,866	148,625,181

DETAILS OF WRITE-INS

2501. Other Liabilities.....	10,000	46,804
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).....	10,000	46,804
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).....	57,094,275	56,467,191
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7).....	30,706,421	33,043,600
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	5,198,177	4,844,815
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	20,798,559	19,117,249
5. Aggregate write-ins for underwriting deductions.....	0	0
6. Total underwriting deductions (Lines 2 through 5).....	56,703,157	57,005,663
7. Net income of protected cells.....		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	391,118	(538,472)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	2,658,598	3,293,732
10. Net realized capital gains (losses) less capital gains tax of \$ 4,000 (Exhibit of Capital Gains (Losses)).....	14,681	39,309
11. Net investment gain (loss) (Lines 9 + 10).....	2,673,278	3,333,041
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ 22,159 amount charged off \$ 105,391).....	(83,232)	(174,617)
13. Finance and service charges not included in premiums.....	5,309	48,852
14. Aggregate write-ins for miscellaneous income.....	(1,817)	(5,965)
15. Total other income (Lines 12 through 14).....	(79,740)	(131,730)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	2,984,656	2,662,839
17. Dividends to policyholders.....	268,376	293,548
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).....	2,716,280	2,369,291
19. Federal and foreign income taxes incurred.....	739,000	431,000
20. Net income (Line 18 minus Line 19) (to Line 22).....	1,977,280	1,938,291
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	57,570,571	55,299,275
22. Net income (from Line 20).....	1,977,280	1,938,291
23. Net transfers (to) from Protected Cell accounts.....		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 0.....		
25. Change in net unrealized foreign exchange capital gain (loss).....		
26. Change in net deferred income tax.....	182,249	115,113
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3).....	271,946	217,892
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.....	0	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37).....	2,431,476	2,271,296
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	60,002,047	57,570,571
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 income and expense.....	(1,817)	(5,965)
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).....	(1,817)	(5,965)
3701.		
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).....	0	0

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	58,126,835	58,079,548
2. Net investment income.....	3,375,990	3,922,470
3. Miscellaneous income.....	(79,740)	(131,730)
4. Total (Lines 1 through 3).....	61,423,084	61,870,289
5. Benefit and loss related payments.....	29,377,975	28,600,558
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	24,325,810	24,174,715
8. Dividends paid to policyholders.....	268,376	293,548
9. Federal and foreign income taxes paid (recovered) net of \$....4,000 tax on capital gains (losses).....	824,000	548,000
10. Total (Lines 5 through 9).....	54,796,161	53,616,821
11. Net cash from operations (Line 4 minus Line 10).....	6,626,923	8,253,468
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	18,154,950	15,113,331
12.2 Stocks.....		
12.3 Mortgage loans.....		
12.4 Real estate.....		
12.5 Other invested assets.....		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....		
12.7 Miscellaneous proceeds.....		
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	18,154,950	15,113,331
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	25,845,463	22,573,341
13.2 Stocks.....		
13.3 Mortgage loans.....		
13.4 Real estate.....	204,261	954,628
13.5 Other invested assets.....		
13.6 Miscellaneous applications.....		
13.7 Total investments acquired (Lines 13.1 to 13.6).....	26,049,724	23,527,969
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).....	(7,894,774)	(8,414,638)
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).....	330,227	1,083,055
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	330,227	1,083,055
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).....	(937,623)	921,885
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	3,957,563	3,035,679
19.2 End of year (Line 18 plus Line 19.1).....	3,019,940	3,957,563

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

	1	2	3	4
Line of Business	Net Premiums Written per Column 6, Part 1B	Unearned Premiums December 31 Prior Year- per Col. 3, Last Year's Part 1	Unearned Premiums December 31 Current Year- per Col. 5, Part 1A	Premiums Earned During Year (Cols. 1 + 2 - 3)
1. Fire.....	328,526	157,501	177,646	308,381
2. Allied lines.....	263,860	122,206	139,845	246,221
3. Farmowners multiple peril.....	0		0	0
4. Homeowners multiple peril.....	7,718,928	4,185,973	4,240,835	7,664,066
5. Commercial multiple peril.....	14,397,063	6,715,242	7,099,857	14,012,448
6. Mortgage guaranty.....	0		0	0
8. Ocean marine.....	78,821	38,480	40,531	76,770
9. Inland marine.....	2,217,348	1,020,067	1,096,480	2,140,936
10. Financial guaranty.....	0		0	0
11.1 Medical professional liability - occurrence.....	0		0	0
11.2 Medical professional liability - claims-made.....	0		0	0
12. Earthquake.....	1,732	555	1,029	1,258
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.....	6,277,510	2,665,987	2,657,376	6,286,121
17.1 Other liability - occurrence.....	2,561,262	1,213,673	1,200,848	2,574,087
17.2 Other liability - claims-made.....	192,729	83,071	87,702	188,098
17.3 Excess workers' compensation.....	0		0	0
18.1 Products liability - occurrence.....	200,889	87,543	95,311	193,121
18.2 Products liability - claims-made.....	0		0	0
19.1, 19.2 Private passenger auto liability.....	5,926,738	2,870,149	2,768,571	6,028,317
19.3, 19.4 Commercial auto liability.....	6,661,623	2,937,894	3,232,384	6,367,134
21. Auto physical damage.....	10,049,910	4,698,793	4,663,373	10,085,330
22. Aircraft (all perils).....	0		0	0
23. Fidelity.....	3,598	1,447	1,844	3,201
24. Surety.....	1,054,208	334,445	490,440	898,213
26. Burglary and theft.....	347	132	181	298
27. Boiler and machinery.....	21,413	9,429	10,563	20,279
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.....	57,956,506	27,142,587	28,004,817	57,094,275

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

	1	2	3	4	5
Line of Business	Amount Unearned (Running One Year or Less from Date of Policy) (a)	Amount Unearned (Running More Than One Year from Date of Policy) (a)	Earned But Unbilled Premium	Reserve for Rate Credits and Retrospective Adjustments Based on Experience	Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1. Fire.....	177,776		(130)		177,646
2. Allied lines.....	139,867		(22)		139,845
3. Farmowners multiple peril.....					0
4. Homeowners multiple peril.....	4,240,835				4,240,835
5. Commercial multiple peril.....	7,225,329		(125,472)		7,099,857
6. Mortgage guaranty.....					0
8. Ocean marine.....	40,531				40,531
9. Inland marine.....	1,100,325		(3,845)		1,096,480
10. Financial guaranty.....					0
11.1 Medical professional liability - occurrence.....					0
11.2 Medical professional liability - claims-made.....					0
12. Earthquake.....	1,029				1,029
13. Group accident and health.....					0
14. Credit accident and health (group and individual).....					0
15. Other accident and health.....					0
16. Workers' compensation.....	2,880,338		(222,962)		2,657,376
17.1 Other liability - occurrence.....	1,226,323		(25,475)		1,200,848
17.2 Other liability - claims-made.....	88,454		(751)		87,702
17.3 Excess workers' compensation.....					0
18.1 Products liability - occurrence.....	98,207		(2,896)		95,311
18.2 Products liability - claims-made.....					0
19.1, 19.2 Private passenger auto liability.....	2,768,571				2,768,571
19.3, 19.4 Commercial auto liability.....	3,233,974		(1,590)		3,232,384
21. Auto physical damage.....	4,666,547		(3,174)		4,663,373
22. Aircraft (all perils).....					0
23. Fidelity.....	1,844				1,844
24. Surety.....	304,705	185,918	(183)		490,440
26. Burglary and theft.....	181				181
27. Boiler and machinery.....	10,605		(42)		10,563
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.....	28,205,442	185,918	(386,542)	0	28,004,817
36. Accrued retrospective premiums based on experience.....					
37. Earned but unbilled premiums.....					386,542
38. Balance (sum of Lines 35 through 37).....					28,391,360

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: Monthly Pro-Rata

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.....	611,712	328,526		577,760	33,952	328,526
2. Allied lines.....	446,023	263,860		421,180	24,843	263,860
3. Farmowners multiple peril.....						0
4. Homeowners multiple peril.....	14,015,179	7,718,928		13,418,379	596,799	7,718,928
5. Commercial multiple peril.....	10,420,675	14,397,063		9,914,886	505,789	14,397,063
6. Mortgage guaranty.....						0
8. Ocean marine.....		78,821				78,821
9. Inland marine.....	1,297,614	2,217,348		1,225,701	71,914	2,217,348
10. Financial guaranty.....						0
11.1 Medical professional liability - occurrence.....						0
11.2 Medical professional liability - claims-made.....						0
12. Earthquake.....	225	1,732		212	13	1,732
13. Group accident and health.....						0
14. Credit accident and health (group and individual).....						0
15. Other accident and health.....	7,172				7,172	0
16. Workers' compensation.....	657,058	6,277,510	49,724	684,600	22,183	6,277,510
17.1 Other liability - occurrence.....	2,772,845	2,561,262		2,357,661	415,184	2,561,262
17.2 Other liability - claims-made.....	312,640	192,729		136,747	175,893	192,729
17.3 Excess workers' compensation.....						0
18.1 Products liability - occurrence.....	28,284	200,889		27,378	906	200,889
18.2 Products liability - claims-made.....						0
19.1, 19.2 Private passenger auto liability.....	7,496,839	5,926,738		7,289,841	206,999	5,926,738
19.3, 19.4 Commercial auto liability.....	1,954,502	6,661,623		1,902,075	52,427	6,661,623
21. Auto physical damage.....	11,409,930	10,049,910		11,235,597	174,332	10,049,910
22. Aircraft (all perils).....						0
23. Fidelity.....	827	3,598		827		3,598
24. Surety.....		1,054,208				1,054,208
26. Burglary and theft.....	159	347		159		347
27. Boiler and machinery.....	787,471	21,413		14,499	772,972	21,413
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.....	52,219,154	57,956,506	49,724	49,207,501	3,061,378	57,956,506

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 \$.00.

2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$.00.

