



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2016
OF THE CONDITION AND AFFAIRS OF THE

United Ohio Insurance Company

NAIC Group Code 0963 (Current) 0963 (Prior) NAIC Company Code 13072 Employer's ID Number 34-1008736

Organized under the Laws of Ohio, State of Domicile or Port of Entry OH
Country of Domicile United States of America

Incorporated/Organized 12/01/1966 Commenced Business 03/01/1967

Statutory Home Office 1725 Hopley Avenue, Bucyrus, OH, US 44820-0111
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 1725 Hopley Avenue, Bucyrus, OH, US 44820-0111
(Street and Number) (City or Town, State, Country and Zip Code)
419-562-3011 (Area Code) (Telephone Number)

Mail Address 1725 Hopley Avenue, Bucyrus, OH, US 44820-0111
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 1725 Hopley Avenue, Bucyrus, OH, US 44820-0111
(Street and Number) (City or Town, State, Country and Zip Code)
419-562-3011 (Area Code) (Telephone Number)

Internet Website Address www.omig.com

Statutory Statement Contact Charles Elmer Easum Mr., 419-563-0810
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OFFICERS

President Mark Clarence Russell, Mr. Secretary Albert Michael Heister, Mr.
Treasurer David Gary Hendrix, Mr.

OTHER

Todd Emery Albert, Mr., Vice President Information Systems
Howard Lowell Barber, Mr. #, Vice President Sales
Michael Alexander Brogan, Mr., Vice President Claims
Chad Philip Combs, Mr. #, Vice President Personal Lines Underwriting
David Alan Grove, Mr., Vice President Product Management
Gary Thomas Johnson, Mr. #, Vice President Commercial Lines Underwriting
Susan Elizabeth Kent, Mrs. #, Vice President Business Analytics
Marcella Slone Smith, Mrs. #, Vice President Human Resources

DIRECTORS OR TRUSTEES

Robert Bruce Albro, Mr. Albert Michael Heister, Mr. Susan Porter, Mrs.
John Redon Purse, Mr. Mark Clarence Russell, Mr. David Anthony Siebenburgen, Mr.
Randy Lee Walker, Mr. Thomas Eugene Woolley, Mr.

State of Ohio SS:
County of Crawford

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

Mark Clarence Russell
President and CEO

David Gary Hendrix
Treasurer and CFO

Michael Alexander Brogan
Assistant Secretary

Subscribed and sworn to before me this
day of

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

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE United Ohio Insurance Company

**ASSETS**

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D) .....	235,094,755		235,094,755	222,935,790
2. Stocks (Schedule D):				
2.1 Preferred stocks .....	7,052,766		7,052,766	
2.2 Common stocks .....	12,325,793		12,325,793	11,234,104
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 \$ .....				
encumbrances) .....				
4.2 Properties held for the production of income (less				
\$ .....				
encumbrances) .....				
4.3 Properties held for sale (less \$ .....				
encumbrances) .....				
5. Cash (\$ .....4,529,977 , Schedule E - Part 1), cash equivalents				
(\$ ....., Schedule E - Part 2) and short-term				
investments (\$ .....1,802,649 , Schedule DA) .....	6,332,626		6,332,626	13,033,924
6. Contract loans (including \$ ..... premium notes) .....				
7. Derivatives (Schedule DB) .....				
8. Other invested assets (Schedule BA) .....				
9. Receivable 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) .....	260,805,940		260,805,940	247,203,818
13. Title plants less \$ ..... charged off (for Title insurers				
only) .....				
14. Investment income due and accrued .....	1,948,016		1,948,016	1,908,708
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	1,488,949	176,076	1,312,873	1,495,125
15.2 Deferred premiums and agents' balances and installments booked but				
deferred and not yet due (including \$ .....				
earned but unbilled premiums) .....	31,506,580		31,506,580	28,389,130
15.3 Accrued retrospective premiums (\$ ..... ) and				
contracts subject to redetermination (\$ ..... ) .....				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	648,094		648,094	200,426
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	2,007,893		2,007,893	1,885,363
18.2 Net deferred tax asset .....	7,585,018	333,745	7,251,273	6,877,211
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 .....	1,092,627		1,092,627	965,927
24. Health care (\$ ..... ) and other amounts receivable .....				
25. Aggregate write-ins for other than invested assets .....	15,676,336	422,540	15,253,796	14,297,044
26. Total assets excluding Separate Accounts, Segregated Accounts and	322,759,453	932,361	321,827,092	303,222,752
Protected Cell Accounts (Lines 12 to 25) .....				
27. From Separate Accounts, Segregated Accounts and Protected Cell				
Accounts .....				
28. Total (Lines 26 and 27) .....	322,759,453	932,361	321,827,092	303,222,752
<b>DETAILS OF WRITE-INS</b>				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....				
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above) .....				
2501. Prepaid Insurance Premiums .....	422,540	422,540		
2502. Company Owned Life Insurance .....	15,253,796		15,253,796	14,297,044
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....				
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....	15,676,336	422,540	15,253,796	14,297,044

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE United Ohio Insurance Company  
**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8) .....	54,514,307	50,793,048
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) .....	12,987,720	12,237,965
4. Commissions payable, contingent commissions and other similar charges .....	4,417,537	5,108,562
5. Other expenses (excluding taxes, licenses and fees) .....	6,546,284	6,163,901
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	230,874	192,461
7.1 Current federal and foreign income taxes (including \$ ..... on realized capital gains (losses)) .....		
7.2 Net deferred tax liability .....		
8. Borrowed money \$ .....8,000,000 and interest thereon \$ .....5,556 .....	8,005,556	9,843,186
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ .....70,975,324 and including warranty reserves of \$ ..... and accrued accident and health experience rating refunds including \$ ..... for medical loss ratio rebate per the Public Health Service Act) .....	63,159,483	59,275,813
10. Advance premium .....	946,330	1,289,966
11. Dividends declared and unpaid:		
11.1 Stockholders .....		
11.2 Policyholders .....		
12. Ceded reinsurance premiums payable (net of ceding commissions) .....	669,692	647,581
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19) .....	1,751,771	1,653,162
14. Amounts withheld or retained by company for account of others .....	18,351	67,433
15. Remittances and items not allocated .....	135,488	68,659
16. Provision for reinsurance (including \$ ..... 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 .....		
20. Derivatives .....		
21. Payable for securities .....	252,500	499,688
22. Payable for securities lending .....		
23. Liability for amounts held under uninsured plans .....		
24. Capital notes \$ ..... and interest thereon \$ .....		
25. Aggregate write-ins for liabilities .....	7,903,997	7,120,769
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25) .....	161,539,890	154,962,194
27. Protected cell liabilities .....		
28. Total liabilities (Lines 26 and 27) .....	161,539,890	154,962,194
29. Aggregate write-ins for special surplus funds .....		
30. Common capital stock .....	2,500,000	2,500,000
31. Preferred capital stock .....		
32. Aggregate write-ins for other than special surplus funds .....		
33. Surplus notes .....		
34. Gross paid in and contributed surplus .....	3,715,912	3,715,912
35. Unassigned funds (surplus) .....	154,071,290	142,044,646
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 30 \$ ..... ) .....		
36.2 ..... shares preferred (value included in Line 31 \$ ..... ) .....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39) .....	160,287,202	148,260,558
38. TOTALS (Page 2, Line 28, Col. 3)	321,827,092	303,222,752
<b>DETAILS OF WRITE-INS</b>		
2501. Pension Obligations .....	7,903,997	7,120,769
2502. ....		
2503. ....		
2598. Summary of remaining write-ins for Line 25 from overflow page .....		
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	7,903,997	7,120,769
2901. ....		
2902. ....		
2903. ....		
2998. Summary of remaining write-ins for Line 29 from overflow page .....		
2999. Totals (Lines 2901 thru 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 thru 3203 plus 3298)(Line 32 above)		

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE United Ohio Insurance Company

**STATEMENT OF INCOME**

	1 Current Year	2 Prior Year
<b>UNDERWRITING INCOME</b>		
1. Premiums earned (Part 1, Line 35, Column 4).....	131,897,700	126,884,436
<b>DEDUCTIONS:</b>		
2. Losses incurred (Part 2, Line 35, Column 7).....	69,452,164	66,803,473
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	11,944,614	11,341,983
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	45,361,508	44,475,502
5. Aggregate write-ins for underwriting deductions.....		
6. Total underwriting deductions (Lines 2 through 5).....	126,758,286	122,620,958
7. Net income of protected cells.....		
8. Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7).....	5,139,414	4,263,478
<b>INVESTMENT INCOME</b>		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	6,530,218	6,122,694
10. Net realized capital gains or (losses) less capital gains tax of \$ .....9,371 (Exhibit of Capital Gains (Losses) ).....	32,631	34,170
11. Net investment gain (loss) (Lines 9 + 10).....	6,562,849	6,156,864
<b>OTHER INCOME</b>		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ .....116,834 amount charged off \$ .....737,325 ).....	(620,491)	(596,636)
13. Finance and service charges not included in premiums.....	2,709,096	2,707,774
14. Aggregate write-ins for miscellaneous income.....	1,141,628	(297,036)
15. Total other income (Lines 12 through 14).....	3,230,233	1,814,102
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	14,932,496	12,234,444
17. Dividends to policyholders.....		
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17).....	14,932,496	12,234,444
19. Federal and foreign income taxes incurred.....	4,437,758	4,124,832
20. Net income (Line 18 minus Line 19)(to Line 22).....	10,494,738	8,109,612
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	148,260,558	137,876,295
22. Net income (from Line 20).....	10,494,738	8,109,612
23. Net transfers (to) from Protected Cell accounts.....		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ .....530,012.....	1,028,846	(463,826)
25. Change in net unrealized foreign exchange capital gain (loss).....		
26. Change in net deferred income tax.....	613,144	329,732
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3).....	180,512	734,667
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....		
29. Change in surplus notes.....		
30. Surplus (contributed to) withdrawn from protected cells.....		
31. Cumulative effect of changes in accounting principles.....		
32. Capital changes:		
32.1 Paid in.....		
32.2 Transferred from surplus (Stock Dividend).....		
32.3 Transferred to surplus.....		
33. Surplus adjustments:		
33.1 Paid in.....		
33.2 Transferred to capital (Stock Dividend).....		
33.3 Transferred from capital.....		
34. Net remittances from or (to) Home Office.....		
35. Dividends to stockholders.....		
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1).....		
37. Aggregate write-ins for gains and losses in surplus.....	(290,596)	1,674,078
38. Change in surplus as regards policyholders for the year (Lines 22 through 37).....	12,026,644	10,384,263
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	160,287,202	148,260,558
<b>DETAILS OF WRITE-INS</b>		
0501. ....		
0502. ....		
0503. ....		
0598. Summary of remaining write-ins for Line 5 from overflow page.....		
0599. Totals (Lines 0501 thru 0503 plus 0598)(Line 5 above).....		
1401. Company Owned Life Insurance.....	956,753	(288,753)
1402. Other Income.....	35,589	34,711
1403. Non-Qualified Retirement Plan.....	149,286	(42,994)
1498. Summary of remaining write-ins for Line 14 from overflow page.....		
1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above).....	1,141,628	(297,036)
3701. Change in net liability for retirement plans.....	(141,310)	1,126,552
3702. Prior Year Tax Effect.....		504,532
3703. Non-Qualified Retirement Plan.....	(149,286)	42,994
3798. Summary of remaining write-ins for Line 37 from overflow page.....		
3799. Totals (Lines 3701 thru 3703 plus 3798)(Line 37 above).....	(290,596)	1,674,078

**CASH FLOW**

	1	2
	Current Year	Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance .....	132,660,109	128,418,948
2. Net investment income .....	8,317,857	7,667,327
3. Miscellaneous income .....	2,124,195	2,145,849
4. Total (Lines 1 through 3) .....	143,102,161	138,232,124
5. Benefit and loss related payments .....	66,178,573	61,290,538
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....		
7. Commissions, expenses paid and aggregate write-ins for deductions .....	56,828,931	52,806,201
8. Dividends paid to policyholders .....		
9. Federal and foreign income taxes paid (recovered) net of \$ .....9,371 tax on capital gains (losses) .....	4,569,659	4,321,476
10. Total (Lines 5 through 9) .....	127,577,163	118,418,215
11. Net cash from operations (Line 4 minus Line 10) .....	15,524,998	19,813,909
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	35,586,523	31,922,326
12.2 Stocks .....	495,880	
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 .....		636,263
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	36,082,403	32,558,589
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	48,771,649	44,936,063
13.2 Stocks .....	7,837,926	
13.3 Mortgage loans .....		
13.4 Real estate .....		
13.5 Other invested assets .....		
13.6 Miscellaneous applications .....	247,188	
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	56,856,763	44,936,063
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) .....	(20,774,360)	(12,377,474)
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....		
16.2 Capital and paid in surplus, less treasury stock .....		
16.3 Borrowed funds .....	(1,837,630)	
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....		
16.5 Dividends to stockholders .....		
16.6 Other cash provided (applied) .....	385,694	(311,389)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	(1,451,936)	(311,389)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(6,701,298)	7,125,046
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	13,033,924	5,908,878
19.2 End of period (Line 18 plus Line 19.1) .....	6,332,626	13,033,924

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

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ANNUAL STATEMENT FOR THE YEAR 2016 OF THE United Ohio Insurance Company

**UNDERWRITING AND INVESTMENT EXHIBIT**

PART 1 - PREMIUMS EARNED

Line of Business		1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire .....	11,645,889	6,365,477	6,380,710	11,630,656
2.	Allied lines .....	90,385	42,202	46,742	85,845
3.	Farmowners multiple peril .....	12,646,939	6,429,898	6,352,396	12,724,441
4.	Homeowners multiple peril .....	22,632,420	12,076,895	12,476,794	22,232,521
5.	Commercial multiple peril .....	15,745,775	7,482,142	7,770,590	15,457,327
6.	Mortgage guaranty .....				
8.	Ocean marine .....				
9.	Inland marine .....	541,855	280,191	284,460	537,586
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 .....	2,062	1,318	1,137	2,243
16.	Workers' compensation .....				
17.1	Other liability - occurrence .....	1,828,185	1,403,740	950,639	2,281,286
17.2	Other liability - claims-made .....				
17.3	Excess workers' compensation .....				
18.1	Products liability - occurrence .....	118,069	63,329	55,752	125,646
18.2	Products liability - claims-made .....				
19.1, 19.2	Private passenger auto liability .....	31,640,191	10,046,772	12,117,919	29,569,044
19.3, 19.4	Commercial auto liability .....	10,530,347	4,858,903	5,055,623	10,333,627
21.	Auto physical damage .....	27,893,153	9,834,293	11,390,998	26,336,448
22.	Aircraft (all perils) .....				
23.	Fidelity .....				
24.	Surety .....				
26.	Burglary and theft .....	466,100	390,653	275,723	581,030
27.	Boiler and machinery .....				
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.	<b>TOTALS</b>	<b>135,781,370</b>	<b>59,275,813</b>	<b>63,159,483</b>	<b>131,897,700</b>
<b>DETAILS OF WRITE-INS</b>					
3401.	.....				
3402.	.....				
3403.	.....				
3498.	Summary of remaining write-ins for Line 34 from overflow page .....				
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)				

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE United Ohio Insurance Company

**UNDERWRITING AND INVESTMENT EXHIBIT**

PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business		1	2	3	4	5
		Amount Unearned (Running One Year or Less from Date of Policy) (a)	Amount Unearned (Running More Than One Year from Date of Policy) (a)	Earned But Unbilled Premium	Reserve for Rate Credits and Retrospective Adjustments Based on Experience	Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire .....	6,380,710				6,380,710
2.	Allied lines .....	46,742				46,742
3.	Farmowners multiple peril .....	6,352,396				6,352,396
4.	Homeowners multiple peril .....	12,476,794				12,476,794
5.	Commercial multiple peril .....	7,770,590				7,770,590
6.	Mortgage guaranty .....					
8.	Ocean marine .....					
9.	Inland marine .....	284,460				284,460
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 .....	1,137				1,137
16.	Workers' compensation .....					
17.1	Other liability - occurrence .....	950,639				950,639
17.2	Other liability - claims-made .....					
17.3	Excess workers' compensation .....					
18.1	Products liability - occurrence .....	55,752				55,752
18.2	Products liability - claims-made .....					
19.1, 19.2	Private passenger auto liability .....	12,117,919				12,117,919
19.3, 19.4	Commercial auto liability .....	5,055,623				5,055,623
21.	Auto physical damage .....	11,390,998				11,390,998
22.	Aircraft (all perils) .....					
23.	Fidelity .....					
24.	Surety .....					
26.	Burglary and theft .....	275,723				275,723
27.	Boiler and machinery .....					
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.	<b>TOTALS</b>	<b>63,159,483</b>				<b>63,159,483</b>
36.	Accrued retrospective premiums based on experience .....					
37.	Earned but unbilled premiums .....					
38.	<b>Balance (Sum of Line 35 through 37)</b>					<b>63,159,483</b>
<b>DETAILS OF WRITE-INS</b>						
3401.	.....					
3402.	.....					
3403.	.....					
3498.	Summary of remaining write-ins for Line 34 from overflow page .....					
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)					

(a) State here basis of computation used in each case      Property premiums are determined by location covered. Casualty premiums are determined by insured address. ....

