

ANNUAL STATEMENT

OF THE

of _____

in the state of _____

TO THE

Insurance Department

OF THE

FOR THE YEAR ENDED

December 31, 2016

PROPERTY AND CASUALTY

2016



ANNUAL STATEMENT

For the Year Ended December 31, 2016
OF THE CONDITION AND AFFAIRS OF THE

Dealers Assurance Company

NAIC Group Code 0000 (Current Period) 0000 (Prior Period) NAIC Company Code 16705 Employer's ID Number 34-6513705

Organized under the Laws of Ohio, State of Domicile or Port of Entry Ohio

Country of Domicile US

Incorporated/Organized August 2, 1935 Commenced Business August 2, 1935

Statutory Home Office 240 North Fifth St, Suite 350 (Street and Number) Columbus, OH, US 43215 (City or Town, State, Country and Zip Code)

Main Administrative Office 15920 Addison Rd (Street and Number) Addison, TX, US 75001 (City or Town, State, Country and Zip Code) 800-282-8913 ext 11773 (Area Code) (Telephone Number)

Mail Address 240 North Fifth St, Suite 350 (Street and Number or P.O. Box) Columbus, OH, US 43215 (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 240 North Fifth St, Suite 350 (Street and Number) Columbus, OH, US 43215 (City or Town, State, Country and Zip Code) 800-282-8913 ext 11773 (Area Code) (Telephone Number)

Internet Web Site Address www.dealersassurance.com

Statutory Statement Contact Linda M Toy (Name) 800-282-8913 ext 11773 (Area Code) (Telephone Number) (Extension) ltoy@dealersassurance.com (E-Mail Address) 614-459-2865 (Fax Number)

OFFICERS

Name	Title
1. Kristen Anne Gruber	President
2. David Steven Levine	Secretary
3. Linda Marie Toy	Treasurer
4. David Paul May	Assistant Secretary

VICE-PRESIDENTS

Name	Title	Name	Title
Edmond Melgar Eckert	Senior Vice President	David Steven Levine	Vice President
Linda Marie Toy	Vice President		

DIRECTORS OR TRUSTEES

James Bradford Smith	Kristen Anne Gruber	Edmond Melgar Eckert	Robert Reynard Bowsher
Kelly Aubrey Westlake	Michael Thomas Rogers		

State of Ohio
County of Franklin ss

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

Kristen Anne Gruber (Signature) David Steven Levine (Signature) Linda Marie Toy (Signature)

Kristen Anne Gruber (Printed Name) David Steven Levine (Printed Name) Linda Marie Toy (Printed Name)

1. President 2. 3. Treasurer

(Title) (Title) (Title)

Subscribed and sworn to (or affirmed) before me this on this 20th day of February, 2017, by

Keith H Burkholder



KEITH H BURKHOLDER
Notary Public
In and for the State of Ohio
My Commission Expires August 17, 2020

1. State the amendment number
2. Date filed
3. Number of pages attached

[X] Yes [] No

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D)	72,998,379		72,998,379	67,908,503
2. Stocks (Schedule D):				
2.1 Preferred stocks	3,770,044		3,770,044	3,139,347
2.2 Common stocks	11,533,476		11,533,476	9,979,187
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	792,171		792,171	818,915
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ 1,003,635 encumbrances)	1,778,518		1,778,518	
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ 3,087,699, Schedule E - Part 1), cash equivalents (\$ 0, Schedule E - Part 2), and short-term investments (\$ 7,913,988, Schedule DA)	11,001,687		11,001,687	11,406,640
6. Contract loans (including \$ 0 premium notes)				
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)	101,874,275		101,874,275	93,252,592
13. Title plants less \$ 0 charged off (for Title insurers only)				
14. Investment income due and accrued	538,334		538,334	448,438
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	2,655,555		2,655,555	3,063,825
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums)				
15.3 Accrued retrospective premiums (\$ 0) and contracts subject to redetermination (\$ 0)				
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	154,540		154,540	63,309
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	382,891		382,891	263,137
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets (\$ 0)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	25,414		25,414	
24. Health care (\$ 0) and other amounts receivable				
25. Aggregate write-ins for other-than-invested assets	880,952		880,952	1,092,460
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	106,511,961		106,511,961	98,183,761
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	106,511,961		106,511,961	98,183,761

DETAILS OF WRITE-IN LINES				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501. Accounts Receivable	877,656		877,656	1,090,094
2502. Interest Receivable	3,296		3,296	2,366
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	880,952		880,952	1,092,460

NONE

LIABILITIES, SURPLUS AND OTHER FUNDS

	1	2
	Current Year	Prior Year
1. Losses (Part 2A, Line 35, Column 8)	156,089	38,325
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)		
4. Commissions payable, contingent commissions and other similar charges	284,189	380,322
5. Other expenses (excluding taxes, licenses and fees)	745,763	815,982
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	601,629	794,730
7.1 Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))	671,095	609,177
7.2 Net deferred tax liability		
8. Borrowed money \$ 0 and interest thereon \$ 15,956	15,956	14,668
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ 208,524,452 and including warranty reserves of \$ 16,060,299 and accrued accident and health experience rating refunds including \$ 0 for medical loss ratio rebate per the Public Health Service Act)	19,411,129	19,410,241
10. Advance premium		
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	1,044,858	941,744
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)	14,701,541	10,887,209
14. Amounts withheld or retained by company for account of others	7,584,661	7,955,468
15. Remittances and items not allocated		
16. Provision for reinsurance (including \$ 0 certified) (Schedule F, Part 8)		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates	78,106	163,159
20. Derivatives		
21. Payable for securities		
22. Payable for securities lending		
23. Liability for amounts held under uninsured plans		
24. Capital notes \$ 0 and interest thereon \$ 0		
25. Aggregate write-ins for liabilities		
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	45,295,016	42,011,025
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	45,295,016	42,011,025
29. Aggregate write-ins for special surplus funds		
30. Common capital stock	4,200,990	4,200,990
31. Preferred capital stock		
32. Aggregate write-ins for other-than-special surplus funds		
33. Surplus notes	3,000,000	3,000,000
34. Gross paid in and contributed surplus	9,732,810	9,732,810
35. Unassigned funds (surplus)	44,283,145	39,238,936
36. Less treasury stock, at cost:		
36.1 0 shares common (value included in Line 30 \$ 0)		
36.2 0 shares preferred (value included in Line 31 \$ 0)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	61,216,945	56,172,736
38. Totals (Page 2, Line 28, Col. 3)	106,511,961	98,183,761

