



ANNUAL STATEMENT  
For the Year Ended DECEMBER 31, 2014  
OF THE CONDITION AND AFFAIRS OF THE  
ALL AMERICA INSURANCE COMPANY

|                                       |  |                        |  |            |                      |            |
|---------------------------------------|--|------------------------|--|------------|----------------------|------------|
| NAIC Group Code                       | 0036<br>(Current Period)   | 0036<br>(Prior Period) | NAIC Company Code  | 20222      | Employer's ID Number | 34-0935740 |
| Organized under the Laws of           | Ohio   |                        | State of Domicile or Port of Entry   | OHIO       |                      |            |
| Country of Domicile                   | United States of America   |                        |  |            |                      |            |
| Incorporated/Organized                | 04/12/1961   |                        | Commenced Business   | 08/01/1961 |                      |            |
| Statutory Home Office                 | 800 SOUTH WASHINGTON STREET<br>(Street and Number)                         |                        | VAN WERT, OH, US 45891-2357<br>(City or Town, State, Country and Zip Code) |            |                      |            |
| Main Administrative Office            | 800 SOUTH WASHINGTON STREET<br>(Street and Number)                         |                        |  |            |                      |            |
|                                       | VAN WERT, OH, US 45891-2357<br>(City or Town, State, Country and Zip Code) |                        | (419)238-1010<br>(Area Code) (Telephone Number)                            |            |                      |            |
| Mail Address                          | P.O. BOX 351<br>(Street and Number or P.O. Box)                            |                        | VAN WERT, OH, US 45891-0351<br>(City or Town, State, Country and Zip Code) |            |                      |            |
| Primary Location of Books and Records | 800 SOUTH WASHINGTON STREET<br>(Street and Number)                         |                        |  |            |                      |            |
|                                       | VAN WERT, OH, US 45891-2357<br>(City or Town, State, Country and Zip Code) |                        | (419)238-1010<br>(Area Code) (Telephone Number)                            |            |                      |            |
| Internet Website Address              | WWW.CENTRAL-INSURANCE.COM  |                        |  |            |                      |            |
| Statutory Statement Contact           | THAD RYAN EIKENBARY<br>(Name)  |                        | (419)238-5551-2437<br>(Area Code)(Telephone Number)(Extension)             |            |                      |            |
|                                       | TEIKENBARY@CENTRAL-INSURANCE.COM<br>(E-Mail Address)                       |                        | (419)238-7626<br>(Fax Number)  |            |                      |            |

OFFICERS

| Name                         | Title       |
|------------------------------|-------------|
| FRANCIS WALWORTH PURMORT III | PRESIDENT   |
| STEPHEN KEITH MOORE          | SECRETARY # |
| THAD RYAN EIKENBARY          | TREASURER   |

OTHERS

|   |   |   |
|---|---|---|
| JAMES FREDERICK GLASSER, VICE PRESIDENT<br>CYNTHIA MARIE HURLESS, VICE PRESIDENT<br>TIMOTHY LEE RAUCH, VICE PRESIDENT<br>JANET LYNN WHITE, SR. VICE PRESIDENT | TRINTIN CHAD GLEN, CHIEF ACTUARY #<br>PATRICK JOHN JACKSON, VICE PRESIDENT<br>JANA LOU RINGWALD, VICE PRESIDENT<br>JOHN EWING WHITE, VICE PRESIDENT | MICHAEL PATRICK GUTH, SR. VICE PRESIDENT<br>STEVEN MANSFIELD, VICE PRESIDENT #<br>TODD EDWARD SIMPSON, VICE PRESIDENT # |
|---|---|---|

DIRECTORS OR TRUSTEES

|  |   |   |
|--|---|---|
| EDWARD RAY BUHL<br>RONALD JOSEPH KUTELLA<br>EDWARD JOSEPH NOONAN | JOSIE LEE COVINGTON II #<br>DREW PENNINGTON MACONACHY<br>FRANCIS WALWORTH PURMORT III | THOMAS B KEARNEY<br>STEPHEN KIETH MOORE #<br>JANET LYNN WHITE |
|--|---|---|

State of Ohio  
County of Van Wert ss

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)                  | (Signature)         | (Signature)         |
| FRANCIS WALWORTH PURMORT III | STEPHEN KEITH MOORE | THAD RYAN EIKENBARY |
| (Printed Name)               | (Printed Name)      | (Printed Name)      |
| 1.                           | 2.                  | 3.                  |
| PRESIDENT                    | SECRETARY           | TREASURER           |
| (Title)                      | (Title)             | (Title)             |

|  |   |   |
|--|---|---|
| Subscribed and sworn to before me this<br>19th day of February, 2015 | a. Is this an original filing?<br>b. If no, 1. State the amendment number<br>2. Date filed<br>3. Number of pages attached | Yes[X] No[ ]<br>_____<br>_____<br>_____ |
| _____<br>(Notary Public Signature)                                   |   |   |

ASSETS

|                      |   | Current Year |                    |                                | Prior Year          |
|----------------------|---|--------------|--------------------|--------------------------------|---------------------|
|                      |   | 1            | 2                  | 3                              | 4                   |
|                      |   | Assets       | Nonadmitted Assets | Net Admitted Assets (Cols.1-2) | Net Admitted Assets |
| 1.                   | Bonds (Schedule D) .....  | 213,037,603  |                    | 213,037,603                    | 189,534,475         |
| 2.                   | Stocks (Schedule D)   |              |                    |                                |                     |
| 2.1                  | Preferred stocks .....  |              |                    |                                |                     |
| 2.2                  | Common Stocks .....   | 289,784      | 287,805            | 1,979                          | 1,979               |
| 3.                   | Mortgage loans on real estate (Schedule B):   |              |                    |                                |                     |
| 3.1                  | First liens .....   |              |                    |                                |                     |
| 3.2                  | Other than first liens .....  |              |                    |                                |                     |
| 4.                   | Real estate (Schedule A):   |              |                    |                                |                     |
| 4.1                  | Properties occupied by the company (less \$.....0 encumbrances) .....   |              |                    |                                |                     |
| 4.2                  | Properties held for the production of income (less \$.....0 encumbrances) .....   |              |                    |                                |                     |
| 4.3                  | Properties held for sale (less \$.....0 encumbrances) .....   |              |                    |                                |                     |
| 5.                   | Cash (\$.....206,597, Schedule E Part 1), cash equivalents (\$.....0, Schedule E Part 2) and short-term investments (\$.....8,388,217, Schedule DA) ..... | 8,594,814    |                    | 8,594,814                      | 9,978,014           |
| 6.                   | Contract loans (including \$.....0 premium notes) .....   |              |                    |                                |                     |
| 7.                   | Derivatives (Schedule DB) .....   |              |                    |                                |                     |
| 8.                   | Other invested assets (Schedule BA) .....   |              |                    |                                | 14,471,605          |
| 9.                   | Receivables for securities .....  |              |                    |                                |                     |
| 10.                  | Securities Lending Reinvested Collateral Assets (Schedule DL) .....   |              |                    |                                |                     |
| 11.                  | Aggregate write-ins for invested assets .....   |              |                    |                                |                     |
| 12.                  | Subtotals, cash and invested assets (Lines 1 to 11) .....   | 221,922,201  | 287,805            | 221,634,396                    | 213,986,073         |
| 13.                  | Title plants less \$.....0 charged off (for Title insurers only) .....  |              |                    |                                |                     |
| 14.                  | Investment income due and accrued .....   | 2,367,448    |                    | 2,367,448                      | 2,228,073           |
| 15.                  | Premiums and considerations:  |              |                    |                                |                     |
| 15.1                 | Uncollected premiums and agents' balances in the course of collection .....   | 5,005,703    | 49,786             | 4,955,917                      | 4,446,837           |
| 15.2                 | Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including \$.....29,880 earned but unbilled premiums) .....     | 21,831,182   | 3,600              | 21,827,582                     | 20,172,987          |
| 15.3                 | Accrued retrospective premiums .....  |              |                    |                                |                     |
| 16.                  | Reinsurance:  |              |                    |                                |                     |
| 16.1                 | Amounts recoverable from reinsurers .....   | 97,159       |                    | 97,159                         | 648,291             |
| 16.2                 | Funds held by or deposited with reinsured companies .....   |              |                    |                                |                     |
| 16.3                 | Other amounts receivable under reinsurance contracts .....  | 960,000      |                    | 960,000                        | 960,000             |
| 17.                  | Amounts receivable relating to uninsured plans .....  |              |                    |                                |                     |
| 18.1                 | Current federal and foreign income tax recoverable and interest thereon .....   |              |                    |                                |                     |
| 18.2                 | Net deferred tax asset .....  | 5,770,585    | 1,171,018          | 4,599,567                      | 4,933,947           |
| 19.                  | Guaranty funds receivable or on deposit .....   | 22,972       |                    | 22,972                         | 14,539              |
| 20.                  | Electronic data processing equipment and software .....   |              |                    |                                |                     |
| 21.                  | Furniture and equipment, including health care delivery assets (\$.....0) .....   |              |                    |                                |                     |
| 22.                  | Net adjustment in assets and liabilities due to foreign exchange rates .....  |              |                    |                                |                     |
| 23.                  | Receivables from parent, subsidiaries and affiliates .....  | 2,066,722    |                    | 2,066,722                      |                     |
| 24.                  | Health care (\$.....0) and other amounts receivable .....   |              |                    |                                |                     |
| 25.                  | Aggregate write-ins for other than invested assets .....  | 301,789      |                    | 301,789                        | 295,151             |
| 26.                  | TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....  | 260,345,761  | 1,512,209          | 258,833,552                    | 247,685,898         |
| 27.                  | From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....   |              |                    |                                |                     |
| 28.                  | TOTAL (Lines 26 and 27) .....   | 260,345,761  | 1,512,209          | 258,833,552                    | 247,685,898         |
| DETAILS OF WRITE-INS |   |              |                    |                                |                     |
| 1101.                | .....   |              |                    |                                |                     |
| 1102.                | .....   |              |                    |                                |                     |
| 1103.                | .....   |              |                    |                                |                     |
| 1198.                | Summary of remaining write-ins for Line 11 from overflow page .....   |              |                    |                                |                     |
| 1199.                | TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....  |              |                    |                                |                     |
| 2501.                | EQUITIES & DEPOSITS IN POOLS & ASSOCIATIONS .....   | 301,789      |                    | 301,789                        | 295,151             |
| 2502.                | .....   |              |                    |                                |                     |
| 2503.                | .....   |              |                    |                                |                     |
| 2598.                | Summary of remaining write-ins for Line 25 from overflow page .....   |              |                    |                                |                     |
| 2599.                | TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....  | 301,789      |                    | 301,789                        | 295,151             |

LIABILITIES, SURPLUS AND OTHER FUNDS

|   | 1<br>Current Year | 2<br>Prior Year |
|---|-------------------|-----------------|
| 1. Losses (Part 2A, Line 35, Column 8) .....  | 49,925,267        | 49,951,143      |
| 2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6) .....   |                   |                 |
| 3. Loss adjustment expenses (Part 2A, Line 35, Column 9) .....  | 18,848,148        | 20,111,738      |
| 4. Commissions payable, contingent commissions and other similar charges .....  | 2,706,290         | 2,255,090       |
| 5. Other expenses (excluding taxes, licenses and fees) .....  | 3,093,579         | 2,809,106       |
| 6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....  | 866,010           | 775,037         |
| 7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)) .....  | 202,927           | 1,034,970       |
| 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 \$.....17,803,557 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) ..... | 46,287,358        | 42,515,223      |
| 10. Advance premiums .....  | 607,857           | 604,019         |
| 11. Dividends declared and unpaid:  |                   |                 |
| 11.1 Stockholders .....   |                   |                 |
| 11.2 Policyholders .....  | 49,083            | 52,124          |
| 12. Ceded reinsurance premiums payable (net of ceding commissions) .....  | 914,131           | 1,204,174       |
| 13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19) .....  |                   |                 |
| 14. Amounts withheld or retained by company for account of others .....   | (90)              | 2               |
| 15. Remittances and items not allocated .....   |                   |                 |
| 16. Provision for reinsurance (including (\$.....0 certified)) (Schedule F, Part 8) .....   |                   |                 |
| 17. Net adjustments in assets and liabilities due to foreign exchange rates .....   |                   |                 |
| 18. Drafts outstanding .....  |                   |                 |
| 19. Payable to parent, subsidiaries and affiliates .....  |                   | 1,001,356       |
| 20. Derivatives .....   |                   |                 |
| 21. Payable for securities .....  | 530,205           | 561,525         |
| 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 .....   | 104,975           | 114,345         |
| 26. TOTAL Liabilities excluding protected cell liabilities (Lines 1 through 25) .....   | 124,135,739       | 122,989,851     |
| 27. Protected cell liabilities .....  |                   |                 |
| 28. TOTAL Liabilities (Lines 26 and 27) .....   | 124,135,739       | 122,989,851     |
| 29. Aggregate write-ins for special surplus funds .....   |                   |                 |
| 30. Common capital stock .....  | 5,250,000         | 5,250,000       |
| 31. Preferred capital stock .....   |                   |                 |
| 32. Aggregate write-ins for other than special surplus funds .....  |                   |                 |
| 33. Surplus notes .....   |                   |                 |
| 34. Gross paid in and contributed surplus .....   | 9,302,000         | 9,302,000       |
| 35. Unassigned funds (surplus) .....  | 120,145,813       | 110,144,041     |
| 36. Less treasury stock, at cost:   |                   |                 |
| 36.1 .....0 shares common (value included in Line 30 \$.....0) .....  |                   |                 |
| 36.2 .....0 shares preferred (value included in Line 31 \$.....0) .....   |                   |                 |
| 37. Surplus as regards policyholders (Lines 29 to 35, minus 36) (Page 4, Line 39) .....   | 134,697,813       | 124,696,041     |
| 38. TOTALS (Page 2, Line 28, Column 3) .....  | 258,833,552       | 247,685,892     |
| DETAILS OF WRITE-INS  |                   |                 |
| 2501. Reserve for Escheats .....  | 104,975           | 114,345         |
| 2502. ....  |                   |                 |
| 2503. ....  |                   |                 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page .....   |                   |                 |
| 2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....  | 104,975           | 114,345         |
| 2901. ....  |                   |                 |
| 2902. ....  |                   |                 |
| 2903. ....  |                   |                 |
| 2998. Summary of remaining write-ins for Line 29 from overflow page .....   |                   |                 |
| 2999. TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above) .....  |                   |                 |
| 3201. ....  |                   |                 |
| 3202. ....  |                   |                 |
| 3203. ....  |                   |                 |
| 3298. Summary of remaining write-ins for Line 32 from overflow page .....   |                   |                 |
| 3299. TOTALS (Lines 3201 through 3203 plus 3298) (Line 32 above) .....  |                   |                 |

STATEMENT OF INCOME

|   | 1<br>Current<br>Year | 2<br>Prior<br>Year |
|---|----------------------|--------------------|
| UNDERWRITING INCOME   |                      |                    |
| 1. Premiums earned (Part 1, Line 35, Column 4)  | 81,516,430           | 73,794,780         |
| DEDUCTIONS  |                      |                    |
| 2. Losses incurred (Part 2, Line 35, Column 7)  | 43,834,894           | 38,908,943         |
| 3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)  | 4,946,353            | 4,206,635          |
| 4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)   | 27,570,881           | 25,480,873         |
| 5. Aggregate write-ins for underwriting deductions  |                      |                    |
| 6. TOTAL Underwriting Deductions (Lines 2 through 5)  | 76,352,128           | 68,596,452         |
| 7. Net income of protected cells  |                      |                    |
| 8. Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7)  | 5,164,302            | 5,198,328          |
| INVESTMENT INCOME   |                      |                    |
| 9. Net investment income earned (Exhibit of Net Investment Income, Line 17)   | 7,581,798            | 7,078,615          |
| 10. Net realized capital gains (losses) less capital gains tax of \$.21,622 (Exhibit of Capital Gains (Losses))   | 40,156               | 127,128            |
| 11. Net investment gain or (loss) (Lines 9 + 10)  | 7,621,954            | 7,205,743          |
| OTHER INCOME  |                      |                    |
| 12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.0 amount charged off \$.90,805)                                | (90,805)             | (104,845)          |
| 13. Finance and service charges not included in premiums  | 408,937              | 427,601            |
| 14. Aggregate write-ins for miscellaneous income  | (30,959)             | (25,244)           |
| 15. TOTAL Other Income (Lines 12 through 14)  | 287,173              | 297,512            |
| 16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)     | 13,073,428           | 12,701,583         |
| 17. Dividends to policyholders  | 75,376               | 76,876             |
| 18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17) | 12,998,052           | 12,624,707         |
| 19. Federal and foreign income taxes incurred   | 2,679,185            | 1,158,023          |
| 20. Net income (Line 18 minus Line 19) (to Line 22)   | 10,318,867           | 11,466,684         |
| CAPITAL AND SURPLUS ACCOUNT   |                      |                    |
| 21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)  | 124,695,941          | 113,523,705        |
| 22. Net income (from Line 20)   | 10,318,867           | 11,466,684         |
| 23. Net transfers (to) from Protected Cell accounts   |                      |                    |
| 24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.725   | 1,345                | 255,001            |
| 25. Change in net unrealized foreign exchange capital gain (loss)   |                      |                    |
| 26. Change in net deferred income tax   | (3,165,492)          | (2,879,919)        |
| 27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets Line 28, Column 3)  | 2,847,041            | 2,330,470          |
| 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, Line 36.1 and 36.2, Column 2 minus Column 1)  |                      |                    |
| 37. Aggregate write-ins for gains and losses in surplus   |                      |                    |
| 38. Change in surplus as regards policyholders for the year (Lines 22 through 37)   | 10,001,760           | 11,172,236         |
| 39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)   | 134,697,701          | 124,695,941        |
| DETAILS OF WRITE-INS  |                      |                    |
| 0501.   |                      |                    |
| 0502.   |                      |                    |
| 0503.   |                      |                    |
| 0598. Summary of remaining write-ins for Line 5 from overflow page  |                      |                    |
| 0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)   |                      |                    |
| 1401. Miscellaneous Income  | (30,959)             | (25,244)           |
| 1402.   |                      |                    |
| 1403.   |                      |                    |
| 1498. Summary of remaining write-ins for Line 14 from overflow page   |                      |                    |
| 1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)  | (30,959)             | (25,244)           |
| 3701.   |                      |                    |
| 3702.   |                      |                    |
| 3703.   |                      |                    |
| 3798. Summary of remaining write-ins for Line 37 from overflow page   |                      |                    |
| 3799. TOTALS (Lines 3701 through 3703 plus 3798) (Lines 37 above)   |                      |                    |

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE ALL AMERICA INSURANCE COMPANY

CASH FLOW

|   |   | 1            | 2           |
|---|---|--------------|-------------|
|   |   | Current Year | Prior Year  |
| Cash from Operations  |   |              |             |
| 1.  | Premiums collected net of reinsurance .....   | 82,835,527   | 74,796,742  |
| 2.  | Net investment income .....   | 8,509,057    | 7,947,819   |
| 3.  | Miscellaneous income .....  | 287,173      | 297,512     |
| 4.  | TOTAL (Lines 1 through 3) .....   | 91,631,756   | 83,042,073  |
| 5.  | Benefit and loss related payments .....   | 43,309,632   | 44,838,171  |
| 6.  | Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....                   |              |             |
| 7.  | Commissions, expenses paid and aggregate write-ins for deductions .....                                     | 32,957,933   | 31,379,779  |
| 8.  | Dividends paid to policyholders .....   | 78,417       | 88,544      |
| 9.  | Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses) .....       | 3,532,850    | 169,685     |
| 10.   | TOTAL (Lines 5 through 9) .....   | 79,878,831   | 76,476,179  |
| 11.   | Net cash from operations (Line 4 minus Line 10) .....   | 11,752,925   | 6,565,894   |
| Cash from Investments   |   |              |             |
| 12.   | Proceeds from investments sold, matured or repaid:  |              |             |
| 12.1  | Bonds .....   | 20,999,531   | 20,898,178  |
| 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 .....  | (31,320)     | 61,525      |
| 12.8  | TOTAL Investment proceeds (Lines 12.1 to 12.7) .....  | 20,968,211   | 20,959,703  |
| 13.   | Cost of investments acquired (long-term only):  |              |             |
| 13.1  | Bonds .....   | 31,462,812   | 28,223,747  |
| 13.2  | Stocks .....  |              |             |
| 13.3  | Mortgage loans .....  |              |             |
| 13.4  | Real estate .....   |              |             |
| 13.5  | Other invested assets .....   |              |             |
| 13.6  | Miscellaneous applications .....  |              |             |
| 13.7  | TOTAL Investments acquired (Lines 13.1 to 13.6) .....   | 31,462,812   | 28,223,747  |
| 14.   | Net increase (decrease) in contract loans and premium notes .....   |              |             |
| 15.   | Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....                                   | (10,494,601) | (7,264,044) |
| 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) .....   | (2,641,524)  | 985,599     |
| 17.   | Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) ..... | (2,641,524)  | 985,599     |
| 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) .....       | (1,383,200)  | 287,449     |
| 19.   | Cash, cash equivalents and short-term investments:  |              |             |
| 19.1  | Beginning of year .....   | 9,978,012    | 9,690,563   |
| 19.2  | End of year (Line 18 plus Line 19.1) .....  | 8,594,812    | 9,978,012   |

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

|         |       |  |  |
|---------|-------|--|--|
| 20.0001 | ..... |  |  |
|---------|-------|--|--|