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE United Ohio Insurance Company

**UNDERWRITING AND INVESTMENT EXHIBIT**

PART 1B - PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Cols. 1+2+3-4-5
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire	15,420,882	11,645,889	26,923	14,410,492	1,037,313	11,645,889
2. Allied lines	149,907	90,385	243	139,053	11,097	90,385
3. Farmowners multiple peril	20,395,807	12,646,939	29,715	17,704,579	2,720,943	12,646,939
4. Homeowners multiple peril	19,292,506	22,632,420	33,608	18,116,865	1,209,249	22,632,420
5. Commercial multiple peril	27,584,068	15,745,775	23,011	24,224,270	3,382,809	15,745,775
6. Mortgage guaranty						
8. Ocean marine						
9. Inland marine	866,486	541,855	1,501	817,759	50,228	541,855
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	3,173	2,062		3,173		2,062
16. Workers' compensation						
17.1 Other liability - occurrence	5,718,697	1,828,185		2,467,722	3,250,975	1,828,185
17.2 Other liability - claims-made						
17.3 Excess workers' compensation						
18.1 Products liability - occurrence	182,384	118,069		181,645	739	118,069
18.2 Products liability - claims-made						
19.1, 19.2 Private passenger auto liability	24,494,742	31,640,191		24,377,719	117,023	31,640,191
19.3, 19.4 Commercial auto liability	17,361,231	10,530,347		16,200,533	1,160,698	10,530,347
21. Auto physical damage	23,166,029	27,893,153	12,611	22,749,320	429,320	27,893,153
22. Aircraft (all perils)						
23. Fidelity						
24. Surety						
26. Burglary and theft	604,666	466,100		604,666		466,100
27. Boiler and machinery						
28. Credit						
29. International						
30. Warranty						
31. Reinsurance - nonproportional assumed property	XXX					
32. Reinsurance - nonproportional assumed liability	XXX					
33. Reinsurance - nonproportional assumed financial lines	XXX					
34. Aggregate write-ins for other lines of business						
35. TOTALS	155,240,578	135,781,370	127,612	141,997,796	13,370,394	135,781,370
<b>DETAILS OF WRITE-INS</b>						
3401.						
3402.						
3403.						
3498. Summary of remaining write-ins for Line 34 from overflow page						
3499. Totals (Lines 3401 thru 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 \$ .....

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



ANNUAL STATEMENT FOR THE YEAR 2016 OF THE United Ohio Insurance Company

**UNDERWRITING AND INVESTMENT EXHIBIT**

PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire .....	4,761,368	3,671,468	4,761,368	3,671,468	972,644	967,372	3,676,740	31.6
2. Allied lines .....	39,356	25,582	39,356	25,582	3,560	2,420	26,722	31.1
3. Farmowners multiple peril .....	8,598,229	5,187,032	8,598,229	5,187,032	2,072,131	2,460,129	4,799,034	37.7
4. Homeowners multiple peril .....	8,260,631	9,064,098	8,260,631	9,064,098	3,051,723	2,931,721	9,184,100	41.3
5. Commercial multiple peril .....	11,522,334	6,676,844	11,522,332	6,676,846	7,565,686	7,288,367	6,954,165	45.0
6. Mortgage guaranty .....								
8. Ocean marine .....								
9. Inland marine .....	449,393	292,106	449,393	292,106	9,608	247,520	54,194	10.1
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 .....	635	412	635	412	650	2,506	(1,444)	(64.4)
16. Workers' compensation .....								
17.1 Other liability - occurrence .....	619,995	444,509	619,995	444,509	2,856,268	2,541,628	759,149	33.3
17.2 Other liability - claims-made .....								
17.3 Excess workers' compensation .....								
18.1 Products liability - occurrence .....	1,553	1,009	1,553	1,009	3,730	2,344	2,395	1.9
18.2 Products liability - claims-made .....								
19.1, 19.2 Private passenger auto liability .....	14,022,042	18,408,843	14,022,044	18,408,841	24,407,415	22,519,278	20,296,978	68.6
19.3, 19.4 Commercial auto liability .....	7,922,332	5,009,210	7,922,332	5,009,210	11,505,444	9,772,633	6,742,021	65.2
21. Auto physical damage .....	14,344,029	16,823,227	14,344,028	16,823,228	2,023,478	2,011,893	16,834,813	63.9
22. Aircraft (all perils) .....								
23. Fidelity .....								
24. Surety .....								
26. Burglary and theft .....	160,522	126,564	160,522	126,564	41,970	45,238	123,296	21.2
27. Boiler and machinery .....								
28. Credit .....								
29. International .....								
30. Warranty .....								
31. Reinsurance - nonproportional assumed property .....	XXX							
32. Reinsurance - nonproportional assumed liability .....	XXX							
33. Reinsurance - nonproportional assumed financial lines .....	XXX							
34. Aggregate write-ins for other lines of business .....								
35. TOTALS .....	70,702,419	65,730,904	70,702,418	65,730,905	54,514,307	50,793,048	69,452,164	52.7
<b>DETAILS OF WRITE-INS</b>								
3401. ....								
3402. ....								
3403. ....								
3498. Summary of remaining write-ins for Line 34 from overflow page .....								
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above) .....								

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE United Ohio Insurance Company

**UNDERWRITING AND INVESTMENT EXHIBIT**

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

Line of Business	Reported Losses				Incurred But Not Reported			8 Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	9 Net Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire	1,035,183	720,249	1,035,183	720,249	313,051	252,395	313,051	972,644	122,766
2. Allied lines					5,477	3,560	5,477	3,560	407
3. Farmowners multiple peril	1,013,400	719,410	1,013,400	719,410	3,032,961	1,352,721	3,032,961	2,072,131	341,184
4. Homeowners multiple peril	1,941,340	2,270,626	1,941,340	2,270,626	490,797	781,097	490,797	3,051,723	407,201
5. Commercial multiple peril	7,825,223	4,951,044	7,825,223	4,951,044	4,991,894	2,614,642	4,991,894	7,565,686	4,144,824
6. Mortgage guaranty									
8. Ocean marine									
9. Inland marine	600	390	600	390	14,181	9,218	14,181	9,608	1,784
10. Financial guaranty									
11.1 Medical professional liability - occurrence									
11.2 Medical professional liability - claims-made									
12. Earthquake									
13. Group accident and health								(a)	
14. Credit accident and health (group and individual)								(a)	
15. Other accident and health	1,000	650	1,000	650				650	37
16. Workers' compensation									
17.1 Other liability - occurrence	4,583,133	1,414,482	4,583,133	1,414,482	3,416,890	1,441,786	3,416,890	2,856,268	1,017,821
17.2 Other liability - claims-made									
17.3 Excess workers' compensation									
18.1 Products liability - occurrence	4,000	2,601	4,000	2,601	1,737	1,129	1,737	3,730	1,147
18.2 Products liability - claims-made									
19.1, 19.2 Private passenger auto liability	12,864,220	17,217,505	12,864,220	17,217,505	5,310,843	7,189,910	5,310,843	24,407,415	4,275,105
19.3, 19.4 Commercial auto liability	13,098,898	7,440,139	13,098,898	7,440,139	6,663,521	4,065,305	6,663,521	11,505,444	2,443,876
21. Auto physical damage	1,039,021	1,094,081	1,039,021	1,094,081	860,011	929,397	860,011	2,023,478	228,026
22. Aircraft (all perils)									
23. Fidelity									
24. Surety									
26. Burglary and theft	43,000	27,950	43,000	27,950	15,815	14,020	15,815	41,970	3,542
27. Boiler and machinery									
28. Credit									
29. International									
30. Warranty									
31. Reinsurance - nonproportional assumed property	XXX				XXX				
32. Reinsurance - nonproportional assumed liability	XXX				XXX				
33. Reinsurance - nonproportional assumed financial lines	XXX				XXX				
34. Aggregate write-ins for other lines of business									
35. TOTALS	43,449,018	35,859,127	43,449,018	35,859,127	25,117,178	18,655,180	25,117,178	54,514,307	12,987,720
<b>DETAILS OF WRITE-INS</b>									
3401.									
3402.									
3403.									
3498.	Summary of remaining write-ins for Line 34 from overflow page								
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)								

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

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE United Ohio Insurance Company

**UNDERWRITING AND INVESTMENT EXHIBIT**

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct .....	4,811,568			4,811,568
1.2 Reinsurance assumed .....				
1.3 Reinsurance ceded .....	62,424			62,424
1.4 Net claim adjustment service (1.1 + 1.2 - 1.3) .....	4,749,144			4,749,144
2. Commission and brokerage:				
2.1 Direct excluding contingent .....		21,558,180		21,558,180
2.2 Reinsurance assumed, excluding contingent .....		11,353		11,353
2.3 Reinsurance ceded, excluding contingent .....		1,157,937		1,157,937
2.4 Contingent - direct .....		2,791,643		2,791,643
2.5 Contingent - reinsurance assumed .....				
2.6 Contingent - reinsurance ceded .....		75,906		75,906
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) .....		23,127,333		23,127,333
3. Allowances to managers and agents .....				
4. Advertising .....	149,248	447,745		596,993
5. Boards, bureaus and associations .....	301,798	684,156		985,954
6. Surveys and underwriting reports .....	363,722	1,091,165		1,454,887
7. Audit of assureds' records .....				
8. Salary and related items:				
8.1 Salaries .....	3,182,481	9,730,618	144,880	13,057,979
8.2 Payroll taxes .....	185,180	743,597		928,777
9. Employee relations and welfare .....	891,134	2,525,040		3,416,174
10. Insurance .....	64,061	192,185		256,246
11. Directors' fees .....	13,828	379,818		393,646
12. Travel and travel items .....	124,363	345,806		470,169
13. Rent and rent items .....	109,946	329,839		439,785
14. Equipment .....	466,734	1,400,203		1,866,937
15. Cost or depreciation of EDP equipment and software .....	74,985	224,955		299,940
16. Printing and stationery .....	10,464	177,561		188,025
17. Postage, telephone and telegraph, exchange and express .....	228,500	683,157		911,657
18. Legal and auditing .....	336,513	1,200,791	598,081	2,135,385
19. Totals (Lines 3 to 18) .....	6,502,957	20,156,636	742,961	27,402,554
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$ .....	614,445	1,843,337		2,457,782
20.2 Insurance department licenses and fees .....	63,323	189,968		253,291
20.3 Gross guaranty association assessments .....				
20.4 All other (excluding federal and foreign income and real estate) .....				
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4) .....	677,768	2,033,305		2,711,073
21. Real estate expenses .....				
22. Real estate taxes .....	14,745	44,234		58,979
23. Reimbursements by uninsured plans .....				
24. Aggregate write-ins for miscellaneous expenses .....				
25. Total expenses incurred .....	11,944,614	45,361,508	742,961 (a)	58,049,083
26. Less unpaid expenses - current year .....	12,987,720	11,067,263	127,432	24,182,415
27. Add unpaid expenses - prior year .....	12,237,965	11,339,827	125,097	23,702,889
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) .....	11,194,859	45,634,072	740,626	57,569,557
<b>DETAILS OF WRITE-INS</b>				
2401. ....				
2402. ....				
2403. ....				
2498. Summary of remaining write-ins for Line 24 from overflow page .....				
2499. Totals (Lines 2401 thru 2403 plus 2498)(Line 24 above) .....				

(a) Includes management fees of \$ ..... to affiliates and \$ .....(1,678,716) to non-affiliates.

**EXHIBIT OF NET INVESTMENT INCOME**

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 58,708	57,043
1.1 Bonds exempt from U.S. tax	(a) 3,483,035	3,383,841
1.2 Other bonds (unaffiliated)	(a) 3,342,722	3,450,420
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b) 52,315	85,818
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)	256,586	255,482
2.21 Common stocks of affiliates		
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 40,505	40,575
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income		
10. Total gross investment income	7,233,871	7,273,179
11. Investment expenses		(g) 742,961
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)		742,961
17. Net investment income (Line 10 minus Line 16)		6,530,218
<b>DETAILS OF WRITE-INS</b>		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page		
0999. Totals (Lines 0901 thru 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 thru 1503 plus 1598) (Line 15, above)		

- (a) Includes \$ 72,716 accrual of discount less \$ 1,897,328 amortization of premium and less \$ 169,812 paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
- (c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$ 504 accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

	1	2	3	4	5
	Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds					
1.1 Bonds exempt from U.S. tax	146,418		146,418		
1.2 Other bonds (unaffiliated)	87,404	(157,500)	(70,096)	722,129	
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)	(34,320)		(34,320)	(232,160)	
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)				1,068,889	
2.21 Common stocks of affiliates					
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)	199,502	(157,500)	42,002	1,558,858	
<b>DETAILS OF WRITE-INS</b>					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page					
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)					

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE United Ohio Insurance Company

**EXHIBIT OF NON-ADMITTED ASSETS**

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D) .....			
2. Stocks (Schedule D):			
2.1 Preferred stocks .....			
2.2 Common stocks .....			
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) .....			
13. Title plants (for Title insurers only) .....			
14. Investment income due and accrued .....			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection .....	176,076	311,538	135,462
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due .....			
15.3 Accrued retrospective premiums and contracts subject to redetermination .....			
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 .....	333,745	551,878	218,133
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 .....	422,540	249,457	(173,083)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	932,361	1,112,873	180,512
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
28. Total (Lines 26 and 27) .....	932,361	1,112,873	180,512
<b>DETAILS OF WRITE-INS</b>			
1101. ....			
1102. ....			
1103. ....			
1198. Summary of remaining write-ins for Line 11 from overflow page .....			
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)			
2501. Prepaid Insurance Premiums .....	422,540	249,457	(173,083)
2502. ....			
2503. ....			
2598. Summary of remaining write-ins for Line 25 from overflow page .....			
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	422,540	249,457	(173,083)

## NOTES TO FINANCIAL STATEMENTS

### 1. Summary of Significant Accounting Policies and Going Concern

#### A. Accounting Practices

The financial statements of United Ohio Insurance Company (the Company) are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance (ODI).

The ODI 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. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* has been adopted as a component of prescribed or permitted accounting practices by the State of Ohio.