DETAILS OF WRITE-IN LINES		
2501.		
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)		
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)		
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)		

STATEMENT OF INCOME

	1	2
	Current Year	Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	11,348,767	10,279,026
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)	1,008,361	1,351,224
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	245,002	292,011
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	2,671,679	3,793,108
5. Aggregate write-ins for underwriting deductions		
6. Total underwriting deductions (Lines 2 through 5)	3,925,042	5,436,343
7. Net income of protected cells		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	7,423,725	4,842,683
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	1,461,084	1,018,940
10. Net realized capital gains (losses) less capital gains tax of \$ 65,854 (Exhibit of Capital Gains (Losses))	127,833	393,829
11. Net investment gain (loss) (Lines 9 + 10)	1,588,917	1,412,769
OTHER INCOME		
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 0 amount charged off \$ 532,379)	(532,379)	
13. Finance and service charges not included in premiums		
14. Aggregate write-ins for miscellaneous income	(29,503)	88,998
15. Total other income (Lines 12 through 14)	(561,882)	88,998
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	8,450,760	6,344,450
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)	8,450,760	6,344,450
19. Federal and foreign income taxes incurred	3,037,760	2,263,838
20. Net income (Line 18 minus Line 19) (to Line 22)	5,413,000	4,080,612
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	56,172,736	54,391,624
22. Net income (from Line 20)	5,413,000	4,080,612
23. Net transfers (to) from Protected Cell accounts		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 173,895	337,561	(398,845)
25. Change in net unrealized foreign exchange capital gain (loss)		
26. Change in net deferred income tax	293,648	99,345
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)		
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	(1,000,000)	(2,000,000)
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		
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	5,044,209	1,781,112
39. Surplus as regards policyholders, December 31 current year (Lines 21 plus Line 38) (Page 3, Line 37)	61,216,945	56,172,736

DETAILS OF WRITE-IN LINES			
0501.			
0502.			
0503.			
0598.	Summary of remaining write-ins for Line 05 from overflow page		
0599.	Totals (Lines 0501 through 0503 plus 0598) (Line 05 above)		
1401.	Misc. Income	(29,503)	88,998
1402.			
1403.			
1498.	Summary of remaining write-ins for Line 14 from overflow page		
1499.	Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	(29,503)	88,998
3701.			
3702.			
3703.			
3798.	Summary of remaining write-ins for Line 37 from overflow page		
3799.	Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)		

CASH FLOW

	1	2
Cash from Operations	Current Year	Prior Year
1. Premiums collected net of reinsurance	11,769,798	13,608,810
2. Net investment income	1,829,577	1,566,344
3. Miscellaneous income	(561,882)	88,998
4. Total (Lines 1 through 3)	13,037,493	15,264,152
5. Benefit and loss related payments	890,597	1,338,105
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	3,238,973	3,676,846
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)	3,041,697	2,616,756
10. Total (Lines 5 through 9)	7,171,267	7,631,707
11. Net cash from operations (Line 4 minus Line 10)	5,866,226	7,632,445
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	23,039,431	24,802,258
12.2 Stocks	14,229,563	16,092,392
12.3 Mortgage loans	26,744	30,063
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	511,456	
12.7 Miscellaneous proceeds	4	
12.8 Total investment proceeds (Lines 12.1 to 12.7)	37,807,198	40,924,713
13. Cost of investments acquired (long-term only):		
13.1 Bonds	28,675,218	26,270,112
13.2 Stocks	15,659,068	21,453,193
13.3 Mortgage loans		
13.4 Real estate	1,825,589	
13.5 Other invested assets		
13.6 Miscellaneous applications	975,812	
13.7 Total investments acquired (Lines 13.1 to 13.6)	47,135,687	47,723,305
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)	(9,328,489)	(6,798,592)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds	1,288	472
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders	1,000,000	2,000,000
16.6 Other cash provided (applied)	4,056,022	5,945,315
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	3,057,310	3,945,787
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(404,953)	4,779,640
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	11,406,640	6,627,000
19.2 End of year (Line 18 plus Line 19.1)	11,001,687	11,406,640

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

20.0001		
20.0002		
20.0003		

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 – PREMIUMS EARNED

	1	2	3	4
Line of Business	Net Premiums Written per Column 6, Part 1B	Unearned Premiums Dec. 31 Prior Year- per Col. 3, Last Year's Part 1	Unearned Premiums Dec. 31 Current Year- per Col. 5 Part 1A	Premiums Earned During Year (Cols. 1 + 2 - 3)
1. Fire				
2. Allied lines				
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril				
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine				
10. Financial guaranty				
11.1 Medical professional liability—occurrence				
11.2 Medical professional liability—claims-made				
12. Earthquake				
13. Group accident and health				
14. Credit accident and health (group and individual)				
15. Other accident and health				
16. Workers' compensation				
17.1 Other liability—occurrence	2,405,823	1,809,121	3,327,792	887,152
17.2 Other liability—claims-made				
17.3 Excess workers' compensation				
18.1 Products liability—occurrence				
18.2 Products liability—claims-made				
19.1,19.2 Private passenger auto liability				
19.3,19.4 Commercial auto liability				
21. Auto physical damage				
22. Aircraft (all perils)				
23. Fidelity				
24. Surety				
26. Burglary and theft				
27. Boiler and machinery				
28. Credit	9,990	110,384	23,038	97,336
29. International				
30. Warranty	8,933,842	17,490,736	16,060,299	10,364,279
31. Reinsurance-nonproportional assumed property				
32. Reinsurance-nonproportional assumed liability				
33. Reinsurance-nonproportional assumed financial lines				
34. Aggregate write-ins for other lines of business				
35. TOTALS	11,349,655	19,410,241	19,411,129	11,348,767

DETAILS OF WRITE-IN LINES				
3401.				
3402.				
3403.				
3498. Sum of remaining write-ins for Line 34 from overflow page				
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)				