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 1 - PREMIUMS EARNED

| Line of Business     |   | 1<br>Net<br>Premiums<br>Written Per<br>Column 6,<br>Part 1B | 2<br>Unearned<br>Premiums<br>Dec. 31 Prior Year -<br>per Column 3,<br>Last Year's Part 1 | 3<br>Unearned<br>Premiums<br>Dec. 31<br>Current Year - per<br>Column 5, Part 1A | 4<br>Premiums<br>Earned<br>During Year<br>(Columns<br>1 + 2 - 3) |
|----------------------|---|---|--|---|--|
| 1.                   | Fire .....  | 1,362,949   | 729,746  | 721,128   | 1,371,567  |
| 2.                   | Allied lines .....  | 1,559,424   | 827,297  | 858,817   | 1,527,904  |
| 3.                   | Farmowners multiple peril .....                                     |   |  |   |  |
| 4.                   | Homeowners multiple peril .....                                     | 21,166,090  | 11,218,934   | 11,977,915  | 20,407,110   |
| 5.                   | Commercial multiple peril .....                                     | 17,786,301  | 8,543,675  | 9,737,990   | 16,591,985   |
| 6.                   | Mortgage guaranty .....   |   |  |   |  |
| 8.                   | Ocean marine .....  |   |  |   |  |
| 9.                   | Inland marine .....   | 2,048,703   | 921,378  | 1,087,759   | 1,882,322  |
| 10.                  | Financial guaranty .....  |   |  |   |  |
| 11.1                 | Medical professional liability - occurrence .....                   |   |  |   |  |
| 11.2                 | Medical professional liability - claims-made .....                  |   |  |   |  |
| 12.                  | Earthquake .....  | 233,652   | 123,701  | 133,601   | 223,752  |
| 13.                  | Group accident and health .....                                     |   |  |   |  |
| 14.                  | Credit accident and health (group and individual) .....             |   |  |   |  |
| 15.                  | Other accident and health .....                                     |   |  |   |  |
| 16.                  | Workers' compensation .....   | 2,061,364   | 878,774  | 1,024,083   | 1,916,054  |
| 17.1                 | Other liability - occurrence .....                                  | 3,593,009   | 2,061,353  | 2,344,669   | 3,309,693  |
| 17.2                 | Other liability - claims-made .....                                 |   |  |   |  |
| 17.3                 | Excess Workers' Compensation .....                                  |   |  |   |  |
| 18.1                 | Products liability - occurrence .....                               | 2,604,350   | 1,151,626  | 1,330,464   | 2,425,511  |
| 18.2                 | Products liability - claims-made .....                              |   |  |   |  |
| 19.1                 | 19.2 Private passenger auto liability .....                         | 15,716,203  | 7,800,073  | 8,122,934   | 15,393,342   |
| 19.3                 | 19.4 Commercial auto liability .....                                | 4,058,841   | 1,930,473  | 2,193,545   | 3,795,770  |
| 21.                  | Auto physical damage .....  | 13,061,411  | 6,314,681  | 6,713,676   | 12,662,416   |
| 22.                  | Aircraft (all perils) .....   |   |  |   |  |
| 23.                  | Fidelity .....  | 5,919   | 3,298  | 3,287   | 5,931  |
| 24.                  | Surety .....  | 183   | 93   | 95  | 181  |
| 26.                  | Burglary and theft .....  | 2,624   | 1,686  | 1,635   | 2,674  |
| 27.                  | Boiler and machinery .....  | 22  | (45)   | (240)   | 217  |
| 28.                  | Credit .....  |   |  |   |  |
| 29.                  | International .....   |   |  |   |  |
| 30.                  | Warranty .....  |   |  |   |  |
| 31.                  | Reinsurance-Nonproportional Assumed Property .....                  |   |  |   |  |
| 32.                  | Reinsurance-Nonproportional Assumed Liability .....                 |   |  |   |  |
| 33.                  | Reinsurance-Nonproportional Assumed Financial Lines .....           |   |  |   |  |
| 34.                  | Aggregate write-ins for other lines of business .....               |   |  |   |  |
| 35.                  | TOTALS .....  | 85,261,044  | 42,506,744   | 46,251,358  | 81,516,430   |
| DETAILS OF WRITE-INS |   |   |  |   |  |
| 3401.                | .....   |   |  |   |  |
| 3402.                | .....   |   |  |   |  |
| 3403.                | .....   |   |  |   |  |
| 3498.                | Summary of remaining write-ins for Line 34 from overflow page ..... |   |  |   |  |
| 3499.                | TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above) .....    |   |  |   |  |

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 1A - RECAPITULATION OF ALL PREMIUMS

|                      |  | 1   | 2   | 3                                    | 4   | 5  |
|----------------------|--|---|---|--------------------------------------|---|--|
|                      |  | Amount Unearned<br>(Running One<br>Year or Less<br>From Date<br>of Policy)<br>(a) | Amount Unearned<br>(Running More<br>Than One Year<br>From Date<br>of Policy)<br>(a) | Earned<br>But<br>Unbilled<br>Premium | Reserve for<br>Rate Credits<br>and Retrospective<br>Adjustments<br>Based on<br>Experience | Total<br>Reserve<br>For Unearned<br>Premiums<br>Columns<br>1 + 2 + 3 + 4 |
| Line of Business     |  |   |   |                                      |   |  |
| 1.                   | Fire .....   | 757,128   |   | (36,000)                             |   | 721,128  |
| 2.                   | Allied lines .....   | 858,817   |   |                                      |   | 858,817  |
| 3.                   | Farmowners multiple peril .....  |   |   |                                      |   |  |
| 4.                   | Homeowners multiple peril .....  | 11,977,915  |   |                                      |   | 11,977,915   |
| 5.                   | Commercial multiple peril .....  | 9,737,990   |   |                                      |   | 9,737,990  |
| 6.                   | Mortgage guaranty .....  |   |   |                                      |   |  |
| 8.                   | Ocean marine .....   |   |   |                                      |   |  |
| 9.                   | Inland marine .....  | 1,087,759   |   |                                      |   | 1,087,759  |
| 10.                  | Financial guaranty .....   |   |   |                                      |   |  |
| 11.1                 | Medical professional liability - occurrence .....                      |   |   |                                      |   |  |
| 11.2                 | Medical professional liability - claims-made .....                     |   |   |                                      |   |  |
| 12.                  | Earthquake .....   | 133,601   |   |                                      |   | 133,601  |
| 13.                  | Group accident and health .....  |   |   |                                      |   |  |
| 14.                  | Credit accident and health (group and individual) .....                |   |   |                                      |   |  |
| 15.                  | Other accident and health .....  |   |   |                                      |   |  |
| 16.                  | Workers' compensation .....  | 1,024,083   |   |                                      |   | 1,024,083  |
| 17.1                 | Other liability - occurrence .....                                     | 2,344,669   |   |                                      |   | 2,344,669  |
| 17.2                 | Other liability - claims-made .....                                    |   |   |                                      |   |  |
| 17.3                 | Excess Workers' Compensation .....                                     |   |   |                                      |   |  |
| 18.1                 | Products liability - occurrence .....                                  | 1,330,464   |   |                                      |   | 1,330,464  |
| 18.2                 | Products liability - claims-made .....                                 |   |   |                                      |   |  |
| 19.1                 | 19.2 Private passenger auto liability .....                            | 8,122,934   |   |                                      |   | 8,122,934  |
| 19.3                 | 19.4 Commercial auto liability .....                                   | 2,193,545   |   |                                      |   | 2,193,545  |
| 21.                  | Auto physical damage .....   | 6,713,676   |   |                                      |   | 6,713,676  |
| 22.                  | Aircraft (all perils) .....  |   |   |                                      |   |  |
| 23.                  | Fidelity .....   | 3,287   |   |                                      |   | 3,287  |
| 24.                  | Surety .....   | 95  |   |                                      |   | 95   |
| 26.                  | Burglary and theft .....   | 1,635   |   |                                      |   | 1,635  |
| 27.                  | Boiler and machinery .....   | (240)   |   |                                      |   | (240)  |
| 28.                  | Credit .....   |   |   |                                      |   |  |
| 29.                  | International .....  |   |   |                                      |   |  |
| 30.                  | Warranty .....   |   |   |                                      |   |  |
| 31.                  | Reinsurance-Nonproportional Assumed Property .....                     |   |   |                                      |   |  |
| 32.                  | Reinsurance-Nonproportional Assumed Liability .....                    |   |   |                                      |   |  |
| 33.                  | Reinsurance-Nonproportional Assumed Financial Lines .....              |   |   |                                      |   |  |
| 34.                  | Aggregate write-ins for other lines of business .....                  |   |   |                                      |   |  |
| 35.                  | TOTALS .....   | 46,287,358  |   | (36,000)                             |   | 46,251,358   |
| 36.                  | Accrued retrospective premiums based on experience .....               |   |   |                                      |   |  |
| 37.                  | Earned but unbilled premiums .....                                     |   |   |                                      |   | 36,000   |
| 38.                  | Balance (Sum of Lines 35 through 37) .....                             |   |   |                                      |   | 46,287,358   |
| DETAILS OF WRITE-INS |  |   |   |                                      |   |  |
| 3401.                | .....  |   |   |                                      |   |  |
| 3402.                | .....  |   |   |                                      |   |  |
| 3403.                | .....  |   |   |                                      |   |  |
| 3498.                | Summary of remaining write-ins for Line 34 from<br>overflow page ..... |   |   |                                      |   |  |
| 3499.                | TOTALS (Lines 3401 through 3403 plus 3498) (Line<br>34 above) .....    |   |   |                                      |   |  |

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

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 1B - PREMIUMS WRITTEN

| Line of Business     |  | 1<br><br>Direct<br>Business<br>(a) | Reinsurance Assumed         |                                 | Reinsurance Ceded         |                               | 6<br><br>Net Premiums<br>Written<br>Columns<br>1+2+3-4-5 |
|----------------------|--|------------------------------------|-----------------------------|---------------------------------|---------------------------|-------------------------------|--|
|                      |  |                                    | 2<br><br>From<br>Affiliates | 3<br><br>From<br>Non-Affiliates | 4<br><br>To<br>Affiliates | 5<br><br>To<br>Non-Affiliates |  |
| 1.                   | Fire .....   | 78,975                             | 1,362,949                   |                                 | 78,974                    | 1                             | 1,362,949  |
| 2.                   | Allied lines .....   | 136,001                            | 1,559,424                   |                                 | 133,211                   | 2,790                         | 1,559,424  |
| 3.                   | Farmowners multiple peril .....  |                                    |                             |                                 |                           |                               |  |
| 4.                   | Homeowners multiple peril .....  |                                    | 21,166,090                  |                                 |                           |                               | 21,166,090   |
| 5.                   | Commercial multiple peril .....  | 21,041,148                         | 17,786,301                  |                                 | 19,268,019                | 1,773,129                     | 17,786,301   |
| 6.                   | Mortgage guaranty .....  |                                    |                             |                                 |                           |                               |  |
| 8.                   | Ocean marine .....   |                                    |                             |                                 |                           |                               |  |
| 9.                   | Inland marine .....  | 42,180                             | 2,048,703                   |                                 | 42,180                    |                               | 2,048,703  |
| 10.                  | Financial guaranty .....   |                                    |                             |                                 |                           |                               |  |
| 11.1                 | Medical professional liability -<br>occurrence .....                   |                                    |                             |                                 |                           |                               |  |
| 11.2                 | Medical professional liability -<br>claims-made .....                  |                                    |                             |                                 |                           |                               |  |
| 12.                  | Earthquake .....   | 3,302                              | 233,652                     |                                 | 3,302                     |                               | 233,652  |
| 13.                  | Group accident and health .....  |                                    |                             |                                 |                           |                               |  |
| 14.                  | Credit accident and health (group<br>and individual) .....             |                                    |                             |                                 |                           |                               |  |
| 15.                  | Other accident and health .....  |                                    |                             |                                 |                           |                               |  |
| 16.                  | Workers' compensation .....  | 3,998,471                          | 2,061,364                   |                                 | 3,998,471                 |                               | 2,061,364  |
| 17.1                 | Other liability - occurrence .....                                     | 44,524                             | 3,593,009                   |                                 | 43,544                    | 980                           | 3,593,009  |
| 17.2                 | Other liability - claims-made .....                                    |                                    |                             |                                 |                           |                               |  |
| 17.3                 | Excess Workers' Compensation .....                                     |                                    |                             |                                 |                           |                               |  |
| 18.1                 | Products liability - occurrence .....                                  | 2,295,202                          | 2,604,350                   |                                 | 2,295,202                 |                               | 2,604,350  |
| 18.2                 | Products liability - claims-made .....                                 |                                    |                             |                                 |                           |                               |  |
| 19.1                 | 19.2 Private passenger auto<br>liability .....                         |                                    | 15,716,203                  |                                 |                           |                               | 15,716,203   |
| 19.3                 | 19.4 Commercial auto liability .....                                   | 7,650,314                          | 4,058,841                   |                                 | 7,581,625                 | 68,689                        | 4,058,841  |
| 21.                  | Auto physical damage .....   | 2,585,265                          | 13,061,411                  |                                 | 2,588,049                 | (2,784)                       | 13,061,411   |
| 22.                  | Aircraft (all perils) .....  |                                    |                             |                                 |                           |                               |  |
| 23.                  | Fidelity .....   | 8,210                              | 5,919                       |                                 | 8,210                     |                               | 5,919  |
| 24.                  | Surety .....   |                                    | 183                         |                                 |                           |                               | 183  |
| 26.                  | Burglary and theft .....   |                                    | 2,624                       |                                 |                           |                               | 2,624  |
| 27.                  | Boiler and machinery .....   | 27,455                             | 22                          |                                 |                           | 27,455                        | 22   |
| 28.                  | Credit .....   |                                    |                             |                                 |                           |                               |  |
| 29.                  | International .....  |                                    |                             |                                 |                           |                               |  |
| 30.                  | Warranty .....   |                                    |                             |                                 |                           |                               |  |
| 31.                  | Reinsurance-Nonproportional<br>Assumed Property .....                  | X X X                              |                             |                                 |                           |                               |  |
| 32.                  | Reinsurance-Nonproportional<br>Assumed Liability .....                 | X X X                              |                             |                                 |                           |                               |  |
| 33.                  | Reinsurance-Nonproportional<br>Assumed Financial Lines .....           | X X X                              |                             |                                 |                           |                               |  |
| 34.                  | Aggregate write-ins for other lines<br>of business .....               |                                    |                             |                                 |                           |                               |  |
| 35.                  | TOTALS .....   | 37,911,047                         | 85,261,044                  |                                 | 36,040,787                | 1,870,260                     | 85,261,044   |
| DETAILS OF WRITE-INS |  |                                    |                             |                                 |                           |                               |  |
| 3401.                | .....  |                                    |                             |                                 |                           |                               |  |
| 3402.                | .....  |                                    |                             |                                 |                           |                               |  |
| 3403.                | .....  |                                    |                             |                                 |                           |                               |  |
| 3498.                | Summary of remaining write-ins<br>for Line 34 from overflow page ..... |                                    |                             |                                 |                           |                               |  |
| 3499.                | TOTALS (Lines 3401 through<br>3403 plus 3498) (Line 34 above) .....    |                                    |                             |                                 |                           |                               |  |

(a) Does the company's direct premiums written include premiums recorded on an installment basis? Yes[ ] No[X]  
If yes, (1) The amount of such installment premiums \$.....0.  
(2) Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$.....0



UNDERWRITING AND INVESTMENT EXHIBIT  
PART 2 - LOSSES PAID AND INCURRED

| Line of Business     |   | Losses Paid Less Salvage    |                                 |                                   |  | 5<br>Net Losses<br>Unpaid<br>Current Year<br>(Part 2A,<br>Column 8) | 6<br>Net<br>Losses<br>Unpaid<br>Prior Year | 7<br>Losses<br>Incurred<br>Current Year<br>(Columns<br>4 + 5 - 6) | 8<br>Percentage of<br>Losses Incurred<br>(Column 7, Part 2)<br>to Premiums Earned<br>(Column 4, Part 1) |
|----------------------|---|-----------------------------|---------------------------------|-----------------------------------|--|---|--|---|---|
|                      |   | 1<br><br>Direct<br>Business | 2<br><br>Reinsurance<br>Assumed | 3<br><br>Reinsurance<br>Recovered | 4<br><br>Net<br>Payments<br>(Columns<br>1 + 2 - 3) |   |  |   |   |
| 1.                   | Fire .....  |                             | 588,246                         |                                   | 588,246  | 136,377   | (3,575)                                    | 728,197   | 53.09   |
| 2.                   | Allied lines .....  | (5,189)                     | 913,346                         | (5,188)                           | 913,345  | 404,003   | 175,544                                    | 1,141,804   | 74.73   |
| 3.                   | Farmowners multiple peril .....                                     |                             |                                 |                                   |  |   |  |   |   |
| 4.                   | Homeowners multiple peril .....                                     | (1,356)                     | 11,657,333                      | (1,356)                           | 11,657,333   | 3,193,159   | 3,116,352                                  | 11,734,140  | 57.50   |
| 5.                   | Commercial multiple peril .....                                     | 10,083,957                  | 7,510,660                       | 10,083,954                        | 7,510,663  | 9,553,029   | 9,351,066                                  | 7,712,626   | 46.48   |
| 6.                   | Mortgage guaranty .....   |                             |                                 |                                   |  |   |  |   |   |
| 8.                   | Ocean marine .....  |                             |                                 |                                   |  |   |  |   |   |
| 9.                   | Inland marine .....   | 13,340                      | 667,095                         | 13,340                            | 667,095  | 257,049   | (47,684)                                   | 971,828   | 51.63   |
| 10.                  | Financial guaranty .....  |                             |                                 |                                   |  |   |  |   |   |
| 11.1                 | Medical professional liability - occurrence .....                   |                             |                                 |                                   |  |   |  |   |   |
| 11.2                 | Medical professional liability - claims-made .....                  |                             |                                 |                                   |  |   |  |   |   |
| 12.                  | Earthquake .....  |                             |                                 |                                   |  |   |  |   |   |
| 13.                  | Group accident and health .....                                     |                             |                                 |                                   |  |   |  |   |   |
| 14.                  | Credit accident and health (group and individual) .....             |                             |                                 |                                   |  |   |  |   |   |
| 15.                  | Other accident and health .....                                     |                             |                                 |                                   |  |   |  |   |   |
| 16.                  | Workers' compensation .....   | 2,486,323                   | 1,536,473                       | 2,486,321                         | 1,536,474  | 11,400,540  | 11,204,474                                 | 1,732,540   | 90.42   |
| 17.1                 | Other liability - occurrence .....                                  |                             | 731,894                         |                                   | 731,894  | 3,725,531   | 3,976,847                                  | 480,578   | 14.52   |
| 17.2                 | Other liability - claims-made .....                                 |                             |                                 |                                   |  |   |  |   |   |
| 17.3                 | Excess Workers' Compensation .....                                  |                             |                                 |                                   |  |   |  |   |   |
| 18.1                 | Products liability - occurrence .....                               | 1,167,071                   | 1,320,797                       | 1,167,071                         | 1,320,797  | 5,707,652   | 6,504,288                                  | 524,161   | 21.61   |
| 18.2                 | Products liability - claims made .....                              |                             |                                 |                                   |  |   |  |   |   |
| 19.1                 | 19.2 Private passenger auto liability .....                         | (9,489)                     | 9,415,604                       | (9,489)                           | 9,415,605  | 11,080,012  | 11,533,436                                 | 8,962,180   | 58.22   |
| 19.3                 | 19.4 Commercial auto liability .....                                | 3,075,735                   | 1,792,927                       | 3,075,735                         | 1,792,927  | 3,790,951   | 4,521,349                                  | 1,062,529   | 27.99   |
| 21.                  | Auto physical damage .....  | 1,703,137                   | 7,724,896                       | 1,703,136                         | 7,724,897  | 676,966   | (380,957)                                  | 8,782,819   | 69.36   |
| 22.                  | Aircraft (all perils) .....   |                             |                                 |                                   |  |   |  |   |   |
| 23.                  | Fidelity .....  |                             | 1,017                           |                                   | 1,017  |   |  | 1,017   | 17.14   |
| 24.                  | Surety .....  |                             |                                 |                                   |  |   |  |   |   |
| 26.                  | Burglary and theft .....  |                             | 0                               |                                   | 0  |   |  | 0   | 0.00  |
| 27.                  | Boiler and machinery .....  |                             | 477                             |                                   | 477  |   | 1  | 476   | 219.17  |
| 28.                  | Credit .....  |                             |                                 |                                   |  |   |  |   |   |
| 29.                  | International .....   |                             |                                 |                                   |  |   |  |   |   |
| 30.                  | Warranty .....  |                             |                                 |                                   |  |   |  |   |   |
| 31.                  | Reinsurance-Nonproportional Assumed Property .....                  | X X X                       |                                 |                                   |  |   |  |   |   |
| 32.                  | Reinsurance-Nonproportional Assumed Liability .....                 | X X X                       |                                 |                                   |  |   |  |   |   |
| 33.                  | Reinsurance-Nonproportional Assumed Financial Lines .....           | X X X                       |                                 |                                   |  |   |  |   |   |
| 34.                  | Aggregate write-ins for other lines of business .....               |                             |                                 |                                   |  |   |  |   |   |
| 35.                  | TOTALS .....  | 18,513,529                  | 43,860,765                      | 18,513,524                        | 43,860,770   | 49,925,267  | 49,951,143                                 | 43,834,894  | 53.77   |
| DETAILS OF WRITE-INS |   |                             |                                 |                                   |  |   |  |   |   |
| 3401.                | .....   |                             |                                 |                                   |  |   |  |   |   |
| 3402.                | .....   |                             |                                 |                                   |  |   |  |   |   |
| 3403.                | .....   |                             |                                 |                                   |  |   |  |   |   |
| 3498.                | Summary of remaining write-ins for Line 34 from overflow page ..... |                             |                                 |                                   |  |   |  |   |   |
| 3499.                | TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above) .....    |                             |                                 |                                   |  |   |  |   |   |