A reconciliation of the Company's net income and capital surplus between NAIC Statutory Accounting Practices and practices prescribed and permitted by the State of Ohio is shown below:

<u>NET INCOME</u>	<u>SSAP #</u>	<u>F/S Page</u>	<u>F/S Line #</u>	<u>2016</u>	<u>2015</u>
(1) United Ohio Insurance Company state basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	\$ 10,494,738	\$ 8,109,612
(2) State Prescribed Practices that increase/(decrease) NAIC SAP:					
(3) State Permitted Practices that increase/(decrease) NAIC SAP:					
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	\$ 10,494,738	\$ 8,109,612
<u>SURPLUS</u>					
(5) United Ohio Insurance Company state basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 160,287,202	\$ 148,260,558
(6) State Prescribed Practices that increase/(decrease) NAIC SAP:					
(7) State Permitted Practices that increase/(decrease) NAIC SAP:					
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	\$ 160,287,202	\$ 148,260,558

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

The preparation of financial statements in conformity with the Annual Statement Instructions and the *Accounting Practices and Procedures Manual* 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.

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, the Company uses the following accounting policies:

- (1) All short-term investments are stated at amortized cost.
- (2) Bonds not backed by other loans are stated at either amortized cost, using the scientific interest method or the lower of amortized cost or fair market value.
- (3) Unaffiliated common stocks are stated at fair market value. The Company has no subsidiaries or affiliates in which the company has an interest of 20% or more.
- (4) Preferred stocks are reported at fair value as determined by the Securities Valuation Office (SVO) and the related net unrealized capital gains (losses) are reported in unassigned surplus along with any adjustment for federal income taxes. Redeemable preferred stocks are stated at amortized cost using the interest method. Preferred stocks rated NAIC 3 or lower are stated at the lower of cost or fair market value.
- (5) The Company has no mortgage loans on real estate.
- (6) Loan-backed securities are stated at either amortized cost, using the interest method or the lower of amortized cost or fair market value. The retrospective adjustment method is used to value all securities except for interest only securities, EITF 99-20 eligible securities or securities where the yield has become negative are valued using the prospective method.
- (7) The Company has no subsidiaries. The Company's insurance affiliate is Casco Indemnity Company and the Company's non-insurance affiliates are Centurion Financial, Inc., Ohio United Agency, Inc., and United Premium Budget Service, Inc. The Company is wholly-owned by Ohio Mutual Insurance Company.
- (8) The Company has no ownership interest in any significant joint ventures.
- (9) The Company owns no derivative instruments.
- (10) The Company anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53, Property-Casualty Contracts-Premiums.

## NOTES TO FINANCIAL STATEMENTS

- (11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the 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 liabilities are continually reviewed and any adjustments are reflected in the period determined.
- (12) The Company has not modified its capitalization policy from the prior period.

### 2. Accounting Changes and Corrections of Errors

There were no significant accounting changes or corrections of errors during 2016 or 2015.

### 3. Business Combinations and Goodwill

There were no significant changes in business combinations or goodwill during 2016 or 2015.

### 4. Discontinued Operations

The Company has no discontinued operations to report.

### 5. Investments

- A. The Company has no mortgage loans.  
 B. The Company has no debt restructuring.  
 C. The Company has no reverse mortgages.  
 D. Loan-Backed Securities

- (1) Prepayment assumptions for Mortgage-backed securities, Collateralized Mortgage Obligations and Other Structured Securities were generated using a purchased prepayment model. The prepayment model uses a number of factors to estimate prepayment activity including the time of year (seasonality), current levels of interest rates (refinancing incentive), economic activity (including housing turnover) and term and age of the underlying collateral (burnout, seasoning). On an ongoing basis, we monitor the rate of prepayment and calibrate the model to reflect actual experience, market factors, and viewpoint.

- (2) a. The Company had no securities it intended to sell for which it recognized other-than-temporary impairment losses.
- b. The Company had no securities for which it lacked the ability or intent to retain an investment in for a period of time sufficient to recover the amortized cost basis.

- (3) The Company had no other-than-temporary impairments for the year ended December 31, 2016.

- (4) All temporarily impaired securities for which an other-than-temporary impairment has not been recognized in earnings as a realized loss in 2016 are as follows:

a.	The aggregate amount of unrealized losses:		
		1. Less than 12 Months	<u>\$ (484,518)</u>
		2. 12 Months or Longer	<u>\$ (80,569)</u>
b.	The aggregate related fair value of securities with unrealized losses:		
		1. Less than 12 Months	<u>\$ 35,609,423</u>
		2. 12 Months or Longer	<u>\$ 2,760,659</u>

- (5) Management regularly reviews the value of the Company's investments. If the value of any investment falls below its cost basis, the decline is analyzed to determine whether it is an other-than-temporary decline in value. To make this determination for each security, the following is considered:

- The length of time and the extent to which the fair value has been below cost;
- The financial condition and near-term prospects of the issuer of the security, including any specific events that may affect its operations or earnings potential;
- Management's intent and ability to hold the security long enough for it to recover its value;

Management concluded that the remaining investments held with unrealized losses were not other-than-temporarily impaired on the basis that the Company had the ability and intent to hold the investments for a period of time sufficient for a forecasted market price recovery up to or beyond the cost of the investment. Also, in management's opinion, evidence indicating the cost of the investment was recoverable within a reasonable period of time outweighed evidence to the contrary in considering the severity and duration of the impairment in relation to the forecasted market price recovery.

- E. The Company has no repurchase agreements or securities lending transactions.

- F. The Company owns no real estate.

- G. The Company has no real estate investments that qualify for low-income housing tax credits (LIHTC).

## NOTES TO FINANCIAL STATEMENTS

### H. Restricted Assets

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted						Current Year					
	Current Year					6	7	8	9	Percentage		
	1	2	3	4	5					10	11	
Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5 minus 6)	Gross (Admitted & Nonadmitted) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets (d)		
a. Subject to contractual obligation for which liability is not shown	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	0.00%	
b. Collateral held under security lending agreements	-	-	-	-	-	-	-	-	-	0.00%	0.00%	
c. Subject to repurchase agreements	-	-	-	-	-	-	-	-	-	0.00%	0.00%	
d. Subject to reverse repurchase agreements	-	-	-	-	-	-	-	-	-	0.00%	0.00%	
e. Subject to dollar repurchase agreements	-	-	-	-	-	-	-	-	-	0.00%	0.00%	
f. Subject to dollar reverse repurchase agreements	-	-	-	-	-	-	-	-	-	0.00%	0.00%	
g. Placed under option contracts	-	-	-	-	-	-	-	-	-	0.00%	0.00%	
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	-	-	-	-	-	-	-	-	-	0.00%	0.00%	
i. FHLB capital stock	632,200	-	-	-	632,200	609,400	22,800	-	632,200	0.20%	0.20%	
j. On deposit with states	2,136,149	-	-	-	2,136,149	2,147,636	(11,487)	-	2,136,149	0.66%	0.66%	
k. On deposit with other regulatory bodies	-	-	-	-	-	-	-	-	-	0.00%	0.00%	
l. Pledged as collateral to FHLB (including assets backing funding agreements)	9,623,531	-	-	-	9,623,531	10,037,557	(414,026)	-	9,623,531	2.98%	2.99%	
m. Pledged as collateral not captured in other categories	-	-	-	-	-	-	-	-	-	0.00%	0.00%	
n. Other restricted assets	-	-	-	-	-	-	-	-	-	0.00%	0.00%	
<b>o. Total Restricted Assets</b>	<b>\$ 12,391,880</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 12,391,880</b>	<b>\$ 12,794,593</b>	<b>\$ (402,713)</b>	<b>\$ -</b>	<b>\$ 12,391,880</b>	<b>3.84%</b>	<b>3.85%</b>	

(a) Subset of column 1  
(b) Subset of column 3

(2) The Company has no Assets Pledged as Collateral Not Captured in Other Categories.

(3) The Company has no Other Restricted Assets or Contracts that Share Similar Characteristics, such as Reinsurance and Derivatives.

(4) The Company has no Collateral Received and Reflected as Assets in the Financial Statements.

I. The Company has no Working Capital Finance Investments.

J. The Company has no Offsetting and Netting of Assets and Liabilities.

### K. Structured Notes

CUSIP Identification	Actual Cost	Fair Value	Book/Adjusted Carrying Value	Mortgage Referenced Security (YES/NO)
172967KM2	\$ 538,600	\$ 514,375	\$ 514,375	NO
254845KC3	750,000	750,000	750,000	NO
290876AD3	532,250	535,000	532,101	NO
369604BQ5	529,900	518,850	528,869	NO
46625HJQ4	539,350	538,750	538,997	NO
493267AK4	491,250	462,500	462,500	NO
59156RBP2	492,500	506,250	492,692	NO
646139RD9	448,125	453,750	459,540	NO
693475AQ8	500,000	482,500	500,000	NO
767121DL7	245,988	238,622	250,000	NO
79642BE66	250,000	250,070	250,000	NO
89356BAB4	530,500	520,000	530,038	NO
<b>Total</b>	<b>\$ 5,848,463</b>	<b>\$ 5,770,667</b>	<b>\$ 5,809,112</b>	<b>XXX</b>

L. The Company has no 5\* Securities.

### 6. Joint Ventures, Partnerships and Limited Liability Companies

The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies.

### 7. Investment Income

The Company has no due and accrued income excluded from surplus.



**NOTES TO FINANCIAL STATEMENTS**

**8. Derivative Instruments**

The Company owns no derivative instruments.

**9. Income Taxes**

A. The components of the Net Deferred Tax Asset/(Liability) at December 31 are as follows:

	12/31/2016			12/31/2015			Change		
	(1) Ordinary	(2) Capital	(3) (Col 1+2) Total	(4) Ordinary	(5) Capital	(6) (Col 4+5) Total	(7) (Col 1-4) Ordinary	(8) (Col 2-5) Capital	(9) (Col 7+8) Total
(a) Gross Deferred Tax Assets	9,744,472	23,478	9,767,950	9,116,029	28,388	9,144,417	628,443	(4,910)	623,533
(b) Statutory Valuation Allowance Adjustments	-	-	-	-	-	-	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a-1b)	9,744,472	23,478	9,767,950	9,116,029	28,388	9,144,417	628,443	(4,910)	623,533
(d) Deferred Tax Assets Nonadmitted	333,745	-	333,745	551,878	-	551,878	(218,133)	-	(218,133)
(e) Subtotal Net Admitted Deferred Tax Asset (1c-1d)	9,410,727	23,478	9,434,205	8,564,151	28,388	8,592,539	846,576	(4,910)	841,666
(f) Deferred Tax Liabilities	208,539	1,974,393	2,182,932	270,946	1,444,382	1,715,328	(62,407)	530,011	467,604
(g) Net Admitted Deferred Tax Asset/ (Net Deferred Tax Liability) (1e-1f)	9,202,188	(1,950,915)	7,251,273	8,293,205	(1,415,994)	6,877,211	908,983	(534,921)	374,062

	12/31/2016			12/31/2015			Change		
	(1) Ordinary	(2) Capital	(3) (Col 1+2) Total	(4) Ordinary	(5) Capital	(6) (Col 4+5) Total	(7) (Col 1-4) Ordinary	(8) (Col 2-5) Capital	(9) (Col 7+8) Total

Admission Calculation Components SSAP No.101

(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks	6,778,428	-	6,778,428	6,548,485	-	6,548,485	229,943	-	229,943
(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)	472,846	-	472,846	328,726	-	328,726	144,120	-	144,120
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following The Balance Sheet Date	472,846	-	472,846	328,726	-	328,726	144,120	-	144,120
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	XXX	XXX	22,955,389	XXX	XXX	21,207,502	XXX	XXX	1,747,887
(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	2,159,453	23,478	2,182,931	1,686,940	28,388	1,715,328	472,513	(4,910)	467,603
(d) Deferred Tax Assets Admitted As The Result Of Application of SSAP No. 101 Total (2(a)+ 2(b)+2(c))	9,410,727	23,478	9,434,205	8,564,151	28,388	8,592,539	846,576	(4,910)	841,666

	2016	2015
(a) Ratio Percentage Used to Determine Recovery Period And Threshold Limitation Amount	1391%	1317%
(b) Amount of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above	153,035,929	141,383,347

	As of End of Current Period		12/31/2015		Change	
	(1) Ordinary	(2) Capital	(3) Ordinary	(4) Capital	(5) (Col 1-3) Ordinary	(6) (Col 2-4) Capital

Impact of Tax Planning Strategies:

(a) Determination Of Adjusted Gross Deferred Tax Assets And Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.						
1. Adjusted Gross DTAs Amount From Note 9A1(c)	9,744,472	23,478	9,116,029	28,388	628,443	(4,910)
2. Percentage Of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies						
3. Net Admitted Adjusted Gross DTAs Amount From Note 9A1(e)	9,410,727	23,478	8,564,151	28,388	846,576	(4,910)
4. Percentage Of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies						

(b) Does the Company's tax-planning strategies include the use of reinsurance? Yes \_\_\_\_\_ No  X

## NOTES TO FINANCIAL STATEMENTS

### B. Unrecognized Deferred Tax Liabilities

There are no deferred tax liabilities that have not been recognized in the current period.

### C. Current income taxes incurred consist of the following major components:

	(1)	(2)	(3)
	12/31/2016	12/31/2015	(Col 1-2) Change
1. Current Income Tax			
(a) Federal	4,377,080	4,070,444	306,636
(b) Foreign	-	-	-
(c) Subtotal	4,377,080	4,070,444	306,636
(d) Federal income tax on net capital gains	9,371	7,436	1,935
(e) SSAP 3 (included in surplus)	-	(504,532)	504,532
(f) Other	60,678	54,388	6,290
(g) Federal and foreign income taxes incurred	4,447,129	3,627,736	819,393
2. Deferred Tax Assets:			
(a) Ordinary			
(1) Discounting of unpaid losses	607,738	595,897	11,841
(2) Unearned premium reserve	4,359,195	4,118,473	240,722
(3) Policyholder reserves	-	-	-
(4) Investments	-	-	-
(5) Deferred acquisition costs	-	-	-
(6) Policyholder dividends accrual	-	-	-
(7) Fixed assets	-	-	-
(8) Compensation and benefits accrual	2,384,967	2,188,206	196,761
(9) Pension accrual	1,690,170	1,501,787	188,383
(10) Salvage and subrogation	406,878	416,555	(9,677)
(11) Net operating loss carry-forward	-	-	-
(12) Tax credit carry-forward	-	-	-
(13) Other (including items <5% of total ordinary tax assets)	295,524	295,111	413
(99) Subtotal	9,744,472	9,116,029	628,443
(b) Statutory valuation allowance adjustment	-	-	-
(c) Nonadmitted	333,745	551,878	(218,133)
(d) Admitted ordinary deferred tax assets (2a99-2b-2c)	9,410,727	8,564,151	846,576
(e) Capital			
(1) Investments	23,478	28,388	(4,910)
(2) Net capital loss carry-forward	-	-	-
(3) Real estate	-	-	-
(4) Other (including items <5% of total capital tax assets)	-	-	-
(99) Subtotal	23,478	28,388	(4,910)
(f) Statutory valuation allowance adjustment	-	-	-
(g) Nonadmitted	-	-	-
(h) Admitted capital deferred tax assets (2e99-2f-2g)	23,478	28,388	(4,910)
(i) Admitted deferred tax assets (2d+2h)	9,434,205	8,592,539	841,666
3. Deferred Tax Liabilities			
(a) Ordinary			
(1) Investments	43,929	24,441	19,488
(2) Fixed assets	-	-	-
(3) Deferred and uncollected premium	-	-	-
(4) IRC Section 481(a) - Deferred Compensation	164,610	246,505	(81,895)
(5) Other (including items <5% of total ordinary tax liabilities)	-	-	-
(99) Subtotal	208,539	270,946	(62,407)
(b) Capital			
(1) Investments	1,974,393	1,444,382	530,011
(2) Real estate	-	-	-
(3) Other (including items <5% of total capital tax liabilities)	-	-	-
(99) Subtotal	1,974,393	1,444,382	530,011
(c) Deferred tax liabilities (3a99+3b99)	2,182,932	1,715,328	467,604
4. Net deferred tax assets/liabilities (2i - 3c)	7,251,273	6,877,211	374,062