NONE

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

Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned but Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1. Fire					
2. Allied lines					
3. Farmowners multiple peril					
4. Homeowners multiple peril					
5. Commercial multiple peril					
6. Mortgage guaranty					
8. Ocean marine					
9. Inland marine					
10. Financial guaranty					
11.1 Medical professional liability—occurrence					
11.2 Medical professional liability—claims-made					
12. Earthquake					
13. Group accident and health					
14. Credit accident and health (group and individual)					
15. Other accident and health					
16. Workers' compensation					
17.1 Other liability—occurrence		3,327,792			3,327,792
17.2 Other liability—claims-made					
17.3 Excess workers' compensation					
18.1 Products liability—occurrence					
18.2 Products liability—claims-made					
19.1,19.2 Private passenger auto liability					
19.3,19.4 Commercial auto liability					
21. Auto physical damage					
22. Aircraft (all perils)					
23. Fidelity					
24. Surety					
26. Burglary and theft					
27. Boiler and machinery					
28. Credit		23,038			23,038
29. International					
30. Warranty		16,060,299			16,060,299
31. Reinsurance-nonproportional assumed property					
32. Reinsurance-nonproportional assumed liability					
33. Reinsurance-nonproportional assumed financial lines					
34. Aggregate write-ins for other lines of business					
35. TOTALS		19,411,129			19,411,129
36. Accrued retrospective premiums based on experience					
37. Earned but unbilled premiums					
38. Balance (Sum of Lines 35 through 37)					19,411,129

DETAILS OF WRITE-IN LINES					
3401.		NONE			
3402.					
3403.					
3498. Sum of remaining write-ins for Line 34 from overflow page					
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)					

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

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								
2. Allied lines								
3. Farmowners multiple peril								
4. Homeowners multiple peril								
5. Commercial multiple peril								
6. Mortgage guaranty								
8. Ocean marine								
9. Inland marine								
10. Financial guaranty								
11.1 Medical professional liability—occurrence								
11.2 Medical professional liability—claims-made								
12. Earthquake								
13. Group accident and health								
14. Credit accident and health (group and individual)								
15. Other accident and health								
16. Workers' compensation								
17.1 Other liability—occurrence	2,982,447		2,556,510	425,937	133,893	5,110	554,720	62.528
17.2 Other liability—claims-made								
17.3 Excess workers' compensation								
18.1 Products liability—occurrence								
18.2 Products liability—claims-made								
19.1,19.2 Private passenger auto liability								
19.3,19.4 Commercial auto liability								
21. Auto physical damage								
22. Aircraft (all perils)								
23. Fidelity								
24. Surety								
26. Burglary and theft								
27. Boiler and machinery								
28. Credit	1,218		1,218					
29. International								
30. Warranty	66,808,647	44,508	66,388,495	464,660	22,196	33,215	453,641	4.377
31. Reinsurance-nonproportional assumed property	X X X							
32. Reinsurance-nonproportional assumed liability	X X X							
33. Reinsurance-nonproportional assumed financial lines	X X X							
34. Aggregate write-ins for other lines of business								
35. TOTALS	69,792,312	44,508	68,946,223	890,597	156,089	38,325	1,008,361	8.885

DETAILS OF WRITE-IN LINES								
3401.								
3402.								
3403.								
3498. Sum of remaining write-ins for Line 34 from overflow page								
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)								

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

	Reported Losses				Incurred But Not Reported			8	9
	1	2	3	4	5	6	7		
Line of Business	Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable	Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1. Fire									
2. Allied lines									
3. Farmowners multiple peril									
4. Homeowners multiple peril									
5. Commercial multiple peril									
6. Mortgage guaranty									
8. Ocean marine									
9. Inland marine									
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)									
15. Other accident and health								(a)	
16. Workers' compensation									
17.1 Other liability—occurrence					681,220		547,327	133,893	
17.2 Other liability—claims-made									
17.3 Excess workers' compensation									
18.1 Products liability—occurrence									
18.2 Products liability—claims-made									
19.1,19.2 Private passenger auto liability									
19.3,19.4 Commercial auto liability									
21. Auto physical damage									
22. Aircraft (all perils)									
23. Fidelity									
24. Surety									
26. Burglary and theft									
27. Boiler and machinery									
28. Credit									
29. International									
30. Warranty					3,747,429		3,725,233	22,196	
31. Reinsurance-nonproportional assumed property	X X X				X X X				
32. Reinsurance-nonproportional assumed liability	X X X				X X X				
33. Reinsurance-nonproportional assumed financial lines	X X X				X X X				
34. Aggregate write-ins for other lines of business									
35. TOTALS					4,428,649		4,272,560	156,089	

DETAILS OF WRITE-IN LINES									
3401.									
3402.									
3403.									
3498. Sum of remaining write-ins for Line 34 from overflow page									
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)									

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct				
1.2 Reinsurance assumed				
1.3 Reinsurance ceded				
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)				
2. Commission and brokerage:				
2.1 Direct, excluding contingent		379,320		379,320
2.2 Reinsurance assumed, excluding contingent				
2.3 Reinsurance ceded, excluding contingent		1,766,922		1,766,922
2.4 Contingent—direct		477,947		477,947
2.5 Contingent—reinsurance assumed				
2.6 Contingent—reinsurance ceded				
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)		(909,655)		(909,655)
3. Allowances to manager and agents				
4. Advertising	4,270	58,986		63,256
5. Boards, bureaus and associations	6,738	90,791		97,529
6. Surveys and underwriting reports				
7. Audit of assureds' records				
8. Salary and related items:				
8.1 Salaries	130,906	1,914,040		2,044,946
8.2 Payroll taxes	11,410	114,480		125,890
9. Employee relations and welfare	22,500	196,422		218,922
10. Insurance		52,310		52,310
11. Directors' fees		65,000		65,000
12. Travel and travel items		142,301		142,301
13. Rent and rent items	6,505	118,970		125,475
14. Equipment	2,879	61,644		64,523
15. Cost or depreciation of EDP equipment and software				
16. Printing and stationery	1,357	19,339		20,696
17. Postage, telephone and telegraph, exchange and express	2,256	41,102		43,358
18. Legal and auditing	33,646	686,366		720,012
19. Totals (Lines 3 to 18)	222,467	3,561,751		3,784,218
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$ 0		(488,893)		(488,893)
20.2 Insurance department licenses and fees		176,351		176,351
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)		(312,542)		(312,542)
21. Real estate expenses		21,024		21,024
22. Real estate taxes		2,773		2,773
23. Reimbursements by uninsured plans				
24. Aggregate write-ins for miscellaneous expenses	22,535	308,328	243,061	573,924
25. Total expenses incurred	245,002	2,671,679	243,061	(a) 3,159,742
26. Less unpaid expenses—current year		1,579,415	52,167	1,631,582
27. Add unpaid expenses—prior year		1,901,706	89,328	1,991,034
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)	245,002	2,993,970	280,222	3,519,194