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

|                      |   | Reported Losses |                     |                                |  | Incurred But Not Reported |                     |                   | 8   | 9                                   |
|----------------------|---|-----------------|---------------------|--------------------------------|--|---------------------------|---------------------|-------------------|---|-------------------------------------|
|                      |   | 1               | 2                   | 3                              | 4  | 5                         | 6                   | 7                 |   |                                     |
| Line of Business     |   | Direct          | Reinsurance Assumed | Deduct Reinsurance Recoverable | Net Losses Excluding Incurred But Not Reported (Columns 1 + 2 - 3) | Direct                    | Reinsurance Assumed | Reinsurance Ceded | Net Losses Unpaid (Columns 4 + 5 + 6 - 7) | Net Unpaid Loss Adjustment Expenses |
| 1.                   | Fire .....  |                 | 90,496              |                                | 90,496   | 4,864                     | 45,881              | 4,864             | 136,377                                   | 37,112                              |
| 2.                   | Allied Lines .....  | 70,000          | 195,664             | 70,000                         | 195,664  | 43,124                    | 208,339             | 43,124            | 404,003                                   | 68,615                              |
| 3.                   | Farmowners multiple peril .....                                     |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 4.                   | Homeowners multiple peril .....                                     |                 | 1,782,614           |                                | 1,782,614  |                           | 1,410,545           |                   | 3,193,159                                 | 956,472                             |
| 5.                   | Commercial multiple peril .....                                     | 10,900,147      | 5,967,636           | 10,900,209                     | 5,967,574  | 5,445,307                 | 3,585,455           | 5,445,307         | 9,553,029                                 | 4,755,698                           |
| 6.                   | Mortgage guaranty .....   |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 8.                   | Ocean marine .....  |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 9.                   | Inland marine .....   |                 | 48,211              |                                | 48,211   | 6,020                     | 208,838             | 6,020             | 257,049                                   | 126,474                             |
| 10.                  | Financial guaranty .....  |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 11.1                 | Medical professional liability - occurrence .....                   |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 11.2                 | Medical professional liability - claims-made .....                  |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 12.                  | Earthquake .....  |                 |                     |                                |  |                           |                     |                   |   | 1                                   |
| 13.                  | Group accident & health .....                                       |                 |                     |                                |  |                           |                     |                   | (a)                                       |                                     |
| 14.                  | Credit accident & health (group & individual) .....                 |                 |                     |                                |  |                           |                     |                   | (a)                                       |                                     |
| 15.                  | Other accident & health .....                                       |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 16.                  | Workers' compensation .....   | 8,502,879       | 5,576,393           | 8,502,879                      | 5,576,393  | 11,753,858                | 5,824,146           | 11,753,858        | 11,400,540                                | 2,367,549                           |
| 17.1                 | Other liability - occurrence .....                                  | 75,000          | 1,802,634           | 75,000                         | 1,802,634  | 160,076                   | 1,922,897           | 160,076           | 3,725,531                                 | 1,069,552                           |
| 17.2                 | Other liability - claims-made .....                                 |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 17.3                 | Excess Workers' Compensation .....                                  |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 18.1                 | Products liability - occurrence .....                               | 2,599,900       | 1,704,624           | 2,599,900                      | 1,704,624  | 4,530,356                 | 4,003,028           | 4,530,356         | 5,707,652                                 | 6,228,567                           |
| 18.2                 | Products liability - claims-made .....                              |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 19.1                 | 19.2 Private passenger auto liability .....                         |                 | 8,471,588           |                                | 8,471,588  | 587                       | 2,608,424           | 587               | 11,080,012                                | 2,090,563                           |
| 19.3                 | 19.4 Commercial auto liability .....                                | 4,970,865       | 2,494,171           | 4,970,865                      | 2,494,171  | 2,832,345                 | 1,296,780           | 2,832,345         | 3,790,951                                 | 943,378                             |
| 21.                  | Auto physical damage .....  | 978,375         | 522,860             | 978,375                        | 522,860  | 64,369                    | 154,106             | 64,369            | 676,966                                   | 204,066                             |
| 22.                  | Aircraft (all perils) .....   |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 23.                  | Fidelity .....  |                 |                     |                                |  |                           |                     |                   |   | 1                                   |
| 24.                  | Surety .....  |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 26.                  | Burglary and theft .....  |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 27.                  | Boiler and machinery .....  |                 |                     |                                |  |                           |                     |                   |   | 100                                 |
| 28.                  | Credit .....  |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 29.                  | International .....   |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 30.                  | Warranty .....  |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 31.                  | Reinsurance-Nonproportional Assumed Property .....                  | X X X           |                     |                                |  | X X X                     |                     |                   |   |                                     |
| 32.                  | Reinsurance-Nonproportional Assumed Liability .....                 | X X X           |                     |                                |  | X X X                     |                     |                   |   |                                     |
| 33.                  | Reinsurance-Nonproportional Assumed Financial Lines .....           | X X X           |                     |                                |  | X X X                     |                     |                   |   |                                     |
| 34.                  | Aggregate write-ins for other lines of business .....               |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 35.                  | TOTALS .....  | 28,097,166      | 28,656,890          | 28,097,228                     | 28,656,828   | 24,840,906                | 21,268,439          | 24,840,906        | 49,925,267                                | 18,848,148                          |
| DETAILS OF WRITE-INS |   |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 3401.                | .....   |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 3402.                | .....   |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 3403.                | .....   |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 3498.                | Summary of remaining write-ins for Line 34 from overflow page ..... |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 3499.                | TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above) .....    |                 |                     |                                |  |                           |                     |                   |   |                                     |

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

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 3 - EXPENSES

|                      |   | 1                              | 2                                 | 3                      | 4              |
|----------------------|---|--------------------------------|-----------------------------------|------------------------|----------------|
|                      |   | Loss<br>Adjustment<br>Expenses | Other<br>Underwriting<br>Expenses | Investment<br>Expenses | Total          |
| 1.                   | Claim adjustment services:  |                                |                                   |                        |                |
| 1.1                  | Direct .....  | (1,965,791)                    |                                   |                        | (1,965,791)    |
| 1.2                  | Reinsurance assumed .....   | 2,107,860                      |                                   |                        | 2,107,860      |
| 1.3                  | Reinsurance ceded .....   | (1,843,491)                    |                                   |                        | (1,843,491)    |
| 1.4                  | Net claim adjustment services (1.1 + 1.2 - 1.3) .....   | 1,985,560                      |                                   |                        | 1,985,560      |
| 2.                   | Commission and brokerage:   |                                |                                   |                        |                |
| 2.1                  | Direct, excluding contingent .....  |                                | 5,613,131                         |                        | 5,613,131      |
| 2.2                  | Reinsurance assumed, excluding contingent .....   |                                | 14,285,874                        |                        | 14,285,874     |
| 2.3                  | Reinsurance ceded, excluding contingent .....   |                                | 5,613,131                         |                        | 5,613,131      |
| 2.4                  | Contingent - direct .....   |                                | 575,707                           |                        | 575,707        |
| 2.5                  | Contingent - reinsurance assumed .....  |                                | 1,369,938                         |                        | 1,369,938      |
| 2.6                  | Contingent - reinsurance ceded .....  |                                | 575,707                           |                        | 575,707        |
| 2.7                  | Policy and membership fees .....  |                                |                                   |                        |                |
| 2.8                  | Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7) ....                     |                                | 15,655,812                        |                        | 15,655,812     |
| 3.                   | Allowances to manager and agents .....  |                                | 111,543                           |                        | 111,543        |
| 4.                   | Advertising .....   |                                | 6,516                             |                        | 6,516          |
| 5.                   | Boards, bureaus and associations .....  | 194,663                        | 474,739                           |                        | 669,402        |
| 6.                   | Surveys and underwriting reports .....  |                                | 913,369                           |                        | 913,369        |
| 7.                   | Audit of assureds' records .....  |                                | 37,695                            |                        | 37,695         |
| 8.                   | Salary and related items:   |                                |                                   |                        |                |
| 8.1                  | Salaries .....  | 1,539,194                      | 3,941,295                         | 172,613                | 5,653,102      |
| 8.2                  | Payroll taxes .....   | 112,426                        | 266,203                           | 11,786                 | 390,416        |
| 9.                   | Employee relations and welfare .....  | 466,685                        | 1,379,173                         | 61,808                 | 1,907,666      |
| 10.                  | Insurance .....   | 11,286                         | 29,493                            | 1,287                  | 42,066         |
| 11.                  | Directors' fees .....   | 6,881                          | 17,982                            | 785                    | 25,648         |
| 12.                  | Travel and travel items .....   | 93,738                         | 571,392                           | 3,512                  | 668,642        |
| 13.                  | Rent and rent items .....   | 153,171                        | 369,814                           | 30,409                 | 553,394        |
| 14.                  | Equipment .....   | 153,485                        | 599,683                           | 24,062                 | 777,230        |
| 15.                  | Cost or depreciation of EDP equipment and software .....  | 65,730                         | 173,051                           | 7,618                  | 246,399        |
| 16.                  | Printing and stationery .....   | 15,111                         | 57,300                            | 5,365                  | 77,776         |
| 17.                  | Postage, telephone and telegraph, exchange and express .....                                    | 86,662                         | 381,798                           | 20,762                 | 489,222        |
| 18.                  | Legal and auditing .....  | 16,369                         | 54,265                            | 2,095                  | 72,728         |
| 19.                  | TOTALS (Lines 3 to 18) .....  | 2,915,403                      | 9,385,308                         | 342,103                | 12,642,814     |
| 20.                  | Taxes, licenses and fees:   |                                |                                   |                        |                |
| 20.1                 | State and local insurance taxes deducting guaranty association credits<br>of \$.....7,744 ..... |                                | 2,296,474                         |                        | 2,296,474      |
| 20.2                 | Insurance department licenses and fees .....  |                                | 114,892                           |                        | 114,892        |
| 20.3                 | Gross guaranty association assessments .....  |                                | 13,686                            |                        | 13,686         |
| 20.4                 | All other (excluding federal and foreign income and real estate) .....                          |                                | 1,404                             |                        | 1,404          |
| 20.5                 | TOTAL taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4) .....                                |                                | 2,426,456                         |                        | 2,426,456      |
| 21.                  | Real estate expenses .....  |                                |                                   |                        |                |
| 22.                  | Real estate taxes .....   |                                |                                   |                        |                |
| 23.                  | Reimbursements by uninsured plans .....   |                                |                                   |                        |                |
| 24.                  | Aggregate write-ins for miscellaneous expenses .....  | 45,390                         | 103,304                           | 2,915                  | 151,608        |
| 25.                  | TOTAL expenses incurred .....   | 4,946,353                      | 27,570,881                        | 345,017                | (a) 32,862,251 |
| 26.                  | Less unpaid expenses - current year .....   | 18,848,149                     | 9,522,018                         |                        | 28,370,167     |
| 27.                  | Add unpaid expenses - prior year .....  | 20,111,738                     | 5,839,234                         |                        | 25,950,972     |
| 28.                  | Amounts receivable relating to uninsured plans, prior year .....                                |                                |                                   |                        |                |
| 29.                  | Amounts receivable relating to uninsured plans, current year .....                              |                                |                                   |                        |                |
| 30.                  | TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29) .....  | 6,209,942                      | 23,888,097                        | 345,017                | 30,443,056     |
| DETAILS OF WRITE-INS |   |                                |                                   |                        |                |
| 2401.                | Miscellaneous Expenses .....  | 45,390                         | 82,327                            | 2,915                  | 130,632        |
| 2402.                | Donations .....   |                                | 20,976                            |                        | 20,976         |
| 2403.                | .....   |                                |                                   |                        |                |
| 2498.                | Summary of remaining write-ins for Line 24 from overflow page .....                             |                                |                                   |                        |                |
| 2499.                | TOTALS (Lines 2401 through 2403 plus 2498) (Line 24 above) .....                                | 45,390                         | 103,304                           | 2,915                  | 151,608        |

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

EXHIBIT OF NET INVESTMENT INCOME

|   |   | 1                        | 2                     |
|---|---|--------------------------|-----------------------|
|   |   | Collected<br>During Year | Earned<br>During Year |
| 1.  | U.S. Government bonds .....   | (a)..... 249,257         | ..... 228,644         |
| 1.1   | Bonds exempt from U.S. tax .....  | (a)..... 5,488,532       | ..... 4,609,192       |
| 1.2   | Other bonds (unaffiliated) .....  | (a)..... 3,014,210       | ..... 2,986,732       |
| 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 .....   | ..... 100,000            | ..... 100,000         |
| 3.  | Mortgage loans .....  | (c).....                 | .....                 |
| 4.  | Real estate .....   | (d).....                 | .....                 |
| 5.  | Contract loans .....  | .....                    | .....                 |
| 6.  | Cash, cash equivalents and short-term investments .....                   | (e)..... 2,076           | ..... 2,247           |
| 7.  | Derivative instruments .....  | (f).....                 | .....                 |
| 8.  | Other invested assets .....   | .....                    | .....                 |
| 9.  | Aggregate write-ins for investment income .....                           | .....                    | .....                 |
| 10.   | TOTAL Gross investment income .....                                       | ..... 8,854,074          | ..... 7,926,815       |
| 11.   | Investment expenses .....   |                          | (g)..... 345,017      |
| 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).....              |
| 15.   | Aggregate write-ins for deductions from investment income .....           |                          | .....                 |
| 16.   | TOTAL Deductions (Lines 11 through 15) .....                              |                          | ..... 345,017         |
| 17.   | Net Investment income (Line 10 minus Line 16) .....                       |                          | ..... 7,581,798       |
| DETAILS OF WRITE-INS  |   |                          |                       |
| 0901.   | .....   | .....                    | .....                 |
| 0902.   | .....   | .....                    | .....                 |
| 0903.   | .....   | .....                    | .....                 |
| 0998.   | Summary of remaining write-ins for Line 9 from overflow page .....        | .....                    | .....                 |
| 0999.   | TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above) .....           | .....                    | .....                 |
| 1501.   | .....   | .....                    | .....                 |
| 1502.   | .....   | .....                    | .....                 |
| 1503.   | .....   | .....                    | .....                 |
| 1598.   | Summary of remaining write-ins for Line 15 from overflow page .....       | .....                    | .....                 |
| 1599.   | TOTALS (Lines 1501 through 1503 plus 1598) (Line 15 above) .....          | .....                    | .....                 |
| (a) Includes \$.....33,011 accrual of discount less \$.....885,074 amortization of premium and less \$.....89,840 paid for accrued interest on purchases.                     |   |                          |                       |
| (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.                                    |   |                          |                       |
| (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.                                     |   |                          |                       |
| (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.   |   |                          |                       |
| (e) Includes \$.....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 \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.   |   |                          |                       |

EXHIBIT OF CAPITAL GAINS (LOSSES)

|                      |   | 1   | 2                             | 3   | 4  | 5  |
|----------------------|---|---|-------------------------------|---|--|--|
|                      |   | Realized Gain<br>(Loss) on Sales<br>or Maturity | Other Realized<br>Adjustments | Total Realized<br>Capital Gain<br>(Loss)<br>(Columns 1 + 2) | Change in<br>Unrealized Capital<br>Gain (Loss) | Change in<br>Unrealized Foreign<br>Exchange Capital<br>Gain (Loss) |
| 1.                   | U.S. Government bonds .....                                     | .....   | .....                         | .....   | .....  | .....  |
| 1.1                  | Bonds exempt from U.S. tax .....                                | ..... 68,534                                    | .....                         | ..... 68,534  | .....  | .....  |
| 1.2                  | Other bonds (unaffiliated) .....                                | ..... (6,755)                                   | .....                         | ..... (6,755)   | .....  | .....  |
| 1.3                  | Bonds of affiliates .....                                       | .....   | .....                         | .....   | .....  | .....  |
| 2.1                  | Preferred stocks (unaffiliated) .....                           | .....   | .....                         | .....   | .....  | .....  |
| 2.11                 | Preferred stocks of affiliates .....                            | .....   | .....                         | .....   | .....  | .....  |
| 2.2                  | Common stocks (unaffiliated) .....                              | .....   | .....                         | .....   | .....  | .....  |
| 2.21                 | Common stocks of affiliates .....                               | .....   | .....                         | .....   | ..... 2,070                                    | .....  |
| 3.                   | Mortgage loans .....  | .....   | .....                         | .....   | .....  | .....  |
| 4.                   | Real estate .....   | .....   | .....                         | .....   | .....  | .....  |
| 5.                   | Contract loans .....  | .....   | .....                         | .....   | .....  | .....  |
| 6.                   | Cash, cash equivalents and short-term investments .....         | .....   | .....                         | .....   | .....  | .....  |
| 7.                   | Derivative instruments .....                                    | .....   | .....                         | .....   | .....  | .....  |
| 8.                   | Other invested assets .....                                     | .....   | .....                         | .....   | .....  | .....  |
| 9.                   | Aggregate write-ins for capital gains (losses) .....            | .....   | .....                         | .....   | .....  | .....  |
| 10.                  | TOTAL Capital gains (losses) .....                              | ..... 61,778                                    | .....                         | ..... 61,778  | ..... 2,070                                    | .....  |
| DETAILS OF WRITE-INS |   |   |                               |   |  |  |
| 0901.                | .....   | .....   | .....                         | .....   | .....  | .....  |
| 0902.                | .....   | .....   | .....                         | .....   | .....  | .....  |
| 0903.                | .....   | .....   | .....                         | .....   | .....  | .....  |
| 0998.                | Summary of remaining write-ins for Line 9 from overflow page .. | .....   | .....                         | .....   | .....  | .....  |
| 0999.                | TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above) ..    | .....   | .....                         | .....   | .....  | .....  |

EXHIBIT OF NONADMITTED ASSETS

|                      |  | 1  | 2                                      | 3  |
|----------------------|--|--|--|--|
|                      |  | Current Year Total<br>Nonadmitted Assets | Prior Year Total<br>Nonadmitted Assets | Change in Total<br>Nonadmitted Assets<br>(Col. 2 - Col. 1) |
| 1.                   | Bonds (Schedule D) .....   |  |  |  |
| 2.                   | Stocks (Schedule D):   |  |  |  |
| 2.1                  | Preferred stocks .....   |  |  |  |
| 2.2                  | Common stocks .....  | 287,805                                  | 285,735                                | (2,070)  |
| 3.                   | Mortgage loans on real estate (Schedule B):  |  |  |  |
| 3.1                  | First liens .....  |  |  |  |
| 3.2                  | Other than first liens .....   |  |  |  |
| 4.                   | Real estate (Schedule A):  |  |  |  |
| 4.1                  | Properties occupied by the company .....   |  |  |  |
| 4.2                  | Properties held for the production of income .....   |  |  |  |
| 4.3                  | Properties held for sale .....   |  |  |  |
| 5.                   | Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA) .....    |  |  |  |
| 6.                   | Contract loans .....   |  |  |  |
| 7.                   | Derivatives (Schedule DB) .....  |  |  |  |
| 8.                   | Other invested assets (Schedule BA) .....  |  |  |  |
| 9.                   | Receivables for securities .....   |  |  |  |
| 10.                  | Securities lending reinvested collateral assets (Schedule DL) .....  |  |  |  |
| 11.                  | Aggregate write-ins for invested assets .....  |  |  |  |
| 12.                  | Subtotals, cash and invested assets (Lines 1 to 11) .....  | 287,805                                  | 285,735                                | (2,070)  |
| 13.                  | Title plants (for Title insurers only) .....   |  |  |  |
| 14.                  | Invested income due and accrued .....  |  |  |  |
| 15.                  | Premium and considerations:  |  |  |  |
| 15.1                 | Uncollected premiums and agents' balances in the course of collection .....                                      | 49,786                                   | 55,796                                 | 6,010  |
| 15.2                 | Deferred premiums, agents' balances and installments booked but deferred and not yet due .....                   | 3,600                                    | 848                                    | (2,752)  |
| 15.3                 | Accrued retrospective premiums .....   |  |  |  |
| 16.                  | Reinsurance:   |  |  |  |
| 16.1                 | Amounts recoverable from reinsurers .....  |  |  |  |
| 16.2                 | Funds held by or deposited with reinsured companies .....  |  |  |  |
| 16.3                 | Other amounts receivable under reinsurance contracts .....   |  |  |  |
| 17.                  | Amounts receivable relating to uninsured plans .....   |  |  |  |
| 18.1                 | Current federal and foreign income tax recoverable and interest thereon .....                                    |  |  |  |
| 18.2                 | Net deferred tax asset .....   | 1,171,018                                | 4,016,871                              | 2,845,853  |
| 19.                  | Guaranty funds receivable or on deposit .....  |  |  |  |
| 20.                  | Electronic data processing equipment and software .....  |  |  |  |
| 21.                  | Furniture and equipment, including health care delivery assets .....   |  |  |  |
| 22.                  | Net adjustment in assets and liabilities due to foreign exchange rates .....                                     |  |  |  |
| 23.                  | Receivables from parent, subsidiaries and affiliates .....   |  |  |  |
| 24.                  | Health care and other amounts receivable .....   |  |  |  |
| 25.                  | Aggregate write-ins for other than invested assets .....   |  |  |  |
| 26.                  | TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) ..... | 1,512,209                                | 4,359,250                              | 2,847,041  |
| 27.                  | From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....                                    |  |  |  |
| 28.                  | TOTAL (Lines 26 and 27) .....  | 1,512,209                                | 4,359,250                              | 2,847,041  |
| DETAILS OF WRITE-INS |  |  |  |  |
| 1101.                | .....  |  |  |  |
| 1102.                | .....  |  |  |  |
| 1103.                | .....  |  |  |  |
| 1198.                | Summary of remaining write-ins for Line 11 from overflow page .....  |  |  |  |
| 1199.                | TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....   |  |  |  |
| 2501.                | .....  |  |  |  |
| 2502.                | .....  |  |  |  |
| 2503.                | .....  |  |  |  |
| 2598.                | Summary of remaining write-ins for Line 25 from overflow page .....  |  |  |  |
| 2599.                | TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....   |  |  |  |

# Notes to Financial Statements

## 1. Summary of Significant Accounting Policies

### A. Accounting Practices

The financial statements of All America Insurance Company are presented on the basis of accounting practices prescribed or permitted by the Ohio Insurance Department.

The Ohio Insurance Department recognizes only statutory accounting practices prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for determining solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual - Version effective January 1, 2001, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Ohio. The Commissioner of Insurance has the right to permit specific practices that deviate from prescribed practices.

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

The preparation of financial statements in conformity with Statutory Accounting Principles requires management 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 could differ from those estimates.

### C. Accounting Policy

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

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

In addition, All America Insurance Company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds not backed by other loans are stated at amortized cost using the interest method.
- (3) Common stocks are stated at market value except investments in stocks of uncombined subsidiaries and affiliates in which All America Insurance Company has an interest of 20% or more are carried on the equity basis.
- (4) All America Insurance Company owns no preferred stocks.
- (5) All America Insurance Company holds no mortgage loans on real estate.
- (6) Loan-backed securities are stated at amortized cost. Prepayment assumptions for loan-backed bonds and structured securities are obtained from dealer surveys. These assumptions are consistent with the current interest rate and economic environment. The prospective adjustment method is used to value these securities.
- (7) All America Insurance Company owns 100% of the common stock of Central Insurex Agency, Inc., a surplus and excess lines insurance agency. All America Insurance Company owns 100% of the common stock of CAFCO, Inc., an inactive premium finance company. Stocks held in all subsidiaries are carried at their Admitted Asset Equivalent.
- (8) All America Insurance Company has no investments in joint ventures, partnerships or limited liability companies.
- (9) All America Insurance Company owns no derivatives.
- (10) All America Insurance Company anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53, Property-Casualty Contracts - Premiums.
- (11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss 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.
- (12) There was no change in the capitalization policy or the resultant predefined thresholds from the prior period.
- (13) All America Insurance Company has no pharmaceutical rebate receivables.

## 2. Accounting Changes and Correction of Errors

Changes in accounting principle and/or correction of errors - NONE

## 3. Business Combinations and Goodwill

All America Insurance Company has not purchased or merged with another entity during the prior two years. No goodwill is recorded in the company's assets.