## NOTES TO FINANCIAL STATEMENTS

The change in net deferred income taxes is comprised of the following (this analysis is exclusive of nonadmitted assets as the Change in Nonadmitted Assets is reported separately from the Change in Net Deferred Income Taxes in the surplus section of the Annual Statement):

	12/31/2016	12/31/2015	Change
Total deferred tax assets	9,767,950	9,144,417	623,533
Total deferred tax liabilities	2,182,932	1,715,328	467,604
Net deferred tax asset	7,585,018	7,429,089	155,929
Tax effect of unrealized gains (losses)			530,012
Remove tax effect of change in retirement plans			(72,797)
Change in net deferred income tax			<u>613,144</u>

D. Among the more significant book to tax adjustments were the following:

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

Description	Amount	Tax Effect at 34%	Effective Tax Rate
Income before Federal income tax	14,941,866	5,080,234	34.00%
Tax exempt investment income	(3,383,841)	(1,150,506)	-7.70%
Dividends received deduction	(194,707)	(66,200)	-0.44%
Proration of tax exempt investment income	536,782	182,506	1.22%
Lobbying	19,485	6,625	0.04%
Disallowed meals and entertainment	106,783	36,306	0.24%
Penalties	21,125	7,183	0.05%
Insurance company owned life insurance	(956,753)	(325,296)	-2.18%
Change in non admitted assets	(37,621)	(12,791)	-0.09%
Change in NQRP	(152,332)	(51,793)	-0.35%
Current year rate differential	370,953	126,124	0.85%
Other	4,682	1,592	0.02%
Total	<u>11,276,422</u>	<u>3,833,984</u>	<u>25.66%</u>
Federal and foreign ordinary income taxes incurred		4,437,758	29.70%
Capital gains tax incurred		9,371	0.06%
Change in net deferred income tax		(613,145)	-4.10%
Total statutory income taxes		<u>3,833,984</u>	<u>25.66%</u>

E. Operating Loss and Tax Credit Carryforwards

1. Carryforwards, recoverable taxes, and IRC 6603 deposits

	12/31/2016	12/31/2015
The Company had net operating losses of:	-	-
The Company had capital loss carryforwards of:	-	-
The Company had AMT credit carryforwards of:	-	-
	<u>-</u>	<u>-</u>

The AMT credit carryforwards do not expire.

2. The following is income tax expense for 2015, 2014, and 2013 that is available for recoupment in the event of future net losses:

Year	Ordinary	Capital	Total
2014	-	1,048,464	1,048,464
2015	4,131,121	7,436	4,138,557
2016	4,377,080	9,371	4,386,451
	<u>8,508,201</u>	<u>1,065,271</u>	<u>9,573,472</u>

3. Deposits admitted under IRC § 6603

None

## NOTES TO FINANCIAL STATEMENTS

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F. Consolidated Federal Income Tax Return

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

Ohio Mutual Insurance Company  
Casco Indemnity Company  
Ohio United Agency, Inc.  
United Premium Budget Services, Inc.  
Centurion Financial, Inc.

B. The method of allocation between the companies is subject to written agreement, approved by the Board of Directors. Allocation is based upon separate return calculations with current credit for net losses. Intercompany balances are settled annually in the final quarter.

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

A. The Company is a wholly owned subsidiary of Ohio Mutual Insurance Company (Ohio Mutual). Ohio Mutual is the sole shareholder and owner of the Company, Casco Indemnity Company (Casco), United Premium Budget Service Inc., Centurion Financial Inc. (CEF), and Ohio United Agency, Inc.

B. The Company, Ohio Mutual (parent) and Casco have entered into a reinsurance pooling agreement through which underwriting activities and operating expenses are proportionately allocated. See footnote #26 for additional information on the pooling agreement.

C. In 2016 the Company received from its parent, Ohio Mutual, \$13,125,683 under the terms of the Reinsurance Pooling Agreement between the entities.

D. As of December 31, 2016, the Company's parent, Ohio Mutual, owes the Company \$1,777,366 under the terms of the Reinsurance Pooling Agreement. As of December 31, 2016, the Company owes its parent, Ohio Mutual, \$571,107, and its affiliate, Casco, \$113,632 under the terms of the Cost Sharing Agreement.

E. The Company has no guarantees or undertakings at December 31, 2016.

F. The Company, its parent, Ohio Mutual, and affiliate, Casco, entered into a Cost Sharing Agreement effective, January 1, 2011, through which certain common costs are shared proportionally between the entities.

G. All outstanding shares of the Company are owned by its parent, Ohio Mutual, an insurance company domiciled in the State of Ohio.

H. The Company owns no shares of the stock of its ultimate parent, Ohio Mutual.

I. The Company does not own a share or interest in an upstream intermediate entity or its parent, either directly or indirectly.

J. The Company has no subsidiary investments, controlled or affiliated companies during the statement period.

K. Not Applicable

L. Not Applicable

M. The Company has no SCA investments.

N. The Company has no investments in Insurance SCAs.

### 11. Debt

A. Except for a FHLB loan disclosed in Part B, the Company had no other outstanding debt obligations at any time during 2016.

B. FHLB (Federal Home Loan Bank) Agreements

- (1) The Company is a member of the Federal Home Loan Bank (FHLB) of Cincinnati. Through its membership, the Company has issued debt to the FHLB of Cincinnati in exchange for cash advances in the amount of \$8,000,000 for a period of one year at a fixed rate of 0.82%. This is an interest-only loan with principle due at the maturity date of June 21, 2017. This loan is collateralized by cash, treasury bonds, and mortgage-backed securities on deposit with the FHLB. It is part of the Company's strategy to utilize these funds for operations, and any funds obtained from the FHLB of Cincinnati for use in general operations would be accounted for consistent with SSAP No. 15, *Debt and Holding Company Obligations* as borrowed money. The Company has determined the estimated borrowing capacity as \$61,597,653. The Company calculated this amount in accordance with FHLB's Residential Housing Finance Assets report as of December 31, 2016.

## NOTES TO FINANCIAL STATEMENTS

- (2) The Company, as a member of the FHLB of Cincinnati has purchased 6,322 shares of \$100 Par Value Class B capital stock for a total purchase price of \$632,200. The Class B common stock is broken out into the following categories:

a. Aggregate Totals

1) Current Year

	1 Total 2 + 3	2 General Account	3 Protected Cell Accounts
(a) Membership Stock - Class A	-	-	-
(b) Membership Stock - Class B	363,866	363,866	-
(c) Activity Stock	268,334	268,334	-
(d) Excess Stock	-	-	-
Aggregate Total	<u>632,200</u>	<u>632,200</u>	<u>-</u>

Actual or Estimated Borrowing Capacity as determined by the Insurer

61,597,653	XXX	XXX
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2) Prior Year-end

	1 Total 2 + 3	2 General Account	3 Protected Cell Accounts
(a) Membership Stock - Class A	-	-	-
(b) Membership Stock - Class B	341,152	341,152	-
(c) Activity Stock	268,248	268,248	-
(d) Excess Stock	-	-	-
Aggregate Total	<u>609,400</u>	<u>609,400</u>	<u>-</u>

Actual or Estimated Borrowing Capacity as determined by the Insurer

51,463,080	XXX	XXX
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b. Membership Stock (Class A and B) Eligible for Redemption

Membership Stock	Current Year Total	Not Eligible for Redemption	6 Months to Less than 6 Months	1 Year to Less Than 1 year	1 Year to Less Than 3 years	3 to 5 Years
1. Class A						
2. Class B	363,866	363,866				

- (3) The Company, as a member of the FHLB of Cincinnati has issued debt to the FHLB of Cincinnati in exchange for cash advances in the amount of \$8,000,000 for a period of one year. This loan is collateralized by cash, treasury bonds, and mortgage-backed securities on deposit with the FHLB.

a. Amount Pledged as of Reporting Date

1) Current Year Total General and Protected Cell Accounts

	Fair Value	Carrying Value	Aggregate Total Borrowing
Total Collateral Pledged	<u>9,645,511</u>	<u>9,623,531</u>	<u>8,000,000</u>

2) Current Year General Accounts

	Fair Value	Carrying Value	Aggregate Total Borrowing
Total Collateral Pledged	<u>9,645,511</u>	<u>9,623,531</u>	<u>8,000,000</u>

3) Current Year Protected Cell Accounts

	Fair Value	Carrying Value	Aggregate Total Borrowing
Total Collateral Pledged	<u>-</u>	<u>-</u>	<u>-</u>

4) Prior Year-end Total General and Protected Cell Accounts

	Fair Value	Carrying Value	Aggregate Total Borrowing
Total Collateral Pledged	<u>10,129,244</u>	<u>10,037,557</u>	<u>9,835,000</u>

b. Maximum Amount Pledged during Reporting Period

1) Current Year Total General and Protected Cell Accounts

	Fair Value	Carrying Value	Aggregate Total Borrowing
Maximum Collateral Pledged	<u>11,839,717</u>	<u>11,689,807</u>	<u>9,835,000</u>

## NOTES TO FINANCIAL STATEMENTS

## 2) Current Year General Accounts

	Fair Value	Carrying Value	Aggregate Total Borrowing
Maximum Collateral Pledged	11,839,717	11,689,807	9,835,000

## 3) Current Year Protected Cell Accounts

	Fair Value	Carrying Value	Aggregate Total Borrowing
Maximum Collateral Pledged	-	-	-

## 4) Prior Year-end Total General and Protected Cell Accounts

	Fair Value	Carrying Value	Aggregate Total Borrowing
Maximum Collateral Pledged	10,882,929	10,775,243	9,835,000

- (4) The Company, as a member of the FHLB of Cincinnati has issued debt to the FHLB of Cincinnati in exchange for cash advances in the amount of \$8,000,000 for a period of one year at a fixed rate of 0.82%. This is an interest only loan with principal due at the maturity date of June 21, 2017.

## a. Amount as of Reporting Date

## 1) Current Year

	1 Total 2 + 3	2 General Account	3 Protected Cell Account	4 Funding Agreements Reserves Established
(a) Debt	8,000,000	8,000,000	-	XXX
(b) Funding Agreements	-	-	-	-
(c) Other	-	-	-	XXX
(d) Aggregate Total	8,000,000	8,000,000	-	-

## 2) Prior Year-end

	1 Total 2 + 3	2 General Account	3 Protected Cell Account	4 Funding Agreements Reserves Established
(a) Debt	9,835,000	9,835,000	-	XXX
(b) Funding Agreements	-	-	-	-
(c) Other	-	-	-	XXX
(d) Aggregate Total	9,835,000	9,835,000	-	-

## b. Maximum Amount during Reporting Period (Current Year)

	1 Total 2 + 3	2 General Account	3 Protected Cell Account	4 Funding Agreements Reserves Established
(a) Debt	9,835,000	9,835,000	-	XXX
(b) Funding Agreements	-	-	-	-
(c) Other	-	-	-	XXX
(d) Aggregate Total	9,835,000	9,835,000	-	-

## c. FHLB Prepayment Obligations

Does the company have prepayment obligations under the following arrangements? (YES/NO)?

1) Debt	YES
2) Funding Agreements	NO
3) Other	NO

- C. The Company entered into an agreement with United Bank, N.A., A Division of The Park National Bank, in 2008 through which United Bank will provide the Company a \$2,000,000 back-up credit facility. As of December 31, 2016, there were no outstanding balances against this line of credit. Interest on any outstanding balance is stated at one percentage point below the current prime rate. There was no interest charged for utilization of the line of credit in either 2016 or 2015.

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

## A. Defined Benefit Plans

The Group's pension plan consists of a noncontributory defined benefit pension plan covering certain employees of the Group meeting certain minimum age and employment requirements. Effective August 1, 2007, the pension plan was amended to freeze certain employees from incurring future benefits. Current employees who did not reach the age of 40 on or after July 31, 2007 ceased earning additional benefits under the plan. New employees after August 1, 2007 are not eligible to participate in the plan. The Group's funding policy is to make at least the minimum annual contributions required by applicable regulations and not more than the maximum deductible contribution. The Group contributed \$450,000 and \$1,750,000 to its pension plan during 2016 and 2015, respectively.

## NOTES TO FINANCIAL STATEMENTS

The Company also provides Postretirement Medicare Supplement policies for eligible retirees and spouses. This plan was amended as of January 1, 2005 to limit the number of participants in the plan. The following participants are eligible for benefits: current retirees receiving benefits as of January 1, 2005, employees who are age 60 or older and had at least 10 years of service as of January 1, 2005, and employees who retire after age 60 and had at least 25 years of service on January 1, 2005. The benefits are fully insured but unfunded as the Company pays the obligations when due. Actuarially determined costs are recognized over the period the employee provides service to the Company. The Company contributed \$125,923 and \$116,019 to its postretirement benefit plan in 2016 and 2015 respectively.

A summary of assets, obligations and assumptions of the Pension and Other Postretirement Benefit Plans are as follows at December 31, 2016 and 2015:

	Overfunded		Underfunded	
	2016	2015	2016	2015
(1) Change in benefit obligation:				
a. Pension Benefits				
1. Benefit obligation at beginning of year	\$ -	\$ -	\$ 22,542,213	\$ 23,536,588
2. Service cost	-	-	577,767	627,456
3. Interest cost	-	-	976,677	917,055
4. Contribution by plan participants	-	-	-	-
5. Actuarial (gain) loss	-	-	778,187	(1,927,980)
6. Foreign currency exchange rate changes	-	-	-	-
7. Benefits paid	-	-	(675,501)	(610,906)
8. Plan amendments	-	-	-	-
9. Business combinations, divestitures, curtailments, settlements and special termination benefits	-	-	-	-
10. Benefit obligation at end of year	\$ -	\$ -	\$ 24,199,343	\$ 22,542,213
b. Postretirement Benefits				
1. Benefit obligation at beginning of year	\$ -	\$ -	\$ 2,253,747	\$ 2,466,744
2. Service cost	-	-	7,353	11,205
3. Interest cost	-	-	93,221	91,586
4. Contribution by plan participants	-	-	13,198	12,891
5. Actuarial gain (loss)	-	-	(111,488)	(199,769)
6. Foreign currency exchange rate changes	-	-	-	-
7. Benefits paid	-	-	(139,121)	(128,910)
8. Plan amendments	-	-	-	-
9. Business combinations, divestitures, curtailments, settlements and special termination benefits	-	-	-	-
10. Benefit obligation at end of year	\$ -	\$ -	\$ 2,116,910	\$ 2,253,747
			Pension Benefits	Postretirement Benefits
			2016	2015
(2) Change in plan assets:				
a. Fair value of plan assets at beginning of year	\$ 17,675,191	\$ 16,696,761	\$ -	\$ -
b. Actual return on plan assets	962,566	(160,664)	-	-
c. Foreign currency exchange rate changes	-	-	-	-
d. Reporting entity contribution	450,000	1,750,000	125,923	116,019
e. Plan participants' contributions	-	-	13,198	12,891
f. Benefits paid	(675,501)	(610,906)	(139,121)	(128,910)
g. Business combinations, divestitures and settlements	-	-	-	-
h. Fair value of plan assets at end of year	\$ 18,412,256	\$ 17,675,191	\$ -	\$ -
(3) Funded status:				
Underfunded:				
b. Liabilities recognized				
1. Accrued benefit costs	-	-	-	-
2. Liability for pension benefits	(5,787,087)	(4,867,022)	(2,116,910)	(2,253,747)
3. Total liabilities recognized	(5,787,087)	(4,867,022)	(2,116,910)	(2,253,747)
c. Unrecognized liabilities	-	-	(676,821)	(538,663)
(4) Components of net periodic benefit cost				
a. Service cost	\$ 577,767	\$ 627,456	\$ 7,353	\$ 11,205
b. Interest cost	976,677	917,055	93,221	91,586
c. Expected return on plan assets	(1,162,451)	(1,132,930)	-	-
d. Transition asset or obligation	216,093	216,090	-	-
e. Gains and losses	409,714	600,035	(113,319)	(77,403)
f. Prior service cost or credit	-	-	139,989	139,989
g. Gain or loss recognized due to a settlement or curtailment	-	-	-	-
h. Total net periodic benefit cost	\$ 1,017,800	\$ 1,227,706	\$ 127,244	\$ 165,377