DETAILS OF WRITE-IN LINES				
2401. Miscellaneous Outside Services	22,535	298,261	214,863	535,659
2402. Miscellaneous Expenses		10,067	28,198	38,265
2403.				
2498. Sum of remaining write-ins for Line 24 from overflow page				
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	22,535	308,328	243,061	573,924

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

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 78,462	83,306
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 1,148,793	1,214,631
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b) 224,972	233,901
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)	219,277	229,461
2.21 Common stocks of affiliates		
3. Mortgage loans	(c) 40,845	40,845
4. Real estate	(d) 129,051	129,051
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 1,994	2,095
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income		
10. Total gross investment income	1,843,394	1,933,290
11. Investment expenses		(g) 243,061
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h) 150,348
14. Depreciation on real estate and other invested assets		(i) 47,070
15. Aggregate write-ins for deductions from investment income		31,727
16. Total deductions (Lines 11 through 15)		472,206
17. Net investment income (Line 10 minus Line 16)		1,461,084

DETAILS OF WRITE-IN LINES		
0901.	NONE	
0902.		
0903.		
0998. Summary of remaining write-ins for Line 09 from overflow page		
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)		
1501. Encumbrances on Real Estate		31,727
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		31,727

- (a) Includes \$ 12,497 accrual of discount less \$ 509,911 amortization of premium and less \$ 167,940 paid for accrued interest on purchases.
- (b) Includes \$ 1,848 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.
- (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (d) Includes \$ 0 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.
- (e) Includes \$ 0 accrual of discount less \$ 1,199 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.
- (g) Includes \$ 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ 0 interest on surplus notes and \$ 0 interest on capital notes.
- (i) Includes \$ 0 depreciation on real estate and \$ 0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	3		3		
1.1 Bonds exempt from U.S. tax					
1.2 Other bonds (unaffiliated)	(48,855)		(48,855)	360	
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)	14,532		14,532	(51,122)	
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)	228,007		228,007	562,218	
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)	193,687		193,687	511,456	

DETAILS OF WRITE-IN LINES					
0901.	NONE				
0902.					
0903.					
0998. Summary of remaining write-ins for Line 09 from overflow page					
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)					

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First lines			
3.2 Other than first lines			
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			
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			
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software			
21. Furniture and equipment, including health care delivery assets			
22. Net adjustment in assets and liabilities due to foreign exchange rates			
23. Receivables from parent, subsidiaries and affiliates			
24. Health care and other amounts receivable			
25. Aggregate write-ins for other-than-invested assets			
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)			
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Lines 26 and 27)			

NONE

DETAILS OF WRITE-IN LINES			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page			
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)			
2501. Prepaid Expenses			
2502.			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page			
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)			

NONE

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies and Going Concern

- A. Accounting Practices
- The accompanying financial statements of Dealers Assurance Company have been prepared in accordance with accounting practices prescribed or permitted by the National Association of Insurance Commissioners and the State of Ohio. The company adopted codification as of 01/01/01.

	SSAP #	F/S Page	F/S Line #	2016	2015
Net Income					
(1) Company state basis (Page 4, Line 20, Columns 1 & 2)	-	-	-	5,413,000	\$ 4,080,612
(2) State Prescribed Practices that (increase)/decrease NAIC SAP	-	-	-	-	-
(3) State Permitted Practices that (increase)/decrease NAIC SAP S	-	-	-	-	-
(4) NAIC SAP (1 – 2 – 3 = 4)	-	-	-	5,413,000	\$ 4,080,612
Surplus				-	-
(5) Company state basis (Page 3, Line 37, Columns 1 & 2)	-	-	-	61,216,945	\$ 56,172,736
(6) State Prescribed Practices that increase/(decrease) NAIC SAP	-	-	-	-	-
(7) State Permitted Practices that increase/(decrease) NAIC SAP	-	-	-	-	-
(8) NAIC SAP (1 – 2 – 3 = 4)				61,216,945	\$ 56,172,736

- B. Use of Estimates in the Preparation of the Financial Statements
- The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policies

Real estate investments on the balance sheet are classified as properties occupied by the company. These are carried at the amortized cost less encumbrances and depreciation.

In addition, the Company uses the following accounting policies:

- Short-term investments are stated at cost.
 - Bonds are stated at amortized cost using the scientific method.
 - Common stocks are stated at market.
 - Preferred stocks are stated in accordance with the guidelines stated in SSAP No.32.
 - The Company has two first lien mortgage loans on real estate which are stated at their unpaid principal balances.
 - Loan-backed securities are stated at either amortized cost or the lower of amortized cost or fair value. The retrospective adjustment method is used to value all securities except for interest only securities or securities where the yield had become negative, that are valued using the prospective method.
 - The Company has no investments in subsidiaries or the parent company.
 - Investments are not made in joint ventures, partnerships and limited liability companies.
 - The Company does not use derivatives.
 - The Company does not have a premium deficiency reserve.
 - Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and 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.
 - The Company has not modified its capitalization policy from the prior period.
 - The Company has not reported receivables for pharmaceutical rebates.
- D. Going Concern
- Based upon its evaluation of relevant conditions and events, management does not have substantial doubt about the Company's ability to continue as a going concern.

2. Accounting Changes and Corrections of Errors

The Company did not make any corrections to prior year annual statements in the 2016 statement.

3. Business Combinations and Goodwill

The Company has not merged with any other entity during 2016.