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.....		114,371		114,371	68,944	41,256	142,059	46.1
2.	Allied lines.....	50,775	95,878	50,775	95,878	75,170	52,465	118,584	48.2
3.	Farmowners multiple peril.....				.0	.0		.0	.0
4.	Homeowners multiple peril.....	5,664,527	4,792,620	5,664,527	4,792,620	1,799,695	1,680,743	4,911,572	64.1
5.	Commercial multiple peril.....	7,712,821	5,993,447	7,712,821	5,993,447	11,049,995	9,830,726	7,212,716	51.5
6.	Mortgage guaranty.....				.0	.0		.0	.0
8.	Ocean marine.....		48,293		48,293	36,539	12,623	72,209	94.1
9.	Inland marine.....	482,208	669,353	482,208	669,353	345,495	409,639	605,209	28.3
10.	Financial guaranty.....				.0	.0		.0	.0
11.1	Medical professional liability - occurrence.....				.0	.0		.0	.0
11.2	Medical professional liability - claims-made.....				.0	.0		.0	.0
12.	Earthquake.....				.0	.0	6	(6)	(0.5)
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.....	1,235,185	2,693,067	1,268,479	2,659,774	6,451,497	6,861,695	2,249,576	35.8
17.1	Other liability - occurrence.....	167,500	150,254	167,500	150,254	1,508,778	1,450,324	208,708	8.1
17.2	Other liability - claims-made.....	21,219	22,191	21,219	22,191	16,411	26,475	12,127	6.4
17.3	Excess workers' compensation.....				.0	.0		.0	.0
18.1	Products liability - occurrence.....		101,003		101,003	196,097	254,946	42,155	21.8
18.2	Products liability - claims-made.....				.0	.0		.0	.0
19.1, 19.2	Private passenger auto liability.....	5,799,403	4,278,247	5,799,403	4,278,247	8,317,349	8,139,768	4,455,827	73.9
19.3, 19.4	Commercial auto liability.....	701,893	3,001,406	701,893	3,001,406	9,065,039	6,920,872	5,145,573	80.8
21.	Auto physical damage.....	5,368,958	5,544,159	5,368,958	5,544,159	549,824	688,725	5,405,258	53.6
22.	Aircraft (all perils).....				.0	.0		.0	.0
23.	Fidelity.....				.0	30	30	.0	.0
24.	Surety.....		57,098		57,098	274,311	206,798	124,612	13.9
26.	Burglary and theft.....				.0	14	14	(0)	(0.0)
27.	Boiler and machinery.....	121,192	486	121,192	486	.0	243	243	1.2
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
32.	Reinsurance - nonproportional assumed liability.....	XXX			.0	40,797	40,797	.0	.0
33.	Reinsurance - nonproportional assumed financial lines.....	XXX			.0	.0		.0	.0
34.	Aggregate write-ins for other lines of business.....	.0	.0	.0	.0	.0	.0	.0	.0
35.	TOTALS	27,325,681	27,561,872	27,358,974	27,528,579	39,795,986	36,618,143	30,706,421	53.8
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		XXX	.0
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.....	3,103	29,486	3,103	29,486	125,032	39,458	125,032	68,944	7,352
2. Allied lines.....	5,854	43,115	5,854	43,115	70,716	32,056	70,716	75,170	2,397
3. Farmowners multiple peril.....				0				0	
4. Homeowners multiple peril.....	2,072,360	1,077,815	2,072,360	1,077,815	514,068	721,880	514,068	1,799,695	225,849
5. Commercial multiple peril.....	3,855,557	6,466,788	3,855,557	6,466,788	5,453,830	4,583,208	5,453,830	11,049,995	3,152,888
6. Mortgage guaranty.....				0				0	
8. Ocean marine.....		24,810		24,810		11,729		36,539	244
9. Inland marine.....	9,071	58,778	9,071	58,778	395,326	286,717	395,326	345,495	38,893
10. Financial guaranty.....				0				0	
11.1 Medical professional liability - occurrence.....				0				0	
11.2 Medical professional liability - claims-made.....				0				0	
12. Earthquake.....				0				0	15
13. Group accident and health.....				0				(a) 0	
14. Credit accident and health (group and individual).....				0				(a) 0	
15. Other accident and health.....				0				(a) 0	
16. Workers' compensation.....	350,293	3,994,499	398,191	3,946,601	1,931,173	2,582,406	2,008,683	6,451,497	996,420
17.1 Other liability - occurrence.....	213,003	706,525	213,003	706,525	818,550	802,253	818,550	1,508,778	217,638
17.2 Other liability - claims-made.....	15,000	9,882	15,000	9,882	19,245	6,529	19,245	16,411	9,173
17.3 Excess workers' compensation.....				0				0	
18.1 Products liability - occurrence.....	12,637	129,608	12,637	129,608	31,609	66,489	31,609	196,097	15,320
18.2 Products liability - claims-made.....				0				0	
19.1, 19.2 Private passenger auto liability.....	4,947,135	4,763,213	4,947,135	4,763,213	3,122,469	3,554,136	3,122,469	8,317,349	1,339,670
19.3, 19.4 Commercial auto liability.....	1,941,252	5,658,058	1,941,252	5,658,058	1,190,068	3,406,981	1,190,068	9,065,039	654,144
21. Auto physical damage.....	592,013	310,270	592,013	310,270	355,397	239,554	355,397	549,824	143,426
22. Aircraft (all perils).....				0				0	
23. Fidelity.....				0		30		30	3
24. Surety.....		97,310		97,310		177,001		274,311	90,603
26. Burglary and theft.....				0		14		14	
27. Boiler and machinery.....	2,500		2,500	0	122,594		122,594	0	1,532
28. Credit.....				0		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	12,548		12,548	XXX	28,249		40,797	
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.....	14,019,779	23,382,704	14,067,677	23,334,806	14,150,076	16,538,690	14,227,586	39,795,986	6,895,568
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 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct.....	2,110,105			2,110,105
1.2 Reinsurance assumed.....	2,863,538			2,863,538
1.3 Reinsurance ceded.....	2,110,105			2,110,105
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	2,863,538	0	0	2,863,538
2. Commission and brokerage:				
2.1 Direct, excluding contingent.....		8,908,154		8,908,154
2.2 Reinsurance assumed, excluding contingent.....		9,425,437		9,425,437
2.3 Reinsurance ceded, excluding contingent.....		8,919,178		8,919,178
2.4 Contingent - direct.....		1,872,700		1,872,700
2.5 Contingent - reinsurance assumed.....		1,921,238		1,921,238
2.6 Contingent - reinsurance ceded.....		1,872,700		1,872,700
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	11,335,651	0	11,335,651
3. Allowances to manager and agents.....		(2,348)		(2,348)
4. Advertising.....		134,876		134,876
5. Boards, bureaus and associations.....	32,605	255,279		287,884
6. Surveys and underwriting reports.....		287,674		287,674
7. Audit of assureds' records.....		48,855		48,855
8. Salary and related items:				
8.1 Salaries.....	1,355,522	4,028,516	57,089	5,441,127
8.2 Payroll taxes.....	101,408	291,181	4,683	397,272
9. Employee relations and welfare.....	303,066	895,465	8,985	1,207,517
10. Insurance.....	3,281	8,994		12,275
11. Directors' fees.....	11,975	32,408		44,383
12. Travel and travel items.....	30,031	94,380	3,613	128,025
13. Rent and rent items.....	79,655	239,492	3,660	322,807
14. Equipment.....	174,551	531,104	3,110	708,765
15. Cost or depreciation of EDP equipment and software.....	27,552	91,233	308	119,092
16. Printing and stationery.....	9,182	54,387	1,250	64,819
17. Postage, telephone and telegraph, exchange and express.....	32,861	158,737	967	192,565
18. Legal and auditing.....	163,418	989,161		1,152,578
19. Totals (Lines 3 to 18).....	2,325,107	8,139,394	83,664	10,548,165
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....0.....		1,159,873		1,159,873
20.2 Insurance department licenses and fees.....		58,730		58,730
20.3 Gross guaranty association assessments.....				0
20.4 All other (excluding federal and foreign income and real estate).....		28,933		28,933
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	0	1,247,537	0	1,247,537
21. Real estate expenses.....			1,128,201	1,128,201
22. Real estate taxes.....			76,015	76,015
23. Reimbursements by uninsured plans.....				0
24. Aggregate write-ins for miscellaneous expenses.....	9,531	75,978	114,865	200,375
25. Total expenses incurred.....	5,198,177	20,798,559	1,402,745	(a) 27,399,481
26. Less unpaid expenses - current year.....	6,895,568	4,520,146	42,983	11,458,698
27. Add unpaid expenses - prior year.....	6,250,800	3,493,988	39,364	9,784,152
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).....	4,553,409	19,772,401	1,399,125	25,724,935

DETAILS OF WRITE-INS

2401. Bank and investment expenses.....	9,531	29,693	114,865	154,089
2402. Other miscellaneous expense.....		46,286		46,286
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).....	9,531	75,978	114,865	200,375

(a) Includes management fees of \$.....1,379,551 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).....33,391	.....33,018
1.1 Bonds exempt from U.S. tax.....	(a).....500,663	.....538,296
1.2 Other bonds (unaffiliated).....	(a).....2,562,780	.....2,588,373
1.3 Bonds of affiliates.....	(a).....	.....
2.1 Preferred stocks (unaffiliated).....	(b).....	.....
2.11 Preferred stocks of affiliates.....	(b).....	.....
2.2 Common stocks (unaffiliated).....	.....	.....
2.21 Common stocks of affiliates.....	.....	.....
3. Mortgage loans.....	(c).....	.....
4. Real estate.....	(d).....1,170,036	.....1,170,036
5. Contract loans.....	.....	.....
6. Cash, cash equivalents and short-term investments.....	(e).....23,821	.....18,716
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....	.....
9. Aggregate write-ins for investment income.....	.....3	.....(14)
10. Total gross investment income.....	4,290,695	4,348,424
11. Investment expenses.....	.....	(g).....1,402,745
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).....287,082
15. Aggregate write-ins for deductions from investment income.....	.....	.....0
16. Total deductions (Lines 11 through 15).....	.....	1,689,826
17. Net investment income (Line 10 minus Line 16).....	.....	2,658,598

DETAILS OF WRITE-INS

0901. Interest on assumed reinsurance pools.....	.....3	.....(14)
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).....	.....3	.....(14)
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 \$.....60,480 accrual of discount less \$.....544,900 amortization of premium and less \$.....29,005 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 \$.....986,000 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....0 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 \$.....287,082 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.....0	.....	.....
1.1 Bonds exempt from U.S. tax.....0	.....	.....
1.2 Other bonds (unaffiliated).....	.....18,681	.....	.....18,681	.....	.....
1.3 Bonds of affiliates.....0	.....	.....
2.1 Preferred stocks (unaffiliated).....0	.....	.....
2.11 Preferred stocks of affiliates.....0	.....	.....
2.2 Common stocks (unaffiliated).....0	.....	.....
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.....0	.....	.....
7. Derivative instruments.....0	.....	.....
8. Other invested assets.....0	.....	.....
9. Aggregate write-ins for capital gains (losses).....	.....0	.....0	.....0	.....0	.....0
10. Total capital gains (losses).....	.....18,681	.....0	.....18,681	.....0	.....0

DETAILS OF WRITE-INS

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

EXHIBIT OF NONADMITTED ASSETS

	1 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).....			0
9. Receivables for securities.....			0
10. Securities lending reinvested collateral assets (Schedule DL).....			0
11. Aggregate write-ins for invested assets.....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	0	0	0
13. Title plants (for Title insurers only).....			0
14. Investment income due and accrued.....			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	5,083	1,436	(3,647)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	38,654	39,685	1,031
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.....	128,171	128,171	0
19. Guaranty funds receivable or on deposit.....			0
20. Electronic data processing equipment and software.....	32	4,498	4,466
21. Furniture and equipment, including health care delivery assets.....	909,954	1,212,618	302,664
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.....	126,436	93,868	(32,568)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	1,208,331	1,480,278	271,946
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0
28. TOTALS (Lines 26 and 27).....	1,208,331	1,480,278	271,946

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 assets.....	126,436	93,764	(32,672)
2502. Deposits and other receivables.....		104	104
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).....	126,436	93,868	(32,568)

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The financial statements of Patriot Insurance Company (Company) are presented on the basis of accounting practices prescribed or permitted by the State of Maine Bureau of Insurance.

The State of Maine Bureau of Insurance recognizes only statutory accounting practices prescribed or permitted by the State of Maine for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Maine Insurance Law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Maine. During 2020 and 2019 there were no recorded differences between State of Maine prescribed practices and NAIC statutory accounting practices.

	SSAP#	F/S Page	F/S Line #	2020	2019
NET INCOME (LOSS)					
(1) Patriot Insurance Company state basis (Page 4, Line 20, Columns 1&2)	XXX	XXX	XXX	\$1,977,000	\$1,938,000
(2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP:	N/A	N/A	N/A	0	0
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP:	N/A	N/A	N/A	0	0
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	\$1,977,000	\$1,938,000
SURPLUS					
(5) Patriot Insurance Company state basis (Page 3, Line 37, Columns 1&2)	XXX	XXX	XXX	\$60,002,000	\$57,571,000
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP:	N/A	N/A	N/A	0	0
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP:	N/A	N/A	N/A	0	0
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	\$60,002,000	\$57,571,000

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

In preparing the financial statements in conformity with Statutory Accounting Principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results may differ from those estimates.

C. Accounting Policies

Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premiums are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct and ceded business and are based on reports received from ceding companies for reinsurance assumed. 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.

Real estate investments are classified in the balance sheet as properties occupied by the company. Properties occupied by the company are carried at depreciated cost less encumbrances. Fair values of properties occupied by the company are based upon market appraisals performed when deemed necessary by the Company using certified valuation techniques.