## NOTES TO FINANCIAL STATEMENTS

	Pension Benefits		Postretirement Benefits	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
(5) Amounts in unassigned funds (surplus) recognized as components of net periodic benefit cost				
a. Items not yet recognized as a component of net periodic cost - prior year	\$ 6,321,624	\$ 7,772,135	\$ (538,663)	\$ (276,308)
b. Net transition asset or obligation recognized	-	-	-	-
c. Net prior service cost or credit arising during the period	(216,093)	(216,090)	-	-
d. Net prior service cost or credit recognized	-	-	(139,989)	(139,989)
e. Net gain and loss arising during the period	978,072	(634,386)	(111,488)	(199,769)
f. Net gain and loss recognized	(409,714)	(600,035)	113,319	77,403
g. Items not yet recognized as a component of net periodic cost - current year	6,673,889	6,321,624	(676,821)	(538,663)
(6) Amounts in unassigned funds (surplus) expected to be recognized in the next fiscal year as components of net periodic benefit cost				
a. Net transition asset or obligation	-	-	-	-
b. Net prior service cost or credit	-	216,093	-	139,989
c. Net recognized gains and losses	461,383	409,714	(116,283)	(113,319)
(7) Amounts in unassigned funds (surplus) that have not yet been recognized as components of net periodic benefit cost				
a. Net transition asset or obligation	-	-	-	-
b. Net prior service cost or credit	-	216,093	-	139,989
c. Net recognized gains and losses	4,253,955	3,851,310	(676,821)	(678,652)
(8) Weighted-average assumptions used to determine net periodic benefit cost as of Dec. 31:				
a. Weighted-average discount rate	4.40%	3.95%	4.25%	3.80%
b. Expected long-term rate of return on plan assets	7.00%	7.00%		
c. Rate of compensation increase	4.50%	4.50%		
Weighted-average assumptions used to determine projected benefit obligations as of Dec. 31:				
d. Weighted-average discount rate	4.10%	4.40%	3.95%	4.25%
e. Rate of compensation increase	4.50%	4.50%		

For measurement purposes, a 6.25% percent annual rate of increase in the per capita cost of covered health care benefits was assumed for 2016. The rate was assumed to decrease gradually to 5.00% percent for 2021 and remain at that level thereafter.

(9) The amount of the accumulated benefit obligation for the defined benefit pension plan was \$21,705,499 for the current year and \$19,808,077 for the prior year.

(10) For measurement purposes, a 6.00% percent annual rate of increase in the per capita cost of covered health care benefits will be assumed for 2017. The rate is assumed to decrease gradually to 5.00% percent for 2021 and remain at that level thereafter.

(11) Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one-percentage-point change in assumed health care cost trend rates would have the following effects:

	1 Percentage Point Increase	1 Percentage Point Decrease
a. Effect on total of service and interest cost components	\$ 13,144	\$ (10,960)
b. Effect on postretirement benefit obligation	245,030	(207,481)

(12) The following estimated future payments, which reflect expected future service, as appropriate, are expected to be paid in the years indicated:

	<u>Year(s)</u>	<u>Amount</u>	
		Pension Benefits	Postretirement Benefits
a.	2017	\$ 880,000	\$ 124,196
b.	2018	920,000	127,038
c.	2019	960,000	127,517
d.	2020	1,020,000	130,196
e.	2021	1,130,000	132,352
f.	2022 through 2026	7,050,000	678,746

(13) The Company does not have any regulatory contribution requirements for 2017; however, the Company intends to make voluntary contributions to the pension plan of \$1,224,000 in 2017. The Company intends to make voluntary contributions to the postretirement benefit plan of \$124,196 in 2017.

(14) As of December 31, 2016, none of the Company's securities or those of related parties were included in the plan assets. The company or related parties did not issue insurance contracts covering plan participant benefits, and there were not any significant transactions between the Company or related parties and the plan during the period.

(15) The Company did not use an alternate amortization method to amortize prior service amounts or unrecognized net gains and losses.

(16) The Company did not use any substantive commitments as a basis for accounting for the benefit obligations.



## NOTES TO FINANCIAL STATEMENTS

- (17) The Company did not recognize any special or contractual termination benefits during the period.
- (18) All significant changes in the Company's benefit obligation and plan assets have been presented in the preceding sections of this disclosure.
- (19) No plan assets are expected to be returned to the employer during the 12-month period that follows the most recent annual statement of financial position presented.
- (20) The following provides the status of the plans as of December 31:

	Pension Benefits		Postretirement Benefits	
	2016	2015	2016	2015
Accumulated Benefit Obligation	21,705,499	19,808,077	2,116,910	2,253,747
Projected Benefit Obligation	24,199,343	22,542,213		
Plus: Non-Vested Liability	-	-		
Total Projected Benefit Obligation	24,199,343	22,542,213		
Plan Assets at Fair Value	18,412,256	17,675,191	-	-
(Underfunded) Funded	(5,787,087)	(4,867,022)	(2,116,910)	(2,253,747)
Amounts included in balance of unassigned funds (surplus)				
Total net (gain)/loss	6,673,889	6,105,531	(676,821)	(678,652)
Transition (asset)/obligation	-	-	-	-
Incremental (asset)/liability	(216,093)	(216,090)	(139,989)	(139,989)
Prior service cost/(credit)	216,093	432,183	139,989	279,978
Total included in balance of unassigned funds (surplus)	6,673,889	6,321,624	(676,821)	(538,663)

- (21) The Company recognized the full transition amount to SSAP 102 and SSAP 92 at the adoption date of January 1, 2013.
- B. The Company's defined benefit plan invests in a diversified mix of traditional asset classes. The plan adopted a written investment policy to provide guidance for the investment of contributions and other plan assets to help maintain adequate funding for plan liabilities. The investment policy objectives are as follows:
- Return – Obtain a reasonable long-term return consistent with the level of risk assumed. Specific return objectives may include fund performance that exceeds the rate of inflation, the assumed actuarial discount rate, and/or the total fund policy return which is typically defined as the return of a passively managed benchmark comprised of the target portfolio weights to each asset class.
  - Cost – Seek to control the cost of funding the Plan within prudent levels of risk through the investment of Plan assets.
  - Diversification – Provide diversification of assets in an effort to avoid the risk of large losses and maximize the investment return to the Plan consistent with market and economic risk.

The plan's asset allocations are based on several factors including:

- The projected liability stream of benefits and the costs of funding to both covered employees and employers;
- The relationship between the current and projected assets of the Plan and the projected actuarial liability stream;
- The historical performance of capital markets adjusted for the perception of future short- and long-term capital market performance;
- The perception of future economic conditions, including inflation and interest rate assumptions.

Asset allocations and investment performance is formally reviewed quarterly by the plan's Pension Plan Administrative Committee. Forecasting of asset and liability growth is performed regularly including asset/liability matching.

The defined benefit pension plan asset allocation as of the measurement date, December 31, 2015 and the target asset allocation, presented as a percentage of total plan assets were as follows:

	2016	Target Allocation	2015	Target Allocation
Large U.S. Equity	32.7%	33.0%	31.9%	29.9%
Small/Mid U.S. Equity	6.0%	6.0%	7.9%	7.6%
International Equity	13.1%	13.0%	11.9%	12.5%
Debt Securities	40.2%	40.0%	37.8%	40.0%
Real Asset	8.0%	8.0%	10.5%	10.0%
Total	100.0%	100.0%	100.0%	100.0%

## NOTES TO FINANCIAL STATEMENTS

### C. The fair value of each class of plan assets

#### (1) Fair Value Measurements of Plan Assets at Reporting Date

Description for each class of plan assets	(Level 1)	(Level 2)	(Level 3)	Total
Large U.S. Equity	\$ -	\$ 6,027,037	\$ -	\$ 6,027,037
Small/Mid U.S. Equity	-	1,097,391	-	1,097,391
International Equity	-	2,402,444	-	2,402,444
Debt Securities	-	7,406,466	-	7,406,466
Real Asset	-	1,478,918	-	1,478,918
Total Plan Assets	<u>\$ -</u>	<u>\$ 18,412,256</u>	<u>\$ -</u>	<u>\$ 18,412,256</u>

#### (2) Fair Value Measurements in Level 3 of the Fair Value Hierarchy

There were no plan assets measured at a Level 3 at the reporting date.

- D. The expected long-term rate of return is estimated based on many factors including the expected forecast for inflation, risk premiums for each asset class, expected asset allocation, current and future financial market conditions, and diversification and rebalancing strategies. Historical return patterns and correlations, consensus return forecasts and other relevant financial factors are analyzed to check for reasonability and appropriateness.

### E. Defined Contribution Plans

The Company has an employee savings plan for its employees. The maximum percentage that eligible participants are permitted to contribute to the plan is restricted by the Internal Revenue Service limitation of \$18,000 for 2016 and 2015. The catch-up provision for employees age 50 and older is \$6,000 for 2016 and 2015. The Company contributes 3% of pay subject to the IRS maximum compensation limit of \$265,000 for 2016 and 2015. All full-time and regular part-time employees are eligible to participate in the plan. The Company's contributions to the plan in 2016 and 2015 were \$539,000 and \$517,000, respectively.

The Company also sponsors a non-qualified compensation plan for certain executives and directors of the Company. Participants may contribute a percentage of their salaries and bonuses, subject to certain restrictions and limitations. The Company does not provide for a matching contribution related to the non-qualified plan. The Company funds the non-qualified plan from payroll withdrawals at the discretion of the participant. Assets and liabilities of the non-qualified plan were \$1,539,852 and \$1,488,302 as of December 31, 2016 and 2015, respectively. The assets and liability for the non-qualified plan have been netted on the balance sheet.

- F. The Company did not participate in any multi-employer plans during the periods reported.

- G. The Company's parent and affiliate participated in defined benefit plans sponsored by the Company during the years reported. The company allocates amounts to the parent and its affiliate based on a cost sharing arrangement.

### H. Postemployment Benefits and Compensated Absences

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

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

The Company's postretirement benefit program consists only of providing a Medicare Supplement policy for eligible retirees and spouses. The plan does not provide for prescription drug coverage. Therefore, there is no impact from the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (the Act), which was signed into law in December of 2003.

## 13. Capital and Surplus, Dividend Restrictions and Quasi-reorganizations.

- (1) The Company has 1,000,000 shares of capital stock authorized, 500,000 shares issued and 500,000 shares outstanding. All shares are common shares and carry par value of \$5 each.
- (2) The Company has no shares of preferred stock outstanding.
- (3) Unless prior approval is received by the ODI, Ohio law limits the amount of dividends that can be paid by an insurance company to the greater of: (a) 10 percent of statutory surplus as of December 31st of the year preceding the dividend payment or (b) 100 percent of statutory net income for the year ended December 31st preceding the dividend payment.
- (4) There were no ordinary or extraordinary dividends paid in either 2016 or 2015.
- (5) The portion of the Company's 2016 and 2015 surplus that may be paid as ordinary dividends in the subsequent year are \$16,028,720 and \$14,826,056 respectively.
- (6) There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.
- (7) The total amount of advances to surplus not repaid is \$0.
- (8) There is no stock held by the Company, including stock of affiliated companies, for special purposes.
- (9) The Company has not experienced any changes in balances of special surplus funds.
- (10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses is \$5,813,978.
- (11) The Company has no surplus debentures or similar obligations.
- (12) The Company has no restatement due to quasi-reorganizations.
- (13) There are no quasi-reorganizations to report.

## NOTES TO FINANCIAL STATEMENTS

### 14. Liabilities, Contingencies and Assessments

- A. The Company has no commitment or contingent commitment to any other entity, joint venture, partnership, or limited liability company.
- B. The Company has received notification of the insolvency of several companies. It is expected that the insolvency will result in a guaranty fund assessment against the Company at some future date. At this time the Company is unable to estimate the possible amounts, if any, of such assessments. Accordingly, the Company is unable to determine the impact, if any, such assessments may have on the Company's financial position or results of operations.
- C. The Company has no commitment or gain contingencies to any other entity, joint venture, partnership, or limited liability company.
- D. The Company paid the following amounts in the reporting period to settle claims related extra contractual obligations or bad faith claims stemming from lawsuits.

Claims related ECO and bad faith losses paid during the reporting period	<u>Direct</u> \$286,277
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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) <u>0-25 Claims</u>	(b) <u>26-50 Claims</u>	(c) <u>51-100 Claims</u>	(d) <u>101-500 Claims</u>	(e) <u>More than 500 Claims</u>
X				

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

(f) Per Claim [ ]	(g) Per Claimant [ x ]
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- E. The Company has no liability for product warranties.
- F. The Company has no joint and several liabilities.
- G. The Company has no other contingencies not already stated above.

### 15. Leases

#### A. Leasing Arrangements

- (1) The Company's parent, Ohio Mutual, leases automobiles and computer related equipment under various operating lease arrangements. The Company and affiliate, Casco, share expenses with their parent according to the Cost Sharing Agreement between the three companies. The rental expense for these leases for 2016 and 2015 was \$529,291 and \$502,842, respectively.

The Company leases its home office space from its parent, Ohio Mutual. Rental expense incurred for the years ended December 31, 2016 and 2015, under this facility lease was \$248,083 for each year.

- (2) The Company has no lease commitments at December 31, 2016.
- (3) The Company is not involved in sales - leaseback transactions.

#### B. Leasing is not a significant part of the company's business activities.

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

The Company has no Financial Instruments with off-balance sheet risk.

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

The Company has no sale, transfer and servicing of financial assets and extinguishments of liabilities.

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

The Company has no gain or loss to report from Uninsured Plans or the Uninsured Portion of Partially Insured Plans.

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

The Company has no direct written premiums produced by managing general agents or third party administrators.

## NOTES TO FINANCIAL STATEMENTS

### 20. Fair Value Measurements

A. Fixed maturity securities that are carried at amortized cost are not included in the table below:

(1) Fair Value Measurements at Reporting Date

Description	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value				
Bonds				
Hybrid Securities	\$ -	\$ 976,875	\$ -	\$ 976,875
Industrial and Misc	-	4,247,664	-	4,247,664
Total Bonds	<u>\$ -</u>	<u>\$ 5,224,539</u>	<u>\$ -</u>	<u>\$ 5,224,539</u>
Preferred Stock				
Industrial and Misc	-	5,059,160	-	5,059,160
Total Preferred Stocks	<u>\$ -</u>	<u>\$ 5,059,160</u>	<u>\$ -</u>	<u>\$ 5,059,160</u>
Common Stock				
Industrial and Misc	-	632,200	-	632,200
Mutual Funds	11,693,593	-	-	11,693,593
Total Common Stocks	<u>\$ 11,693,593</u>	<u>\$ 632,200</u>	<u>\$ -</u>	<u>\$ 12,325,793</u>
Derivative assets				
Total assets at fair value	<u>\$ 11,693,593</u>	<u>\$ 10,915,899</u>	<u>\$ -</u>	<u>\$ 22,609,492</u>

(2) The Company has no Level 3 Fair Value Measurements

(3) Transfers between levels are recognized on the actual date of the event or change in circumstances that caused the transfer.

(4) As of December 31, 2016, the reporting entity's investments in Level 2, NAIC rated A, common stocks are reported at fair value. The Company also has Level 2 Preferred Stocks and Bonds that are reported at fair value.