## 4. Discontinued Operations

No operations were discontinued that required reporting.

## 5. Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans - NONE
- B. Debt Restructuring - NONE
- C. Reverse Mortgages - NONE
- D. Loan-Backed Securities - NONE
- E. Repurchase Agreements and/or Securities Lending Transactions - NONE
- F. Real Estate – NO TRANSACTIONS TO REPORT
- G. Investments in low-income housing tax credits (LIHTC) – NONE

Notes to Financial Statements

H. Restricted Assets:

| 1. Restricted Assets (including Pledged) |                        |  |  | 1                     | 2                                      | 3                            | 4                          | 5                       | 6                     | 7                                     | 8                                      | 9                                | 10   |
|--|------------------------|--|--|-----------------------|--|------------------------------|----------------------------|-------------------------|-----------------------|---------------------------------------|--|----------------------------------|--|
|  |                        |  |  | Total General Account | G/A Supporting Protected Cell Acct (a) | Total Protected Cell Account | Protected Cell Account (b) | Total (Col. 1 + Col. 3) | Total From Prior Year | Increase/(Decrease) (Col. 5 - Col. 6) | Total Current Year Admitted Restricted | Gross Restricted to Total Assets | Admitted Restricted to Total Admitted Assets |
| J.                                       | On deposit with states |  |  | 3,543,525             |  |                              |                            | 3,543,525               | 3,457,603             | 85,922                                | 3,543,525                              | 1.4                              | 1.4  |

- I. Working Capital Finance Investments -NONE  
J. Offsetting and Netting of Assets and Liabilities - NONE  
K. Structured Notes - NONE

6. Joint Ventures, Partnerships and Limited Liability Companies

All America Insurance Company has no investments in Joint Ventures, Partnerships or Limited Liability companies that exceed 10% of admitted assets.

7. Investment Income

- A. Due and accrued income was excluded from surplus on the following bases:  
All income due and accrued with amounts that are over 90 days past due with the exception of mortgage loans in default.  
B. No amount was excluded.

8. Derivative Instruments

All America Insurance Company owns no derivative instruments.

9. Income Taxes

ALL AMERICA INSURANCE COMPANY  
Income Tax Disclosures Required under SSAP 101  
AS OF DECEMBER 31, 2014

Note 9 - Income Taxes

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

|  | December 31, 2014 |          |           | December 31, 2013 |          |           | Change      |         |             |
|--|-------------------|----------|-----------|-------------------|----------|-----------|-------------|---------|-------------|
|  | Ordinary          | Capital  | Total     | Ordinary          | Capital  | Total     | Ordinary    | Capital | Total       |
| (a) Gross deferred tax assets  | 5,880,371         | 0        | 5,880,371 | 9,037,335         | 0        | 9,037,335 | (3,156,964) | 0       | (3,156,964) |
| (b) Statutory valuation allowance adjustments                              | 0                 | 0        | 0         | 0                 | 0        | 0         | 0           | 0       | 0           |
| (c) Adjusted gross deferred tax assets (a1 - 1b)                           | 5,880,371         | 0        | 5,880,371 | 9,037,355         | 0        | 9,037,335 | (3,156,964) | 0       | (3,156,964) |
| (d) Deferred Tax Assets Nonadmitted  | 1,171,018         | 0        | 1,171,018 | 4,016,871         | 0        | 4,016,871 | (2,845,853) | 0       | (2,845,853) |
| (e) Subtotal Net Admitted Defered Tax Asset (1c - 1d)                      | 4,709,353         | 0        | 4,709,353 | 5,020,484         | 0        | 5,020,464 | (311,111)   | 0       | (311,111)   |
| (f) Deferred Tax Liabilities   | 86,486            | 23,299   | 109,786   | 73,200            | 13,337   | 86,537    | 13,286      | 9,962   | 23,249      |
| (g) Net admitted deferred tax asset/(Net Deferred Tax Liability) (1e - 1f) | 4,622,866         | (23,299) | 4,599,567 | 4,947,284         | (13,337) | 4,933,927 | (324,398)   | (9,962) | (334,360)   |

| SSAP 101, paragraphs 11.a., 11.b., and 11.c.:   | December 31, 2014 |         |            | December 31, 2013 |         |            | Change    |         |           |
|---|-------------------|---------|------------|-------------------|---------|------------|-----------|---------|-----------|
|   | Ordinary          | Capital | Total      | Ordinary          | Capital | Total      | Ordinary  | Capital | Total     |
| (a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks  | 0                 | 0       | 0          | 0                 | 0       | 0          | 0         | 0       | 0         |
| (b) Adjusted Gross Deferred Tax Assets Expected to be Realized (Excluding The Amount of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below) | 4,599,567         | 0       | 4,599,567  | 4,933,947         | 0       | 4,933,947  | (334,380) | 0       | (334,380) |
| 1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date  | 4,599,567         | 0       | 4,599,567  | 4,933,947         | 0       | 4,933,947  | (334,380) | 0       | (334,380) |
| 2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold  | XXX               | XXX     | 18,510,005 | XXX               | XXX     | 16,941,900 | XXX       | XXX     | 1,568,105 |
| (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  | 109,786           | 0       | 109,786    | 86,537            | 0       | 86,537     | 23,249    | 0       | 23,249    |
| (d) Deferred Tax Assets Admitted as the Result of Application of SSAP No. 101 Total (2(a) + 2(b) + 2(c))  | 4,709,353         | 0       | 4,709,353  | 5,020,484         | 0       | 5,020,484  | (311,131) | 0       | (311,131) |

|  | 2014<br>Percentage | 2013<br>Percentage |
|--|--------------------|--------------------|
| (a) Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount                               | 1568%              | 1372%              |
| (b) Amount of Adjusted Capital and Surplus Used to Determine Recovery Period and Threshold Limitation in 2(b)2 Above | 130,098,246        | 119,762,094        |

|  | December 31, 2014 |         |       | December 31, 2013 |         |       | Change   |         |       |
|--|-------------------|---------|-------|-------------------|---------|-------|----------|---------|-------|
|  | Ordinary          | Capital | Total | Ordinary          | Capital | Total | Ordinary | Capital | Total |
| Impact of Tax Planning Strategies  |                   |         |       |                   |         |       |          |         |       |
| (a) Adjusted Gross DTAs (% of Total Adjusted Gross DTAs)                           | 0.0%              | 0.0%    | 0.0%  | 0.0%              | 0.0%    | 0.0%  | 0.0%     | 0.0%    | 0.0%  |
| (b) Net Admitted Adjusted Gross DTAs (% of Total Net Admitted Adjusted Gross DTAs) | 0.0%              | 0.0%    | 0.0%  | 0.0%              | 0.0%    | 0.0%  | 0.0%     | 0.0%    | 0.0%  |
| (c) Does the Company's tax-planning strategies include the use of reinsurance?     | Yes No X          |         |       |                   |         |       |          |         |       |

B. Unrecognized DTLs  
Not applicable

Notes to Financial Statements

ALL AMERICA INSURANCE COMPANY  
Income Tax Disclosures Required under SSAP 101  
AS OF DECEMBER 31, 2014

Note 9 - Income Taxes (continued)

C. Current Tax and Change in Deferred Tax

1. Current income tax

|  | 2014      | 2013      | Change    |
|--|-----------|-----------|-----------|
| (a) Federal                                  | 2,700,807 | 1,226,476 | 1,474,331 |
| (b) Foreign                                  | 0         | 0         | 0         |
| (c) Subtotal                                 | 2,700,807 | 1,226,476 | 1,474,331 |
| (d) Federal income tax on net capital gains  | 1,945,147 | 0         | 1,945,147 |
| (e) Utilization of capital loss carryforward | 0         | 0         | 0         |
| (f) Other                                    | 0         | 0         | 0         |
| Federal and foreign income taxes incurred    | 4,645,954 | 1,226,476 | 3,419,478 |

2. Deferred income tax

|   | 2014      | 2013      | Change      |
|---|-----------|-----------|-------------|
| (a) Ordinary:   |           |           |             |
| (1) Discounting of unpaid losses                              | 1,711,114 | 1,750,983 | (39,869)    |
| (2) Unearned premium reserve                                  | 3,284,357 | 3,018,941 | 265,416     |
| (3) Non-Qualifying Pension                                    | 0         | 0         | 0           |
| (4) SPP Equalization Plan                                     | 0         | 0         | 0           |
| (5) Post Retirement Expenses                                  | 866,215   | 2,171,831 | (1,305,616) |
| (6) Charitable Contribution Deduction Carryforward            | 0         | 62,455    | (62,455)    |
| (7)   |           |           | 0           |
| (8)   |           |           | 0           |
| (9) Net operating loss carry-forward                          | 0         | 2,013,321 | (2,013,321) |
| (10) Tax credit carry-forward                                 |           |           | 0           |
| (11) Other (including items <5% of total ordinary tax assets) |           |           | 0           |
| (12) Other assets – nonadmitted                               | 18,685    | 19,825    | (1,140)     |
| (99) Subtotal   | 5,880,371 | 9,037,356 | (3,156,985) |
| (b) Statutory valuation allowance adjustment                  |           |           | 0           |
| (c) Nonadmitted   | 1,171,018 | 4,016,871 | (2,845,853) |
| (d) Admitted ordinary deferred tax assets (2a99-2b-2c)        | 4,709,353 | 5,020,485 | (311,132)   |
| (e) Capital   |           |           |             |
| (1) Investments - Other than temporary impairments (OTTI)     | 0         | 0         | 0           |
| (2) Net capital loss carry-forward                            |           |           | 0           |
| (3) Real estate   |           |           | 0           |
| (4) Other (including items <5% of total capital tax assets)   |           |           | 0           |
| (99) Subtotal   | 0         | 0         | 0           |
| (f) Statutory valuation allowance adjustment                  |           |           | 0           |
| (g) Nonadmitted   |           |           | 0           |
| (h) Admitted capital deferred tax assets (2e99-2f-2g)         | 0         | 0         | 0           |
| (i) Admitted deferred tax assets (2d+2h)                      | 4,709,353 | 5,020,485 | (311,132)   |

3. Deferred tax liabilities:

|  | 2014    | 2013   | Change |
|--|---------|--------|--------|
| (a) Ordinary:                                    |         |        |        |
| (1) Employee Benefit Trust Fund                  | 0       | 0      | 0      |
| (2) Discount on Salvage and Subrogation          | 44,457  | 33,032 | 11,425 |
| (3) Acquisition Expense - Advanced Premiums      | 42,030  | 40,167 | 1,863  |
| (4) Tax/Book Depreciaton                         | 0       | 0      | 0      |
| (5)  |         |        | 0      |
| (6)  |         |        | 0      |
| (7)  |         |        | 0      |
| (99) Subtotal                                    | 86,487  | 73,199 | 13,288 |
| (b) Capital                                      |         |        |        |
| (1) Investments - Unrealized capital gains - net | 23,299  | 13,337 | 9,962  |
| (2)  |         |        | 0      |
| (3)  |         |        | 0      |
| (99) Subtotal                                    | 23,299  | 13,337 | 9,962  |
| (c) Deferred tax liabilities (3a99+3b99)         | 109,786 | 86,536 | 23,250 |

4. Net deferred tax assets/liabilities (2i-3c) 4,599,567 4,933,949 (334,382)



Notes to Financial Statements

ALL AMERICA INSURANCE COMPANY  
Income Tax Disclosures Required under SSAP 101  
AS OF DECEMBER 31, 2014

Note 9 - Income Taxes (continued)

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

The significant items causing a difference between the statutory federal income tax rate and All America's effective income tax rate are as follows:

|   | 2014        | Effective Tax Rate |
|---|-------------|--------------------|
| Provision computed at statutory rate                                | 4,556,890   | 35.0%              |
| Change in nonadmitted assets  | 1,140       | 0.0%               |
| Tax exempt income deduction   | (1,610,049) | -12.4%             |
| Proration of tax exempt investment income                           | 241,507     | 1.9%               |
| Disallowed other permanent non-deductible items                     | 19,735      | 0.2%               |
| Accrued dividend from 100% owned affiliate                          | 0           | 0.0%               |
| Dividends received deduction  | (35,000)    | -0.3%              |
| Other than temporary impairments                                    |             | 0.0%               |
| Accrual adjustment - prior year SPP & Pension booked to All America |             | 0.0%               |
| Other   | 4,642,002   | 35.7%              |
| Totals  | 7,816,225   | 60.0%              |
| Federal and foreign income taxes incurred                           | 2,700,807   | 20.7%              |
| Realized capital gains (losses) tax                                 | 1,945,147   | 14.9%              |
| Change in net deferred income taxes                                 | 3,170,271   | 24.3%              |
|   | 7,816,225   | 60.0%              |

Notes to Financial Statements

ALL AMERICA INSURANCE COMPANY  
Income Tax Disclosures Required under SSAP 101  
AS OF DECEMBER 31, 2014

Note 9 - Income Taxes (continued)

E. Operating Loss and Tax Credit Carryforwards

- (1) At December 31, 2014, the Company had \$ in unused operating loss carryforwards available to offset against future taxable income.
- (2) The following is income tax expense for 2014 and 2013 that is available for recoupment in the event of future net losses:

| Year | Amount      |
|------|-------------|
| 2014 | \$4,645,954 |
| 2013 | \$1,226,476 |

- (3) The Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

F. Consolidated Federal Income Tax Return

- (1) The Company's federal income tax return is consolidated with the following entities:
  - Central Mutual Insurance Company (Parent)
  - CAFCO, Inc.
  - Central Insurex Agency
  - Security Central
- (2) The method of allocation among companies is subject to a written agreement, approved by the Board of Directors. It is agreed among the companies that the tax liability of the subsidiaries shall be determined as if each was filing an individual tax return and the amount of tax so determined, if any, shall be paid to Central Mutual Insurance Company, which, in turn, shall be responsible for payment of the total tax liability calculated in the consolidated return. In the event the subsidiary produces a tax loss, which is utilized by Central Mutual in the consolidated return to reduce its tax liability, Central Mutual shall pay to the subsidiary the tax cash benefit so utilized in the consolidated tax return.

G. Federal or Foreign Federal Income Tax Loss Contingencies

The Company has no tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

10. Information Concerning Parent, Subsidiaries and Affiliates

- A., B, & C. There were no transactions with affiliated companies other than reinsurance transactions and cost allocation transactions that are based on generally accepted accounting principles.
- D. At December 31, 2014, All America Insurance Company reported \$2,066,722 as amounts receivable to its parent Central Mutual Insurance Company. The terms of the settlement require that this amount be settled within 30 days.
- E. No guarantees or undertakings have been taken for the benefit of an affiliate or related party that result in a material contingent exposure for All America Insurance Company.
- F. All America Insurance Company has an intercompany pooling agreement with its parent Central Mutual Insurance Company whereby premiums, losses, underwriting and claims expenses are shared 16%/84% respectively in accordance with the pooling arrangement between the two entities. Investment expenses are allocated based on number of securities held in each company.
- G. All America Insurance Company is owned 100% by Central Mutual Insurance Company which is domiciled in the State of Ohio.
- H. All America Insurance Company owns no shares of an upstream company.
- I. All America Insurance Company has no Subsidiary, Controlled or Affiliate companies whose carrying value is equal to or exceeds 10% of admitted assets.
- J. All America Insurance Company did not recognize any impairment write down for its investments in Subsidiary, Controlled or Affiliated companies during the statement period.
- K. All America Insurance Company has no investment in foreign insurance subsidiaries.
- L. All America Insurance Company does not utilize the look-through approach for the valuation of downstream non-insurance entities. Such entities are non-admitted assets.

Notes to Financial Statements

11. Debt

All America Insurance Company has no debt obligations.

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

- A. Defined Benefit Plan
- Qualified Pension Plan – All America Insurance Company’s parent company, Central Mutual Insurance Company, sponsors a non-contributory defined benefit pension plan covering substantially all of its employees as well as a separate post-retirement medical plan. The details of these plans are fully disclosed within Central Mutual’s financial statements.
- Non-Qualified Pension Plan – All America Insurance Company does share in a non-qualified pension plan to pay benefits to certain employees whose pension benefits under the qualified plan are limited by Sections 415 and 401(a)(17) of the Internal Revenue Code. The non-qualified plan is unfunded and will pay the difference of (1) the benefit determined by the qualified plan formula with no IRC limits applied less (2) the benefit determined by the qualified plan formula after the IRC limits are applied. All America's share of this liability as of December 31, 2014 is \$1,075,483.
- B. All America Insurance Company’s parent company, Central Mutual Insurance Company, sponsors a non-contributory defined benefit pension plan covering substantially all of its employees as well as a separate post-retirement medical plan. The details of these plans are fully disclosed within Central Mutual’s financial statements.
- C. All America Insurance Company’s parent company, Central Mutual Insurance Company, sponsors a non-contributory defined benefit pension plan covering substantially all of its employees as well as a separate post-retirement medical plan. The details of these plans are fully disclosed within Central Mutual’s financial statements.
- D. All America Insurance Company’s parent company, Central Mutual Insurance Company, sponsors a non-contributory defined benefit pension plan covering substantially all of its employees as well as a separate post-retirement medical plan. The details of these plans are fully disclosed within Central Mutual’s financial statements.
- E. Defined Contribution Plan
- (1) Qualified Defined-Contribution Plan – All America Insurance Company has a qualified Savings and Profit Sharing Plan (SPP) for which substantially all employees are eligible. Up to 5% of each employee's savings is matched at 20% by contributions by the company each year. Additionally, 5% of the combined insurance companies' net income before federal income taxes is contributed to the plan each year. All America Insurance Company's contribution for the plan was \$0.657 million for 2014 and \$0.663 million for 2013, respectively. At December 31, 2014, the fair value of plan assets was \$ 121.6 million.
- (2) Non-Qualified Defined-Contribution Plan – All America Insurance Company also has a non-qualified Savings and Profit Participation Equalization Plan (Plan), which coordinates with the benefits available under the Central Employees' Savings and Profit Participation Plan (SPP), to provide a supplemental savings program for key executive employees who are limited by Sections 401(a)(17), 415, and 402(g) of the Internal Revenue Code. The non-qualified Plan is unfunded and a participant is eligible to defer compensation under the non-qualified Plan only if he has made the maximum elective contributions which are permitted under the qualified SPP Plan. All America's share of this liability as of December 31, 2014 is \$572,288.
- F. Multiemployer Plans - NONE
- G. Consolidated / Holding Company Plans – All America participates in Central Mutual Insurance Company’s (its parent company) defined benefit, defined contribution, and various other employee benefit plans.
- H. Postemployment Benefits and Compensated Absences – The company participates in Central Mutual Insurance Company’s (its parent company) postemployment health care benefit plan.
- I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17) – NOT APPLICABLE

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

- (1) All America Insurance Company has 15,000 shares authorized, issued and outstanding.
- (2) All America Insurance Company has no preferred stock outstanding.
- (3) All America Insurance Company has no restrictions on dividends paid to shareholders.
- (4) No ordinary or extraordinary dividends were paid.
- (5) All America Insurance Company has no restrictions placed on the portion of the Company's profits that may be paid as ordinary dividends to stockholders.
- (6) There are no restrictions placed on All America Insurance Company's surplus.
- (7) There are no advances on surplus.
- (8) There is no stock of affiliated companies held for special purposes.
- (9) There are no balances held in special surplus funds.
- (10) The portion of unassigned funds (surplus) represented or reduced by each item below is as follows:
- |                                  |    |            |
|----------------------------------|----|------------|
| (a) Unrealized gains and losses: | \$ | 14,454,352 |
| (b) Nonadmitted asset values     | \$ | 1,512,209  |
| (c) Provision for reinsurance    | \$ | 0          |
- (11) No surplus debentures or similar obligations exist.
- (12) & (13) No quasi-reorganization has taken place.

Notes to Financial Statements

14. Contingencies

- A. Contingent Commitments - NONE
- B. Assessments - It is expected that various insolvencies will result in guaranty fund assessments against the company of \$13,686 and have been charged to operations in 2014. A net reduction in premium tax credit of \$8,433 was incurred in 2014 to offset premium taxes in multiple states over the next ten years. Various other smaller insolvency assessments are accrued for by the company.
- C. Gain Contingencies - NONE
- D. Claims related extra contractual obligation and bad faith losses stemming from lawsuits

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

|  |        |
|--|--------|
|  | Direct |
| Claims related ECO and bad faith losses paid during the reporting period | \$0.00 |

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

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

Indicate whether claim count information is disclosed per claim or per claimant:  
(f) Per Claim [ X ] (g) Per Claimant [ ]

- E. Product Warranties – THE COMPANY DOES NOT OFFER ANY PRODUCT WARRANTIES
- F. Joint and Several Liabilities – THE COMPANY DOES NOT HAVE ANY JOINT AND SEVERAL LIABILITY ARRANGEMENTS
- G. All Other Contingencies - NONE

15. Leases

- A. Lessee Operating Lease
    - (1) a. All America Insurance Company leases office space under various noncancelable operating lease agreements that expire through December, 2015. All America Insurance company's share of this rental expense for 2014, and 2013 was approximately \$142,324, and \$165,983, respectively.
    - b. All America Insurance Company leases computer hardware and software under various noncancelable operating lease agreements that expire through December, 2018. All America's share of this rental expense for 2014 and 2013, was approximately \$112,000 and \$128,000, respectively.
    - c. All America Insurance Company leases automobiles under various noncancelable operating lease agreements that expire through December, 2015. All America's share of this rental expense for 2014 and 2013 was approximately \$ 52,297 and \$ 56,427, respectively.
  - (2) a. At January 1, 2015, All America Insurance Company's share of the minimum aggregate rental commitments are as follows:  
(Dollars in thousands)

| Year Ending December 31 | Operating Leases |
|-------------------------|------------------|
| 1. 2015                 | \$113,000        |
| 2. 2016                 | \$112,000        |
| 3. 2017                 | \$115,000        |
| 4. 2018                 | \$116,000        |
| 5. 2019                 | \$106,000        |
| Total                   | \$562,000        |
  - b. None of the property included above is subleased.
- (3) All America Insurance Company is not involved in any material sales - leaseback transactions.
- B. (1) Lessor Leases - NONE
- (2) Leveraged Leases - NONE

16. Information about Financial Instruments with Concentration 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. Transfer of Servicing of Financial Assets - NONE
- C. Wash Sales - NONE

18. Gain or Loss from Uninsured A&H Plans and Uninsured Portion of Partially Insured Plans

The Company does not offer A&H coverages or provide services as an ASO or ASC plan administrator.