4. Discontinued Operations

Dealers Assurance Company has no discontinued operations to report.

NOTES TO FINANCIAL STATEMENTS

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

- (1) The minimum and maximum lending rates for mortgage loans during 2016 were:
- Commercial Loans 5.50% Residential Loans 4.00%
- (2) The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages was 75.32%.
- (3) Taxes, assessments and any amounts advanced and not included in the mortgage loan total:

Current Year	Prior Year
-0-	-0-

(4) Age Analysis of Mortgage Loans:

Farm	Residential		Commercial		Mezzanine	Total
	Insured	All Other	Insured	All Other		

a Current Year

1. Recorded Investment (All)						
(a) Current	\$ -	\$ -	264,910	\$ -	527,261	\$ - 792,171
(b) 30-59 Days Past Due	-	-	-	-	-	-
(c) 60-89 Days Past Due	-	-	-	-	-	-
(d) 60-179 Days Past Due	-	-	-	-	-	-
(e) 180+ Past Days Past Due	-	-	-	-	-	-
2. Accruing Interest 90-179 Days Past Due						
(a) Recorded Investment	-	-	-	-	-	-
(b) Interest Accrued	-	-	-	-	-	-
3. Accruing Interest 180+ Days Past Due						
(a) Recorded Investment	-	-	-	-	-	-
(b) Interest Accrued	-	-	-	-	-	-
4. Interest Reduced						
(a) Recorded Investment	-	-	-	-	-	-
(b) Number of Loans	-	-	-	-	-	-
(c) Percent Reduced	-	-	-	-	-	-

Prior Year

1. Recorded Investment						
(a) Current	-	-	280,454	-	538,461	- 818,915
(b) 30-59 Days Past Due	-	-	-	-	-	-
(c) 60-89 Days Past Due	-	-	-	-	-	-
(d) 90-179 Days Past Due	-	-	-	-	-	-
(e) 180+ Days Past Due	-	-	-	-	-	-
2. Accruing Interest 90-179 Days Past Due						
(a) Recorded Investment	-	-	-	-	-	-
(b) Interest Accrued	-	-	-	-	-	-
3. Accruing Interest 180+ Days Past Due						
(a) Recorded Investment	-	-	-	-	-	-
(b) Interest Accrued	-	-	-	-	-	-
4. Interest Reduced						
(a) Recorded Investment	-	-	-	-	-	-
(b) Number of Loans	-	-	-	-	-	-
(c) Percent Reduced	-	-	-	-	-	-

- (5) Investment in Impaired Loans with or without allowance for Credit Losses
No investment in impaired loans to report
- (6) Investment in impaired loans-Average recorded investment, Interest recognized, Recorded investment on nonaccrual status and amount of interest income recognized using cash-basis method of accounting
No investment impaired loans to report
- (7) Allowance for Credit Losses
No allowance for credit loans to report
- (8) No mortgage loans were derecognized as a result of foreclosure.
- (9) The Company recognizes interest income on its impaired loans upon receipt.
No interest income on impaired loans to report.

- B. Troubled Debt Restructuring for Creditors
No recorded investment in restructured loans to report.
- C. Reverse Mortgages
The Company has no investment in reverse mortgages.
- D. Loan-Backed Securities
1. Bloomberg is used as a source for the prepayment factors.
2. – 4. Not applicable, no permanently impaired bonds.
5. No impairments exists other than interest rate related declines classified as temporary.
- E. Repurchase Agreements and/or Securities lending Transactions
The Company did not have any repurchase agreements or securities lending transactions in 2016.
- F. Real Estate
The Company does not own investments in Real Estate.
- G. Investments in Low-Income Housing Tax Credits
The Company has no investments to report that result in low-income housing tax credits.

NOTES TO FINANCIAL STATEMENTS

H. Restricted Assets (including pledge)

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 Assets Supporting G/A activity (b)	Total (1 plus 3)	Total from Prior year	Increase/ (Decrease) (5 minus 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Nonadmitted) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets (d)
a.	Subject to contractual obligation for which liability is not shown											
b.	Collateral held under security lending arrangements											
c.	Subject to repurchase agreements											
d.	Subject to reverse repurchase agreements											
e.	Subject to dollar repurchase agreements											
f.	Subject to dollar reverse repurchase agreements											
g.	Placed under option contracts											
h.	Letter stock or securities restricted to sale-excluding FHLB capital stock											
i.	FHLB capital stock											
j.	On deposit with states	4,388,535	-	-	-	4,388,535	4,295,535	93,000	-	4,388,535	4.12	4.12
k.	On deposit with other regulatory bodies											
l.	Pledged as collateral to FHLB (including assets backing funding agreements)											
m.	Pledged as collateral not captured in other categories											
n.	Other restricted assets											
o.	Total Restricted Assets	4,388,535	-	-	-	4,388,535	4,295,535	93,000		4,388,535	4.12	4.12

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

- I Working Capital Finance Investments
The Company has no working capital finance investments
- J Offsetting and Netting of assets and liabilities
The Company has no offsetting or netting of assets and liabilities.
- K The company has no structured notes

6. Joint Ventures, Partnerships and Limited Liability Companies
The Company does not have any investments in joint ventures, partnerships or limited liability companies.

7. Investment Income
All investment income due and accrued that is over 90 days past due would be excluded from surplus. The Company does not have any excluded investment income.

8. Derivative Instruments
Dealers Assurance Company does not own derivative instruments.

NOTES TO FINANCIAL STATEMENTS

9. Income Taxes

A. The components of the net deferred tax assets/(liability) at December 31, 2015 are as follows:

1.

12/31/2016			12/31/15			Change		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Ordinary	Capital	(Col 1 + 2) Total	Ordinary	Capital	(Col 4 + 5) Total	(Col 1 – 4) Ordinary	(Col 2 – 5) Capital	(Col 7 + 8) Total
a Gross Deferred Tax Assets	1,611,461	-	1,611,461	1,321,555	-	1,321,555	289,906	289,906
b Statutory Valuation allowance adjustment								
c Adjusted Gross Deferred Tax Asset (1a -1d)	1,611,461	-	1,611,461	1,321,555	-	1,321,555	289,906	289,906
d Deferred Tax Assets Nonadmitted	857,972	-	857,972	857,740	-	857,740	232	232
e Subtotal Net Admitted Deferred Tax Assets (1c-1f)	753,489	-	753,489	463,815	-	463,815	289,674	289,674
f Deferred Tax Liabilities	-	370,598	370,598	3,975	196,703	200,678	(3,975)	173,895
g Net Admitted Deferred Tax Asset (Net Deferred Tax Liability)	753,489	(370,598)	382,891	459,840	(196,703)	263,137	293,649	(173,895)
								119,754

2.