(5) The Company has no Derivative Assets or Liabilities

B. Fair Value Measurements are used for financial instruments unless specifically required by another method.

C. The Aggregate Fair Value for all Financial Instruments and the Level within the Fair Value Hierarchy are illustrated as follows:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level (1)	Level (2)	Level (3)	Not Practicable (Carrying Value)
Bonds	\$ 5,224,539	\$ 5,224,539	\$ -	\$ 5,224,539	\$ -	\$ -
Preferred Stocks	5,059,160	5,059,160	-	5,059,160	-	-
Common Stocks	12,325,793	12,325,793	11,693,593	632,200	-	-
Total Financial Instruments	<u>\$ 22,609,492</u>	<u>\$ 22,609,492</u>	<u>\$ 11,693,593</u>	<u>\$ 10,915,899</u>	<u>\$ -</u>	<u>\$ -</u>

D. Not Practicable to Estimate Fair Value

The Company's Financial Instruments are valued at Fair Value unless otherwise specified.

### 21. Other Items

A. The Company has no Extraordinary Items.

B. The Company has no Troubled Debt Restructuring Debtors.

C. The Company purchased a company owned life insurance policy in February 2012. The employees covered under this policy are all within the senior management team and have provided written consent. The policy's cash surrender value as of December 31, 2016 is \$15,253,796. United Ohio is the owner of the policy with all life benefits and earnings on the underlying investments belonging to United Ohio. The policy's cash surrender value as of December 31, 2016 and December 31, 2015 is \$15,253,796 and \$14,297,044 respectively. The change in the cash surrender value from 2015 to 2016 of \$956,753 is included in miscellaneous income, as compared to the change in cash surrender value from 2014 to 2015 of \$288,753.

D. The Company has no Business Interruption Insurance Recoveries.

E. The Company has no State Transferable Tax Credits.

F. Subprime Mortgage Related Risk Exposure

(1) The Company does not engage in direct subprime residential lending. The Company's exposure to subprime is limited to investments within the fixed income investment portfolio which contains securities collateralized by mortgages that have characteristics of subprime lending. Such characteristics include an interest rate above prime to borrowers who do not qualify for prime rate loans, borrowers with low credit ratings (FICO scores), unconventionally high initial loan-to-value ratios and borrowers with less than conventional documentation of their income and/or net assets.

## NOTES TO FINANCIAL STATEMENTS

The Company minimizes risk exposure by holding securities that carry higher credit ratings and by monitoring the underlying collateral performance on an ongoing basis.

- (2) The Company does not have direct exposure through investments in subprime mortgage loans.
- (3) Direct exposure through other investments

The chart below summarizes the Actual Cost, Book Adjusted Carrying Value, Fair Value, and the Other than Temporary Impairment Losses Recognized of subprime mortgage related risk exposure by investment category:

	Actual Cost	Book/Adjusted Carrying Value (excluding interest)	Fair Value	Other than Temporary Impairment Losses Recognized
a. Residential mortgage-backed securities	\$ -	\$ 75,468	\$ 87,182	\$ -
b. Commercial mortgage-backed securities	-	-	-	-
c. Collateralized debt obligations	-	-	-	-
d. Structured securities	-	-	-	-
e. Equity investment in SCAs	-	-	-	-
f. Other assets	-	-	-	-
g. Total	<u>\$ -</u>	<u>\$ 75,468</u>	<u>\$ 87,182</u>	<u>\$ -</u>

The Company recorded no impairments in 2016 or 2015 and no realized gains on sales and pay downs of investments with subprime exposure for either year.

- (4) The Company has no subprime mortgage risk exposure through Mortgage Guaranty or Financial Guaranty Insurance coverage.

G. The Company has no Insurance-Linked Securities (ILS) Contracts.

### 22. Events Subsequent

Type II – Nonrecognized Subsequent Events:

	Current Year	Prior Year
A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the federal Affordable Care Act	NO	NO
B. ACA fee assessment payable for the upcoming year	-	-
C. ACA fee assessment paid	-	-
D. Premium written subject to ACA 9010 assessment	-	-
E. Total Adjusted Capital before surplus adjustment	-	-
F. Total Adjusted Capital after surplus adjustment	-	-
G. Authorized Control Level	-	-
H. Would reporting the ACA assessment as of Dec. 31, 2016 have triggered an RBC action level (YES/NO)?	NO	NO

There are no other subsequent events to report.

### 23. Reinsurance

#### A. Unsecured Reinsurance Recoverables

The Company does not have any unsecured aggregate recoverable for losses, paid and unpaid including IBNR, loss adjustment expenses and unearned premium with any individual reinsurers, authorized or unauthorized.

#### B. Reinsurance Recoverable in Dispute

The Company has no reinsurance recoverable in dispute.

#### C. Reinsurance Assumed and Ceded

- (1) The following table summarizes assumed and ceded unearned premiums and the related commission equity at December 31, 2016:

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	\$ 63,159,483	\$ 10,766,106	\$ 66,764,693	\$ 11,380,647	\$ (3,605,210)	\$ (614,541)
b. All Other	-	-	4,210,631	523,876	(4,210,631)	(523,876)
c. TOTAL	<u>\$ 63,159,483</u>	<u>\$ 10,766,106</u>	<u>\$ 70,975,324</u>	<u>\$ 11,904,523</u>	<u>\$ (7,815,841)</u>	<u>\$ (1,138,417)</u>
d. Direct Unearned Premium Reserve:						<u>\$ 70,975,324</u>

## NOTES TO FINANCIAL STATEMENTS

- (2) The additional or return commission, predicated on loss experience or on any other form of profit sharing arrangements in this annual statement as a result of existing contractual arrangements is accrued as follows:

	Direct	Assumed	Ceded	Net
a. Contingent Commission	\$ -	\$ -	\$ -	\$ -
b. Sliding Scale Adjustments	-	-	-	-
c. Other Profit Commission Arrangements	45,367	-	-	45,367
d. TOTAL	\$ 45,367	\$ -	\$ -	\$ 45,367

- (3) Not Applicable

D. Uncollectible Reinsurance

The Company has no uncollectible reinsurance.

E. Commutation of Ceded Reinsurance

The Company has not entered into an agreement to commute any reinsurance treaties.

F. Retroactive Reinsurance

The Company has no retroactive reinsurance.

G. Reinsurance Accounted for as a Deposit

The Company has no reinsurance that should be accounted for as a deposit.

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

The Company has no disclosures for the Transfers of Property and Casualty Run-off Agreements.

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

The Company had no certified reinsurer's rating downgraded or status subject to revocation.

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation

The Company had no reinsurance agreements qualifying for reinsurer aggregation.

### 24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

The Company has no retrospectively rated contracts.

### 25. Change in Incurred Losses and Loss Adjustment Expenses

The following table provides a reconciliation of the beginning and ending reserve balances for losses and loss adjustment expenses, net of reinsurance recoverables, for 2016 and 2015:

	<u>2016</u>	<u>2015</u>
	<i>(In Thousands)</i>	
Balance at January 1, net of reinsurance	\$ 63,031	\$ 27,275
Incurred related to:		
Current year	86,120	83,560
Prior years	(4,723)	(5,415)
Total incurred	\$ 81,397	\$ 78,145
Paid related to:		
Current year	\$ 52,496	\$ 50,236
Prior years	24,430	22,153
Total paid	\$ 76,926	\$ 72,389
Balance as of December 31, net of reinsurance	\$ 67,502	\$ 33,031

The Company's liabilities for unpaid losses and loss adjustment expenses, net of related reinsurance recoverables, at December 31, 2015 and 2014, were decreased in the subsequent year by \$4,723,000 and \$5,415,000, respectively. The favorable development experienced in 2016 for accident years 2015 and prior is due to favorable development within the Group's private passenger auto liability, auto physical damage and homeowners lines of business and was primarily within the accident year of 2015. Offsetting the favorable development during 2016 was unfavorable development within the commercial auto liability and commercial multi-peril lines of business related to accident years ranging from 2010 to 2013. The favorable development experienced in 2015 for years 2014 and prior is due to favorable development within the Group's auto liability, auto physical damage and homeowners lines of business and was primarily within the accident years of 2013 and 2014. Initial loss estimates for these years developed better than expected for these lines of business. Reserves previously established for these lines and years were reduced in the current year.

Because of the nature of the business written over the years, management believes that the Group has limited exposure to environmental claim liabilities.

## NOTES TO FINANCIAL STATEMENTS

### 26. Intercompany Pooling Arrangements

Effective January 1, 2011, the Company requested and received permission from the ODI to pool the underwriting results of the Company with those of its insurance parent, Ohio Mutual and affiliate Casco. Through the Pooling Agreement, Ohio Mutual, NAIC #10202, retains 27% of the group's pooled underwriting results and cedes 8% to Casco, NAIC #25950 and 65% to the Company, NAIC #13072. The following underwriting results were assumed/ceded between the companies in 2016 and 2015:

	2016	2015
Premium earned ceded to Ohio Mutual from United Ohio	\$ (139,393,854)	\$ (134,033,116)
Premium earned assumed by United Ohio	131,897,700	126,884,436
Change in premium earned due to pooling	<u>\$ (7,496,154)</u>	<u>\$ (7,148,680)</u>
Losses incurred ceded to Ohio Mutual from United Ohio	\$ (72,292,864)	\$ (69,223,799)
Losses incurred assumed by United Ohio	69,452,163	66,803,472
Change in losses incurred due to pooling	<u>\$ (2,840,701)</u>	<u>\$ (2,420,327)</u>
Net loss adjustment expenses ceded to Ohio Mutual	\$ (5,360,782)	\$ (3,786,947)
Net other underwriting expenses ceded to Ohio Mutual	(12,823,312)	(12,786,959)
Change in expenses incurred due to pooling	<u>\$ (18,184,094)</u>	<u>\$ (16,573,906)</u>
Change in income before taxes due to pooling	<u>\$ 13,528,641</u>	<u>\$ 11,845,553</u>

### 27. Structured Settlements

The Company has some structured settlements and they are assigned.

### 28. Health Care Receivables

The Company has no health care receivables.

### 29. Participating Policies

The Company does not offer participating policies.

### 30. Premium Deficiency Reserves

- |  |   |
|--|---|
| 1. Liability carried for premium deficiency reserves               | \$ 0  |
| 2. Date of most recent evaluation of this liability                | 1/20/2017   |
| 3. Was anticipated investment income utilized in the calculations? | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |

### 31. High Deductibles

The Company has not recorded any high deductibles.

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

The Company does not discount loss or loss adjustment expense reserves.

### 33. Asbestos/Environmental Reserves

- A. Does the Company have on the books, or has it ever written an insured for which you have identified a potential for the existence of, a liability due to asbestos losses?

Yes (X) No ( )

The Company's exposure to asbestos losses arose from the sale of general liability insurance. Beginning January 1, 2005, the Company began adding Silica and Asbestos Exclusions to its Commercial and Farm policies.

The Company estimates the full impact of asbestos exposures by establishing full case bases reserves on all known losses.

The Company held no asbestos related reserves for each of the last five most recent year ends. An insignificant amount has been paid related to LAE losses. There have been no losses paid related to asbestos risks during the last five years.

- B. There are no ending reserves for Bulk + IBNR included in A (Loss and LAE)
- C. There are no ending reserves for loss adjustment expenses included in A (Case, Bulk + IBNR)
- D. Does the Company have on the books, or has it ever written an insured for which you have identified a potential for the existence of, a liability due to environmental losses?

Yes (X) No ( )

The Company's exposure arose from the sale of general liability, homeowners, and farmowners insurance.

## NOTES TO FINANCIAL STATEMENTS

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The Company held no environmental related reserves for each of the last five most recent year ends. An insignificant amount has been paid related to LAE losses. There have been no losses paid related to environmental risks during the last five years.

E. There are no ending reserves for Bulk + IBNR included in D (Loss & LAE)

F. There are no ending reserves for loss adjustment expenses included in D (Case, Bulk + IBNR)

### **34. Subscriber Savings Accounts**

The Company is not a reciprocal insurer.

### **35. Multiple Peril Crop Insurance**

The Company does not offer multiple peril crop insurance.

### **36. Financial Guaranty Insurance**

The Company does not offer Financial Guaranty Insurance.



# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? ..... Yes [ X ] No [ ]  
If yes, complete Schedule Y, Parts 1, 1A and 2
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? ..... Yes [ X ] No [ ] N/A [ ]
- 1.3 State Regulating? ..... Ohio
- 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. .... 12/31/2015
- 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. .... 12/31/2010
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). .... 07/26/2011
- 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 [ X ] No [ ] N/A [ ]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:  
4.11 sales of new business? ..... Yes [ ] No [ X ]  
4.12 renewals? ..... Yes [ ] No [ X ]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:  
4.21 sales of new business? ..... Yes [ ] No [ X ]  
4.22 renewals? ..... Yes [ ] No [ X ]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes [ ] No [ X ]
- 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; ..... %  
7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

1 Nationality	2 Type of Entity

## GENERAL INTERROGATORIES

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

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
Ernst & Young, LLP  
800 Yard Street  
Suite 200  
Grandview Heights, OH 43212
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? ..... Yes [ ] No [ X ]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:  
.....
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? ..... Yes [ ] No [ X ]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:  
.....
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? ..... Yes [ X ] No [ ] N/A [ ]
- 10.6 If the response to 10.5 is no or n/a, please explain  
.....
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
Thomas P. Conway  
Ernst & Young, LLP  
Willis Tower  
233 South Wacker Drive  
Chicago, IL 60606-6301
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? ..... Yes [ ] No [ X ]
- 12.11 Name of real estate holding company .....
- 12.12 Number of parcels involved .....
- 12.13 Total book/adjusted carrying value ..... \$ .....
- 12.2 If, yes provide explanation:  
.....
- 13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?  
.....
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? ..... Yes [ ] No [ ]
- 13.3 Have there been any changes made to any of the trust indentures during the year? ..... Yes [ ] No [ ]
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? ..... Yes [ ] No [ ] N/A [ ]
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? ..... Yes [ X ] No [ ]
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.
- 14.11 If the response to 14.1 is No, please explain:  
.....
- 14.2 Has the code of ethics for senior managers been amended? ..... Yes [ ] No [ X ]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).  
.....
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? ..... Yes [ ] No [ X ]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).  
.....

## GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [ ] No [ X ]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

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

### BOARD OF DIRECTORS

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

### FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [ ] No [ X ]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers.....\$ .....
  - 20.12 To stockholders not officers.....\$ .....
  - 20.13 Trustees, supreme or grand (Fraternal Only).....\$ .....
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers.....\$ .....
  - 20.22 To stockholders not officers.....\$ .....
  - 20.23 Trustees, supreme or grand (Fraternal Only).....\$ .....
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [ ] No [ X ]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others.....\$ .....
  - 21.22 Borrowed from others.....\$ .....
  - 21.23 Leased from others.....\$ .....
  - 21.24 Other.....\$ .....
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [ ] No [ X ]
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$ .....
  - 22.22 Amount paid as expenses.....\$ .....
  - 22.23 Other amounts paid.....\$ .....
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [ X ] No [ ]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 1,206,259

### 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. \$ .....
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs. \$ .....
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [ ] No [ ] N/A [ X ]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [ ] No [ ] N/A [ X ]
- 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes [ ] No [ ] N/A [ X ]

**ANNUAL STATEMENT FOR THE YEAR 2016 OF THE United Ohio Insurance Company**  
**GENERAL INTERROGATORIES**

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

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

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). ..... Yes [ X ] No [ ]

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

25.21 Subject to repurchase agreements .....\$ .....  
 25.22 Subject to reverse repurchase agreements .....\$ .....  
 25.23 Subject to dollar repurchase agreements .....\$ .....  
 25.24 Subject to reverse dollar repurchase agreements .....\$ .....  
 25.25 Placed under option agreements .....\$ .....  
 25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock .....\$ .....  
 25.27 FHLB Capital Stock .....\$ .....632,200  
 25.28 On deposit with states .....\$ .....2,136,149  
 25.29 On deposit with other regulatory bodies .....\$ .....  
 25.30 Pledged as collateral - excluding collateral pledged to an FHLB .....\$ .....  
 25.31 Pledged as collateral to FHLB - including assets backing funding agreements .....\$ .....9,623,531  
 25.32 Other .....\$ .....