Notes to Financial Statements

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

All America Insurance Company does not write business through managing general agents or third party administrators.

20. Fair Value Measurements

- A. Assets and Liabilities Measured at Fair Value  
1. Fair Value Measurements at Reporting Date

| DESCRIPTION                         | LEVEL 1   | LEVEL 2 | LEVEL 3 | TOTAL       |
|-------------------------------------|---|---------|---------|-------------|
| a. Assets at Fair Market Value      |   |         |         |             |
| Preferred Stock                     |   |         |         |             |
| Industrial & Miscellaneous          |   |         |         |             |
| Parent, Subsidiaries                |   |         |         |             |
| Total Preferred Stock               |   |         |         |             |
|                                     |   |         |         |             |
| Bonds                               |   |         |         |             |
| US Government                       | 9,093,249   |         |         | 9,093,249   |
| US States                           | 3,289,407   |         |         | 3,289,407   |
| US Political Subdivisions           | 80,931,545  |         |         | 80,931,545  |
| US Special Revenue                  | 103,678,423   |         |         | 103,678,423 |
| Industrial & Miscellaneous          | 25,167,018  |         |         | 25,167,018  |
| Parent, Subsidiaries                |   |         |         |             |
| Total Bonds                         | 222,159,642   |         |         | 222,159,642 |
|                                     |   |         |         |             |
| Common Stocks                       |   |         |         |             |
| Industrial & Miscellaneous          |   |         | 1,979   | 1,979       |
| Parent, Subsidiaries                |   |         | 287,808 | 287,808     |
| Total Common Stocks                 |   |         | 289,787 | 289,787     |
|                                     |   |         |         |             |
| Derivative Assets                   |   |         |         |             |
| Warrants                            |   |         |         |             |
| Total Derivative Assets             |   |         |         |             |
|                                     |   |         |         |             |
| Total at Fair Market Value          | 222,159,642   | -       | 289,787 | 222,449,429 |
|                                     |   |         |         |             |
| b. Liabilities at Fair Market Value |   |         |         |             |
| Derivative Liabilities              | -   |         |         | -           |
|                                     |   |         |         |             |
| Total at Fair Market Value          | -   |         |         | -           |
|                                     |   |         |         |             |
| LEVEL 1                             | Active markets/exchanges                                  |         |         |             |
| LEVEL 2                             | Quoted prices for similar assets in active markets        |         |         |             |
| LEVEL 3                             | Valued at book value of the entity as filed with the NAIC |         |         |             |

2. Fair value measurements categorized within Level 3:

|                         | Balance at<br>01/01/2014 | Realized<br>Gain (Loss) | Unrealized<br>Gain (Loss) | Purchases,<br>Issuances, Sales | Transfer<br>In (Out) Level 3 | Balance at<br>12/31/2014 |
|-------------------------|--------------------------|-------------------------|---------------------------|--------------------------------|------------------------------|--------------------------|
| Equity                  | 287,714                  | -                       | 2,070                     | -                              | -                            | 289,784                  |
| Separate Account Assets | -                        | -                       | -                         | -                              | -                            |                          |
| Derivative Assets       | -                        | -                       | -                         | -                              | -                            |                          |
| Derivative Liabilities  | -                        | -                       | -                         | -                              | -                            |                          |
| Total                   | 287,714                  | -                       | 2,070                     | -                              | -                            | 289,784                  |

- B. NONE  
C. NONE  
D. NONE

21. Other Items

- A. Extraordinary Items - NONE  
B. Troubled Debt Restructuring: NONE  
C. Other Disclosures  
1. Assets in the amount of \$3,543,525 and \$3,457,603 at December 31, 2014 and 2013, respectively, were on deposit with government authorities or trustees as required by law. No assets were maintained as compensating balances or pledged as collateral for bank loans or other financing agreements.  
2. At December 31, 2014 and 2013, the company had admitted assets of \$26,783,499 and \$24,619,824, respectively, in accounts receivable amounts due from agents and insureds. All America Insurance Company routinely assesses the collectibility of these receivables. Based on All America's experience, less than 1% of the balance may

Notes to Financial Statements

become uncollectible and the potential loss is not material to All America's financial condition.

- D. Business Interruption Recoveries - NONE
- E. State Transferable Tax Credits – NONE
- F. Subprime Mortgage Related Risk Exposure
  - 1. Exposures to subprime mortgage related risk in practice
    - a. Direct investments in subprime mortgage loans: NONE
    - b. Direct investments in securities with underlying subprime exposure, such as residential mortgage backed securities, commercial mortgage backed securities, collateralized debt obligations, structured securities (including principal protected notes), hedge funds, credit default swaps, and special investment vehicles: NONE
  - c. Equity investments in subsidiary, controlled or affiliated entities with significant subprime related risk exposure: NONE
  - d. Underwriting risk on policies issued for Mortgage Guaranty or Financial Guaranty insurance coverage: NONE

22. Events Subsequent

No subsequent events requiring disclosure occurred.

23. Reinsurance

- A. Unsecured Reinsurance Recoverables  
All America Insurance Company has the following unsecured reinsurance recoverables in excess of 3% of Policyholders' Surplus.

|                              | NAIC # | FED ID#    | Amount        |
|------------------------------|--------|------------|---------------|
| Central Mutual Insurance Co. | 20230  | 34-4202560 | \$ 63,132,000 |

- B. Reinsurance Recoverable in Dispute  
Reinsurance recoverable on losses from any company in dispute do not exceed 5% of All America's Policyholders' Surplus.

- C. Reinsurance Assumed and Ceded  
(1) Maximum amount of return commission which would have been due reinsurers if they or All America had cancelled all of the Company's reinsurance or if All America or a receiver had cancelled all of the company's insurance assumed as of the end of the period covered by this Annual Statement with the return of the unearned premium reserve.

|               | Assumed Reinsurance |                   | Ceded Reinsurance |                   | Net             |                   |
|---------------|---------------------|-------------------|-------------------|-------------------|-----------------|-------------------|
|               | Premium Reserve     | Commission Equity | Premium Reserve   | Commission Equity | Premium Reserve | Commission Equity |
| a. Affiliates | \$ 46,251,347       | \$ 8,492,770      | \$ 16,891,376     | \$ 2,757,457      | \$ 29,359,971   | \$ 5,735,313      |
| b. All Other  | 0                   | 0                 | 910,352           | 313,033           | (910,352)       | (313,033)         |
| c. Total      | \$ 46,251,347       | \$ 8,492,770      | \$ 17,801,728     | \$ 3,070,490      | \$ 28,449,620   | \$ 5,422,280      |

- d. Direct Unearned Premium Reserve: \$17,803,560

(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 are accrued as follows:

|   |    | REINSURANCE |              |            |    | Net       |
|---|----|-------------|--------------|------------|----|-----------|
|   |    | Direct      | Assumed      | Ceded      |    |           |
| a. Contingent Commissions               | \$ | 575,707     | \$ 2,706,290 | \$ 575,707 | \$ | 2,706,290 |
| b. Sliding Scale Adjustments            |    | 0           | 0            | 0          |    | 0         |
| c. Other Profit Commission Arrangements |    | 0           | 0            | 0          |    | 0         |
| d. TOTAL                                | \$ | 575,707     | \$ 2,706,290 | \$ 575,707 | \$ | 2,706,290 |

- D. Uncollectible Reinsurance - NONE
- E. Commutation of Ceded Reinsurance  
All America Insurance Company has not commuted any ceded reinsurance during the year.
- F. Retroactive Reinsurance - No retroactive reinsurance contracts exist.
- G. Reinsurance Accounted for as a Deposit – NONE
- H. Transfer of Property and Casualty Run-off Agreements – NONE
- I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation - NONE

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

- A.-E. All America Insurance Company does not issue policies that are retrospectively rated or subject to redetermination.
- F. Risk Sharing Provisions of the Affordable Care Act (ACA) – N/A  
All America Insurance Company does not write accident and health insurance premium.

Notes to Financial Statements

25. Change to Incurred Losses and Loss Adjustment Expenses

Reserves for incurred losses and loss adjustment expenses attributable to insured events of prior years has decreased by \$5.5 million from \$70.1 million in 2013 to \$64.6 million (\$46.2 million in total net losses and expenses unpaid and \$18.4 million in total net losses and expenses paid) in 2014. To provide further detail, losses & defense and medical cost containment expenses decreased by \$5.7 million from \$62.2 million in 2013 to \$56.4 million (\$40.7 million in total net losses and defense & medical cost containment expenses unpaid and \$15.7 million in total net losses & defense and medical cost containment expenses paid) in 2014. Adjusting and other expenses increased by \$0.3 million from \$7.9 million in 2013 to \$8.2 million (\$5.6 million in total net adjusting and other expenses unpaid and \$2.6 million in total net adjusting and other expenses paid) in 2014. Included in this change, All America Insurance Company experienced \$0.0 million of unfavorable (favorable) prior year loss development on retrospectively rated policies. Thus, there was no impact to surplus as a result.

26. Intercompany Pooling Arrangements

An intercompany pooling agreement exists between the following companies to share in premiums, losses, expenses and accounts receivable balances according to the percentages shown:

|               |                                  |       |     |
|---------------|----------------------------------|-------|-----|
| Lead Company: | Central Mutual Insurance Company | 20230 | 84% |
| Affiliate:    | All America Insurance Company    | 20222 | 16% |

All lines of business are pooled. Each company can make facultative cessions to non-affiliated reinsurers prior to pooling. All treaty cessions are processed through the lead company after cessions are made from the affiliate. Both companies though, have contract rights under all non-affiliated treaty reinsurance contracts.

27. Structured Settlements

All America Insurance Company has purchased several annuities on which claimants are payees in settlement of claims under the company's policies. The company has obtained releases from the respective claimants acknowledging that receipt of the structured settlement under each annuity is full payment of the claim. All America has no contingent liability for these annuities since ownership has been transferred to another insurance company.

28. Health Care Receivables - NONE

29. Participating Policies - NONE

30. Premium Deficiency Reserves –

|   |            |
|---|------------|
| 1. Liability carried for premium deficiency reserves              | \$0.00     |
| 2. Date of the most recent evaluation of this liability           | 12/31/2014 |
| 3. Was anticipated investment income utilized in the calculation? | Yes        |

31. High Deductibles

All America Insurance Company does not issue policies subject to high deductibles on claims.

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

All America Insurance Company does not discount the liabilities for unpaid losses or unpaid loss adjustment expenses.

33. Asbestos / Environmental Reserves

A. & D. Does All America Insurance Company have on the books, or has it ever written an insured for which it has been identified as having a potential for the existence of, a liability due to asbestos losses?  
Yes(X) No( )

Does All America Insurance Company have on the books, or has it ever written an insured for which it has been identified as having a potential for the existence of, a liability due to environmental losses?  
Yes(X) No( )

All America's exposure arises primarily from the sale of general liability insurance, including the general liability portion of commercial package policies. However, smaller exposure also exists for these lines of insurance: workers' compensation, homeowners, and commercial property.

All America tries to estimate the full impact of the environmental and asbestos exposure by establishing full case basis reserves on all known losses and computing incurred but not reported loss reserves and allocated loss adjustment reserves based on previous experience.

The previous experience is combined with the other Company experience and analyzed in a combined manner as part of the regular loss reserve analysis.

All America's systems do not separate environmental and asbestos-related claims. Therefore, only combined environmental and asbestos-related loss data is available for presentation. Environmental claims represent the majority of the exposure included in the following numbers.

All America's environmental and asbestos-related losses (including coverage dispute costs) for each of the five most recent calendar years were as follows:

Notes to Financial Statements

(1) Gross of Reinsurance Basis:

|  | 2010 |           | 2011 |           | 2012 |           | 2013 |           | 2014 |           |
|--|------|-----------|------|-----------|------|-----------|------|-----------|------|-----------|
| a. Beginning reserves:   | \$   | 2,797,564 | \$   | 2,376,099 | \$   | 2,677,972 | \$   | 3,421,817 | \$   | 2,415,007 |
| b. Incurred losses and loss adjustment expense:                    |      | -125,378  |      | 368,172   |      | 879,787   |      | -564,685  |      | -604,189  |
| c. Calendar year payments for losses and loss adjustment expenses: |      | 296,087   |      | 66,299    |      | 135,942   |      | 442,125   |      | 214,710   |
| d. Ending reserves:  | \$   | 2,376,099 |      | 2,677,972 |      | 3,421,817 |      | 2,415,007 |      | 1,596,108 |

(2) Net of Reinsurance Basis:

|  | 2010 |           | 2011 |           | 2012 |           | 2013 |           | 2014 |           |
|--|------|-----------|------|-----------|------|-----------|------|-----------|------|-----------|
| a. Beginning reserves:   | \$   | 2,677,229 | \$   | 2,232,709 | \$   | 2,493,002 | \$   | 3,125,911 | \$   | 2,166,545 |
| b. Incurred losses and loss adjustment expense:                    |      | -172,518  |      | 331,672   |      | 770,076   |      | -517,241  |      | -459,644  |
| c. Calendar year payments for losses and loss adjustment expenses: |      | 272,002   |      | 71,379    |      | 137,167   |      | 442,125   |      | 214,662   |
| d. Ending reserves:  | \$   | 2,232,709 |      | 2,493,002 |      | 3,125,911 |      | 2,166,545 |      | 1,492,239 |

B. & E. The amount of ending reserves for Bulk + IBNR included in A & D (Loss & LAE) is:

1. Gross of Reinsurance Basis:
- \$1,190,328
2. Net of Reinsurance Basis
- \$1,086,519

C. & F. The amount of ending reserves for loss adjustment expenses included in A & D ( Case, Bulk + IBNR):

1. Gross of Reinsurance Basis:
- \$658,399
2. Net of Reinsurance Basis
- \$601,270

34. Subscriber Savings Accounts - NONE

35. Multiple Peril Crop Insurance – NONE

36. Financial Guaranty Insurance – All America 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?  
If yes, complete Schedule Y, Parts 1, 1A and 2.

Yes[X] No[ ]
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes[X] No[ ] N/A[ ]  
OHIO
- 1.3 State Regulating?
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[ ] No[X]
- 2.2 If yes, date of change:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2011
- 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.

12/31/2011
- 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).

02/28/2013
- 3.4 By what department or departments?  
OHIO DEPARTMENT OF INSURANCE
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments?

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

Yes[ ] No[ ] N/A[X]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business?

Yes[ ] No[X]
- 4.12 renewals?

Yes[ ] No[X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business?

Yes[ ] No[X]
- 4.22 renewals?

Yes[ ] No[X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[ ] No[X]
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

| 1<br>Name of Entity | 2<br>NAIC Company Code | 3<br>State of Domicile |
|---------------------|------------------------|------------------------|
|                     |                        |                        |

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes[ ] No[X]
- 6.2 If yes, give full information:
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes[ ] No[X]
- 7.2 If yes,
- 7.21 State the percentage of foreign control

0.000%
- 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<br>Nationality | 2<br>Type of Entity |
|------------------|---------------------|
|                  |                     |

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[ ] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[ ] No[X]
- 8.4 If response to 8.3 is yes, please provide the names and location (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<br>Affiliate Name | 2<br>Location (City, State) | 3<br>FRB     | 4<br>OCC     | 5<br>FDIC    | 6<br>SEC     |
|---------------------|-----------------------------|--------------|--------------|--------------|--------------|
|                     |                             | Yes[ ] No[X] | Yes[ ] No[X] | Yes[ ] No[X] | Yes[ ] No[X] |

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
PLANTE & MORAN, PLLC 2601 CAMBRIDGE COURT, SUITE 500 AUBURN HILLS, MI 48326-2572
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?

Yes[ ] No[X]
- 10.2 If response to 10.1 is "yes," provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation?

Yes[ ] No[X]
- 10.4 If response to 10.3 is "yes," provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?

Yes[X] No[ ] N/A[ ]
- 10.6 If the response to 10.5 is "NO" or "N/A" please explain:
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
T. CHAD GLENN, FCAS, MAAA, CHIEF ACTUARY All America Insurance Company Van Wert, OH 45891

GENERAL INTERROGATORIES (Continued)

- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes[X] No[ ]
- 12.11 Name of real estate holding company  
SIMON PROPERTY GROUP, FEDERAL REALTY, TANGER FACTORY OUTLETS, HCP INC
- 12.12 Number of parcels involved
- 12.13 Total book/adjusted carrying value

\$ 1,992,539<sup>4</sup>
- 12.2 If yes, provide explanation  
REITS ARE HELD AS INCOME PRODUCING BOND INVESTMENTS
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

Yes[ ] No[ ] N/A[X]
- 13.3 Have there been any changes made to any of the trust indentures during the year?

Yes[ ] No[ ] N/A[X]
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?

Yes[ ] No[ ] N/A[X]
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes[X] No[ ]
- a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- c. Compliance with applicable governmental laws, rules and regulations;
- d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- e. Accountability for adherence to the code.
- 14.11 If the response to 14.1 is no, please explain:
- 14.2 Has the code of ethics for senior managers been amended?

Yes[ ] No[X]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes[ ] No[X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?

Yes[ ] No[X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

|         | 1<br>American<br>Bankers<br>Association (ABA)<br>Routing<br>Number | 2<br><br>Issuing or Confirming<br>Bank Name | 3<br><br>Circumstances That Can<br>Trigger the Letter of Credit | 4<br><br>Amount |
|---------|--|---|---|-----------------|
| 15.2001 | .....  | .....                                       | .....   | .....           |

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof?

Yes[X] No[ ]
17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof?

Yes[X] No[ ]
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person?

Yes[X] No[ ]

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?

Yes[ ] No[X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers

\$ ..... 0
- 20.12 To stockholders not officers

\$ ..... 0
- 20.13 Trustees, supreme or grand (Fraternal only)

\$ ..... 0
- 20.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers

\$ ..... 0
- 20.22 To stockholders not officers

\$ ..... 0
- 20.23 Trustees, supreme or grand (Fraternal only)

\$ ..... 0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?

Yes[ ] No[X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others

\$ ..... 0
- 21.22 Borrowed from others

\$ ..... 0
- 21.23 Leased from others

\$ ..... 0
- 21.24 Other

\$ ..... 0
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments?

Yes[ ] No[X]
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment

\$ ..... 0
- 22.22 Amount paid as expenses

\$ ..... 0
- 22.23 Other amounts paid

\$ ..... 0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[X] No[ ]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$ ..... 2,066,722

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[X] No[ ]
- 24.02 If no, give full and complete information, relating thereto
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?

Yes[ ] No[ ] N/A[X]
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs.

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

\$ ..... 0
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?

Yes[ ] No[ ] N/A[X]

GENERAL INTERROGATORIES (Continued)

24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?

Yes[ ] No[ ] N/A[X]

24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?

Yes[ ] No[ ] N/A[X]

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

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.

\$ ..... 0

24.102 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.

\$ ..... 0

24.103 Total payable for securities lending reported on the liability page.

\$ ..... 0

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03).

Yes[ ] No[X]

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 to sale - excluding FHLB Capital Stock

\$ ..... 0

25.27 FHLB Capital Stock

\$ ..... 0

25.28 On deposit with states

\$ ..... 0

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                     | 2           | 3      |
|-----------------------|-------------|--------|
| Nature of Restriction | Description | Amount |
| .....                 | .....       | .....  |

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB?

Yes[ ] No[X]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

Yes[ ] No[ ] N/A[X]

26.2 If no, attach a description with this statement.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?

Yes[ ] No[X]

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

\$ ..... 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 I, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes[X] No[ ]

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

| 1                          | 2   |
|----------------------------|---|
| Name of Custodian(s)       | Custodian's Address   |
| JP MORGAN CHASE BANK ..... | 14201 Dallas Pkwy, Mail Code TX1-J182, Dallas, TX 75254 ..... |

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       | 2           | 3                       |
|---------|-------------|-------------------------|
| Name(s) | Location(s) | 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             | 2             | 3              | 4      |
|---------------|---------------|----------------|--------|
| Old Custodian | New Custodian | Date of Change | Reason |
| .....         | .....         | .....          | .....  |

28.05 Identify all investment advisors, broker/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

| 1   | 2     | 3       |
|---|-------|---------|
| Central Registration Depository Number(s) | Name  | Address |
| .....                                     | ..... | .....   |

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                   | 2                   | 3                            |
|---------------------|---------------------|------------------------------|
| CUSIP #             | Name of Mutual Fund | Book/Adjusted Carrying Value |
| 29.2999 Total ..... | .....               | .....                        |

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

GENERAL INTERROGATORIES (Continued)

| 1   | 2   | 3   | 4                    |
|---|---|---|----------------------|
| Name of Mutual Fund<br>(from above table) | Name of Significant Holding<br>of the Mutual Fund | Amount of<br>Mutual Fund's<br>Book/Adjusted<br>Carrying Value<br>Attributable to<br>the Holding | Date of<br>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                             | 2                 | 3   |
|-----------------------------|-------------------------------|-------------------|---|
|                             | Statement<br>(Admitted) Value | Fair<br>Value     | Excess of<br>Statement over<br>Fair Value (-),<br>or Fair Value over<br>Statement (+) |
| 30.1 Bonds .....            | ..... 213,037,604             | ..... 222,159,642 | ..... 9,122,038   |
| 30.2 Preferred stocks ..... |                               |                   |   |
| 30.3 Totals .....           | ..... 213,037,604             | ..... 222,159,642 | ..... 9,122,038   |

30.4 Describe the sources or methods utilized in determining the fair values  
ALL BONDS ARE PRICED INDEPENDENTLY THROUGH INTERACTIVE DATA CORP

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?  
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?  
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:  
EITHER NAIC OR INTERACTIVE DATA CORP PRICES WERE USED

Yes[ ] No[X]  
Yes[ ] No[ ] N/A[X]

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?  
32.2 If no, list exceptions:

Yes[X] No[ ]

OTHER

33.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any?  
33.2 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.

\$ ..... 273,428

| 1<br>Name                       | 2<br>Amount Paid |
|---------------------------------|------------------|
| INSURANCE SERVICES OFFICE ..... | ..... 212,551    |

34.1 Amount of payments for legal expenses, if any?  
34.2 List the name of the firm and the amount paid if any such payments represented 25% or more of the total payments for legal expenses during the period covered by this statement.

\$ ..... 10,825

| 1<br>Name | 2<br>Amount Paid |
|-----------|------------------|
| .....     | .....            |

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or department of government, if any?  
35.2 List the name of 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.