In addition, the Company uses the following accounting policies:

- Short-term investments are stated at amortized cost which approximates fair value.
- Bonds not backed by other loans are stated at amortized cost using the Scientific Yield to Worst Method. Bonds that are defined by the NAIC as non-investment grade (rated 3 through 6) are carried at the lower of amortized cost or fair market value.
- The Company does not have investments in common stocks.
- Preferred stocks are stated in accordance with the guidance provided in Statement of Statutory Accounting Principle (SSAP) No. 32.
- The Company does not participate in mortgage loans as an investment vehicle.
- Loan-backed securities are stated at either amortized cost or the lower of amortized cost or fair value. The retrospective adjustment method is used to value all securities except for interest only securities or securities where the yield has become negative, which are valued using the prospective method.
- The Company does not have investments in subsidiaries, controlled or affiliated companies.
- The Company does not have investments in joint ventures, partnerships or limited liability companies.
- The Company does not have investments in derivative instruments.
- The Company anticipates investment income as a factor in premium deficiency calculations, in accordance with SSAP No. 53, Property-Casualty Contracts – Premiums.
- Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.
- The Company has a written capitalization policy for purchases of items such as real estate, electronic data processing equipment, software, furniture, vehicles and other equipment. This policy was not modified from the prior year.
- The Company does not have pharmaceutical rebate receivables.

D. Going Concern

Not applicable.

2. Accounting Changes and Corrections of Errors

None.

3. Business Combinations and Goodwill

Not applicable.

NOTES TO FINANCIAL STATEMENTS

4. Discontinued Operations

None.

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

None.

B. Debt Restructuring

None.

C. Reverse Mortgages

None.

D. Loan-Backed Securities

1. The Company's investment advisor uses proprietary models for loss assumptions and widely accepted models for prepayment assumptions in valuing mortgage-backed and asset-backed securities with inputs from major third-party data providers. The models combine the effects of interest rates, volatility and prepayment speeds based on various scenario simulations which produce effective analytics (spreads, duration, convexity) and cash flows on a monthly basis. Credit sensitive cash flows are calculated using a proprietary model which estimates future loan defaults in terms of timing and severity. Model assumptions are specific to asset class and collateral types and are regularly evaluated and adjusted where appropriate.
2. The Company did not recognize any other-than-temporary impairments on loan-backed securities during the period.
3. The Company did not recognize any other-than-temporary impairments on loan-backed securities during the period.
4. The following summarizes gross unrealized investment losses on loan-backed and structured securities by the length of time that securities have continuously been in an unrealized loss position as of December 31, 2020.

a.	The aggregate amount of unrealized losses:	
1.	Less than twelve months	\$1,000
2.	Twelve months or longer	\$0
b.	The aggregate related fair value of securities with unrealized losses:	
1.	Less than twelve months	\$516,000
2.	Twelve months or longer	\$0

5. The Company held certain loan-backed and structured securities that have been continuously in an unrealized loss position at December 31, 2020, as summarized in the above table. After an evaluation of each security, management concluded these securities have not suffered an other-than-temporary impairment in value. Each security has paid all scheduled contractual payments. Nothing has come to management's attention which would lead to the belief that each issuer would not have the ability to meet the remaining contractual obligations of the security, including payment at maturity, and the Company has the capacity to hold the security until the scheduled maturity date.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

None.

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

None.

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

None.

H. Repurchase Agreements Transactions Accounted for as a Sale

None.

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

None.

J. Real Estate

1. The Company has not recorded any impairment writedowns on real estate during 2020.
2. The Company has not sold or classified real estate as held for sale during 2020.
3. The Company has not experienced changes to a plan of sale for an investment in real estate during 2020.
4. The Company has not engaged in retail land sales operations during 2020.
5. The Company did not hold real estate investments with participating mortgage loans during 2020.

K. Low-Income Housing Tax Credits (LIHTC)

None.

NOTES TO FINANCIAL STATEMENTS

L. Restricted Assets

1. Restricted assets (including pledged) summarized by restricted asset category

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 Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity ^(b)	Total (Col 1+3)	Total From Prior Year	Increase (Decrease) (Col 5-6)	Total Nonadmitted Restricted	Total Admitted Restricted (Col 5-8)	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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%	0%
(b) Collateral held under security lending agreements	0	0	0	0	0	0	0	0	0	0%	0%
(c) Subject to repurchase agreements	0	0	0	0	0	0	0	0	0	0%	0%
(d) Subject to reverse repurchase agreements	0	0	0	0	0	0	0	0	0	0%	0%
(e) Subject to dollar repurchase agreements	0	0	0	0	0	0	0	0	0	0%	0%
(f) Subject to dollar reverse repurchase agreements	0	0	0	0	0	0	0	0	0	0%	0%
(g) Placed under option contracts	0	0	0	0	0	0	0	0	0	0%	0%
(h) Letter stock or securities restricted as to sale-excluding FHLB capital stock	0	0	0	0	0	0	0	0	0	0%	0%
(i) FHLB capital stock	0	0	0	0	0	0	0	0	0	0%	0%
(j) On deposit with states	1,015,000	0	0	0	1,015,000	1,014,000	1,000	0	1,015,000	0.6%	0.7%
(k) On deposit with other regulatory bodies	0	0	0	0	0	0	0	0	0	0%	0%
(l) Pledged as collateral to FHLB (including assets backing fund agreements)	0	0	0	0	0	0	0	0	0	0%	0%
(m) Pledged as collateral not captured in other categories	0	0	0	0	0	0	0	0	0	0%	0%
(n) Other restricted assets	0	0	0	0	0	0	0	0	0	0%	0%
(o) Total restricted assets	\$1,015,000	\$0	\$0	\$0	\$1,015,000	\$1,014,000	\$1,000	\$0	\$1,015,000	0.6%	0.7%

- (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. Not applicable.
- 3. Not applicable.
- 4. Not applicable.

M. Working Capital Finance Investments

Not applicable.

N. Offsetting and Netting of Assets and Liabilities

Not applicable.

O. 5GI Securities

None.

P. Short Sales

None.

Q. Prepayment Penalty and Acceleration Fees

The Company had eight bonds called during 2020, two of which included prepayment penalties of \$29,000.

	General Account	Protected Cell Account
(1) Number of CUSIPs	8	0
(2) Aggregate Amount of Insurance Income	\$29,000	\$0

6. Joint Ventures, Partnerships and Limited Liability Companies

A. Detail for those greater than 10% of Admitted Assets

Not applicable.

B. Writedowns for Impairment

Not applicable.

NOTES TO FINANCIAL STATEMENTS

7. Investment Income

A. Accrued Investment Income

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

B. Amounts Nonadmitted

None.

8. Derivative Instruments

None.

9. Income Taxes

A. Deferred Tax Asset/(Liability)

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

	December 31, 2020		
	(1) Ordinary	(2) Capital	(3) (Col 1+2) Total
(a) Gross deferred tax assets	\$2,328,000	\$128,000	\$2,456,000
(b) Statutory valuation allowance adjustments	0	0	0
(c) Adjusted gross deferred tax assets (1a-1b)	2,328,000	128,000	2,456,000
(d) Deferred tax assets nonadmitted	0	128,000	128,000
(e) Subtotal net admitted deferred tax asset (1c-1d)	2,328,000	0	2,328,000
(f) Deferred tax liabilities	537,000	0	537,000
(g) Net admitted deferred tax asset/(net deferred tax liability) (1e-1f)	\$1,791,000	\$0	\$1,791,000

	December 31, 2019		
	(4) Ordinary	(5) Capital	(6) (Col 4+5) Total
(a) Gross deferred tax assets	\$2,211,000	\$128,000	\$2,339,000
(b) Statutory valuation allowance adjustments	0	0	0
(c) Adjusted gross deferred tax assets (1a-1b)	2,211,000	128,000	2,339,000
(d) Deferred tax assets nonadmitted	0	128,000	128,000
(e) Subtotal net admitted deferred tax asset (1c-1d)	2,211,000	0	2,211,000
(f) Deferred tax liabilities	602,000	0	602,000
(g) Net admitted deferred tax asset/(net deferred tax liability) (1e-1f)	\$1,609,000	\$0	\$1,609,000

	Change		
	(7) (Col 1-4) Ordinary	(8) (Col 2-5) Capital	(9) (Col 7+8) Total
(a) Gross deferred tax assets	\$117,000	\$0	\$117,000
(b) Statutory valuation allowance adjustments	0	0	0
(c) Adjusted gross deferred tax assets (1a-1b)	117,000	0	117,000
(d) Deferred tax assets nonadmitted	0	0	0
(e) Subtotal net admitted deferred tax asset (1c-1d)	117,000	0	117,000
(f) Deferred tax liabilities	(65,000)	0	(65,000)
(g) Net admitted deferred tax asset/(net deferred tax liability) (1e-1f)	\$182,000	\$0	\$182,000

2. Admission Calculation Components (SSAP No. 101)

	December 31, 2020		
	(1) Ordinary	(2) Capital	(3) (Col 1+2) Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$1,361,000	\$0	\$1,361,000
(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)	619,000	0	619,000
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	619,000	0	619,000
2. Adjusted gross deferred tax assets allowed per limitation threshold	xxxx	xxxx	8,728,000
(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	348,000	0	348,000
(d) Deferred tax assets admitted as the result of application of SSAP No. 101. Total (2(a)+2(b)+2(c))	\$2,328,000	\$0	\$2,328,000

NOTES TO FINANCIAL STATEMENTS

	December 31, 2019		
	(4) Ordinary	(5) Capital	(6) (Col 4+5) Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$1,443,000	\$0	\$1,443,000
(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)	408,000	0	408,000
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	408,000	0	408,000
2. Adjusted gross deferred tax assets allowed per limitation threshold	xxxx	xxxx	8,380,000
(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	360,000	0	360,000
(d) Deferred tax assets admitted as the result of application of SSAP No. 101. Total (2(a)+2(b)+2(c))	\$2,211,000	\$0	\$2,211,000

	Change		
	(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	\$(82,000)	\$0	\$(82,000)
(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)	211,000	0	211,000
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	211,000	0	211,000
2. Adjusted gross deferred tax assets allowed per limitation threshold	xxxx	xxxx	348,000
(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	(12,000)	0	(12,000)
(d) Deferred tax assets admitted as the result of application of SSAP No. 101. Total (2(a)+2(b)+2(c))	\$117,000	\$0	\$117,000

3. Other Admissibility Criteria

	2020	2019
(a) Ratio percentage used to determine recovery period and threshold limitation amount	1,067.4%	1,141.5%
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$58,211,000	\$55,962,000

4. Impact of Tax Planning Strategies

	December 31, 2020		December 31, 2019		Change	
	(1) Ordinary	(2) Capital	(3) Ordinary	(4) Capital	(5) (Col 1-3) Ordinary	(6) (Col 2-4) Capital
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage						
1. Adjusted gross DTAs amount from Note 9A1(c)	\$2,328,000	\$128,000	\$2,211,000	\$128,000	\$117,000	\$0
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	2,328,000	0	2,211,000	0	117,000	0
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
(b) Do the Company's tax planning strategies include the use of reinsurance?	Yes ___ No <u>X</u>					

B. Deferred Tax Liabilities (DTLs) Not Recognized

Not applicable.