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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

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

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? ..... Yes [ ] No [ X ]

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

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

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

1 Name of Custodian(s)	2 Custodian's Address
Fifth Third Bank .....	38 Fountain Square Cincinnati, OH 45263 .....

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

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

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE United Ohio Insurance Company  
**GENERAL INTERROGATORIES**

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

1 Name of Firm or Individual	2 Affiliation
New England Asset Management .....	U.....

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets?..... Yes [ X ] No [ ]

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

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

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
105900 .....	New England Asset Management .....	KUR85E5PS4GQFZTFC130 .....	New England Asset Management is an SEC registered Investment advisor .....	NO.....

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

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
464287-10-1 .....	ISHARES S&P100 INDEX FUND .....	1,936,350
464287-20-0 .....	ISHARES S&P 500 INDEX FUND .....	2,069,908
78462F-10-3 .....	SPDR S&P 500 ETF TRUST .....	1,229,415
922908-76-9 .....	VANGUARD US TOTAL STOCK MKT .....	6,457,920
29.2999 - Total		11,693,593

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
VANGUARD US TOTAL STOCK MKT .....	APPLE INC. ....	161,448	12/31/2016
VANGUARD US TOTAL STOCK MKT .....	ALPHABET INC. ....	129,158	12/31/2016
VANGUARD US TOTAL STOCK MKT .....	MICROSOFT CORP. ....	129,158	12/31/2016
VANGUARD US TOTAL STOCK MKT .....	EXXON MOBIL CORP. ....	103,327	12/31/2016
VANGUARD US TOTAL STOCK MKT .....	BERKSHIRE HATHAWAY INC. ....	83,953	12/31/2016
ISHARES S&P100 INDEX FUND .....	APPLE INC. ....	98,173	12/31/2016
ISHARES S&P100 INDEX FUND .....	MICROSOFT CORPORATION .....	76,679	12/31/2016
ISHARES S&P100 INDEX FUND .....	EXXON MOBILE CORP. ....	59,446	12/31/2016
ISHARES S&P100 INDEX FUND .....	JOHNSON & JOHNSON .....	49,764	12/31/2016
ISHARES S&P100 INDEX FUND .....	BERKSHIRE HATHAWAY INC. CLASS B .....	49,183	12/31/2016
ISHARES S&P 500 INDEX FUND .....	APPLE INC. ....	66,237	12/31/2016
ISHARES S&P 500 INDEX FUND .....	MICROSOFT CORPORATION .....	51,748	12/31/2016
ISHARES S&P 500 INDEX FUND .....	EXXON MOBILE CORP. ....	40,156	12/31/2016
ISHARES S&P 500 INDEX FUND .....	JOHNSON & JOHNSON .....	33,533	12/31/2016
ISHARES S&P 500 INDEX FUND .....	BERKSHIRE HATHAWAY INC. CLASS B .....	33,119	12/31/2016
SPDR S&P 500 ETF TRUST .....	APPLE INC. ....	39,464	12/31/2016
SPDR S&P 500 ETF TRUST .....	MICROSOFT CORPORATION .....	30,858	12/31/2016
SPDR S&P 500 ETF TRUST .....	EXXON MOBILE CORP. ....	23,851	12/31/2016
SPDR S&P 500 ETF TRUST .....	JOHNSON & JOHNSON .....	20,039	12/31/2016
SPDR S&P 500 ETF TRUST .....	BERKSHIRE HATHAWAY INC. CLASS B .....	19,794	12/31/2016

**ANNUAL STATEMENT FOR THE YEAR 2016 OF THE United Ohio Insurance Company**

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 (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds .....	236,799,806	239,589,754	2,789,948
30.2 Preferred stocks .....	7,052,766	7,058,070	5,304
30.3 Totals	243,852,572	246,647,824	2,795,252

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

Fair values are based on values either published by the NAIC's Security Valuation Office (SVO) or from an independent pricing service vendor such as BofA Merrill Lynch indices, Reuters, S&P, Bloomberg, Bloomberg Valuation Service, Markit, Markit iBoxx, PricingDirect or Interactive Data Corp. Under certain circumstances, if neither an SVO price or vendor price is available, a price may be obtained from a broker. Short term securities and cash equivalents are valued at amortized cost. ....

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

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

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:  
Not Applicable .....

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

32.2 If no, list exceptions:  
.....

**GENERAL INTERROGATORIES**

**OTHER**

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? .....\$ .....330,616

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.

1 Name	2 Amount Paid
Automobile Insurance Plan Service Office .....	89,464

34.1 Amount of payments for legal expenses, if any? .....\$ .....77,541

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

1 Name	2 Amount Paid
Bricker & Eckler LLP .....	63,116

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

35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
.....	

# GENERAL INTERROGATORIES

## PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? ..... Yes [ ] No [ X ]

1.2 If yes, indicate premium earned on U. S. business only. .... \$ \_\_\_\_\_

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? ..... \$ \_\_\_\_\_  
 1.31 Reason for excluding  
 .....

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. .... \$ \_\_\_\_\_

1.5 Indicate total incurred claims on all Medicare Supplement Insurance. .... \$ \_\_\_\_\_

1.6 Individual policies:

	Most current three years:
1.61 Total premium earned .....	\$ .....
1.62 Total incurred claims .....	\$ .....
1.63 Number of covered lives .....	.....
All years prior to most current three years	
1.64 Total premium earned .....	\$ .....
1.65 Total incurred claims .....	\$ .....
1.66 Number of covered lives .....	.....

1.7 Group policies:

	Most current three years:
1.71 Total premium earned .....	\$ .....
1.72 Total incurred claims .....	\$ .....
1.73 Number of covered lives .....	.....
All years prior to most current three years	
1.74 Total premium earned .....	\$ .....
1.75 Total incurred claims .....	\$ .....
1.76 Number of covered lives .....	.....

2. Health Test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator .....	.....	.....
2.2 Premium Denominator .....	131,897,700	126,884,436
2.3 Premium Ratio (2.1/2.2) .....	0.000	0.000
2.4 Reserve Numerator .....	1,824	4,010
2.5 Reserve Denominator .....	130,661,510	122,306,825
2.6 Reserve Ratio (2.4/2.5) .....	0.000	0.000

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

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

3.21 Participating policies .....	\$ .....
3.22 Non-participating policies .....	\$ .....

4. For mutual reporting Entities and Reciprocal Exchanges Only:

4.1 Does the reporting entity issue assessable policies? ..... Yes [ ] No [ ]

4.2 Does the reporting entity issue non-assessable policies? ..... Yes [ ] No [ ]

4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? ..... % \_\_\_\_\_

4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. .... \$ \_\_\_\_\_

5. For Reciprocal Exchanges Only:

5.1 Does the Exchange appoint local agents? ..... Yes [ ] No [ ]

5.2 If yes, is the commission paid:

5.21 Out of Attorney's-in-fact compensation.....	Yes [ ] No [ ] N/A [ ]
5.22 As a direct expense of the exchange.....	Yes [ ] No [ ] N/A [ ]

5.3 What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?  
 .....

5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? ..... Yes [ ] No [ ]

5.5 If yes, give full information  
 .....



**GENERAL INTERROGATORIES**

**PART 2 - PROPERTY AND CASUALTY INTERROGATORIES**

- 6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?  
The Company does not write workers' compensation insurance. ....
- 6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process.  
The Company's probable maximum loss is determined by JLT Re using both the AIR model and the RMS model. ....
- 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's primary protection from an excessive loss arising from a concentration of risk is a comprehensive catastrophe reinsurance program with top quality reinsurers. In addition, the Company utilizes an internal concentration of risks metric that should not be exceeded in a given geographic area. The Company has also implemented predictive software to better access the potential risk before and after an event. ....
- 6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? ..... Yes [ X ] No [ ]
- 6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to unreinsured catastrophic loss.  
.....
- 7.1 Has this reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss ratio cap, an aggregate limit or any similar provisions)?..... Yes [ ] No [ X ]
- 7.2 If yes, indicate the number of reinsurance contracts containing such provisions: .....
- 7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)?..... Yes [ ] No [ ]
- 8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured? ..... Yes [ ] No [ X ]
- 8.2 If yes, give full information  
.....
- 9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:  
(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;  
(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;  
(c) Aggregate stop loss reinsurance coverage;  
(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;  
(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or  
(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity. .... Yes [ ] No [ X ]
- 9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:  
(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or  
(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract. .... Yes [ ] No [ X ]
- 9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:  
(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;  
(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and  
(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.
- 9.4 Except for transactions meeting the requirements of paragraph 32 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:  
(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or  
(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? ..... Yes [ ] No [ X ]
- 9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.
- 9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:  
(a) The entity does not utilize reinsurance; or, ..... Yes [ ] No [ X ]  
(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or ..... Yes [ ] No [ X ]  
(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. .... Yes [ ] No [ X ]
10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? ..... Yes [ X ] No [ ] N/A [ ]

# GENERAL INTERROGATORIES

## PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

- 11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force? ..... Yes [ ] No [ X ]
- 11.2 If yes, give full information  
.....
- 12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:
- 12.11 Unpaid losses .....\$ .....
- 12.12 Unpaid underwriting expenses (including loss adjustment expenses) .....\$ .....
- 12.2 Of the amount on Line 15.3, Page 2, state the amount which is secured by letters of credit, collateral, and other funds .....\$ .....
- 12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? ..... Yes [ ] No [ ] N/A [ X ]
- 12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
- 12.41 From ..... %
- 12.42 To ..... %
- 12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? ..... Yes [ X ] No [ ]
- 12.6 If yes, state the amount thereof at December 31 of the current year:
- 12.61 Letters of credit .....\$ .....17,737
- 12.62 Collateral and other funds.....\$ .....
- 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): .....\$ ..... 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. ....1
- 14.1 Is the company a cedant in a multiple cedant reinsurance contract? ..... Yes [ X ] No [ ]
- 14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:  
The Company and its affiliates cede reinsurance independently under a group reinsurance agreement. ....
- 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 [ X ] No [ ]
- 14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? ..... Yes [ ] No [ ]
- 14.5 If the answer to 14.4 is no, please explain:  
.....
- 15.1 Has the reporting entity guaranteed any financed premium accounts? ..... Yes [ ] No [ X ]
- 15.2 If yes, give full information  
.....
- 16.1 Does the reporting entity write any warranty business? ..... Yes [ ] No [ X ]  
If yes, disclose the following information for each of the following types of warranty coverage:

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

\* Disclose type of coverage:  
.....

# GENERAL INTERROGATORIES

## PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F - Part 3 that it excludes from Schedule F - Part 5? ..... Yes [ ] No [ X ]

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 ..... \$ .....  
 17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11...\$ .....  
 17.14 Case reserves portion of Interrogatory 17.11 ..... \$ .....  
 17.15 Incurred but not reported portion of Interrogatory 17.11 ..... \$ .....  
 17.16 Unearned premium portion of Interrogatory 17.11 ..... \$ .....  
 17.17 Contingent commission portion of Interrogatory 17.11 ..... \$ .....

Provide the following information for all other amounts included in Schedule F - P art 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 ..... \$ .....  
 17.19 Unfunded portion of Interrogatory 17.18 ..... \$ .....  
 17.20 Paid losses and loss adjustment expenses portion of Interrogatory 17.18...\$ .....  
 17.21 Case reserves portion of Interrogatory 17.18 ..... \$ .....  
 17.22 Incurred but not reported portion of Interrogatory 17.18 ..... \$ .....  
 17.23 Unearned premium portion of Interrogatory 17.18 ..... \$ .....  
 17.24 Contingent commission portion of Interrogatory 17.18 ..... \$ .....

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

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE United Ohio Insurance Company

**FIVE-YEAR HISTORICAL DATA**

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

	1 2016	2 2015	3 2014	4 2013	5 2012
<b>Gross Premiums Written (Page 8, Part 1B Cols. 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)	91,873,846	84,340,297	82,133,032	75,882,707	71,527,287
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	80,886,630	75,534,321	71,833,291	67,327,857	63,189,984
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	118,383,849	118,036,386	117,052,181	113,601,733	99,612,004
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	5,235	7,966	10,672	13,052	13,807
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
6. Total (Line 35)	291,149,560	277,918,970	271,029,176	256,825,349	234,343,082
<b>Net Premiums Written (Page 8, Part 1B, Col. 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)	44,116,792	41,050,518	40,403,864	38,022,881	36,457,373
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	40,637,382	38,336,575	36,684,331	34,905,939	33,192,169
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	51,025,134	49,512,837	47,945,351	46,009,708	39,406,261
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	2,062	3,138	4,204	5,142	5,439
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
12. Total (Line 35)	135,781,370	128,903,069	125,037,751	118,943,670	109,061,242
<b>Statement of Income (Page 4)</b>					
13. Net underwriting gain (loss) (Line 8)	5,139,414	4,263,478	2,968,696	159,634	(545,928)
14. Net investment gain or (loss) (Line 11)	6,562,849	6,156,864	7,953,603	6,356,334	6,410,301
15. Total other income (Line 15)	3,230,233	1,814,102	3,342,567	1,836,589	1,684,956
16. Dividends to policyholders (Line 17)					
17. Federal and foreign income taxes incurred (Line 19)	4,437,758	4,124,832	3,724,813	2,347,896	1,581,317
18. Net income (Line 20)	10,494,738	8,109,612	10,540,053	6,004,661	5,968,011
<b>Balance Sheet Lines (Pages 2 and 3)</b>					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	321,827,092	303,222,752	284,293,104	272,790,192	250,629,073
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	1,312,873	1,495,125	1,780,440	1,811,556	1,190,916
20.2 Deferred and not yet due (Line 15.2)	31,506,580	28,389,130	27,544,311	25,744,474	23,589,729
20.3 Accrued retrospective premiums (Line 15.3)					
21. Total liabilities excluding protected cell business (Page 3, Line 26)	161,539,890	154,962,194	146,416,809	140,359,842	126,950,941
22. Losses (Page 3, Line 1)	54,514,307	50,793,048	45,989,331	46,547,517	43,769,768
23. Loss adjustment expenses (Page 3, Line 3)	12,987,720	12,237,965	11,285,661	10,802,054	10,479,156
24. Unearned premiums (Page 3, Line 9)	63,159,483	59,275,813	57,257,180	53,685,812	48,748,421
25. Capital paid up (Page 3, Lines 30 & 31)	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
26. Surplus as regards policyholders (Page 3, Line 37)	160,287,202	148,260,558	137,876,295	132,430,350	123,678,132
<b>Cash Flow (Page 5)</b>					
27. Net cash from operations (Line 11)	15,524,998	19,813,909	12,803,608	14,725,139	9,930,013
<b>Risk-Based Capital Analysis</b>					
28. Total adjusted capital	160,287,202	148,260,558	137,876,295	132,430,350	123,678,132
29. Authorized control level risk-based capital	10,998,451	10,736,001	9,220,435	8,964,320	7,954,164
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line divided by Page 2, Line 12, Col. 3) x100.0</b>					
30. Bonds (Line 1)	90.1	90.2	92.4	86.7	88.2
31. Stocks (Lines 2.1 & 2.2)	7.4	4.5	4.9	6.9	6.3
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)	2.4	5.3	2.6	6.2	5.6
35. Contract loans (Line 6)					
36. Derivatives (Line 7)					
37. Other invested assets (Line 8)					
38. Receivables for securities (Line 9)			0.1	0.1	
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, Col. 1)					
43. Affiliated preferred stocks (Schedule D, Summary, Line 18, Col. 1)					
44. Affiliated common stocks (Schedule D, Summary, Line 24, Col. 1)					
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)					
46. Affiliated mortgage loans on real estate					
47. All other affiliated					
48. Total of above Lines 42 to 47					
49. Total Investment in Parent included in Lines 42 to 47 above					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)					