\$ ..... 13,077

| 1<br>Name   | 2<br>Amount Paid |
|---|------------------|
| PROPERTY CASUATLY INSURERS ASSOCIATION OF AMERICA ..... | ..... 10,787     |

GENERAL INTERROGATORIES (Continued)

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes[ ] No[X]
- 1.2 If yes, indicate premium earned on U.S. business only.

\$ ..... 0
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$ ..... 0
- 1.31 Reason for excluding:
- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.

\$ ..... 0
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance.

\$ ..... 0
- 1.6 Individual policies
- Most current three years:
- 1.61 Total premium earned

\$ ..... 0
- 1.62 Total incurred claims

\$ ..... 0
- 1.63 Number of covered lives

..... 0
- All years prior to most current three years:
- 1.64 Total premium earned

\$ ..... 0
- 1.65 Total incurred claims

\$ ..... 0
- 1.66 Number of covered lives

..... 0
- 1.7 Group policies
- Most current three years:
- 1.71 Total premium earned

\$ ..... 0
- 1.72 Total incurred claims

\$ ..... 0
- 1.73 Number of covered lives

..... 0
- All years prior to most current three years:
- 1.74 Total premium earned

\$ ..... 0
- 1.75 Total incurred claims

\$ ..... 0
- 1.76 Number of covered lives

..... 0

2. Health Test

|                                     | 1            | 2           |
|-------------------------------------|--------------|-------------|
|                                     | Current Year | Prior Year  |
| 2.1 Premium Numerator .....         |              |             |
| 2.2 Premium Denominator .....       | 81,516,430   | 73,794,780  |
| 2.3 Premium Ratio (2.1 / 2.2) ..... |              |             |
| 2.4 Reserve Numerator .....         |              |             |
| 2.5 Reserve Denominator .....       | 115,060,773  | 112,578,104 |
| 2.6 Reserve Ratio (2.4 / 2.5) ..... |              |             |

- 3.1 Does the reporting entity issue both participating and non-participating policies?

Yes[ ] No[X]
- 3.2 If yes, state the amount of calendar year premiums written on:
- 3.21 Participating policies

\$ ..... 0
- 3.22 Non-participating policies

\$ ..... 0
4. For Mutual reporting entities and Reciprocal Exchanges only:
- 4.1 Does the reporting entity issue assessable policies?

Yes[ ] No[X] N/A[ ]
- 4.2 Does the reporting entity issue non-assessable policies?

Yes[X] No[ ] N/A[ ]
- 4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders?

..... 0%
- 4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.

\$ ..... 0
5. For Reciprocal Exchanges Only:
- 5.1 Does the exchange appoint local agents?

Yes[ ] No[ ] N/A[X]
- 5.2 If yes, is the commission paid:
- 5.21 Out of Attorney's-in-fact compensation

Yes[ ] No[ ] N/A[X]
- 5.22 As a direct expense of the exchange

Yes[ ] No[ ] N/A[X]
- 5.3 What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?
- 5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions been deferred?

Yes[ ] No[ ] N/A[X]
- 5.5 If yes, give full information:
- 6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss:

THE COMPANY HAS A CASUALTY EXCESS REINSURANCE PROGRAM
- 6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:

THE CATALYST CATASTROPHE RISK ANALYSIS AND IRAS HURRICANE MODELS ARE RUN ANNUALLY
- 6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss:

THE COMPANY HAS PURCHASED CATASTROPHE REINSURANCE COVERAGE
- 6.4 Does the reporting entity carry catastrophic reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence?

Yes[X] No[ ]
- 6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss
- 7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)?

Yes[ ] No[X]
- 7.2 If yes, indicate the number of reinsurance contracts containing such provisions.

..... 0
- 7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)?

Yes[ ] No[ ] N/A[X]
- 8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured?

Yes[ ] No[X]
- 8.2 If yes, give full information.
- 9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
- (a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;

GENERAL INTERROGATORIES (Continued)

(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 31 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:

(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or

(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?

Yes[ ] No[X]

9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (section D) why the contract(s) is treated differently for GAAP and SAP.

9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:

(a) The entity does not utilize reinsurance; or

(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or

(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement.

Yes[ ] No[X]

10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done?

Yes[ ] No[ ] N/A[X]

11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force?

Yes[ ] No[X]

11.2 If yes, give full information:

12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:

12.11 Unpaid losses

12.12 Unpaid underwriting expenses (including loss adjustment expenses)

\$ ..... 0

\$ ..... 0

\$ ..... 0

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

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

..... 0.000%

..... 0.000%

12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies?

Yes[ ] No[X]

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

12.61 Letters of Credit

12.62 Collateral and other funds

\$ ..... 0

\$ ..... 0

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

\$ ..... 1,500,000

13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision?

Yes[ ] No[X]

13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount.

..... 10

14.1 Is the company a cedant in a multiple cedant reinsurance contract?

Yes[ ] No[X]

14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants

14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts?

Yes[ ] No[ ] N/A[X]

14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements?

Yes[ ] No[ ] N/A[X]

14.5 If the answer to 14.4 is no, please explain

15.1 Has the reporting entity guaranteed any financed premium accounts?

Yes[ ] No[X]

15.2 If yes, give full information:

16.1 Does the reporting entity write any warranty business?

Yes[ ] No[X]

If yes, disclose the following information for each of the following types of warranty coverage:

|                        | 1<br>Direct<br>Losses Incurred | 2<br>Direct<br>Losses Unpaid | 3<br>Direct<br>Written Premium | 4<br>Direct<br>Premium Unearned | 5<br>Direct<br>Premium Earned |
|------------------------|--------------------------------|------------------------------|--------------------------------|---------------------------------|-------------------------------|
| 16.11 Home .....       | .....                          | .....                        | .....                          | .....                           | .....                         |
| 16.12 Products .....   | .....                          | .....                        | .....                          | .....                           | .....                         |
| 16.13 Automobile ..... | .....                          | .....                        | .....                          | .....                           | .....                         |
| 16.14 Other * .....    | .....                          | .....                        | .....                          | .....                           | .....                         |

\* Disclose type of coverage:

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F - Part 3 that it excludes from Schedule F - Part 5?

Incurred but not reported losses on contracts in force prior to July 1, 1984 and not subsequently renewed are exempt from inclusion in Schedule F - Part 5. Provide the following information for this exemption.

17.11 Gross amount of unauthorized reinsurance in Schedule F - Part 3 excluded from Schedule F - Part 5

17.12 Unfunded portion of Interrogatory 17.11

Yes[ ] No[X]

\$ ..... 0

\$ ..... 0

GENERAL INTERROGATORIES (Continued)

|  |   |              |   |
|--|---|--------------|---|
| 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 |
| Provide the following information for all other amounts included in Schedule F - Part 3 and excluded from Schedule F - Part 5, not included above. |   |              |   |
| 17.18  | Gross amount of unauthorized reinsurance in Schedule F - Part 3 excluded from Schedule F - Part 5 | \$           | 0 |
| 17.19  | Unfunded portion of Interrogatory 17.18   | \$           | 0 |
| 17.20  | Paid losses and loss adjustment expenses portion of Interrogatory 17.18                           | \$           | 0 |
| 17.21  | Case reserves portion of Interrogatory 17.18  | \$           | 0 |
| 17.22  | Incurred but not reported portion of Interrogatory 17.18  | \$           | 0 |
| 17.23  | Unearned premium portion of Interrogatory 17.18   | \$           | 0 |
| 17.24  | Contingent commission portion of Interrogatory 17.18  | \$           | 0 |
| 18.1   | Do you act as a custodian for health savings accounts?  | Yes[ ] No[X] |   |
| 18.2   | If yes, please provide the amount of custodial funds held as of the reporting date:               | \$           | 0 |
| 18.3   | Do you act as an administrator for health savings accounts?                                       | Yes[ ] No[X] |   |
| 18.4   | If yes, please provide the balance of the funds administered as of the reporting date:            | \$           | 0 |

FIVE - YEAR HISTORICAL DATA

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

|   | 1<br>2014   | 2<br>2013   | 3<br>2012   | 4<br>2011   | 5<br>2010    |
|---|-------------|-------------|-------------|-------------|--------------|
| <b>Gross Premiums Written (Page 8, Part 1B, Columns 1, 2 &amp; 3)</b>   |             |             |             |             |              |
| 1. Liability Lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2, & 19.3, 19.4) .....   | 42,022,277  | 37,615,780  | 35,961,987  | 38,256,186  | 49,697,068   |
| 2. Property Lines (Lines 1, 2, 9, 12, 21, & 26) .....   | 21,114,485  | 19,929,609  | 18,834,713  | 19,194,556  | 21,533,792   |
| 3. Property and Liability Combined Lines (Lines 3, 4, 5, 8, 22 & 27) .....  | 60,021,016  | 52,737,332  | 47,059,917  | 50,135,658  | 63,281,891   |
| 4. All Other Lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....   | 14,312      | 14,181      | 11,059      | 11,272      | 6,353        |
| 5. Nonproportional Reinsurance Lines (Lines 31, 32, & 33) .....   |             |             |             |             |              |
| 6. TOTAL (Line 35) .....  | 123,172,091 | 110,296,902 | 101,867,676 | 107,597,672 | 134,519,104  |
| <b>Net Premiums Written (Page 8, Part 1B, Column 6)</b>   |             |             |             |             |              |
| 7. Liability Lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1,19.2 & 19.3,19.4) .....  | 28,033,766  | 25,782,176  | 24,628,878  | 25,302,728  | 29,229,214   |
| 8. Property Lines (Lines 1, 2, 9, 12, 21 & 26) .....  | 18,268,762  | 16,984,476  | 15,973,073  | 16,092,237  | 16,958,642   |
| 9. Property and Liability Combined Lines (Lines 3, 4, 5, 8, 22 & 27) .....  | 38,952,413  | 33,847,276  | 29,842,261  | 30,204,471  | 32,483,832   |
| 10. All Other Lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....  | 6,102       | 5,880       | 5,316       | 5,152       | 3,385        |
| 11. Non-proportional Reinsurance Lines (Lines 31, 32 & 33) .....  |             |             |             |             |              |
| 12. TOTAL (Line 35) .....   | 85,261,044  | 76,619,808  | 70,449,527  | 71,604,588  | 78,675,073   |
| <b>Statement of Income (Page 4)</b>   |             |             |             |             |              |
| 13. Net underwriting gain or (loss) (Line 8) .....  | 5,164,302   | 5,198,328   | (2,500,992) | (7,338,788) | (13,978,666) |
| 14. Net investment gain or (loss) (Line 11) .....   | 7,621,954   | 7,205,743   | 7,320,288   | 8,002,323   | 8,504,396    |
| 15. TOTAL other income (Line 15) .....  | 287,173     | 297,512     | 286,822     | 344,354     | 411,475      |
| 16. Dividends to policyholders (Line 17) .....  | 75,376      | 76,876      | 42,831      | 333,006     | 386,999      |
| 17. Federal and foreign income taxes incurred (Line 19) .....   | 2,679,185   | 1,158,023   | 70,919      | 20,421      | 251,654      |
| 18. Net income (Line 20) .....  | 10,318,867  | 11,466,684  | 4,992,367   | 654,462     | (5,701,448)  |
| <b>Balance Sheet Lines (Pages 2 and 3)</b>  |             |             |             |             |              |
| 19. TOTAL admitted assets excluding protected cell business (Page 2, Line 26, Col. 3) .....   | 258,833,552 | 247,685,898 | 240,312,534 | 239,737,494 | 243,090,616  |
| 20. Premiums and considerations (Page 2, Column 3)  |             |             |             |             |              |
| 20.1 In course of collection (Line 15.1) .....  | 4,955,917   | 4,446,837   | 4,516,076   | 5,441,209   | 5,639,027    |
| 20.2 Deferred and not yet due (Line 15.2) .....   | 21,827,582  | 20,172,987  | 18,481,839  | 18,013,879  | 19,665,047   |
| 20.3 Accrued retrospective premiums (Line 15.3) .....   |             |             |             |             |              |
| 21. TOTAL liabilities excluding protected cell business (Page 3, Line 26) .....   | 124,135,739 | 122,989,851 | 126,788,745 | 132,473,884 | 145,398,714  |
| 22. Losses (Page 3, Line 1) .....   | 49,925,267  | 49,951,143  | 56,013,544  | 62,748,293  | 69,743,352   |
| 23. Loss adjustment expenses (Page 3, Line 3) .....   | 18,848,148  | 20,111,738  | 22,643,949  | 23,319,368  | 25,948,816   |
| 24. Unearned premiums (Page 3, Line 9) .....  | 46,287,358  | 42,515,223  | 39,681,715  | 39,508,233  | 42,975,329   |
| 25. Capital paid up (Page 3, Lines 30 & 31) .....   | 5,250,000   | 5,250,000   | 5,250,000   | 5,250,000   | 5,250,000    |
| 26. Surplus as regards policyholders (Page 3, Line 37) .....  | 134,697,813 | 124,696,041 | 113,523,785 | 107,263,618 | 97,691,902   |
| <b>Cash Flow (Page 5)</b>   |             |             |             |             |              |
| 27. Net cash from operations (Line 11) .....  | 11,752,925  | 6,565,894   | 1,613,380   | (9,019,846) | (1,312,335)  |
| <b>Risk-Based Capital Analysis</b>  |             |             |             |             |              |
| 28. TOTAL adjusted capital .....  | 134,697,813 | 124,696,041 | 113,523,785 | 107,263,618 | 97,691,902   |
| 29. Authorized control level risk-based capital .....   | 8,297,640   | 8,302,118   | 8,726,999   | 9,099,583   | 10,088,061   |
| <b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Column 3)</b>   |             |             |             |             |              |
| <b>(Item divided by Page 2, Line 12, Column 3) x 100.0</b>  |             |             |             |             |              |
| 30. Bonds (Line 1) .....  | 96.1        | 88.6        | 88.5        | 89.6        | 92.2         |
| 31. Stocks (Lines 2.1 & 2.2) .....  | 0.0         | 0.0         | 0.0         | 0.0         | 0.0          |
| 32. Mortgage loans on real estate (Lines 3.1 and 3.2) .....   |             |             |             |             |              |
| 33. Real estate (Lines 4.1, 4.2 & 4.3) .....  |             |             |             |             |              |
| 34. Cash, cash equivalents and short-term investments (Line 5) .....  | 3.9         | 4.7         | 4.7         | 3.8         | 1.4          |
| 35. Contract loans (Line 6) .....   |             |             |             |             |              |
| 36. Derivatives (Line 7) .....  |             |             |             |             |              |
| 37. Other invested assets (Line 8) .....  |             | 6.8         | 6.8         | 6.6         | 6.4          |
| 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        |
| <b>Investments in Parent, Subsidiaries and Affiliates</b>   |             |             |             |             |              |
| 42. Affiliated bonds, (Schedule D, Summary, Line 12, Column 1) .....  |             |             |             |             |              |
| 43. Affiliated preferred stocks (Schedule D, Summary, Line 18, Column 1) .....  |             |             |             |             |              |
| 44. Affiliated common stocks (Schedule D, Summary, Line 24, Column 1) .....   | 287,805     | 285,735     | 299,849     | 298,164     | 520,698      |
| 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 .....  |             | 14,471,605  | 14,065,337  | 13,647,743  | 13,226,103   |
| 48. TOTAL of above Lines 42 to 47 .....   | 287,805     | 14,757,340  | 14,365,186  | 13,945,907  | 13,746,801   |
| 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, Column 1, Line 37 x 100.0) ..... | 0.2         | 11.8        | 12.7        | 13.0        | 14.1         |



FIVE - YEAR HISTORICAL DATA (Continued)

|  | 1<br>2014  | 2<br>2013  | 3<br>2012  | 4<br>2011  | 5<br>2010   |
|--|------------|------------|------------|------------|-------------|
| <b>Capital and Surplus Accounts (Page 4)</b>   |            |            |            |            |             |
| 51. Net unrealized capital gains or (Losses) (Line 24) .....   | 1,345      | 255,001    | 272,607    | 277,051    | 301,380     |
| 52. Dividends to stockholders (Line 35) .....  |            |            |            |            |             |
| 53. Change in surplus as regards policyholders for the year (Line 38) .....  | 10,001,760 | 11,172,236 | 6,260,166  | 9,571,638  | (5,439,689) |
| <b>Gross Losses Paid (Page 9, Part 2, Columns 1 and 2)</b>   |            |            |            |            |             |
| 54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1,19.2<br>& 19.3,19.4) .....   | 21,517,335 | 22,091,935 | 24,840,641 | 30,825,173 | 36,237,764  |
| 55. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....  | 11,604,871 | 10,656,362 | 12,469,493 | 12,843,427 | 13,173,566  |
| 56. Property and liability combined lines (Lines 3, 4, 5, 8, 22, & 27) .....   | 29,251,071 | 26,386,747 | 37,534,759 | 50,878,182 | 43,556,627  |
| 57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....   | 1,017      |            |            |            | (20)        |
| 58. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....  |            |            |            |            |             |
| 59. TOTAL (Line 35) .....  | 62,374,294 | 59,135,044 | 74,844,893 | 94,546,782 | 92,967,937  |
| <b>Net Losses Paid (Page 9, Part 2, Column 4)</b>  |            |            |            |            |             |
| 60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1,19.2<br>& 19.3,19.4) .....   | 14,797,697 | 15,160,993 | 16,383,465 | 17,827,879 | 20,237,115  |
| 61. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....  | 9,893,583  | 9,261,572  | 9,623,303  | 10,700,829 | 10,454,789  |
| 62. Property and liability combined lines (Lines 3, 4, 5, 8, 22, & 27) .....   | 19,168,473 | 20,548,780 | 24,247,809 | 33,380,617 | 28,688,582  |
| 63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30, & 34) .....  | 1,017      |            |            |            | (20)        |
| 64. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....  |            |            |            |            |             |
| 65. TOTAL (Line 35) .....  | 43,860,770 | 44,971,345 | 50,254,577 | 61,909,325 | 59,380,466  |
| <b>Operating Percentages (Page 4)</b>  |            |            |            |            |             |
| <b>(Item divided by Page 4, Line 1) x 100.0</b>  |            |            |            |            |             |
| 66. Premiums earned (Line 1) .....   | 100.0      | 100.0      | 100.0      | 100.0      | 100.0       |
| 67. Losses incurred (Line 2) .....   | 53.8       | 52.7       | 61.9       | 73.3       | 77.4        |
| 68. Loss expenses incurred (Line 3) .....  | 6.1        | 5.7        | 8.7        | 6.0        | 9.2         |
| 69. Other underwriting expenses incurred (Line 4) .....  | 33.8       | 34.5       | 32.9       | 30.6       | 30.6        |
| 70. Net underwriting gain (loss) (Line 8) .....  | 6.3        | 7.0        | (3.6)      | (9.8)      | (16.9)      |
| <b>Other Percentages</b>   |            |            |            |            |             |
| 71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5<br>- 15 divided by Page 8, Part 1B, Column 6, Line 35 x 100.0) .....  | 32.0       | 32.9       | 32.4       | 31.4       | 31.4        |
| 72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2<br>+ 3 divided by Page 4, Line 1 x 100.0) .....  | 59.8       | 58.4       | 70.7       | 79.3       | 86.5        |
| 73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Column<br>6, Line 35 divided by Page 3, Line 37, Column 1 x 100.0) .....  | 63.3       | 61.4       | 62.1       | 66.8       | 80.5        |
| <b>One Year Loss Development (000 omitted)</b>   |            |            |            |            |             |
| 74. Development in estimated losses and loss expenses incurred prior to<br>current year (Schedule P, Part 2 - Summary, Line 12, Column 11) .....   | (4,374)    | (7,028)    | (4,260)    | (8,949)    | 1,088       |
| 75. Percent of development of losses and loss expenses incurred to<br>policyholders' surplus of prior year end (Line 74 above divided by Page 4,<br>Line 21, Column 1 x 100.0) .....                 | (3.5)      | (6.2)      | (4.0)      | (9.2)      | 1.1         |
| <b>Two Year Loss Development (000 omitted)</b>   |            |            |            |            |             |
| 76. Development in estimated losses and loss expenses incurred 2 years<br>before the current year and prior year (Schedule P, Part 2 - Summary,<br>Line 12, Column 12) .....                         | (12,777)   | (13,413)   | (12,220)   | (6,396)    | (3,101)     |
| 77. Percent of development of losses and loss expenses incurred to reported<br>policyholders' surplus of second prior year end (Line 76 above divided by<br>Page 4, Line 21, Column 2 x 100.0) ..... | (11.3)     | (12.5)     | (12.5)     | (6.2)      | (3.1)       |

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

If no, please explain::

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE ALL AMERICA INSURANCE COMPANY