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

Admission Calculation Components SSAP No. 101

a Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks	-	-	-	-	-	-	-	-	-
b Adjusted Gross Deferred Tax Asset 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)	753,489	(370,598)	382,891	459,840	(196,703)	263,137	293,649	(173,895)	119,754
1 Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	753,489	(370,598)	382,891	459,840	(196,703)	263,137	293,649	(173,895)	119,754
2 Adjusted Gross Deferred Tax Assets (Excluding the Amount of Deferred Tax Allowed per Limitation Threshold)	xxxxxxx	xxxxx	9,125,108	xxxxxx	xxxxxxx	8,386,440	xxxxxx	xxxxxxxxx	738,668
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	-	-	-	-	-	-	-	-	-
d Deferred Tax Assets Admitted as the result of application of SSAP 101. Total)2(a) + 2(b) + 2 (c))	753,489	(370,598)	382,891	459,840	(196,703)	263,137	293,649	(173,895)	119,754

3

	2016	2015
(a) Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount	566%	539%
(b) Amount of Adjusted Capital and Surplus Used to Determine Recovery Period and Threshold Limitation in 1(b) above	61,216,945	56,172,736

NOTES TO FINANCIAL STATEMENTS

4.

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

Impact of Tax Planning Strategies

a	Adjusted Gross DTA's (% of Total Adjusted Gross DTA's)	100%	0%	100%	100%	0%	100%	0%	0%	0%
b	Net Admitted Adjusted Gross DTA's (% of Total Net Admitted Adjusted Gross DTA's)	197%	-97%	100%	175%	-75%	100%	22%	-22%	0%

c Does the Company's tax-planning strategies include the use of Reinsurance? Yes X No

B Deferred tax liabilities are not recognized at December 31, 2016 and 2015 are as follows:

N/A-All Deferred Tax Liabilities have been recognized

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	3,037,760	2,263,838	773,922
(b)	Foreign	-	-	-
(c)	Subtotal	3,037,760	2,263,838	773,922
(d)	Federal Income tax on net capital gains	65,854	202,878	(137,024)
(e)	Utilization of capital loss carry-forwards	-	-	-
(f)	Other	-	-	-
(g)	Federal and foreign income taxes incurred	3,103,614	2,466,716	636,898
2.	Deferred Tax Assets			
(a)	Ordinary			
(1)	Discounting of Unpaid Losses	7,960	1,955	6,005
(2)	Unearned Premium Reserve	1,319,958	1,319,600	358
(3)	Policyholder Reserves	-	-	-
(4)	Investments	283,543	-	283,543
(5)	Deferred Acquisition Costs	-	-	-
(6)	Policyholder Dividends Accrual	-	-	-
(7)	Fixed Assets	-	-	-
(8)	Compensation and Benefits Accrual	-	-	-
(9)	Pension Accrual	-	-	-
(10)	Receivables-Nonadmitted	-	-	-
(11)	Net Operating Loss Carry-forward	-	-	-
(12)	Tax Credit Carry-forward	-	-	-
(13)	Other (including items <5% of total Capital Assets)	-	-	-
(99)	Subtotal	1,611,461	1,321,555	289,906
(b)	Statutory Valuation Allowance Adjustment	-	-	-
(c)	Nonadmitted	857,972	857,740	232
(d)	Admitted Ordinary Deferred tax Asset (2a99 – 2f – 2g)	753,489	463,815	289,674
(e)	Capital:			
(1)	Investments	-	-	-
(2)	Net Capital less Carry-forward	-	-	-
(3)	Real Estate	-	-	-
(4)	Other (including items <5% of total Capital Assets)	-	-	-
(99)	Subtotal	-	-	-
(f)	Statutory Valuation Allowance Adjustment	-	-	-
(g)	Nonadmitted	-	-	-
(h)	Admitted Capital Deferred Tax Assets (2a99 – 2f -2g)	-	-	-
(i)	Admitted Deferred Tax Asset (2d + 22h)	753,489	463,815	289,674

NOTES TO FINANCIAL STATEMENTS

	(1)	(2)	(3)
	12/31/2016	12/31/2015	(Col 1 + 2) Change
3 Deferred Tax Liabilities			
(a) Ordinary			
(1) Investments	-	-	-
(2) Fixed Assets	-	-	-
(3) Deferred and Uncollected premium	-	-	-
(4) Policyholder Reserves	-	-	-
(5) Other (including items <5% of ordinary Tax Liabilities)	-	3,975	(3,975)
(99) Subtotal	-	3,975	(3,975)
(b) Capital			
(1) Investments	370,598	196,703	173,895
(2) Real Estate	-	-	-
(3) Other (including items <5% of ordinary Tax Liabilities)	-	-	-
(99) Subtotal	370,598	196,703	173,895
(c) Deferred Tax Liabilities (3a99 + 3b99)	370,598	200,678	169,920
4. Net Deferred Tax Assets/Liabilities (2i – 3c)	382,891	263,137	119,754

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

	Amount	Tax Effect	%
Income before taxes	8,516,614	2,895,649	34%
Unearned Premium Adjustment	178	61	0%
Bond Discount	845,641	287,518	3%
Loss Reserve Discounting	17,664	6,006	0%
Dividends Received Deduction	(299,537)	(101,843)	-1%
Capital Loss Carry-Forward	-	-	0%
Other, net	47,715	16,223	0%
Total	9,128,275	3,103,614	36%

E At December 31, 2016, the Company has no net capital carry-loss forward available for recoupment against future capital gains

F. The Company is included in a consolidated federal income tax return with its parent company, DAC Financial Holdings, Inc. The Company has a written agreement, approved by the Company's Board of Directors, which sets forth the manner in which the total combined federal income tax is allocated to each entity which is party to the consolidation. Pursuant to this agreement, the Company has the enforceable right to recoup federal income taxes paid in prior years in the event of future net losses, which it may incur, or recoup its net losses carried forward as an offset to future net income subject to federal income taxes.