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE United Ohio Insurance Company

**FIVE-YEAR HISTORICAL DATA**

(Continued)

	1 2016	2 2015	3 2014	4 2013	5 2012
<b>Capital and Surplus Accounts (Page 4)</b>					
51. Net unrealized capital gains (losses) (Line 24)	1,028,846	(463,826)	(1,418,988)	2,023,979	1,233,513
52. Dividends to stockholders (Line 35)					
53. Change in surplus as regards policyholders for the year (Line 38)	12,026,644	10,384,263	5,445,945	8,752,218	7,654,835
<b>Gross Losses Paid (Page 9, Part 2, Cols. 1 &amp; 2)</b>					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	46,429,493	43,588,437	45,467,063	33,042,883	33,241,892
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	40,693,615	39,526,837	40,180,578	38,406,893	42,136,384
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	49,309,168	40,336,654	56,492,140	58,370,959	72,644,228
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	1,047	1,395	17,984	7,749	23,847
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
59. Total (Line 35)	136,433,323	123,453,323	142,157,765	129,828,483	148,046,351
<b>Net Losses Paid (Page 9, Part 2, Col. 4)</b>					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	23,863,569	23,409,672	23,125,221	18,693,387	18,826,463
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)	20,938,948	20,983,821	21,390,573	20,245,187	19,405,161
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	20,927,976	17,605,714	23,337,981	23,384,779	22,091,102
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	412	549	7,085	3,053	9,394
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
65. Total (Line 35)	65,730,905	61,999,756	67,860,860	62,326,406	60,332,121
<b>Operating Percentages (Page 4) (Line 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)	52.7	52.6	55.4	57.1	57.5
68. Loss expenses incurred (Line 3)	9.1	8.9	8.6	8.7	10.2
69. Other underwriting expenses incurred (Line 4)	34.4	35.1	33.6	34.1	32.9
70. Net underwriting gain (loss) (Line 8)	3.9	3.4	2.4	0.1	(0.5)
<b>Other Percentages</b>					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)	31.0	33.1	30.0	31.1	30.9
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	61.7	61.6	64.0	65.8	67.7
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0)	84.7	86.9	90.7	89.8	88.2
<b>One Year Loss Development (000 omitted)</b>					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P - Part 2 - Summary, Line 12, Col. 11)	(3,852)	(4,326)	(6,188)	(7,280)	(6,995)
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100.0)	(2.6)	(3.1)	(4.7)	(5.9)	(6.0)
<b>Two Year Loss Development (000 omitted)</b>					
76. Development in estimated losses and loss expenses incurred two years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)	(4,800)	(7,796)	(11,645)	(11,264)	(9,640)
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0)	(3.5)	(5.9)	(9.4)	(9.7)	(8.4)

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

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE United Ohio Insurance Company  
**SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES**  
**SCHEDULE P - PART 1 - SUMMARY**

(\$000 OMITTED)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments						10 Salvage and Subrogation Received	11 Total Net Paid Cols (4 - 5 + 6 - 7 + 8 - 9)	12 Number of Claims Reported Direct and Assumed
	1 Direct and Assumed	2 Ceded	3 Net (1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments				
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	XXX	XXX	XXX	(17)		30		(1)		22	12	XXX
2. 2007.....	95,465	7,589	87,876	53,865	3,850	1,702	96	5,491	68	2,818	57,044	XXX
3. 2008.....	105,438	8,343	97,095	69,716	12,975	2,786	486	5,491	71	2,909	64,461	XXX
4. 2009.....	110,387	9,703	100,684	66,777	9,201	2,426	136	5,776	81	3,398	65,561	XXX
5. 2010.....	114,831	7,824	107,007	66,627	2,802	3,024	99	6,261	39	3,686	72,972	XXX
6. 2011.....	116,656	7,352	109,304	78,671	9,614	3,345	379	6,513		3,092	78,536	XXX
7. 2012.....	117,526	9,814	107,712	86,634	23,977	3,763	1,186	7,187	1	2,804	72,420	XXX
8. 2013.....	122,816	8,810	114,006	68,938	3,695	2,705	91	7,093		2,740	74,950	XXX
9. 2014.....	131,666	10,199	121,467	65,501	2,598	2,036	48	6,965		3,245	71,856	XXX
10. 2015.....	136,503	9,618	126,885	54,950	277	1,429	3	6,885		3,321	62,984	XXX
11. 2016.....	141,801	9,904	131,897	46,451	968	675	3	6,345		1,838	52,500	XXX
12. Totals	XXX	XXX	XXX	658,113	69,957	23,921	2,527	64,006	260	29,873	673,296	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR						
	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.....	137											137	XXX
2. 2007.....								1				1	XXX
3. 2008.....	36		18				2					56	XXX
4. 2009.....	20	1	13				2		9			43	XXX
5. 2010.....	340	7	569				176		13			1,091	XXX
6. 2011.....	255		229	9			202		16			693	XXX
7. 2012.....	755		541	2			317		43			1,654	XXX
8. 2013.....	3,145	468	1,281	254			891		180			4,775	XXX
9. 2014.....	5,619	332	1,969	120			1,713		305			9,154	XXX
10. 2015.....	10,773	1,484	4,195	526			2,672		685			16,315	XXX
11. 2016.....	17,816	742	12,332	1,583			2,834		2,926			33,583	XXX
12. Totals	38,896	3,034	21,147	2,494			8,809		4,178			67,502	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred / Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26	27	28	29	30	31	32	33		35	36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1. Prior.....	XXX	XXX	XXX	XXX	XXX	XXX			XXX	137	
2. 2007.....	61,059	4,014	57,045	64.0	52.9	64.9					1
3. 2008.....	78,049	13,532	64,517	74.0	162.2	66.4				54	2
4. 2009.....	75,023	9,419	65,604	68.0	97.1	65.2				32	11
5. 2010.....	77,010	2,947	74,063	67.1	37.7	69.2				902	189
6. 2011.....	89,231	10,002	79,229	76.5	136.0	72.5				475	218
7. 2012.....	99,240	25,166	74,074	84.4	256.4	68.8				1,294	360
8. 2013.....	84,233	4,508	79,725	68.6	51.2	69.9				3,704	1,071
9. 2014.....	84,108	3,098	81,010	63.9	30.4	66.7				7,136	2,018
10. 2015.....	81,589	2,290	79,299	59.8	23.8	62.5				12,958	3,357
11. 2016.....	89,379	3,296	86,083	63.0	33.3	65.3				27,823	5,760
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX			XXX	54,515	12,987

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 2016 OF THE United Ohio 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 2007	2 2008	3 2009	4 2010	5 2011	6 2012	7 2013	8 2014	9 2015	10 2016	11 One Year	12 Two Year
1. Prior	18,797	12,665	10,576	9,183	8,948	8,694	8,614	8,588	8,624	8,672	48	84
2. 2007	61,316	56,259	53,248	52,933	52,161	51,742	51,711	51,619	51,629	51,621	(8)	2
3. 2008	XXX	65,852	60,969	60,397	59,286	59,160	59,027	59,196	59,084	59,097	13	(99)
4. 2009	XXX	XXX	66,905	62,780	61,437	60,873	60,031	59,905	59,889	59,900	11	(5)
5. 2010	XXX	XXX	XXX	74,702	71,320	69,886	68,636	67,487	67,232	67,828	596	341
6. 2011	XXX	XXX	XXX	XXX	80,745	76,547	74,614	73,337	72,768	72,700	(68)	(637)
7. 2012	XXX	XXX	XXX	XXX	XXX	72,646	69,635	67,771	67,500	66,845	(655)	(926)
8. 2013	XXX	XXX	XXX	XXX	XXX	XXX	75,154	73,331	72,900	72,452	(448)	(879)
9. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	76,421	73,703	73,740	37	(2,681)
10. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	75,107	71,729	(3,378)	XXX
11. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	76,812	XXX	XXX
12. Totals											(3,852)	(4,800)

**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 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment
	1 2007	2 2008	3 2009	4 2010	5 2011	6 2012	7 2013	8 2014	9 2015	10 2016		
1. Prior	.000	4,229	6,571	7,689	8,196	8,384	8,408	8,405	8,522	8,535	XXX	XXX
2. 2007	35,571	45,681	49,078	50,637	51,248	51,486	51,523	51,611	51,603	51,621	XXX	XXX
3. 2008	XXX	40,912	51,114	54,645	57,411	58,287	58,539	58,716	58,976	59,041	XXX	XXX
4. 2009	XXX	XXX	41,789	52,827	56,167	58,163	58,921	59,403	59,571	59,866	XXX	XXX
5. 2010	XXX	XXX	XXX	45,484	58,167	62,548	65,053	66,043	66,450	66,750	XXX	XXX
6. 2011	XXX	XXX	XXX	XXX	53,892	64,127	68,095	70,393	71,650	72,023	XXX	XXX
7. 2012	XXX	XXX	XXX	XXX	XXX	45,374	57,347	62,112	64,314	65,234	XXX	XXX
8. 2013	XXX	XXX	XXX	XXX	XXX	XXX	45,469	60,188	64,214	67,857	XXX	XXX
9. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	47,087	59,363	64,891	XXX	XXX
10. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	44,417	56,099	XXX	XXX
11. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	46,155	XXX	XXX

**SCHEDULE P - PART 4 - SUMMARY**

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1 2007	2 2008	3 2009	4 2010	5 2011	6 2012	7 2013	8 2014	9 2015	10 2016
1. Prior	10,694	4,196	1,766	492	287	72	22	6	2	
2. 2007	12,784	5,466	1,944	1,154	335	101	49		(1)	
3. 2008	XXX	12,431	4,673	2,378	761	393	232	228	35	20
4. 2009	XXX	XXX	11,508	4,341	2,232	983	415	179	97	15
5. 2010	XXX	XXX	XXX	13,940	6,668	3,844	2,149	756	362	745
6. 2011	XXX	XXX	XXX	XXX	13,438	6,419	2,736	1,401	635	422
7. 2012	XXX	XXX	XXX	XXX	XXX	12,638	5,230	2,503	1,400	856
8. 2013	XXX	XXX	XXX	XXX	XXX	XXX	13,487	6,653	3,887	1,918
9. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	13,726	6,001	3,562
10. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	13,717	6,341
11. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	13,583

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

Allocated by States and Territories

States, Etc.	1 Active Status	Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Included in Column 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama	AL	N							
2. Alaska	AK	N							
3. Arizona	AZ	N							
4. Arkansas	AR	N							
5. California	CA	N							
6. Colorado	CO	N							
7. Connecticut	CT	L	9,517,211	8,690,205	3,899,122	6,088,773	8,180,653	107,175	
8. Delaware	DE	N							
9. District of Columbia	DC	N							
10. Florida	FL	N							
11. Georgia	GA	N							
12. Hawaii	HI	N							
13. Idaho	ID	N							
14. Illinois	IL	N							
15. Indiana	IN	L	92,043	83,159	14,814	16,901	15,788	505	
16. Iowa	IA	L							
17. Kansas	KS	L							
18. Kentucky	KY	N							
19. Louisiana	LA	N							
20. Maine	ME	L	5,361,930	4,968,008	2,454,272	2,438,709	2,944,750	77,075	
21. Maryland	MD	N							
22. Massachusetts	MA	L							
23. Michigan	MI	N							
24. Minnesota	MN	L							
25. Mississippi	MS	N							
26. Missouri	MO	N							
27. Montana	MT	N							
28. Nebraska	NE	L							
29. Nevada	NV	N							
30. New Hampshire	NH	L	3,421,404	2,705,817	1,263,601	2,612,171	2,116,014	39,705	
31. New Jersey	NJ	N							
32. New Mexico	NM	N							
33. New York	NY	N							
34. North Carolina	NC	N							
35. North Dakota	ND	N							
36. Ohio	OH	L	114,937,125	116,951,654	52,072,689	53,336,245	43,061,401	2,303,046	
37. Oklahoma	OK	N							
38. Oregon	OR	L							
39. Pennsylvania	PA	N							
40. Rhode Island	RI	L	18,883,784	16,838,194	10,125,298	11,002,632	11,114,054	151,280	
41. South Carolina	SC	N							
42. South Dakota	SD	N							
43. Tennessee	TN	L							
44. Texas	TX	N							
45. Utah	UT	N							
46. Vermont	VT	L	3,027,081	2,198,897	872,623	1,583,869	1,133,536	30,310	
47. Virginia	VA	L							
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	XXX							
59. Totals	(a) 16	155,240,578	152,435,934		70,702,419	77,079,300	68,566,196	2,709,096	
DETAILS OF WRITE-INS									
58001.		XXX							
58002.		XXX							
58003.		XXX							
58998. Summary of remaining write-ins for Line 58 from overflow page		XXX							
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)		XXX							

(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.

Explanation of basis of allocation of premiums by states, etc.

Property premiums are determined by location covered.

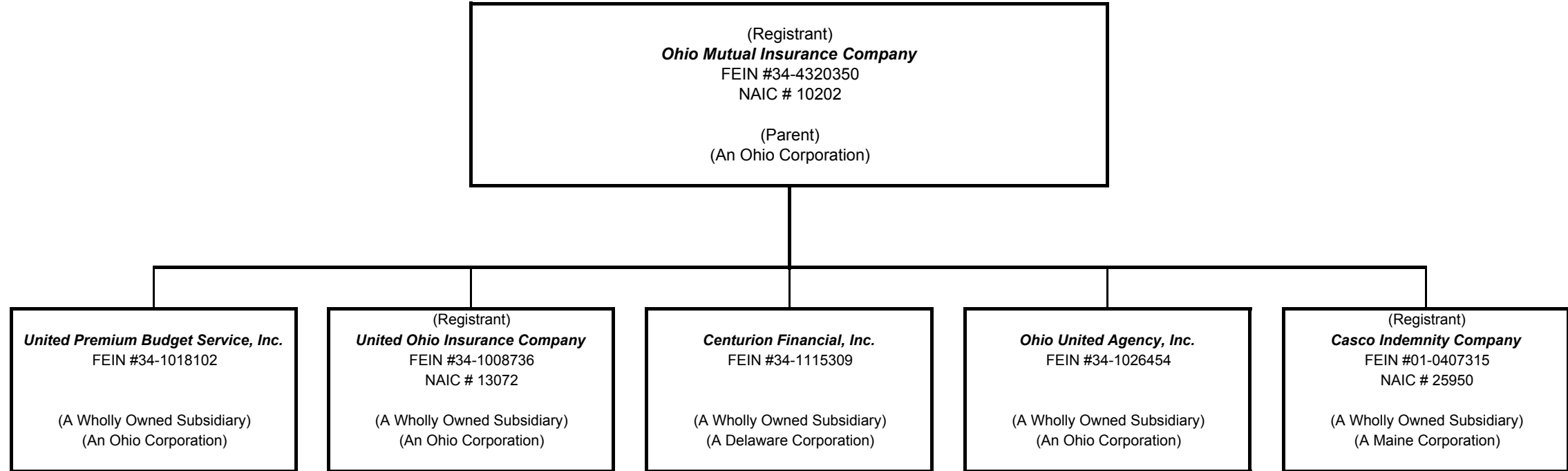
Casualty premiums are determined by insured address.

(a) Insert the number of L responses except for Canada and Other Alien.



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

**Ohio Mutual Insurance Group**



**OVERFLOW PAGE FOR WRITE-INS**

**NONE**

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