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

| (\$000 omitted)   |            |                                |                |                                    |                                |                |  |                |                                 |                |  |   |   |
|---|------------|--------------------------------|----------------|------------------------------------|--------------------------------|----------------|--|----------------|---------------------------------|----------------|--|---|---|
| Years in Which<br>Premiums<br>Were Earned<br>and Losses<br>Were<br>Incurred |            | Premiums Earned                |                |                                    | Loss and Loss Expense Payments |                |  |                |                                 |                |  |   | 12<br><br>Number of Claims<br>Reported -<br>Direct and<br>Assumed |
|   |            | 1<br><br>Direct and<br>Assumed | 2<br><br>Ceded | 3<br><br>Net<br>(Columns<br>1 - 2) | Loss Payments                  |                | Defense and Cost<br>Containment Payments |                | Adjusting and Other<br>Payments |                | 10<br><br>Salvage and<br>Subrogation<br>Received | 11<br><br>Total Net<br>Paid (Columns<br>4 - 5 + 6<br>- 7 + 8 - 9) |   |
|   |            |                                |                |                                    | 4<br><br>Direct and<br>Assumed | 5<br><br>Ceded | 6<br><br>Direct and<br>Assumed           | 7<br><br>Ceded | 8<br><br>Direct and<br>Assumed  | 9<br><br>Ceded |  |   |   |
|   |            |                                |                |                                    |                                |                |  |                |                                 |                |  |   |   |
| 1.  | Prior ...  | ... X X X ...                  | ... X X X ...  | ... X X X ...                      | ..... 253                      | ..... 73       | ..... 96                                 | ..... 6        | ..... 68                        | ..... 1        | ..... 49   | ..... 337   | ... X X X ...   |
| 2.  | 2005 ...   | ..... 87,119                   | ..... 4,299    | ..... 82,820                       | ..... 44,692                   | ..... 6,430    | ..... 2,783                              | ..... 6        | ..... 4,346                     | ..... 0        | ..... 2,228                                      | ..... 45,384  | ... X X X ...   |
| 3.  | 2006 ...   | ..... 91,569                   | ..... 4,948    | ..... 86,621                       | ..... 42,113                   | ..... 1,278    | ..... 3,047                              | ..... 69       | ..... 4,774                     | ..... 0        | ..... 1,834                                      | ..... 48,587  | ... X X X ...   |
| 4.  | 2007 ...   | ..... 93,746                   | ..... 5,438    | ..... 88,308                       | ..... 46,409                   | ..... 4,746    | ..... 2,812                              | ..... 31       | ..... 5,014                     | ..... 148      | ..... 2,097                                      | ..... 49,311  | ... X X X ...   |
| 5.  | 2008 ...   | ..... 93,865                   | ..... 6,839    | ..... 87,026                       | ..... 68,286                   | ..... 17,192   | ..... 2,699                              | ..... 40       | ..... 5,734                     | ..... 685      | ..... 2,198                                      | ..... 58,801  | ... X X X ...   |
| 6.  | 2009 ...   | ..... 94,037                   | ..... 7,809    | ..... 86,228                       | ..... 55,300                   | ..... 1,939    | ..... 2,315                              | ..... 226      | ..... 4,673                     | ..... 39       | ..... 2,539                                      | ..... 60,084  | ... X X X ...   |
| 7.  | 2010 ...   | ..... 92,091                   | ..... 9,568    | ..... 82,523                       | ..... 59,326                   | ..... 4,484    | ..... 1,689                              | ..... 0        | ..... 4,476                     | ..... 60       | ..... 2,489                                      | ..... 60,946  | ... X X X ...   |
| 8.  | 2011 ...   | ..... 83,659                   | ..... 8,733    | ..... 74,926                       | ..... 61,945                   | ..... 6,026    | ..... 1,246                              | ..... 15       | ..... 4,145                     | ..... 115      | ..... 2,211                                      | ..... 61,181  | ... X X X ...   |
| 9.  | 2012 ...   | ..... 80,177                   | ..... 9,901    | ..... 70,276                       | ..... 45,135                   | ..... 719      | ..... 936                                | ..... 0        | ..... 3,301                     | ..... 23       | ..... 2,031                                      | ..... 48,629  | ... X X X ...   |
| 10.   | 2013 ...   | ..... 82,790                   | ..... 8,995    | ..... 73,795                       | ..... 38,487                   | ..... 2,150    | ..... 406                                | ..... 2        | ..... 3,124                     | ..... 24       | ..... 1,808                                      | ..... 39,841  | ... X X X ...   |
| 11.   | 2014 ...   | ..... 89,317                   | ..... 7,800    | ..... 81,516                       | ..... 29,490                   | ..... 643      | ..... 96                                 |                | ..... 2,759                     | ..... 8        | ..... 1,134                                      | ..... 31,693  | ... X X X ...   |
| 12.   | Totals ... | ... X X X ...                  | ... X X X ...  | ... X X X ...                      | ..... 491,435                  | ..... 45,681   | ..... 18,123                             | ..... 395      | ..... 42,414                    | ..... 1,103    | ..... 20,617                                     | ..... 504,793   | ... X X X ...   |

|            | Losses Unpaid      |       |                    |       | Defense and Cost Containment Unpaid |       |                    |       | Adjusting and Other Unpaid |       | 23    | 24     | 25    |
|------------|--------------------|-------|--------------------|-------|-------------------------------------|-------|--------------------|-------|----------------------------|-------|-------|--------|-------|
|            | Case Basis         |       | Bulk + IBNR        |       | Case Basis                          |       | Bulk + IBNR        |       |                            |       |       |        |       |
|            | 13                 | 14    | 15                 | 16    | 17                                  | 18    | 19                 | 20    | 21                         | 22    |       |        |       |
|            | Direct and Assumed | Ceded | Direct and Assumed | Ceded | Direct and Assumed                  | Ceded | Direct and Assumed | Ceded | Direct and Assumed         | Ceded |       |        |       |
| 1. Prior   | 4,480              | 2,212 | 3,511              | 827   |                                     |       | 1,234              | 188   | 869                        | 38    |       | 6,829  | X X X |
| 2. 2005    | 559                | 41    | 815                | 203   |                                     |       | 323                | 38    | 199                        | 16    | 26    | 1,598  | X X X |
| 3. 2006    | 1,002              | 80    | 944                | 218   |                                     |       | 462                | 61    | 260                        | 13    | 32    | 2,296  | X X X |
| 4. 2007    | 1,518              | 690   | 1,337              | 483   |                                     |       | 540                | 66    | 374                        | 28    | 58    | 2,502  | X X X |
| 5. 2008    | 1,527              |       | 1,336              | 390   |                                     |       | 650                | 67    | 454                        | 31    | 94    | 3,480  | X X X |
| 6. 2009    | 1,368              | 503   | 1,241              | 218   |                                     |       | 806                | 150   | 437                        | 17    | 161   | 2,964  | X X X |
| 7. 2010    | 1,144              | 6     | 1,079              | 219   |                                     |       | 833                | 77    | 421                        | 16    | 167   | 3,159  | X X X |
| 8. 2011    | 2,828              | 46    | 1,093              | 274   |                                     |       | 1,014              | 78    | 595                        | 17    | 262   | 5,114  | X X X |
| 9. 2012    | 3,213              | 18    | 1,978              | 391   |                                     |       | 1,690              | 126   | 801                        | 27    | 423   | 7,120  | X X X |
| 10. 2013   | 5,086              | 181   | 3,625              | 528   |                                     |       | 2,220              | 155   | 1,162                      | 50    | 748   | 11,179 | X X X |
| 11. 2014   | 10,187             | 480   | 9,812              | 1,751 |                                     |       | 2,731              | 171   | 2,379                      | 175   | 1,691 | 22,533 | X X X |
| 12. Totals | 32,912             | 4,255 | 26,771             | 5,503 |                                     |       | 12,503             | 1,179 | 7,952                      | 428   | 3,661 | 68,773 | X X X |

|                | Total Losses and<br>Loss Expenses Incurred |             |           | Loss and Loss Expense Percentage<br>(Incurred/Premiums Earned) |             |           | Nontabular<br>Discount |                       | 34<br>Inter-Company                    | Net Balance Sheet<br>Reserves After Discount |                               |
|----------------|--|-------------|-----------|--|-------------|-----------|------------------------|-----------------------|--|--|-------------------------------|
|                | 26<br>Direct and<br>Assumed                | 27<br>Ceded | 28<br>Net | 29<br>Direct and<br>Assumed                                    | 30<br>Ceded | 31<br>Net | 32<br>Loss             | 33<br>Loss<br>Expense | Pooling<br>Participation<br>Percentage | 35<br>Losses<br>Unpaid                       | 36<br>Loss Expenses<br>Unpaid |
|                |  |             |           |  |             |           |                        |                       |  |  |                               |
| 1. Prior ...   | X X X ...                                  | X X X ...   | X X X ... | X X X ...  | X X X ...   | X X X ... |                        |                       | X X X ...                              | 4,951  | 1,877                         |
| 2. 2005 ...    | 53,716                                     | 6,734       | 46,982    | 61.7   | 156.6       | 56.7      |                        |                       | 16.0                                   | 1,130  | 468                           |
| 3. 2006 ...    | 52,602                                     | 1,720       | 50,883    | 57.4   | 34.8        | 58.7      |                        |                       | 16.0                                   | 1,648  | 647                           |
| 4. 2007 ...    | 58,004                                     | 6,191       | 51,813    | 61.9   | 113.8       | 58.7      |                        |                       | 16.0                                   | 1,682  | 819                           |
| 5. 2008 ...    | 80,687                                     | 18,406      | 62,281    | 86.0   | 269.1       | 71.6      |                        |                       | 16.0                                   | 2,474  | 1,006                         |
| 6. 2009 ...    | 66,140                                     | 3,092       | 63,048    | 70.3   | 39.6        | 73.1      |                        |                       | 16.0                                   | 1,889  | 1,076                         |
| 7. 2010 ...    | 68,967                                     | 4,862       | 64,105    | 74.9   | 50.8        | 77.7      |                        |                       | 16.0                                   | 1,998  | 1,161                         |
| 8. 2011 ...    | 72,866                                     | 6,571       | 66,295    | 87.1   | 75.2        | 88.5      |                        |                       | 16.0                                   | 3,601  | 1,514                         |
| 9. 2012 ...    | 57,053                                     | 1,305       | 55,748    | 71.2   | 13.2        | 79.3      |                        |                       | 16.0                                   | 4,782  | 2,337                         |
| 10. 2013 ...   | 54,110                                     | 3,090       | 51,020    | 65.4   | 34.4        | 69.1      |                        |                       | 16.0                                   | 8,002  | 3,177                         |
| 11. 2014 ...   | 57,454                                     | 3,228       | 54,226    | 64.3   | 41.4        | 66.5      |                        |                       | 16.0                                   | 17,768                                       | 4,765                         |
| 12. Totals ... | X X X ...                                  | X X X ...   | X X X ... | X X X ...  | X X X ...   | X X X ... |                        |                       | X X X ...                              | 49,925                                       | 18,848                        |

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.

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE ALL AMERICA INSURANCE COMPANY

SCHEDULE P - PART 2 - SUMMARY

| Years in Which Losses Were Incurred | INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED) |        |        |        |        |        |        |        |        |        | DEVELOPMENT |          |
|-------------------------------------|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------------|----------|
|                                     | 1  | 2      | 3      | 4      | 5      | 6      | 7      | 8      | 9      | 10     | 11          | 12       |
|                                     | 2005   | 2006   | 2007   | 2008   | 2009   | 2010   | 2011   | 2012   | 2013   | 2014   | One Year    | Two Year |
| 1. Prior ...                        | 39,640   | 37,179 | 38,253 | 35,400 | 33,160 | 32,916 | 32,327 | 33,030 | 30,777 | 31,008 | 231         | (2,022)  |
| 2. 2005 ...                         | 45,481   | 44,513 | 43,710 | 45,876 | 43,812 | 43,211 | 42,405 | 43,366 | 42,919 | 42,452 | (467)       | (914)    |
| 3. 2006 ...                         | X X X  | 47,425 | 46,394 | 46,453 | 49,843 | 48,173 | 46,735 | 46,487 | 45,866 | 45,862 | (4)         | (625)    |
| 4. 2007 ...                         | X X X  | X X X  | 50,499 | 50,857 | 49,740 | 52,010 | 48,881 | 47,863 | 47,612 | 46,601 | (1,011)     | (1,262)  |
| 5. 2008 ...                         | X X X  | X X X  | X X X  | 60,773 | 60,492 | 59,944 | 61,204 | 58,440 | 57,323 | 56,808 | (515)       | (1,632)  |
| 6. 2009 ...                         | X X X  | X X X  | X X X  | X X X  | 61,733 | 63,611 | 60,827 | 61,292 | 59,106 | 57,995 | (1,111)     | (3,297)  |
| 7. 2010 ...                         | X X X  | X X X  | X X X  | X X X  | X X X  | 65,598 | 64,134 | 62,765 | 61,468 | 59,284 | (2,183)     | (3,481)  |
| 8. 2011 ...                         | X X X  | X X X  | X X X  | X X X  | X X X  | X X X  | 63,833 | 62,843 | 61,863 | 61,687 | (176)       | (1,156)  |
| 9. 2012 ...                         | X X X  | X X X  | X X X  | X X X  | X X X  | X X X  | X X X  | 50,085 | 52,210 | 51,696 | (514)       | 1,612    |
| 10. 2013 ...                        | X X X  | X X X  | X X X  | X X X  | X X X  | X X X  | X X X  | X X X  | 45,433 | 46,808 | 1,375       | X X X    |
| 11. 2014 ...                        | X X X  | X X X  | X X X  | X X X  | X X X  | X X X  | X X X  | X X X  | X X X  | 49,271 | X X X       | X X X    |
| 12. TOTALS                          |  |        |        |        |        |        |        |        |        |        | (4,374)     | (12,777) |

SCHEDULE P - PART 3 - SUMMARY

| Years in Which Losses Were Incurred | CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED) |        |        |        |        |        |        |        |        |        | 11  | 12   |
|-------------------------------------|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|---|--|
|                                     | 1   | 2      | 3      | 4      | 5      | 6      | 7      | 8      | 9      | 10     | Number of Claims Closed With Loss Payment | Number of Claims Closed Without Loss Payment |
|                                     | 2005  | 2006   | 2007   | 2008   | 2009   | 2010   | 2011   | 2012   | 2013   | 2014   |   |  |
| 1. Prior ...                        | 000   | 8,956  | 14,497 | 18,907 | 21,196 | 22,939 | 23,518 | 24,208 | 24,740 | 25,011 | X X X                                     | X X X  |
| 2. 2005 ...                         | 21,605  | 30,454 | 34,121 | 36,736 | 38,712 | 39,497 | 40,010 | 40,339 | 40,861 | 41,038 | X X X                                     | X X X  |
| 3. 2006 ...                         | X X X   | 24,364 | 32,565 | 36,867 | 40,119 | 41,753 | 42,508 | 43,164 | 43,603 | 43,813 | X X X                                     | X X X  |
| 4. 2007 ...                         | X X X   | X X X  | 24,953 | 33,816 | 38,278 | 41,322 | 42,946 | 43,875 | 44,212 | 44,444 | X X X                                     | X X X  |
| 5. 2008 ...                         | X X X   | X X X  | X X X  | 31,611 | 42,677 | 47,964 | 51,323 | 52,564 | 53,336 | 53,752 | X X X                                     | X X X  |
| 6. 2009 ...                         | X X X   | X X X  | X X X  | X X X  | 34,685 | 46,539 | 50,865 | 53,189 | 54,546 | 55,450 | X X X                                     | X X X  |
| 7. 2010 ...                         | X X X   | X X X  | X X X  | X X X  | X X X  | 37,587 | 49,250 | 53,606 | 55,562 | 56,530 | X X X                                     | X X X  |
| 8. 2011 ...                         | X X X   | X X X  | X X X  | X X X  | X X X  | X X X  | 41,600 | 51,390 | 55,147 | 57,151 | X X X                                     | X X X  |
| 9. 2012 ...                         | X X X   | X X X  | X X X  | X X X  | X X X  | X X X  | X X X  | 32,564 | 41,965 | 45,351 | X X X                                     | X X X  |
| 10. 2013 ...                        | X X X   | X X X  | X X X  | X X X  | X X X  | X X X  | X X X  | X X X  | 28,445 | 36,740 | X X X                                     | X X X  |
| 11. 2014 ...                        | X X X   | X X X  | X X X  | X X X  | X X X  | X X X  | X X X  | X X X  | X X X  | 28,943 | X X X                                     | X X X  |

SCHEDULE P - PART 4 - SUMMARY

| Years in Which Losses Were Incurred | BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED) |        |        |        |        |        |       |       |       |        |
|-------------------------------------|---|--------|--------|--------|--------|--------|-------|-------|-------|--------|
|                                     | 1   | 2      | 3      | 4      | 5      | 6      | 7     | 8     | 9     | 10     |
|                                     | 2005  | 2006   | 2007   | 2008   | 2009   | 2010   | 2011  | 2012  | 2013  | 2014   |
| 1. Prior .....                      | 15,454  | 11,435 | 9,490  | 7,979  | 5,413  | 5,523  | 4,990 | 5,541 | 3,460 | 3,729  |
| 2. 2005 .....                       | 11,889  | 6,522  | 4,506  | 5,184  | 3,035  | 2,024  | 1,156 | 1,916 | 1,336 | 897    |
| 3. 2006 .....                       | X X X   | 11,523 | 6,939  | 4,203  | 6,227  | 3,808  | 2,182 | 1,943 | 1,156 | 1,127  |
| 4. 2007 .....                       | X X X   | X X X  | 14,038 | 8,972  | 4,972  | 6,091  | 3,107 | 2,642 | 2,191 | 1,329  |
| 5. 2008 .....                       | X X X   | X X X  | X X X  | 16,769 | 9,626  | 5,742  | 5,329 | 3,640 | 2,103 | 1,529  |
| 6. 2009 .....                       | X X X   | X X X  | X X X  | X X X  | 15,260 | 9,654  | 4,920 | 5,408 | 2,885 | 1,679  |
| 7. 2010 .....                       | X X X   | X X X  | X X X  | X X X  | X X X  | 14,688 | 6,918 | 4,937 | 3,551 | 1,616  |
| 8. 2011 .....                       | X X X   | X X X  | X X X  | X X X  | X X X  | X X X  | 9,210 | 4,271 | 2,129 | 1,754  |
| 9. 2012 .....                       | X X X   | X X X  | X X X  | X X X  | X X X  | X X X  | X X X | 5,722 | 4,225 | 3,150  |
| 10. 2013 .....                      | X X X   | X X X  | X X X  | X X X  | X X X  | X X X  | X X X | X X X | 7,134 | 5,162  |
| 11. 2014 .....                      | X X X   | X X X  | X X X  | X X X  | X X X  | X X X  | X X X | X X X | X X X | 10,621 |

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

|              |                               | 1                | Gross Premiums, Including<br>Policy and Membership Fees<br>Less Return Premiums and<br>Premiums on Policies Not Taken |                              | 4   | 5  | 6                            | 7                          | 8  | 9  |
|--------------|-------------------------------|------------------|---|------------------------------|---|--|------------------------------|----------------------------|--|--|
|              |                               | Active<br>Status | 2   | 3                            | Dividends<br>Paid or<br>Credited to<br>Policyholders<br>on Direct<br>Business | Direct<br>Losses<br>Paid<br>(Deducting<br>Salvage) | Direct<br>Losses<br>Incurred | Direct<br>Losses<br>Unpaid | Finance<br>and Service<br>Charges Not<br>Included in<br>Premiums | Direct<br>Premium<br>Written for<br>Federal<br>Purchasing<br>Groups<br>(Included in<br>Column 2) |
| States, Etc. |                               |                  | Direct<br>Premiums<br>Written   | Direct<br>Premiums<br>Earned |   |  |                              |                            |  |  |
| 1.           | Alabama (AL)                  | N                |   |                              |   |  |                              |                            |  |  |
| 2.           | Alaska (AK)                   | N                |   |                              |   |  |                              |                            |  |  |
| 3.           | Arizona (AZ)                  | L                | 1,715,650   | 1,761,902                    |   | 1,225,897  | (643,546)                    | 1,540,575                  | 4,649  |  |
| 4.           | Arkansas (AR)                 | N                |   |                              |   |  |                              |                            |  |  |
| 5.           | California (CA)               | L                |   |                              |   |  |                              |                            |  |  |
| 6.           | Colorado (CO)                 | N                |   |                              |   |  |                              |                            |  |  |
| 7.           | Connecticut (CT)              | L                | 2,465,832   | 1,991,787                    | 70,861  | 345,078  | 1,018,262                    | 3,213,794                  | 7,000  |  |
| 8.           | Delaware (DE)                 | N                |   |                              |   |  |                              |                            |  |  |
| 9.           | District of Columbia (DC)     | N                |   |                              |   |  |                              |                            |  |  |
| 10.          | Florida (FL)                  | N                |   |                              |   | (62)   | (61,322)                     | 13,434                     |  |  |
| 11.          | Georgia (GA)                  | L                | 5,486,982   | 5,265,392                    | 37,040  | 1,520,991  | 2,619,796                    | 3,784,550                  | 14,534   |  |
| 12.          | Hawaii (HI)                   | N                |   |                              |   |  |                              |                            |  |  |
| 13.          | Idaho (ID)                    | N                |   |                              |   |  |                              |                            |  |  |
| 14.          | Illinois (IL)                 | L                | 897,198   | 817,646                      |   | 292,183  | (1,171,154)                  | 4,635,534                  | 1,768  |  |
| 15.          | Indiana (IN)                  | L                | 2,201,361   | 2,156,080                    | 8,811   | 564,438  | (517,242)                    | 1,126,866                  | 3,744  |  |
| 16.          | Iowa (IA)                     | L                |   |                              |   |  |                              |                            |  |  |
| 17.          | Kansas (KS)                   | N                |   |                              |   |  |                              |                            |  |  |
| 18.          | Kentucky (KY)                 | L                | 9,526   | 2,641                        |   |  | 3,449                        | 3,449                      | 16   |  |
| 19.          | Louisiana (LA)                | N                |   |                              |   |  |                              |                            |  |  |
| 20.          | Maine (ME)                    | N                |   |                              |   |  |                              |                            |  |  |
| 21.          | Maryland (MD)                 | N                |   |                              |   |  |                              |                            |  |  |
| 22.          | Massachusetts (MA)            | L                | 3,845,672   | 3,454,091                    | 72,398  | 3,636,206  | 482,470                      | 9,024,458                  | 10,689   |  |
| 23.          | Michigan (MI)                 | L                | 1,637,454   | 1,453,586                    |   | 796,096  | 1,705,616                    | 1,321,277                  | 3,664  |  |
| 24.          | Minnesota (MN)                | N                |   |                              |   |  |                              |                            |  |  |
| 25.          | Mississippi (MS)              | N                |   |                              |   |  |                              |                            |  |  |
| 26.          | Missouri (MO)                 | N                |   |                              |   |  |                              |                            |  |  |
| 27.          | Montana (MT)                  | N                |   |                              |   |  |                              |                            |  |  |
| 28.          | Nebraska (NE)                 | N                |   |                              |   |  |                              |                            |  |  |
| 29.          | Nevada (NV)                   | L                |   |                              |   |  |                              |                            |  |  |
| 30.          | New Hampshire (NH)            | N                |   |                              |   |  |                              |                            |  |  |
| 31.          | New Jersey (NJ)               | L                |   |                              |   | 327,516  | (1,428,718)                  | 4,730,962                  |  |  |
| 32.          | New Mexico (NM)               | N                |   |                              |   |  |                              |                            |  |  |
| 33.          | New York (NY)                 | L                | 4,394,622   | 4,188,557                    | 40,354  | 3,716,293  | 4,546,840                    | 7,006,291                  | 8,768  |  |
| 34.          | North Carolina (NC)           | L                | 3,648,686   | 3,446,303                    | 42,268  | 779,302  | 1,795,477                    | 3,142,853                  | 8,896  |  |
| 35.          | North Dakota (ND)             | N                |   |                              |   |  |                              |                            |  |  |
| 36.          | Ohio (OH)                     | L                | 5,252,689   | 5,361,758                    |   | 1,953,078  | 1,533,560                    | 5,054,231                  | 11,125   |  |
| 37.          | Oklahoma (OK)                 | L                | 807,403   | 896,553                      |   | 538,313  | (388,668)                    | 655,746                    | 728  |  |
| 38.          | Oregon (OR)                   | N                |   |                              |   |  |                              |                            |  |  |
| 39.          | Pennsylvania (PA)             | N                |   |                              |   |  |                              |                            |  |  |
| 40.          | Rhode Island (RI)             | N                |   |                              |   |  |                              |                            |  |  |
| 41.          | South Carolina (SC)           | L                | 1,159,595   | 1,094,152                    | 41,510  | 201,274  | 1,006,187                    | 2,037,117                  | 2,264  |  |
| 42.          | South Dakota (SD)             | N                |   |                              |   |  |                              |                            |  |  |
| 43.          | Tennessee (TN)                | L                | 1,937,043   | 1,841,638                    | 1,831   | 641,090  | 1,072,080                    | 2,151,007                  | 5,398  |  |
| 44.          | Texas (TX)                    | L                | 212,963   | 349,628                      |   | 325,275  | 237,539                      | 1,741,723                  | 272  |  |
| 45.          | Utah (UT)                     | N                |   |                              |   |  |                              |                            |  |  |
| 46.          | Vermont (VT)                  | N                |   |                              |   |  |                              |                            |  |  |
| 47.          | Virginia (VA)                 | L                | 2,238,371   | 2,254,024                    | 6,467   | 1,650,560  | 1,357,865                    | 1,754,202                  | 6,944  |  |
| 48.          | Washington (WA)               | N                |   |                              |   |  |                              |                            |  |  |
| 49.          | West Virginia (WV)            | N                |   |                              |   |  |                              |                            |  |  |
| 50.          | Wisconsin (WI)                | L                |   |                              |   |  |                              |                            |  |  |
| 51.          | Wyoming (WY)                  | N                |   |                              |   |  |                              |                            |  |  |
| 52.          | American Samoa (AS)           | N                |   |                              |   |  |                              |                            |  |  |
| 53.          | Guam (GU)                     | N                |   |                              |   |  |                              |                            |  |  |
| 54.          | Puerto Rico (PR)              | N                |   |                              |   |  |                              |                            |  |  |
| 55.          | U.S. Virgin Islands (VI)      | N                |   |                              |   |  |                              |                            |  |  |
| 56.          | Northern Mariana Islands (MP) | N                |   |                              |   |  |                              |                            |  |  |
| 57.          | Canada (CAN)                  | N                |   |                              |   |  |                              |                            |  |  |
| 58.          | Aggregate other alien (OT)    | X X X            |   |                              |   |  |                              |                            |  |  |
| 59.          | TOTALS                        | (a). 21          | 37,911,047  | 36,335,738                   | 321,540   | 18,513,528   | 13,168,491                   | 52,938,069                 | 90,459   |  |