NOTES TO FINANCIAL STATEMENTS

C. Current and Deferred Income Taxes

	(1) December 31, 2020	(2) December 31, 2019	(3) (Col 1-2) Change
1. Current Income Tax			
(a) Federal	\$739,000	\$431,000	\$308,000
(b) Foreign	0	0	0
(c) Subtotal	739,000	431,000	308,000
(d) Federal income tax on net capital gains	4,000	11,000	(7,000)
(e) Utilization of capital loss carry-forwards	0	0	0
(f) Other	0	0	0
(g) Federal and foreign income taxes incurred	\$743,000	\$442,000	\$301,000
2. Deferred Tax Assets			
(a) Ordinary			
(1) Discounting of unpaid losses	\$711,000	\$658,000	\$53,000
(2) Unearned premium reserve	1,192,000	1,157,000	35,000
(3) Policyholder reserves	0	0	0
(4) Investments	0	0	0
(5) Deferred acquisition costs	0	0	0
(6) Policyholder dividends accrual	0	0	0
(7) Fixed assets	0	0	0
(8) Compensation and benefits accrual	183,000	99,000	84,000
(9) Pension accrual	0	0	0
(10) Receivables – nonadmitted	0	0	0
(11) Net operating loss carry-forward	0	0	0
(12) Tax credit carry-forward	0	0	0
(13) Other (including items <5% of total ordinary tax assets)	15,000	13,000	2,000
(14) Nonadmitted assets	227,000	284,000	(57,000)
(99) Subtotal	2,328,000	2,211,000	117,000
(b) Statutory valuation allowance adjustment	0	0	0
(c) Nonadmitted	0	0	0
(d) Admitted ordinary deferred tax assets (2a99-2b-2c)	2,328,000	2,211,000	117,000
(e) Capital			
(1) Investments	128,000	128,000	\$0
(2) Net capital loss carry-forward	0	0	0
(3) Real estate	0	0	0
(4) Other (including items <5% of total capital tax assets)	0	0	0
(99) Subtotal	128,000	128,000	0
(f) Statutory valuation allowance adjustment	0	0	0
(g) Nonadmitted	128,000	128,000	0
(h) Admitted capital deferred tax assets (2e99-2f-2g)	0	0	0
(i) Admitted deferred tax assets (2d+2h)	\$2,328,000	\$2,211,000	\$117,000
3. Deferred Tax Liabilities			
(a) Ordinary			
(1) Investments	\$28,000	\$21,000	\$7,000
(2) Fixed assets	312,000	348,000	(36,000)
(3) Deferred and uncollected premium	0	0	0
(4) Policyholder reserves	0	0	0
(5) Other (including items <5% of total ordinary tax liabilities)	0	0	0
(6) Subro salvage reserves	5,000	7,000	(2,000)
(7) Accelerated premium expense	2,000	1,000	1,000
(8) Loss discounting transition adjustment	190,000	225,000	(35,000)
(99) Subtotal	537,000	602,000	\$(65,000)
(b) Capital			
(1) Investments	0	0	0
(2) Real estate	0	0	0
(3) Other (including items <5% of total capital tax liabilities)	0	0	0
(99) Subtotal	0	0	0
(c) Deferred tax liabilities (3a99+3b99)	\$537,000	\$602,000	\$(65,000)
4. Net deferred tax assets/liabilities (2i-3c)	\$1,791,000	\$1,609,000	\$182,000

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

The significant book to tax adjustments are as follows:

Description	December 31, 2020	Tax Effect at 21%	December 31, 2019	Tax Effect at 21%
Provision at statutory rate	\$571,000	21.0%	\$500,000	21.0%
Non-taxable interest	(113,000)	(4.2)%	(115,000)	(4.8)%
Change in non-admitted assets	57,000	2.1%	46,000	1.9%
Travel and entertainment	3,000	0.1%	7,000	0.3%
Tax rate true-up adjustment	0	0.0%	(154,000)	(6.5)%
Other adjustments	43,000	1.6%	43,000	1.9%
Total	\$561,000	20.6%	\$327,000	13.8%
Federal income taxes incurred	\$743,000	27.3%	\$442,000	18.6%
Change in net deferred income tax	(182,000)	(6.7)%	(115,000)	(4.8)%
Total statutory income taxes	\$561,000	20.6%	\$327,000	13.8%

E. Operating Loss and Tax Credit Carryforwards

- At December 31, 2020, the Company did not have any unused operating loss carryforwards or tax credit carryforwards available to offset against future taxable income.
- The following is income tax expense for 2020 and 2019 that is available for recoupment in the event of future net losses:

Year	Amount
2020	\$756,000
2019	\$605,000

- There are no deposits reported as admitted assets under Section 6603 of the Internal Revenue Service (IRS) Code as of December 31, 2020.

NOTES TO FINANCIAL STATEMENTS

F. Consolidated Federal Income Tax Return

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

Frankenmuth Mutual Insurance Company
Ansur America Insurance Company
ASure Worldwide Insurance Company
Fortuity Insurance Company
Patriot Life Insurance Company
Frankenmuth Agency, Inc.

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

G. Federal or Foreign Federal Income Tax Loss Contingencies

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

H. Repatriation Transition Tax (RTT)

The Company does not have any RTT as of December 31, 2020 or 2019.

I. Alternative Minimum Tax (AMT) Credit

The Company does not have any alternative minimum tax credits as of December 31, 2020 or 2019.

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

A. Nature of Relationships

The Company is a wholly owned subsidiary of Frankenmuth Mutual Insurance Company ("Parent"), a licensed mutual insurer domiciled in the State of Michigan.

B. Significant Transactions and Changes in Terms of Intercompany Arrangements

None.

C. Transactions with Related Parties who are not Reported on Schedule Y

None.

D. Amounts Due to or from Related Parties

The Company reported \$536,000 and \$507,000 due to its Parent and affiliated companies (net) at December 31, 2020 and 2019, respectively. Amounts due to and from affiliated companies are settled on a monthly basis.

E. Management, Service Contracts, Cost Sharing Arrangements

The Company has a management service agreement for the allocation of certain administrative costs with its Parent.

F. Guarantees or Undertakings for Related Parties

None.

G. Nature of Relationships that Could Affect Operations

All outstanding shares of the Company's common stock are owned by its Parent.

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 in Subsidiary, Controlled or Affiliated Companies (SCA's)

Not applicable.

K. Investments in Foreign Insurance Subsidiaries

None.

L. Investments in Downstream Noninsurance Holding Company

None.

M. All SCA Investments

None.

N. Investments in Insurance SCA's

None.

O. SCA and SSAP No. 48 Entity Loss Tracking

None.

NOTES TO FINANCIAL STATEMENTS

11. Debt

A. Debt and Holding Company Obligations

None.

B. Federal Home Loan Bank (FHLB) Agreements

None.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

A. Defined Benefit Plan

Not applicable.

B., C. and D. Description of Investment Policies, Fair Value of Plan Assets, Rate of Return Assumptions

Not applicable.

E. Defined Contribution Plans

The Company has a qualified noncontributory incentive bonus plan for the benefit of employees meeting certain eligibility requirements. The Company's charge to income under the plan was approximately \$675,000 and \$564,000 for 2020 and 2019, respectively.

F. Multiemployer Plans

Not applicable.

G. Consolidated/Holding Company Plans

The Company participates in a noncontributory defined benefit pension plan and certain postretirement benefits sponsored by its Parent. The Company has no legal obligations for benefits under these plans. The Parent allocates amounts to the Company based on salary ratios.

The Company participates in the Frankenmuth Insurance 401(k) Savings Plan (the "Plan"), a defined contribution plan under which employees may defer a portion of their salary annually, subject to regulatory limitations. The Company will match 100% of the participant's contributions up to a maximum of 6% of the participant's eligible compensation. Additionally, all matching contributions to the Plan will vest 100% after two years of service. The charge to income under the Plan for the Company match was approximately \$317,000 and \$281,000 for 2020 and 2019, respectively.

H. Postemployment Benefits and Compensated Absences

The Company has accrued its obligation for postemployment benefits and compensated absences in accordance with SSAP No. 11.

I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)

As indicated in Note 12G, the Company participates in certain postretirement benefits sponsored by the Parent.

13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

A. Outstanding Shares

The Company has 100,000 shares of \$100 par value common stock authorized and 87,500 shares issued and outstanding.

B. Dividend Rate of Preferred Stock

Not applicable.

C., D. and E. Dividend Restrictions and Payments

Dividends may be paid only from earned surplus (unassigned funds). The maximum amount of dividends which can be paid by the Company to its shareholder without approval from the State of Maine Bureau of Insurance is limited to the greater of the net gain from operations from the prior 12-month period or 10 percent of surplus as regards policyholders at December 31, 2020. There were no dividend payments made in 2020. Accordingly, the Company may pay dividends of approximately \$6,000,000 in 2021 without prior approval.

Within the limitations noted above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders.

F. Restrictions Placed on Unassigned Funds (Surplus)

None.

G. Mutual Surplus Advances

Not applicable.

H. Company Stock Held for Special Purposes

Not applicable.

I. Changes in Special Surplus Funds

Not applicable.

J. Changes in Unassigned Funds

There are no cumulative unrealized gains or losses represented in unassigned funds (surplus).

K. Surplus Notes

Not applicable.

L. and M. Quasi Reorganizations

Not applicable.

NOTES TO FINANCIAL STATEMENTS**14. Liabilities, Contingencies and Assessments****A. Contingent Commitments**

The Company has no commitments or contingent commitments to its Parent or other entities. As indicated in Note 10E, the Company has made no guarantees on behalf of its Parent.

B. Assessments

The Company is subject to guaranty fund and other assessments by states in which it writes premium. Most assessments are recorded either at the time the assessments are levied or, in the case of premium-based assessments, at the time the premiums are written. The Company is also subject to loss-based assessments.

Insurance company insolvencies in states where the Company writes business may result in guaranty fund assessments on future premiums. These assessments will be recorded as future premiums are written. The Company is not aware of any state which requires the payment of future premium assessments once the Company discontinues writing premium in that state.

The Company has accrued a liability for guaranty fund and other assessments of \$428,000 and \$435,000 at December 31, 2020 and 2019, respectively, and has not recorded an offset for estimated premium tax credits. The amounts recorded represent management's best estimates based on assessment rate information received from the states in which the Company writes business and the direct premiums written in those states. Assessments to date are not significant and the Company does not expect future assessments to materially affect its financial condition or results of operations.

C. Gain Contingencies

None.

D. Claims Related Extra Contractual Obligations and Bad Faith Losses Stemming from Lawsuits

None.

E. Product Warranties

None.

F. Joint and Several Liabilities

None.

G. All Other Contingencies

1. At December 31, 2020 and 2019, the Company had admitted assets of \$22,632,000 and \$23,375,000, respectively, in premiums receivable due from policyholders, agents and ceding insurers. The Company routinely assesses the collectibility of these receivables. Based upon Company experience, certain balances may become uncollectible; however, any potential loss is not expected to be material to the Company's financial condition.
2. The Company is not aware of potential lawsuits or other legal action beyond the ordinary course of business which would be considered material in relation to the financial position of the Company.

15. Leases**A. Lessee Leasing Arrangements**

1. The Company leases office equipment under various noncancelable operating leases that expire through May 2024. Rental expense for 2020 and 2019 was approximately \$16,000 for both years. There are no contingent rental payments or unusual renewal options, escalation clauses or restrictions and there have been no early terminations of existing leases.
2. Future minimum rental payments are as follows:

Year Ending December 31	Operating Leases
2021	\$16,000
2022	15,000
2023	4,000
2024	2,000
2025	0
Total	\$37,000

3. The Company has not entered into any sale-leaseback arrangements.

B. Lessor Leasing Arrangements**1. Operating Leases**

- a. The Company leases office space located inside of its Home Office property. Consistent with SSAP No. 40R, since more than 50% of this property is occupied by the Company, the leased space is not classified as property held for the production of income. The typical lease period is ten years and contains two five-year renewal options. Both the Company and the tenant are responsible for the payment of their respective share of property taxes, insurance, operating expenses and maintenance costs related to the property.
- b. Rental income for 2020 and 2019 was approximately \$184,000 and \$215,000, respectively.

NOTES TO FINANCIAL STATEMENTS

- c. Future minimum lease receivables are as follows:

Year	Amount
2021	\$143,000
2022	148,000
2023	152,000
2024	157,000
2025	161,000
Total	\$761,000

- d. The Company does not have any contingent rentals.

2. Leveraged Leases

Not applicable.

16. Information About Financial Instruments with Off-Balance-Sheet Risk and Financial Instruments with Concentrations of Credit Risk

None.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. Transfers of Receivables Reported as Sales

None.

B. Transfers and Servicing of Financial Assets

None.

C. Wash Sales

None.

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

A. Administrative Services Only (ASO) Plans

Not applicable.

B. Administrative Services Contract (ASC) Plans

Not applicable.

C. Medicare or Similarly Structured Cost Based Reimbursement Contracts

Not applicable.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

Not applicable.

20. Fair Value Measurements

Financial assets and liabilities that are recorded at fair value on the statutory statements of admitted assets, liabilities and policyholders' surplus are classified based on the level of the fair value measurements hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy is composed of the following levels:

Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets that our pricing sources have the ability to access. Since the valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant amount of degree of judgment.