G. Federal or Foreign Federal Income Tax Loss Contingencies
The company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

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

- A. All outstanding shares of Dealers Assurance Company are owned by Dealers Alliance Corporation, an insurance holding company domiciled in the State of Ohio.
- B. The Company did not have any transactions greater than .5% of admitted assets.
- C. The Company entered into a reinsurance agreement with an affiliated company, Cinco de Mayo Reinsurance Company LTD., which was approved by the Ohio Department of Insurance on June 23, 2016.
- D. Amounts Due to or from related parties
The Company reported \$78,106 and \$163,159 due to affiliates and \$25,414 and -0- due from affiliates in the current and prior years, respectively.
- E. Dealers Assurance Company has no guarantees or undertakings for the benefit of an affiliate, which result in a material contingent exposure of the Company's assets or liabilities.
- F. Other than cost allocation transactions described in (B-D) above there are no material management or service contracts.
- G. The parent company, Dealers Alliance Corporation, is a non-insurance entity. The Company had no transactions other than cost allocation with its parent company.
- H-N Dealers Assurance Company holds no investments in its parent company or affiliates.

11. Debt

The Company does not have any outstanding debt.

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

A-D Dealers Assurance Company has no defined benefit plans.

E. Defined Contribution Plan

Insurance company employees are covered by a qualified defined contribution pension plan sponsored by the insurance company. Contributions of up to 4 percent of each employee's compensation are made each year. The Company's contribution for the plan was \$49,548 and \$49,532 for 2015 and 2016, respectively.

F-I Dealers Assurance Company does not have any postretirement or postemployment benefits to report in these categories.

NOTES TO FINANCIAL STATEMENTS

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

- 1. The Company has 3,000 shares authorized, 2,330 shares issued and 2,330 shares outstanding.
- 2. The Company has no preferred stock outstanding.
- 3. There are no restrictions placed on the portion of company profits that may be paid as ordinary dividends to Stockholders other than the restrictions outlined in (5) below.
- 4. An ordinary dividend of \$1,000,000 was declared and paid to the company's parent, Dealers Alliance Corporation in 2016.
- 5. The maximum amount of dividends which can be paid by the State of Ohio insurance companies to shareholders without prior approval of the Insurance Commissioner is subject to restrictions relating to statutory surplus. Statutory surplus at December 31, 2016 was \$61,216,945.
- 6. There were no restrictions placed on the Company's surplus.
- 7. Company is a stock company.
- 8. No stocks are held for special purposes.
- 9. There are no special surplus funds.
- 10. The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized losses are \$1,089,993.
- 11. The Company issued the following surplus note:

Date Issued	Interest Rate	Par Value (Face Amount of Note)	Carrying Value	Interest and/or Principal Paid Current Year	Total Interest and/or Principal Paid	Unapproved Interest and/or Principal	Date of Maturity
5/26/2004	Libor+4.25 w/12.50% cap until 5/24/09	3,000,000	3,000,000	\$149,060	\$2,263,292	\$0	05/24/34 with first optional call date

This debt obligation exposes DAC to variability in interest payments due to changes in interest rates. If interest rates increase, interest expense increases. Conversely, if interest rates decrease, interest expense decreases. Management has allowed the interest rate swap (@8.87%) with Key Bank to expire without renewing.

12-13. Impact and Dates of Quasi Reorganizations
Not Applicable.

14. Contingencies

A – G. The Company does not have outstanding contingencies to report.

15. Leases

A. Lessee Operating Lease

1. Description of Leasing Arrangements

a. The Company leases office space and equipment under various non-cancelable operating lease agreements that expire through February 28, 2019. Rental expense for 2016 and 2015 was approximately \$135,347 and \$154,481, respectively.

2. Future Minimum Rental Payments

a. At January 1, 2017, the minimum aggregate rental commitments are as follows:

	Year Ending December 31	Operating Leases
1.	2017	\$ 86,216
2.	2018	\$ 40,900
3.	2019	\$ 10,004
4.	Total	\$ 137,120

3. Sale-leaseback transactions

a. The company has entered into a sale-leaseback transaction for certain leasehold improvements and office furniture and fixtures. The lease term is for 48 months with end of term options for the company to purchase the leased furniture and fixtures at their fair value or extend the lease for an additional 6 months. The minimum aggregate rental commitments are included in the table above.

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

16. Information about Financial Instruments with Off-Balance Sheet Risk

The Company does not own these types of investments.

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

The Company does not have any sales or transfers to report.

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

The Company was not subject to any gain or loss from uninsured accident and health plans or the uninsured portion of Insured plans.

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

The Company does not have premiums to report produced by managing general agents or third party administrators

NOTES TO FINANCIAL STATEMENTS

20. Fair Value Measurements

- A. Inputs Used for Assets and Liabilities Measured and Reported at Fair Value
(1) Items Measured and Reported at fair Value by Levels 1, 2 and 3.

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

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

Level 2-Significant Other Observable Inputs: The Company has no assets or liabilities measured at fair value in this category.

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

Description	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value				
Preferred Stock	\$ 1,184,930	-	-	\$ 1,184,930
Bonds	-	-	-	-
Common Stock (Ind & Misc)	\$11,533,476	-	-	\$11,533,476
Derivative assets	-	-	-	-
Separate account assets	-	-	-	-
Total assets at fair value	\$12,718,406	\$ -	\$ -	\$12,718,406
b. Liabilities at fair value	-	-	-	-
Total liabilities at fair value	-	-	-	-

- (2) There have been no significant transfers between level 1 and 2.
(3) Assets measured at Fair Value on a recurring basis with significant unobservable inputs (level 3).
NONE
(4) The Company has no investments categorized as level 2 or 3.
(5) The Company has no derivative assets or liabilities.

- B. Other Fair Value Disclosures
Not Applicable

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

The table below reflects the fair values and admitted values of all admitted assets and liabilities that are financial instruments. The fair values are also categorized into the three-level fair value hierarchy as described above in Note 20A. This was not practicable for mortgage loans as described below in Note 20D.