DETAILS OF WRITE-INS

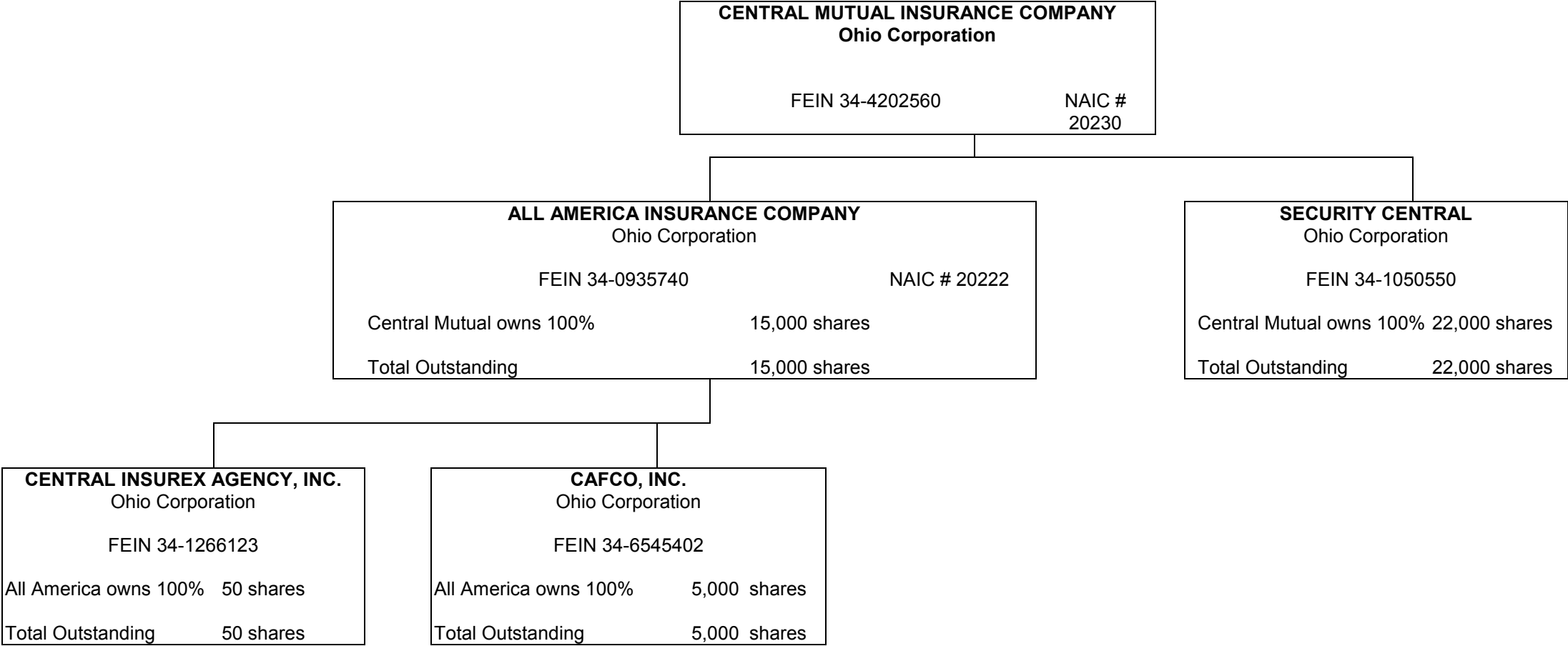
|        |   |       |  |  |  |  |  |  |  |  |
|--------|---|-------|--|--|--|--|--|--|--|--|
| 58001. |   | X X X |  |  |  |  |  |  |  |  |
| 58002. |   | X X X |  |  |  |  |  |  |  |  |
| 58003. |   | X X X |  |  |  |  |  |  |  |  |
| 58998. | Summary of remaining write-ins<br>for Line 58 from overflow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

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

(a) Insert the number of L responses except for Canada and Other Alien.  
Explanation of basis of allocation of premiums by states, etc.: PREMIUMS ARE ALLOCATED ACCORDING TO THE FOLLOWING: WORKERS' COMPENSATION-THE LOCATIONS OF THE INSURED'S OPERATIONS; AUTOMOBILE LIABILITY AND AUTOMOBILE PHYSICAL DAMAGE-THE LOCATION OF THE PRINCIPAL GARAGE; GROUP ACCIDENT AND HEALTH AND OTHER ACCIDENT AND HEALTH-THE ADDRESS OF THE INSURED'S RESIDENCE; FIDELITY-THE LOCATION OF THE EMPLOYER OR INSURED; SURETY-THE PRINCIPAL, THE COURT, THE OBLIGEE, OR WORK. ALL OTHER PREMIUMS-THE LOCATIONS OF THE RISK.

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

96



INDEX TO PROPERTY & CASUALTY  
ANNUAL STATEMENT

|   |      |
|---|------|
| Assets .....  | 2    |
| Cash Flow .....   | 5    |
| Exhibit of Capital Gains (Losses) .....                 | 12   |
| Exhibit of Net Investment Income .....                  | 12   |
| Exhibit of Nonadmitted Assets .....                     | 13   |
| Exhibit of Premiums and Losses (State Page) .....       | 19   |
| Five-Year Historical Data .....                         | 17   |
| General Interrogatories .....                           | 15   |
| Jurat Page .....  | 1    |
| Liabilities, Surplus and Other Funds .....              | 3    |
| Notes To Financial Statements .....                     | 14   |
| Overflow Page for Write-ins .....                       | 100  |
| Schedule A - Part 1 .....                               | E01  |
| Schedule A - Part 2 .....                               | E02  |
| Schedule A - Part 3 .....                               | E03  |
| Schedule A - Verification Between Years .....           | SI02 |
| Schedule B - Part 1 .....                               | E04  |
| Schedule B - Part 2 .....                               | E05  |
| Schedule B - Part 3 .....                               | E06  |
| Schedule B - Verification Between Years .....           | SI02 |
| Schedule BA - Part 1 .....                              | E07  |
| Schedule BA - Part 2 .....                              | E08  |
| Schedule BA - Part 3 .....                              | E09  |
| Schedule BA - Verification Between Years .....          | SI03 |
| Schedule D - Part 1 .....                               | E10  |
| Schedule D - Part 1A - Section 1 .....                  | SI05 |
| Schedule D - Part 1A - Section 2 .....                  | SI08 |
| Schedule D - Part 2 - Section 1 .....                   | E11  |
| Schedule D - Part 2 - Section 2 .....                   | E12  |
| Schedule D - Part 3 .....                               | E13  |
| Schedule D - Part 4 .....                               | E14  |
| Schedule D - Part 5 .....                               | E15  |
| Schedule D - Part 6 - Section 1 .....                   | E16  |
| Schedule D - Part 6 - Section 2 .....                   | E16  |
| Schedule D - Summary By Country .....                   | SI04 |
| Schedule D - Verification Between Years .....           | SI03 |
| Schedule DA - Part 1 .....                              | E17  |
| Schedule DA - Verification Between Years .....          | SI10 |
| Schedule DB - Part A - Section 1 .....                  | E18  |
| Schedule DB - Part A - Section 2 .....                  | E19  |
| Schedule DB - Part A - Verification Between Years ..... | SI11 |
| Schedule DB - Part B - Section 1 .....                  | E20  |
| Schedule DB - Part B - Section 2 .....                  | E21  |
| Schedule DB - Part B - Verification Between Years ..... | SI11 |
| Schedule DB - Part C - Section 1 .....                  | SI12 |
| Schedule DB - Part C - Section 2 .....                  | SI13 |
| Schedule DB - Part D - Section 1 .....                  | E22  |
| Schedule DB - Part D - Section 2 .....                  | E23  |
| Schedule DB - Verification .....                        | SI14 |
| Schedule DL - Part 1 .....                              | E24  |
| Schedule DL - Part 2 .....                              | E25  |
| Schedule E - Part 1 - Cash .....                        | E26  |
| Schedule E - Part 2 - Cash Equivalents .....            | E27  |
| Schedule E - Part 3 - Special Deposits .....            | E28  |
| Schedule E - Verification Between Years .....           | SI15 |
| Schedule F - Part 1 .....                               | 20   |
| Schedule F - Part 2 .....                               | 21   |
| Schedule F - Part 3 .....                               | 22   |
| Schedule F - Part 4 .....                               | 23   |
| Schedule F - Part 5 .....                               | 24   |

INDEX TO PROPERTY & CASUALTY  
ANNUAL STATEMENT

|  |    |
|--|----|
| Schedule F - Part 6 - Section 1 .....  | 25 |
| Schedule F - Part 6 - Section 2 .....  | 26 |
| Schedule F - Part 7 .....  | 27 |
| Schedule F - Part 8 .....  | 28 |
| Schedule F - Part 9 .....  | 29 |
| Schedule H - Accident and Health Exhibit - Part 1 .....  | 30 |
| Schedule H - Parts 2, 3, and 4 .....   | 31 |
| Schedule H - Part 5 - Health Claims .....  | 32 |
| Schedule P - Part 1 - Summary .....  | 33 |
| Schedule P - Part 1A - Homeowners/Farmowners .....   | 35 |
| Schedule P - Part 1B - Private Passenger Auto Liability/Medical .....  | 36 |
| Schedule P - Part 1C - Commercial Auto/Truck Liability/Medical .....   | 37 |
| Schedule P - Part 1D - Workers' Compensation (Excluding Excess Workers' Compensation) .....                        | 38 |
| Schedule P - Part 1E - Commercial Multiple Peril .....   | 39 |
| Schedule P - Part 1F - Section 1 - Medical Professional Liability - Occurrence .....                               | 40 |
| Schedule P - Part 1F - Section 2 - Medical Professional Liability - Claims-Made .....                              | 41 |
| Schedule P - Part 1G - Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery) .....         | 42 |
| Schedule P - Part 1H - Section 1 - Other Liability - Occurrence .....  | 43 |
| Schedule P - Part 1H - Section 2 - Other Liability - Claims-Made .....   | 44 |
| Schedule P - Part 1I - Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary & Theft) .....    | 45 |
| Schedule P - Part 1J - Auto Physical Damage .....  | 46 |
| Schedule P - Part 1K - Fidelity/Surety .....   | 47 |
| Schedule P - Part 1L - Other (Including Credit, Accident and Health) .....   | 48 |
| Schedule P - Part 1M - International .....   | 49 |
| Schedule P - Part 1N - Reinsurance - Nonproportional Assumed Property .....  | 50 |
| Schedule P - Part 1O - Reinsurance - Nonproportional Assumed Liability .....                                       | 51 |
| Schedule P - Part 1P - Reinsurance - Nonproportional Assumed Financial Lines .....                                 | 52 |
| Schedule P - Part 1R - Section 1 - Products Liability - Occurrence .....   | 53 |
| Schedule P - Part 1R - Section 2 - Products Liability - Claims-Made .....  | 54 |
| Schedule P - Part 1S - Financial Guaranty/Mortgage Guaranty .....  | 55 |
| Schedule P - Part 1T - Warranty .....  | 56 |
| Schedule P - Part 2, Part 3 and Part 4 - Summary .....   | 34 |
| Schedule P - Part 2A - Homeowners/Farmowners .....   | 57 |
| Schedule P - Part 2B - Private Passenger Auto Liability/Medical .....  | 57 |
| Schedule P - Part 2C - Commercial Auto/Truck Liability/Medical .....   | 57 |
| Schedule P - Part 2D - Workers' Compensation (Excluding Excess Workers' Compensation) .....                        | 57 |
| Schedule P - Part 2E - Commercial Multiple Peril .....   | 57 |
| Schedule P - Part 2F - Section 1 - Medical Professional Liability - Occurrence .....                               | 58 |
| Schedule P - Part 2F - Section 2 - Medical Professional Liability - Claims-Made .....                              | 58 |
| Schedule P - Part 2G - Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery) .....         | 58 |
| Schedule P - Part 2H - Section 1 - Other Liability - Occurrence .....  | 58 |
| Schedule P - Part 2H - Section 2 - Other Liability - Claims - Made .....   | 58 |
| Schedule P - Part 2I - Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, and Theft) ..... | 59 |
| Schedule P - Part 2J - Auto Physical Damage .....  | 59 |
| Schedule P - Part 2K - Fidelity, Surety .....  | 59 |
| Schedule P - Part 2L - Other (Including Credit, Accident and Health) .....   | 59 |
| Schedule P - Part 2M - International .....   | 59 |
| Schedule P - Part 2N - Reinsurance - Nonproportional Assumed Property .....  | 60 |
| Schedule P - Part 2O - Reinsurance - Nonproportional Assumed Liability .....                                       | 60 |
| Schedule P - Part 2P - Reinsurance - Nonproportional Assumed Financial Lines .....                                 | 60 |
| Schedule P - Part 2R - Section 1 - Products Liability - Occurrence .....   | 61 |
| Schedule P - Part 2R - Section 2 - Products Liability - Claims-Made .....  | 61 |
| Schedule P - Part 2S - Financial Guaranty/Mortgage Guaranty .....  | 61 |
| Schedule P - Part 2T - Warranty .....  | 61 |
| Schedule P - Part 3A - Homeowners/Farmowners .....   | 62 |
| Schedule P - Part 3B - Private Passenger Auto Liability/Medical .....  | 62 |
| Schedule P - Part 3C - Commercial Auto/Truck Liability/Medical .....   | 62 |
| Schedule P - Part 3D - Workers' Compensation (Excluding Excess Workers' Compensation) .....                        | 62 |
| Schedule P - Part 3E - Commercial Multiple Peril .....   | 62 |
| Schedule P - Part 3F - Section 1 - Medical Professional Liability - Occurrence .....                               | 63 |
| Schedule P - Part 3F - Section 2 - Medical Professional Liability - Claims-Made .....                              | 63 |
| Schedule P - Part 3G - Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery) .....         | 63 |
| Schedule P - Part 3H - Section 1 - Other Liability - Occurrence .....  | 63 |
| Schedule P - Part 3H - Section 2 - Other Liability - Claims-Made .....   | 63 |

INDEX TO PROPERTY & CASUALTY  
ANNUAL STATEMENT

|  |    |
|--|----|
| Schedule P - Part 3I - Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, and Theft) | 64 |
| Schedule P - Part 3J - Auto Physical Damage  | 64 |
| Schedule P - Part 3K - Fidelity/Surety   | 64 |
| Schedule P - Part 3L - Other (Including Credit, Accident and Health)   | 64 |
| Schedule P - Part 3M - International   | 64 |
| Schedule P - Part 3N - Reinsurance - Nonproportional Assumed Property  | 65 |
| Schedule P - Part 3O - Reinsurance - Nonproportional Assumed Liability                                       | 65 |
| Schedule P - Part 3P - Reinsurance - Nonproportional Assumed Financial Lines                                 | 65 |
| Schedule P - Part 3R - Section 1 - Products Liability - Occurrence   | 66 |
| Schedule P - Part 3R - Section 2 - Products Liability - Claims-Made  | 66 |
| Schedule P - Part 3S - Financial Guaranty/Mortgage Guaranty  | 66 |
| Schedule P - Part 3T - Warranty  | 66 |
| Schedule P - Part 4A - Homeowners/Farmowners   | 67 |
| Schedule P - Part 4B - Private Passenger Auto Liability/Medical  | 67 |
| Schedule P - Part 4C - Commercial Auto/Truck Liability/Medical   | 67 |
| Schedule P - Part 4D Workers' Compensation (Excluding Excess Workers' Compensation)                          | 67 |
| Schedule P - Part 4E - Commercial Multiple Peril   | 67 |
| Schedule P - Part 4F - Section 1 - Medical Professional Liability - Occurrence                               | 68 |
| Schedule P - Part 4F - Section 2 - Medical Professional Liability - Claims-Made                              | 68 |
| Schedule P - Part 4G - Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery)         | 68 |
| Schedule P - Part 4H - Section 1 - Other Liability - Occurrence  | 68 |
| Schedule P - Part 4H - Section 2 - Other Liability - Claims-Made   | 68 |
| Schedule P - Part 4I - Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary and Theft)  | 69 |
| Schedule P - Part 4J - Auto Physical Damage  | 69 |
| Schedule P - Part 4K - Fidelity/Surety   | 69 |
| Schedule P - Part 4L - Other (Including Credit, Accident and Health)   | 69 |
| Schedule P - Part 4M - International   | 69 |
| Schedule P - Part 4N - Reinsurance - Nonproportional Assumed Property  | 70 |
| Schedule P - Part 4O - Reinsurance - Nonproportional Assumed Liability                                       | 70 |
| Schedule P - Part 4P - Reinsurance - Nonproportional Assumed Financial Lines                                 | 70 |
| Schedule P - Part 4R - Section 1 - Products Liability - Occurrence   | 71 |
| Schedule P - Part 4R - Section 2 - Products Liability - Claims-Made  | 71 |
| Schedule P - Part 4S - Financial Guaranty/Mortgage Guaranty  | 71 |
| Schedule P - Part 4T - Warranty  | 71 |
| Schedule P - Part 5A - Homeowners/Farmowners   | 72 |
| Schedule P - Part 5B - Private Passenger Auto Liability/Medical  | 73 |
| Schedule P - Part 5C - Commercial Auto/Truck Liability/Medical   | 74 |
| Schedule P - Part 5D - Workers' Compensation (Excluding Excess Worker' Compensation)                         | 75 |
| Schedule P - Part 5E - Commercial Multiple Peril   | 76 |
| Schedule P - Part 5F - Medical Professional Liability - Claims-Made  | 78 |
| Schedule P - Part 5F - Medical Professional Liability - Occurrence   | 77 |
| Schedule P - Part 5H - Other Liability - Claims-Made   | 80 |
| Schedule P - Part 5H - Other Liability - Occurrence  | 79 |
| Schedule P - Part 5R - Products Liability - Claims-Made  | 82 |
| Schedule P - Part 5R - Products Liability - Occurrence   | 81 |
| Schedule P - Part 5T - Warranty  | 83 |
| Schedule P - Part 6C - Commercial Auto/Truck Liability/Medical   | 84 |
| Schedule P - Part 6D - Workers' Compensation (Excluding Excess Workers' Compensation)                        | 84 |
| Schedule P - Part 6E - Commercial Multiple Peril   | 85 |
| Schedule P - Part 6H - Other Liability - Claims-Made   | 86 |
| Schedule P - Part 6H - Other Liability - Occurrence  | 85 |
| Schedule P - Part 6M - International   | 86 |
| Schedule P - Part 6N - Reinsurance - Nonproportional Assumed Property  | 87 |
| Schedule P - Part 6O - Reinsurance - Nonproportional Assumed Liability                                       | 87 |
| Schedule P - Part 6R - Products Liability - Claims-Made  | 88 |
| Schedule P - Part 6R - Products Liability - Occurrence   | 88 |
| Schedule P - Part 7A - Primary Loss Sensitive Contracts  | 89 |
| Schedule P - Part 7B - Reinsurance Loss Sensitive Contracts  | 91 |
| Schedule P Interrogatories   | 93 |
| Schedule T - Exhibit of Premiums Written   | 94 |
| Schedule T - Part 2 - Interstate Compact   | 95 |



INDEX TO PROPERTY & CASUALTY  
ANNUAL STATEMENT

|  |      |
|--|------|
| Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group ..... | 96   |
| Schedule Y - Part 1A - Detail of Insurance Holding Company System .....                            | 97   |
| Schedule Y - Part 2 - Summary of Insurer's Transactions With Any Affiliates .....                  | 98   |
| Statement of Income .....  | 4    |
| Summary Investment Schedule .....  | SI01 |
| Supplemental Exhibits and Schedules Interrogatories .....  | 99   |
| Underwriting and Investment Exhibit Part 1 .....   | 6    |
| Underwriting and Investment Exhibit Part 1A .....  | 7    |
| Underwriting and Investment Exhibit Part 1B .....  | 8    |
| Underwriting and Investment Exhibit Part 2 .....   | 9    |
| Underwriting and Investment Exhibit Part 2A .....  | 10   |
| Underwriting and Investment Exhibit Part 3 .....   | 11   |