Level 2 – Valuations based upon quoted prices for similar assets in active markets, quoted prices for identical or similar assets in inactive markets; or valuations based on models where the significant inputs are observable (e.g., interest rates, yield curves, prepayment speeds, default rates, loss severities) or can be corroborated by observable market data.

Level 3 – Valuations that are derived from techniques in which one or more of the significant inputs are unobservable, including broker quotes which are non-binding.

NOTES TO FINANCIAL STATEMENTS

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

1. Fair Value Measurements at Reporting Date

Description	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
a. Assets at fair value					
Bonds					
Industrial and Misc	\$0	\$0	\$0	\$0	\$0
Total Bonds	0	0	0	0	0
Preferred Stocks					
Industrial and Misc	0	0	0	0	0
Parent, Subsidiaries and Affiliates	0	0	0	0	0
Total Preferred Stocks	0	0	0	0	0
Common Stocks					
Industrial and Misc	0	0	0	0	0
Mutual Funds	0	0	0	0	0
Total Common Stocks	0	0	0	0	0
Cash, cash equivalents and short-term investments					
Money Market Mutual Funds	4,264,000	0	0	0	4,264,000
Other Invested Assets	0	0	0	0	0
Derivative Assets					
Call Options	0	0	0	0	0
Total Derivatives	0	0	0	0	0
Separate Account Assets	0	0	0	0	0
Total assets at fair value/(NAV)	\$4,264,000	\$0	\$0	\$0	\$4,264,000
b. Liabilities at fair value					
Derivative liabilities					
Call Options	\$0	\$0	\$0	\$0	\$0
Put Options	0	0	0	0	0
Total Derivatives	0	0	0	0	0
Total liabilities at fair value	\$0	\$0	\$0	\$0	\$0

2. Fair Value Measurements in Level 3 of the Fair Value Hierarchy

None.

3. Policy on Transfers Into and Out of Level 3

None.

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

None.

5. Derivative Fair Values

Not applicable.

B. Other Fair Value Disclosures

Not applicable.

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

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Financial instruments – assets							
Bonds	\$116,771,000	\$108,731,000	\$0	\$116,771,000	\$0	\$0	\$0
Preferred stocks	0	0	0	0	0	0	0
Common stocks	0	0	0	0	0	0	0
Mortgage loans	0	0	0	0	0	0	0
Cash, cash equivalents and short-term investments	3,020,000	3,020,000	3,020,000	0	0	0	0
Other – collateral loan	0	0	0	0	0	0	0
Total assets	\$119,791,000	\$111,751,000	\$3,020,000	\$116,771,000	\$0	\$0	\$0
Financial instruments – liabilities							
Derivative liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0

D. Reasons Not Practical to Estimate Fair Value

Not applicable.

E. Investments Measured using Net Asset Value (NAV)

Not applicable.

21. Other Items

A. Unusual or Infrequent Items

In May 2020, as a result of the COVID-19 outbreak, the Company issued premium refund payments totaling \$529,000 to those personal auto policies in force as of April 30, 2020. The one-time refund reflected 15% of premium paid for April and May 2020 subject to a \$20 minimum refund amount. The COVID-19 premium refunds were reflected as a reduction to the Company's premiums earned on line one of the income statement.

B. Troubled Debt Restructuring for Debtors

Not applicable.

NOTES TO FINANCIAL STATEMENTS

C. Other Disclosures

Assets in the amount of \$1,015,000 and \$1,014,000 at December 31, 2020 and 2019, respectively, were on deposit with government authorities or trustees as required by law.

D. Business Interruption Insurance Recoveries

Not applicable.

E. State Transferable and Non-transferable Tax Credits

None.

F. Subprime Mortgage-Related Risk Exposure

The Company does not engage in subprime residential mortgage lending as indicated in Note 1C. The Company's exposure to subprime lending is limited to investments within the investment portfolio of fixed-income securities which contain securities collateralized by mortgages having characteristics of subprime lending. These investments are primarily in the form of asset-backed securities supported by subprime mortgage loans or collateralized mortgage obligations backed by alternative documentation mortgages. The Company held no fixed-income securities with such characteristics at December 31, 2020 or 2019.

G. Insurance-Linked Securities (ILS) Contracts

None.

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.

22. Events Subsequent

Subsequent events have been considered through February 20, 2021, the date these statutory financial statements were available to be issued.

On January 30, 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the COVID-19 outbreak) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, management continues to monitor the magnitude that the pandemic may have on the Company's financial condition, liquidity, and future results of operations. Management also continues to actively monitor the global situation on its financial condition, liquidity, operations, policyholders, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Company is actively evaluating the effects of the COVID-19 outbreak on its results of operations, financial condition and liquidity.

On March 27, 2020, President Trump signed into law the "Coronavirus Aid, Relief, and Economic Security (CARES) Act." The CARES Act, among other things, includes provisions relating to refundable payroll tax credits, deferment of employer side social security payments, net operating loss carryback periods, alternative minimum tax credit refunds, modifications to the net interest deduction limitations, increased limitations on qualified charitable contributions, and technical corrections to tax depreciation methods for qualified improvement property. We continue to evaluate the impact that the CARES Act may have on our business. As of December 31, 2020, the Company has not utilized any relief from the CARES Act.

The NAIC has also issued interpretations which provide additional guidance on dealing with potential business issues associated with disruptions from COVID-19. The interpretations provide options to reduce the level of non-admitted assets ordinarily recorded due to aging of receivables, the effect of modification of loans in mortgage loan investments and assessing impairments of mortgaged based loans and investments. The intent of the interpretations was to provide some statutory relief from adverse capital implications in 2020 that may be created by COVID-19. The overall impact of these interpretations to the Company will depend upon the length of the COVID-19 impacts and the specific behaviors of consumers the Company conducts business with and the underlying assets held by the Company. Throughout the year and as of December 31, 2020, the Company did not record any transactions related to any of the aforementioned NAIC interpretations.

Although the Company cannot fully predict the length or gravity of the impact of the COVID-19 outbreak at this time, if the pandemic continues, it may have an adverse effect on the Company's results of future operations, financial position, and liquidity in fiscal year 2021.

The Company does not write health insurance; therefore, is not subject to assessment under Section 9010 of the Affordable Care Act (ACA).

A.-H. None.

23. Reinsurance

A. Unsecured Reinsurance Recoverables

The Company's unsecured reinsurance recoverables from individual reinsurers in excess of 3% of policyholders' surplus at December 31, 2020 follows:

<u>Name of Reinsurer</u>	<u>NAIC Company Code Number</u>	<u>Federal Employer ID Number</u>	<u>Unsecured Reinsurance Recoverable</u>
Frankenmuth Mutual Insurance Company	13986	38-0555290	\$53,740,000
Fletcher Insurance Company	11054	43-1898350	\$3,507,000

B. Reinsurance Recoverable in Dispute

None.

C. Reinsurance Assumed and Ceded

1. As of December 31, 2020:

	<u>Assumed Reinsurance</u>		<u>Ceded Reinsurance</u>		<u>Net</u>	
	<u>Premium Reserve</u>	<u>Commission Equity</u>	<u>Premium Reserve</u>	<u>Commission Equity</u>	<u>Premium Reserve</u>	<u>Commission Equity</u>
Affiliates	\$28,391,000	\$7,666,000	\$25,497,000	\$6,884,000	\$2,894,000	\$782,000
All Other	<u>21,000</u>	<u>4,000</u>	<u>661,000</u>	<u>192,000</u>	<u>(640,000)</u>	<u>(188,000)</u>
Total	\$28,412,000	\$7,670,000	\$26,158,000	\$7,076,000	\$2,254,000	\$594,000

Direct Unearned Premium Reserve as of December 31, 2020: \$26,137,000.

NOTES TO FINANCIAL STATEMENTS

2. Additional or return commission, predicated on loss experience or on any other form of profit sharing arrangements in this annual statement as a result of existing contractual arrangements, is accrued as follows as of December 31, 2020:

	Reinsurance			<u>Net</u>
	<u>Direct</u>	<u>Assumed</u>	<u>Ceded</u>	
Contingent Commission	\$1,860,000	\$0	\$0	\$1,860,000
Sliding Scale Adjustments	0	0	0	0
Other Profit Commission Arrangements	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$1,860,000	\$0	\$0	\$1,860,000

3. As of December 31, 2020, the Company does not use protected cells as an alternative to traditional reinsurance.

D. Uncollectible Reinsurance

As of December 31, 2020, the Company did not write off any reinsurance balances.

E. Commutation of Ceded Reinsurance

None.

F. Retroactive Reinsurance

None.

G. Reinsurance Accounted for as a Deposit

None.

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

None.

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

None.

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation

None.

K. Reinsurance Credit

Not applicable.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

The Company does not have any retrospectively rated contracts or contracts subject to redetermination.

25. Change in Incurred Losses and Loss Adjustment Expenses

- A. Reserves as of December 31, 2019, were \$42,869,000. As of December 31, 2020, \$13,720,000 has been paid for incurred losses and loss adjustment expenses (LAE) attributable to insured events of prior years. Reserves remaining for prior years are now \$22,830,000 as a result of re-estimation of unpaid losses and LAE. The estimated cost of losses and LAE attributable to insured events of prior years' decreased by \$6,318,000 or 14.7% of the unpaid losses and LAE as of the end of the prior year. The \$6,318,000 favorable development in incurred losses and LAE related to prior accident years is primarily due to the favorable development in private passenger auto liability, commercial multiple peril, other liability-occurrence and commercial auto liability lines of business. This change is generally the result of the on-going analysis of loss development trends. Increases or decreases of this nature occur as the result of claim settlements during the current year and as additional information is received regarding unpaid individual claims. The Company does not write retrospectively rated policies, and accordingly, prior year loss development was not impacted by this type of policy.

- B. There were no significant changes in methodologies and assumptions used in calculating the liability for unpaid loss and loss adjustment expenses.

26. Intercompany Pooling Arrangements

The Company, its Parent and its Parent's wholly owned property and casualty insurance subsidiaries (identified in the table below) are party to a pooling reinsurance agreement ("Agreement"), under which all property and casualty lines of business are pooled.

Under the terms of the Agreement, the participants will cede to the lead insurer all of their insurance business, net of inuring reinsurance, and assume from the lead insurer an amount equal to their respective participation percentages as outlined below:

<u>Name of Insurer</u>	<u>NAIC Co. Code</u>	<u>Participation Percentage</u>
Frankenmuth Mutual Insurance Company (lead insurer)	13986	78%
Ansur America Insurance Company	10984	8%
Patriot Insurance Company	32069	8%
Fortuity Insurance Company	10985	3%
ASure Worldwide Insurance Company	11511	3%

There are no discrepancies related to the pooled business between the assumed and ceded reinsurance schedules of the pool participants.

Amounts due to/from the lead insurer and pool participants as of December 31, 2020:

<u>Name of Insurer</u>	<u>Receivable</u>	<u>Payable</u>
Frankenmuth Mutual Insurance Company	\$30,773,000	\$35,193,000
Ansur America Insurance Company	12,006,000	10,249,000
Patriot Insurance Company	16,790,000	14,562,000
Fortuity Insurance Company	3,203,000	2,981,000
ASure Worldwide Insurance Company	3,194,000	2,981,000

NOTES TO FINANCIAL STATEMENTS

27. Structured Settlements

A. Reserves Released due to Purchase of Annuities

In the course of the claim settlement process, the Company has purchased annuities from a number of life insurance companies where the claimant is payee. For all of these annuities, a qualified assignment of further liability has been made to a third party; therefore, the Company has no contingent liability remaining for these annuities.

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

None.

28. Health Care Receivables

Not applicable.

29. Participating Policies

Not applicable.

30. Premium Deficiency Reserves

The Company anticipates investment income as a factor in premium deficiency calculations. The results of this calculation, completed on January 11, 2021, did not indicate a deficiency at December 31, 2020.

1. Liability for premium deficiency reserves		\$0
2. Date of the most recent evaluation of this liability	January 11, 2021	
3. Was anticipated investment income utilized in calculation?	Yes [X]	No []

31. High Deductibles

The Company has no claims with high deductibles.

32. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

The Company does not discount its liabilities for unpaid losses or unpaid loss adjustment expenses. The Company records assumed liabilities for losses from participation reports as received and is not aware of any loss reserves that may be discounted.

33. Asbestos/Environmental Reserves

A. The Company has exposure to asbestos claims arising from the sale of commercial multiple peril and general liability insurance by companies party to the pooling reinsurance agreement, as identified in Note 26.

The Company estimates the full impact of its asbestos exposure by estimating full case basis reserves on all known losses and beginning in 1996 computing incurred but not reported losses based on previous experience and industry standards.

The Company's asbestos related losses (including coverage dispute costs) for each of the five most recent calendar years follow:

(1) Direct

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
(a) Beginning reserves	\$491,000	\$490,000	\$474,000	\$376,000	\$404,000
(b) Incurred losses and loss adjustment expense	58,000	31,000	(62,000)	70,000	(6,000)
(c) Calendar year payments for losses and loss adjustment expenses	<u>59,000</u>	<u>47,000</u>	<u>36,000</u>	<u>42,000</u>	<u>30,000</u>
(d) Ending reserves	\$490,000	\$474,000	\$376,000	\$404,000	\$368,000

(2) Assumed Reinsurance

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
(a) Beginning reserves	\$0	\$0	\$0	\$0	\$0
(b) Incurred losses and loss adjustment expense	0	0	0	0	0
(c) Calendar year payments for losses and loss adjustment expenses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(d) Ending reserves	\$0	\$0	\$0	\$0	\$0

(3) Net of Ceded Reinsurance

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
(a) Beginning reserves	\$113,000	\$124,000	\$110,000	\$76,000	\$67,000
(b) Incurred losses and loss adjustment expense	31,000	(6,000)	(33,000)	(8,000)	0
(c) Calendar year payments for losses and loss adjustment expenses	<u>20,000</u>	<u>8,000</u>	<u>1,000</u>	<u>1,000</u>	<u>7,000</u>
(d) Ending reserves	\$124,000	\$110,000	\$76,000	\$67,000	\$60,000

B. State the amount of the ending reserves for Bulk + IBNR included in A (Loss & LAE)

1. Direct basis	\$317,000
2. Assumed reinsurance basis	\$0
3. Net of ceded reinsurance basis	\$41,000

C. State the amount of ending reserves for loss adjustment expenses included in A (Case, Bulk + IBNR)

1. Direct basis	\$8,000
2. Assumed reinsurance basis	\$0
3. Net of ceded reinsurance basis	\$4,000

NOTES TO FINANCIAL STATEMENTS

- D. The Company has exposure to environmental claims arising from the sale of commercial multiple peril and general liability insurance by companies party to the pooling reinsurance agreement, as identified in Note 26.

The Company's environmental related losses (including coverage dispute costs) for each of the five most recent calendar years follow:

(1) Direct

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
(a) Beginning reserves	\$837,000	\$821,000	\$835,000	\$839,000	\$763,000
(b) Incurred losses and loss adjustment expense	(9,000)	31,000	11,000	(67,000)	(2,000)
(c) Calendar year payments for losses and loss adjustment expenses	<u>7,000</u>	<u>17,000</u>	<u>7,000</u>	<u>9,000</u>	<u>15,000</u>
(d) Ending reserves	\$821,000	\$835,000	\$839,000	\$763,000	\$746,000

(2) Assumed Reinsurance

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
(a) Beginning reserves	\$0	\$0	\$0	\$0	\$0
(b) Incurred losses and loss adjustment expense	0	0	0	0	0
(c) Calendar year payments for losses and loss adjustment expenses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(d) Ending reserves	\$0	\$0	\$0	\$0	\$0

(3) Net of Ceded Reinsurance

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
(a) Beginning reserves	\$292,000	\$276,000	\$277,000	\$233,000	\$215,000
(b) Incurred losses and loss adjustment expense	(16,000)	16,000	(40,000)	(11,000)	17,000
(c) Calendar year payments for losses and loss adjustment expenses	<u>0</u>	<u>15,000</u>	<u>4,000</u>	<u>7,000</u>	<u>10,000</u>
(d) Ending reserves	\$276,000	\$277,000	\$233,000	\$215,000	\$222,000

- E. State the amount of the ending reserves for Bulk + IBNR included in D (Loss & LAE):

1. Direct basis	\$658,000
2. Assumed reinsurance basis	\$0
3. Net of ceded reinsurance basis	\$144,000

- F. State the amount of ending reserves for loss adjustment expenses included in D (Case, Bulk + IBNR)

1. Direct basis	\$15,000
2. Assumed reinsurance basis	\$0
3. Net of ceded reinsurance basis	\$14,000

34. Subscriber Savings Accounts

Not applicable.

35. Multiple Peril Crop Insurance

The Company does not write Multiple Peril Crop Insurance.

36. Financial Guaranty Insurance

The Company does not write Financial Guaranty Insurance.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes No
If yes, complete Schedule Y, Parts 1, 1A and 2.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes No N/A
- 1.3 State regulating? Michigan
- 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: _____
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2019
- 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). 06/27/2018
- 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?
If the answer is YES, complete and file the merger history data file with the NAIC. Yes No
- 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?
BDO USA, LLP, 2600 West Big Beaver, Suite 600, Troy, MI 48084-0178
- 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 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?
Zachary J. Martin, FCAS, MAAA, FSA, CSPA, One Mutual Avenue, Frankenmuth, MI 48787

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes No
 12.11 Name of real estate holding company
 12.12 Number of parcels involved 0
 12.13 Total book/adjusted carrying value \$ 0

12.2 If yes, provide explanation

13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes No
 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 No
 (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 (c) Compliance with applicable governmental laws, rules and regulations;
 (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 (e) Accountability for adherence to the code.

14.11 If the response to 14.1 is no, please explain:

14.2 Has the code of ethics for senior managers been amended? Yes No

14.21 If the response to 14.2 is yes, provide information related to amendment(s).

14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes No

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

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes No

15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

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

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

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes No
 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
 20.11 To directors or other officers \$ 0
 20.12 To stockholders not officers \$ 0
 20.13 Trustees, supreme or grand (Fraternal only) \$ 0
 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
 20.21 To directors or other officers \$ 0
 20.22 To stockholders not officers 0
 20.23 Trustees, supreme or grand (Fraternal only) 0
 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reporting in the statement? Yes No
 21.2 If yes, state the amount thereof at December 31 of the current year:
 21.21 Rented from others \$ 0
 21.22 Borrowed from others \$ 0
 21.23 Leased from others \$ 0
 21.24 Other \$ 0
 22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes No
 22.2 If answer is yes:
 22.21 Amount paid as losses or risk adjustment \$ 0
 22.22 Amount paid as expenses \$ 0
 22.23 Other amounts paid \$ 0
 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes No

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 securities lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet (an alternative is to reference Note 17 where this information is also provided).
Not applicable.

24.04 For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk-Based Capital Instructions. \$ 0

24.05 For the reporting entity's securities lending program, report amount of collateral for other programs. \$ 0

24.06 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes No N/A

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

24.08 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes No N/A

24.09 For the reporting entity's securities lending program, state the amount of the following as of December 31 of the current year:

24.091 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ 0

24.092 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ 0

24.093 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 \$ 1,015,236

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
State Street Bank & Trust Company	801 Pennsylvania, Kansas City, MO 64105

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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

1 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
Conning Asset Management Company	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	2	3	4	5
Central Registration Depository Number	Name of Firm or Individual	Legal Entity Identifier (LEI)	Registered With	Investment Management Agreement (IMA) Filed
107423	Conning Asset Management Company	549300ZOGI4KK37BDV40	SEC	NO

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

29.2 If yes, complete the following schedule:

1 CUSIP	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
		\$
29.2999 TOTAL		\$

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
		\$	

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	\$ 108,730,807	\$ 116,771,171	\$ 8,040,365
30.2	Preferred Stocks	\$ 0	\$ 0	\$ 0
30.3	Totals	\$ 108,730,807	\$ 116,771,171	\$ 8,040,365

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

External price provider sources are used in obtaining fair value prices. If an external source is not available, internal analytical system or broker quotes are utilized.

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

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [] No [X]

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:

Prices are obtained from the dealers/market makers for these securities. These prices are non-binding but represent their best estimate of fair value per market conditions.

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

32.2 If no, list exceptions:

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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 [X]
35. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:
- a. The shares were purchased prior to January 1, 2019.
 - b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
 - c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
 - d. The fund only or predominantly holds bonds in its portfolio.
 - e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
 - f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.
- Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? Yes [] No [X]
36. By rolling/renewing short-term or cash equivalent investments with continued reporting on Schedule DA, Part 1 or Schedule E, Part 2 (identified through a code (%) in those investment schedules), the reporting entity is certifying to the following:
- a. The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.
 - b. If the investment is with a nonrelated party or nonaffiliate, then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.
 - c. If the investment is with a related party or affiliate then the reporting entity has completed robust re-underwriting of the transaction for which documentation is available for regulator review.
 - d. Short-term and cash equivalent investments that have been renewed/rolled from the prior period that do not meet the criteria in 36.a-36.c are reported as long-term investments.
- Has the reporting entity rolled/renewed short-term or cash equivalent investments in accordance with these criteria? Yes [] No [X] N/A []

OTHER

37.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ 174,224

37.2 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.	\$ 169,247

38.1 Amount of payments for legal expenses, if any? \$ 12,959

38.2 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
The Bennett Law Firm PA	\$ 9,950

39.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$ 11,706

39.2 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 LLC	\$ 11,649

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	\$	57,094,275	\$	56,467,191
2.3	Premium Ratio (2.1/2.2)		0.0%		0.0%
2.4	Reserve Numerator	\$	0	\$	0
2.5	Reserve Denominator	\$	83,039,013	\$	78,725,472
2.6	Reserve Ratio (2.4/2.5)		0.0%		0.0%
3.1	Did the reporting entity issue participating policies during the calendar year?			Yes []	No [X]
3.2	If yes, provide the amount of premium written for participating and/or non-participating policies during the calendar year:				
3.21	Participating policies		\$		0
3.22	Non-participating policies		\$		0
4.	FOR MUTUAL REPORTING ENTITIES AND RECIPROCAL EXCHANGES ONLY:				
4.1	Does the reporting entity issue assessable policies?			Yes []	No []
4.2	Does the reporting entity issue non-assessable policies?			Yes []	No []
4.3	If assessable policies are issued, what is the extent of the contingent liability of the policyholders?				%
4.4	Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.		\$		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 []
5.22	As a direct expense of the exchange			Yes []	No []
5.3	What expenses of the exchange are not paid out of the compensation of the Attorney-in-fact?				N/A []
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>The Company maintains excess of loss agreements providing \$23.25 million excess of \$1.75 million and catastrophe for \$35 million excess of \$25 million with a \$10 million maximum any one employee.</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>The Company has property catastrophe insurance coverage with its Parent under a single reinsurance contract. The Parent utilized RMS Risk Link DLM v18.1 Severe Thunderstorm, Hurricane and U.S. Earthquake model to analyze its probable maximum loss from Severe Thunderstorm, Hurricane and U.S. Earthquake exposure. The model employs generally accepted statistical methods, historical frequency and loss patterns.</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>The Company, along with its Parent, purchased catastrophe insurance that provides protection against a probable maximum loss between a 1 in 250 and 1 in 500 year event.</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 [X]	No []
6.5	If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss:				

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 36 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 [X]	No [] N/A []
11.1	Has the reporting entity guaranteed policies issued by any other entity and now in force?	Yes []	No [X]
11.2	If yes, give full information		
12.1	If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the 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 [X] N/A []
12.4	If yes, provide the range of interest rates charged under such notes during the period covered by this statement: 12.41 From 12.42 To		<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 []	No [X]
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>0</u>
		\$	<u>0</u>
13.1	Largest net aggregate amount insured in any one risk (excluding workers' compensation):	\$	<u>3,000,000</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.	5																																				
14.1	Is the reporting entity a cedant in a multiple cedant reinsurance contract?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>																																				
14.2	If yes, please describe the method of allocating and recording reinsurance among the cedants: <u>Reinsurance is allocated and recorded among the cedants based on their respective portion of the total cession.</u>																																					
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 <input type="checkbox"/> No <input checked="" type="checkbox"/>																																				
14.4	If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>																																				
14.5	If the answer to 14.4 is no, please explain:																																					
15.1	Has the reporting entity guaranteed any financed premium accounts?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>																																				
15.2	If yes, give full information																																					
16.1	Does the reporting entity write any warranty business?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>																																				
	If yes, disclose the following information for each of the following types of warranty coverage:																																					
	<table style="width: 100%; border-collapse: collapse; margin-left: 40px;"> <thead> <tr> <th style="width: 10%;"></th> <th style="width: 15%; text-align: center;">1</th> <th style="width: 15%; text-align: center;">2</th> <th style="width: 15%; text-align: center;">3</th> <th style="width: 15%; text-align: center;">4</th> <th style="width: 15%; text-align: center;">5</th> </tr> <tr> <th></th> <th style="text-align: center;">Direct Losses Incurred</th> <th style="text-align: center;">Direct Losses Unpaid</th> <th style="text-align: center;">Direct Written Premium</th> <th style="text-align: center;">Direct Premium Unearned</th> <th style="text-align: center;">Direct Premium Earned</th> </tr> </thead> <tbody> <tr> <td>16.11 Home</td> <td style="text-align: right;">\$ 0</td> <td style="text-align: right;">\$ 0</td> <td style="text-align: right;">\$ 0</td> <td style="text-align: right;">\$ 0</td> <td style="text-align: right;">\$ 0</td> </tr> <tr> <td>16.12 Products</td> <td style="text-align: right;">\$ 0</td> <td style="text-align: right;">\$ 0</td> <td style="text-align: right;">\$ 0</td> <td style="text-align: right;">\$ 0</td> <td style="text-align: right;">\$ 0</td> </tr> <tr> <td>16.13 Automobile</td> <td style="text-align: right;">\$ 0</td> <td style="text-align: right;">\$ 0</td> <td style="text-align: right;">\$ 0</td> <td style="text-align: right;">\$ 0</td> <td style="text-align: right;">\$ 0</td> </tr> <tr> <td>16.14 Other*</td> <td style="text-align: right;">\$ 0</td> <td style="text-align: right;">\$ 0</td> <td style="text-align: right;">\$ 0</td> <td style="text-align: right;">\$ 0</td> <td style="text-align: right;">\$ 0</td> </tr> </tbody> </table>		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	
	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 <input type="checkbox"/> No <input checked="" type="checkbox"/>																																				
	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 <input type="checkbox"/> No <input checked="" type="checkbox"/>																																				
18.2	If yes, please provide the amount of custodial funds held as of the reporting date.	\$ 0																																				
18.3	Do you act as an administrator for health savings accounts?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>																																				
18.4	If yes, please provide the balance of the funds administered as of the reporting date.	\$ 0																																				
19.	Is the reporting entity licensed or chartered, registered, qualified, eligible, or writing business in at least 2 states?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>																																				
19.1	If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity?	Yes <input type="checkbox"/> No <input type="checkbox"/>																																				

FIVE-YEAR HISTORICAL DATA

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

	1 2020	2 2019	3 2018	4 2017	5 2016
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).....	35,092,644	36,147,993	35,524,245	32,707,588	31,278,991
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	26,627,386	27,741,988	27,126,329	25,583,765	24,459,695
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	47,439,549	46,844,007	45,019,034	43,409,763	42,027,290
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	1,065,804	794,628	439,207	219,843	23,666
5. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
6. Total (Line 35).....	110,225,384	111,528,616	108,108,814	101,920,959	97,789,642
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).....	21,820,753	21,825,821	21,556,253	19,337,047	18,207,407
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	12,861,723	13,103,096	12,792,452	11,598,307	11,048,450
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	22,216,224	21,495,555	20,756,349	19,581,158	18,707,533
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	1,057,806	788,378	429,470	209,199	14,629
11. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
12. Total (Line 35).....	57,956,506	57,212,850	55,534,524	50,725,711	47,978,019
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8).....	391,118	(538,472)	1,980,737	3,810,089	3,194,154
14. Net investment gain (loss) (Line 11).....	2,673,278	3,333,041	2,734,521	1,783,686	1,887,764
15. Total other income (Line 15).....	(79,740)	(131,730)	9,836	8,420	49,738
16. Dividends to policyholders (Line 17).....	268,376	293,548	285,957	247,696	216,167
17. Federal and foreign income taxes incurred (Line 19).....	739,000	431,000	613,000	1,257,000	1,512,000
18. Net income (Line 20).....	1,977,280	1,938,291	3,826,137	4,097,499	3,403,490
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3).....	155,797,866	148,625,181	141,941,455	130,745,324	126,001,241
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 15.1).....	10,428,556	10,441,925	11,008,806	9,800,270	9,376,771
20.2 Deferred and not yet due (Line 15.2).....	12,203,152	12,933,169	13,332,225	13,181,377	12,286,265
20.3 Accrued retrospective premiums (Line 15.3).....					
21. Total liabilities excluding protected cell business (Page 3, Line 26).....	95,795,819	91,054,610	86,642,180	79,364,713	76,567,572
22. Losses (Page 3, Line 1).....	39,795,986	36,618,143	32,677,240	29,944,693	29,555,060
23. Loss adjustment expenses (Page 3, Line 3).....	6,895,568	6,250,800	5,818,464	5,234,458	5,024,709
24. Unearned premiums (Page 3, Line 9).....	28,391,360	27,539,441	26,758,216	24,285,926	22,819,015
25. Capital paid up (Page 3, Lines 30 & 31).....	8,750,000	8,750,000	8,750,000	8,750,000	8,750,000
26. Surplus as regards policyholders (Page 3, Line 37).....	60,002,047	57,570,571	55,299,275	51,380,612	49,433,669
Cash Flow (Page 5)					
27. Net cash from operations (Line 11).....	6,626,923	8,253,468	12,125,469	3,971,686	9,173,408
Risk-Based Capital Analysis					
28. Total adjusted capital.....	60,002,047	57,570,571	55,299,275	51,380,612	49,433,669
29. Authorized control level risk-based capital.....	5,453,373	4,902,385	4,346,966	4,131,246	3,756,825
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).....	89.1	87.6	88.1	86.4	87.9
31. Stocks (Lines 2.1 & 2.2).....					
32. Mortgage loans on real estate (Lines 3.1 & 3.2).....					
33. Real estate (Lines 4.1, 4.2 & 4.3).....	8.5	9.0	9.1	9.8	3.2
34. Cash, cash equivalents and short-term investments (Line 5).....	2.5	3.4	2.8	3.8	8.9
35. Contract loans (Line 6).....					
36. Derivatives (Line 7).....					
37. Other invested assets (Line 8).....					
38. Receivables for securities (Line 9).....					
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.....					
48. Total of above lines 42 to 47.....	0	0	0	0	0
49. Total investment in parent included in Lines 42 to 47 above.....					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0).....	0.0				

FIVE-YEAR HISTORICAL DATA

(Continued)

	1	2	3	4	5
	2020	2019	2018	2017	2016
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24).....					
52. Dividends to stockholders (Line 35).....					
53. Change in surplus as regards policyholders for the year (Line 38).....	2,431,476	2,271,296	3,918,664	1,946,943	15,880,343
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).....	18,171,367	19,292,912	21,085,163	15,856,550	17,604,251
55. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	12,325,704	14,970,880	13,315,964	11,836,446	11,270,151
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	24,333,385	20,230,048	18,830,246	19,316,537	18,855,552
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	57,098	19,218	28,901	2,285	
58. Nonproportional reinsurance lines (Lines 31, 32 & 33).....		269	1,329	904	566
59. Total (Line 35).....	54,887,553	54,513,326	53,261,603	47,012,721	47,730,520
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).....	10,212,874	11,523,310	10,740,207	9,260,753	9,779,960
61. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	6,423,762	7,298,394	6,686,700	5,737,903	5,465,533
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	10,834,845	10,261,505	8,760,822	9,459,919	8,274,689
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	57,098	19,218	28,901	2,285	
64. Nonproportional reinsurance lines (Lines 31, 32 & 33).....		269	1,329	904	566
65. Total (Line 35).....	27,528,579	29,102,696	26,217,959	24,461,765	23,520,747
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).....	53.8	58.5	54.5	50.4	54.6
68. Loss expenses incurred (Line 3).....	9.1	8.6	8.6	8.7	8.7
69. Other underwriting expenses incurred (Line 4).....	36.4	33.9	33.2	33.2	29.9
70. Net underwriting gain (loss) (Line 8).....	0.7	(1.0)	3.7	7.7	6.8
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).....	36.0	33.6	31.7	32.3	29.4
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	62.9	67.1	63.1	59.0	63.3
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).....	96.6	99.4	100.4	98.7	97.1
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).....	(5,609)	(2,996)	(3,773)	(4,509)	(3,078)
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).....	(9.7)	(5.4)	(7.3)	(9.1)	(9.2)
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).....	(4,141)	(3,630)	(5,486)	(4,292)	(4,355)
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)	(7.1)	(11.1)	(12.8)	(14.3)

If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors?

Yes [] No []

If no, please explain:

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

(\$'000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 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		10 Salvage and Subrogation Received		11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	.....XXX.....	.....XXX.....	.....XXX.....	.....448.....	.....291.....	.....70.....	.....17.....	.....5.....	.....5.....	.....215.....	.....XXX.....
2. 2011.....	.....45,574.....	.....5,739.....	.....39,835.....	.....29,168.....	.....1,408.....	.....1,720.....	.....58.....	.....1,573.....	.....857.....	.....30,996.....	.....XXX.....
3. 2012.....	.....46,505.....	.....5,388.....	.....41,117.....	.....25,908.....	.....1,556.....	.....1,579.....	.....41.....	.....1,743.....	.....727.....	.....27,633.....	.....XXX.....
4. 2013.....	.....47,196.....	.....5,532.....	.....41,665.....	.....25,137.....	.....2,146.....	.....1,511.....	.....38.....	.....1,686.....	.....0.....	.....26,150.....	.....XXX.....
5. 2014.....	.....48,520.....	.....5,444.....	.....43,076.....	.....27,519.....	.....1,800.....	.....1,628.....	.....37.....	.....1,824.....	.....918.....	.....29,133.....	.....XXX.....
6. 2015.....	.....50,783.....	.....5,394.....	.....45,389.....	.....25,235.....	.....847.....	.....1,500.....	.....21.....	.....2,043.....	.....866.....	.....27,910.....	.....XXX.....
7. 2016.....	.....52,313.....	.....5,005.....	.....47,308.....	.....26,311.....	.....2,168.....	.....1,553.....	.....53.....	.....2,210.....	.....914.....	.....27,854.....	.....XXX.....
8. 2017.....	.....54,501.....	.....5,148.....	.....49,353.....	.....25,267.....	.....1,146.....	.....1,538.....	.....23.....	.....2,371.....	.....990.....	.....28,006.....	.....XXX.....
9. 2018.....	.....58,929.....	.....5,794.....	.....53,135.....	.....25,799.....	.....994.....	.....1,217.....	.....10.....	.....2,267.....	.....808.....	.....28,279.....	.....XXX.....
10. 2019.....	.....62,067.....	.....5,600.....	.....56,467.....	.....24,680.....	.....949.....	.....750.....	.....11.....	.....2,360.....	.....951.....	.....26,830.....	.....XXX.....
11. 2020.....	.....62,794.....	.....5,700.....	.....57,094.....	.....16,657.....	.....457.....	.....331.....	.....5.....	.....1,836.....	.....508.....	.....18,361.....	.....XXX.....
12. Totals.....XXX.....XXX.....XXX.....252,128.....13,762.....13,397.....315.....19,918.....0.....8,292.....271,366.....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.....	.....4,513.....	.....3,614.....	.....542.....	.....221.....	.....	.....	.....76.....	.....13.....	.....17.....	.....	.....1,299.....	.....XXX.....
2. 2011.....	.....479.....	.....332.....	.....38.....	.....10.....	.....	.....	.....9.....	.....0.....	.....2.....	.....	.....186.....	.....XXX.....
3. 2012.....	.....749.....	.....558.....	.....59.....	.....15.....	.....	.....	.....17.....	.....1.....	.....5.....	.....	.....256.....	.....XXX.....
4. 2013.....	.....423.....	.....265.....	.....78.....	.....24.....	.....	.....	.....23.....	.....2.....	.....8.....	.....	.....241.....	.....XXX.....
5. 2014.....	.....1,018.....	.....680.....	.....156.....	.....42.....	.....	.....	.....41.....	.....4.....	.....10.....	.....	.....500.....	.....XXX.....
6. 2015.....	.....717.....	.....219.....	.....340.....	.....70.....	.....	.....	.....79.....	.....6.....	.....16.....	.....	.....856.....	.....XXX.....
7. 2016.....	.....961.....	.....317.....	.....578.....	.....120.....	.....	.....	.....120.....	.....15.....	.....26.....	.....	.....1,233.....	.....XXX.....
8. 2017.....	.....2,259.....	.....330.....	.....1,013.....	.....164.....	.....	.....	.....251.....	.....28.....	.....44.....	.....	.....3,045.....	.....XXX.....
9. 2018.....	.....4,540.....	.....950.....	.....1,915.....	.....286.....	.....	.....	.....476.....	.....45.....	.....80.....	.....	.....5,730.....	.....XXX.....
10. 2019.....	.....6,682.....	.....872.....	.....3,280.....	.....624.....	.....	.....	.....928.....	.....106.....	.....197.....	.....	.....9,485.....	.....XXX.....
11. 2020.....	.....9,729.....	.....598.....	.....12,268.....	.....2,230.....	.....	.....	.....3,692.....	.....358.....	.....1,359.....	.....	.....23,861.....	.....XXX.....
12. Totals.....	.....32,071.....	.....8,736.....	.....20,267.....	.....3,806.....	.....0.....	.....0.....	.....5,711.....	.....579.....	.....1,763.....	.....0.....	.....46,691.....	.....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.....	.....1,220.....	.....79.....
2. 2011.....	.....32,990.....	.....1,808.....	.....31,182.....	.....72.4.....	.....31.5.....	.....78.3.....	.....	.....	.....8.00.....	.....175.....	.....11.....
3. 2012.....	.....30,059.....	.....2,170.....	.....27,889.....	.....64.6.....	.....40.3.....	.....67.8.....	.....	.....	.....8.00.....	.....235.....	.....21.....
4. 2013.....	.....28,866.....	.....2,475.....	.....26,391.....	.....61.2.....	.....44.7.....	.....63.3.....	.....	.....	.....8.00.....	.....212.....	.....28.....
5. 2014.....	.....32,196.....	.....2,563.....	.....29,633.....	.....66.4.....	.....47.1.....	.....68.8.....	.....	.....	.....8.00.....	.....452.....	.....48.....
6. 2015.....	.....29,930.....	.....1,163.....	.....28,766.....	.....58.9.....	.....21.6.....	.....63.4.....	.....	.....	.....8.00.....	.....768.....	.....88.....
7. 2016.....	.....31,759.....	.....2,673.....	.....29,086.....	.....60.7.....	.....53.4.....	.....61.5.....	.....	.....	.....8.00.....	.....1,102.....	.....131.....
8. 2017.....	.....32,743.....	.....1,692.....	.....31,051.....	.....60.1.....	.....32.9.....	.....62.9.....	.....	.....	.....8.00.....	.....2,778.....	.....266.....
9. 2018.....	.....36,294.....	.....2,285.....	.....34,009.....	.....61.6.....	.....39.4.....	.....64.0.....	.....	.....	.....8.00.....	.....5,220.....	.....511.....
10. 2019.....	.....38,877.....	.....2,562.....	.....36,315.....	.....62.6.....	.....45.8.....	.....64.3.....	.....	.....	.....8.00.....	.....8,466.....	.....1,019.....
11. 2020.....	.....45,871.....	.....3,648.....	.....42,222.....	.....73.0.....	.....64.0.....	.....74.0.....	.....	.....	.....8.00.....	.....19,168.....	.....4,693.....
12. Totals.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....0.....	.....0.....	.....XXX.....	.....39,796.....	.....6,896.....

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 2011	2 2012	3 2013	4 2014	5 2015	6 2016	7 2017	8 2018	9 2019	10 2020	11 One Year	12 Two Year
1. Prior.....	14,948	14,032	12,857	12,480	12,146	12,147	12,119	12,240	12,268	12,294	26	54
2. 2011.....	32,671	30,751	30,413	30,200	29,960	29,782	29,639	29,625	29,623	29,607	(16)	(18)
3. 2012.....	XXX	29,896	27,810	27,300	26,830	26,431	26,247	26,147	26,173	26,141	(32)	(6)
4. 2013.....	XXX	XXX	28,278	25,856	25,820	25,510	25,003	24,771	24,716	24,696	(19)	(74)
5. 2014.....	XXX	XXX	XXX	31,342	28,722	28,954	28,604	28,078	27,999	27,799	(200)	(279)
6. 2015.....	XXX	XXX	XXX	XXX	29,829	27,406	27,404	27,250	26,744	26,707	(36)	(543)
7. 2016.....	XXX	XXX	XXX	XXX	XXX	30,612	27,317	27,244	27,181	26,851	(330)	(394)
8. 2017.....	XXX	XXX	XXX	XXX	XXX	XXX	31,032	28,235	29,032	28,636	(396)	400
9. 2018.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	34,943	31,804	31,662	(142)	(3,281)
10. 2019.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	38,221	33,758	(4,463)	XXX
11. 2020.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	39,028	XXX	XXX
12. Totals.....											(5,609)	(4,141)

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 2011	2 2012	3 2013	4 2014	5 2015	6 2016	7 2017	8 2018	9 2019	10 2020	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
1. Prior.....	000	4,218	6,850	8,299	9,394	9,979	10,284	10,566	10,802	11,011	XXX	XXX
2. 2011.....	17,417	24,057	26,758	27,873	28,775	29,046	29,261	29,300	29,363	29,423	XXX	XXX
3. 2012.....	XXX	14,961	21,465	23,656	24,746	25,271	25,567	25,764	25,776	25,889	XXX	XXX
4. 2013.....	XXX	XXX	13,941	19,865	21,946	23,147	23,732	24,060	24,337	24,464	XXX	XXX
5. 2014.....	XXX	XXX	XXX	17,072	22,914	25,001	26,206	26,909	27,192	27,309	XXX	XXX
6. 2015.....	XXX	XXX	XXX	XXX	14,729	21,097	23,284	24,742	25,587	25,867	XXX	XXX
7. 2016.....	XXX	XXX	XXX	XXX	XXX	14,064	20,228	22,966	24,884	25,644	XXX	XXX
8. 2017.....	XXX	XXX	XXX	XXX	XXX	XXX	15,179	21,251	24,018	25,635	XXX	XXX
9. 2018.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	16,139	23,197	26,012	XXX	XXX
10. 2019.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	17,569	24,470	XXX	XXX
11. 2020.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	16,526	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 2011	2 2012	3 2013	4 2014	5 2015	6 2016	7 2017	8 2018	9 2019	10 2020
1. Prior.....	6,548	4,399	2,650	1,615	1,041	718	563	467	406	383
2. 2011.....	6,370	2,642	1,764	1,097	595	331	163	75	62	37
3. 2012.....	XXX	7,009	2,756	1,858	1,117	599	339	156	76	60
4. 2013.....	XXX	XXX	7,455	2,847	1,919	1,128	610	346	158	74
5. 2014.....	XXX	XXX	XXX	7,542	3,015	1,938	1,150	574	354	152
6. 2015.....	XXX	XXX	XXX	XXX	8,333	2,984	1,972	1,108	578	342
7. 2016.....	XXX	XXX	XXX	XXX	XXX	8,757	3,085	1,954	1,103	563
8. 2017.....	XXX	XXX	XXX	XXX	XXX	XXX	9,395	3,159	2,003	1,072
9. 2018.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	10,677	3,454	2,060
10. 2019.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	11,577	3,478
11. 2020.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	13,372

Patriot Insurance Company

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	34,000,521	34,763,777		19,467,272	16,406,028	18,332,240	30,240	
21. Maryland.....MD	N								
22. Massachusetts.....MA	L								
23. Michigan.....MI	L								
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	11,026,685	11,284,349		5,025,855	4,349,967	6,155,993	5,357	
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	7,191,949	7,218,853		2,832,554	(657,865)	3,681,621	4,854	
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		52,219,154	53,266,979	0	27,325,681	20,098,130	28,169,855	40,452	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:

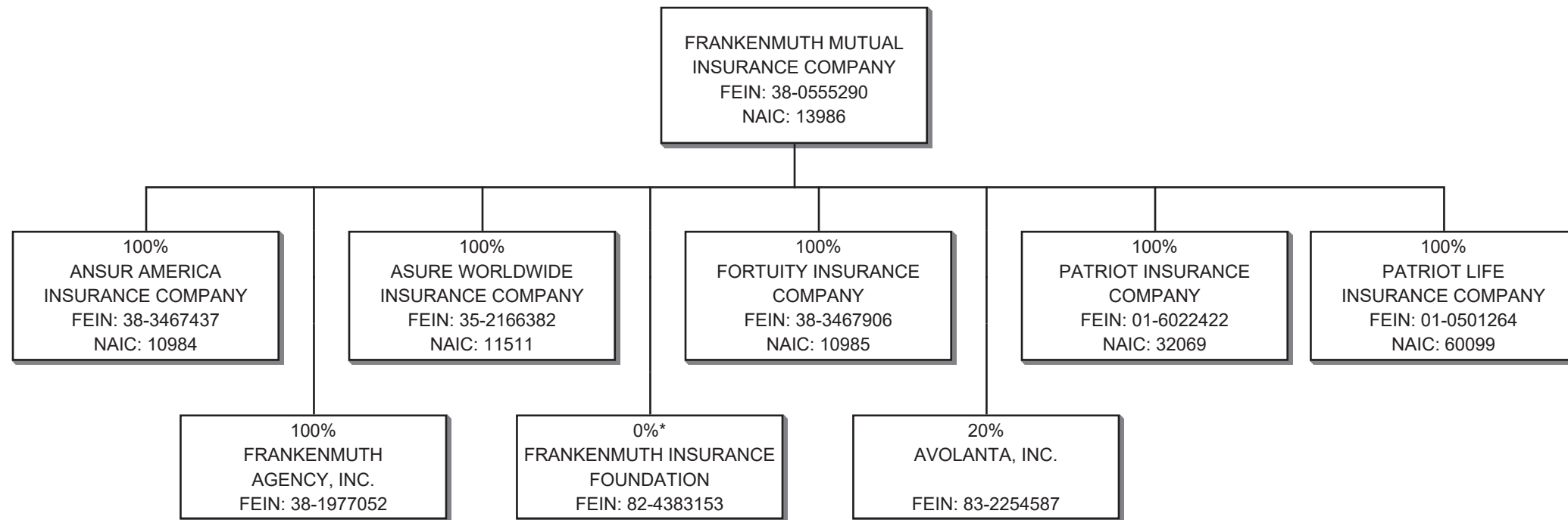
L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG.....	5
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile - See DSLI).....	0
D - Domestic Surplus Lines Insurer (DSLI) - Reporting entities authorized to write surplus lines in the state of domicile.....	0

R - Registered - Non-domiciled RRGs.....	0
Q - Qualified - Qualified or accredited reinsurer.....	0
N - None of the above - Not allowed to write business in the state.....	52

(b) Explanation of Basis of Allocation of Premiums by States, etc.
Allocation to state by location of exposure.

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

PART 1 - ORGANIZATIONAL CHART



*FRANKENMUTH MUTUAL INSURANCE COMPANY FORMED THE FRANKENMUTH INSURANCE FOUNDATION IN MARCH 2018. THE RELATIONSHIP IS BEING DISCLOSED FOR CERTAIN TRANSACTIONS THAT OCCUR BETWEEN THE TWO ENTITIES.