Description	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (carrying value)
Bonds	72,689,948	72,998,379	72,689,948			
Preferred Stock	3,747,338	3,770,044	3,747,338			
Common Stock	11,533,476	11,533,476	11,533,476			
Mortgage loans						792,171
Cash , cash equivalents and short-term investments	11,001,687	11,001,687	11,001,687			

- D. Items for which Not Practicable to estimate Fair Values

It is not practical to determine the fair values of mortgage loans for purposes of the above disclosures of Note 20C due to the fact that these items are not traded and therefore quoted market prices are not available. Also, the cost of obtaining estimates of fair values from other sources are considered excessive given the immateriality of the mortgage loans.

Type or Class of Financial Instrument	Carrying Value	Effective Interest Rate	Maturity Date	Explanation
Mortgage Loans				
DAC 001 Albuquerque, NM	264,910	5.500	07/01/2019	See paragraph above
DAC 002 Mokena, IL	527,261	4.000	09/01/2029	See paragraph above

NOTES TO FINANCIAL STATEMENTS

21. Other Items

- A. The Company does not have unusual or infrequent items to report.
- B. No restructuring of debt occurred.
- C. OtherDisclosures - None
- D. Business Interruption Insurance recoveries-Not applicable
- E. State Transferable and Non-transferable Tax Credits-Not applicable
- F. Subprime Mortgage-Related Risk Exposure
The company does not have any exposure to sub-prime mortgage related risk.
The Company's investment strategy of providing safety and preservation of capital, sufficient liquidity to meet cash flow requirements and the attainment of a competitive after-tax investment return is supported by a well diversified portfolio consisting of many different types of investments.
- G. Insurance-Linked Securities (ILS) Contracts-Not applicable

22. Events Subsequent

At the time of filing, no events have occurred which may have a material effect on the financial condition of the Company

23. Reinsurance

- A. The Company has no unsecured reinsurance recoverable to report.
- B. The Company has no reinsurance recoverable in dispute.
- C. Reinsurance Assumed or Ceded

		Assumed Reinsurance		Ceded Reinsurance		Net	
		Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a	Affiliates			(5,211,129)		(5,211,129)	
b	All other	349,738	-	(203,313,322)	-	(202,963,584)	-
c	TOTAL	349,738	-	(208,524,451)	-	(208,174,714)	-
d	Direct Unearned Premium reserve	-	-	-	-	227,585,842	-

- 2. The additional or return commissions, predicted on loss experience or on any other form of profit sharing arrangements in this annual statement as result of existing contractual arrangements are accrued as follows:

	(1) Direct	(2) Assumed	(3) Ceded	(4) Net
a. Contingent Commissions	258,746	-	-	258,746
b. Sliding Scale Adjustments				
c. Other Profit Commissions				
d. Total	258,746	-	-	258,746

- 3. The Company does not have risks assigned to protected cells.

- D. The Company has no uncollectible reinsurance.
- E. The Company commuted ceded reinsurance agreements in the current year with C&P, Corwin, Eisinger, Longbine, and The Maj Reinsurance Companies. The unearned premium reserves totaled \$70,468, recapture fees totaled \$37,275 and claims paid were \$5,287.
- F. The Company did not write any retroactive reinsurance.
- G. The Company does not have reinsurance accounted for as a deposit.
- H. The Company did not enter into any run-off agreements.
- I. The Company did not have any certified reinsurers downgraded.
- J. The Company does not have any reinsurance agreements qualifying for reinsurance aggregation

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

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

25. Change in Incurred Losses and Loss Adjustment Expenses

Reserves as of December 31, 2015 were \$38,325. As of December 31, 2016, \$41,325 (net of reinsured prior year claims) were paid for incurred losses and loss adjustment expenses attributable to insured events of prior years which reflects an unfavorable development of \$3,000.

26. Intercompany Pooling Agreements

The Company does not participate in intercompany pooling arrangements.

27. Structured Settlements

Dealers Assurance Company has no structured settlements.

28. Health Care Receivables

The Company does not have health care receivables.

29. Participating Policies

The Company does not write participating policies.

30. Premium Deficiency Reserves

On February 26, 2017 the company's outside actuaries reviewed the reserves at 12/31/16. Using anticipated Investment income it was determined that the company had an adequate reserve liability set up and did not need to carry an additional liability for premium deficiencies.

31. High Deductibles

The Company does not have reserve credits for high deductibles.

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

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

33. Asbestos/Environment Reserves

Dealers Assurance Company does not have exposure to asbestos/environment claims.

34. Subscriber Savings Account

The Company does not have subscriber savings accounts

NOTES TO FINANCIAL STATEMENTS

- 35. **Multiple Peril Crops Insurance**
The Company does not write multiple peril crop insurance.
- 36. **Financial Guaranty Insurance**
The company does not write financial guaranty insurance.

GENERAL INTERROGATORIES

PART 1 – COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes ☒ No ☐
- If yes, complete Schedule Y, Parts 1, 1A and 2.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes ☒ No ☐ N/A ☐
- 1.3 State Regulating?

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 ☒
- 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.

12/31/2013
- 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.

12/31/2013
- 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).

10/03/2014
- 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 ☒
- 3.6 Have all of the recommendations within the latest financial examination report been complied with?

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

4.11 sales of new business?

Yes ☐ No ☒

4.12 renewals?

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

4.21 sales of new business?

Yes ☒ No ☐

4.22 renewals?

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

Yes ☐ No ☒
- 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 Name of Entity	2 NAIC Company Code	3 State of Domicile

GENERAL INTERROGATORIES

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, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity
.....
.....

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

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

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]

8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Munninghoff, Lange & Co, Covington, KY
.....
.....
.....

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]

10.2 If response to 10.1 is yes, provide information related to this exemption:
.....
.....
.....
.....
.....
.....

10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]

10.4 If response to 10.3 is yes, provide information related to this exemption:
.....
.....
.....
.....

GENERAL INTERROGATORIES

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []

10.6 If the response to 10.5 is no or n/a, please explain.

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Joseph Kirsits, FCAS, MAAA of GPW and Associates Inc. of Phoenix, AZ

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 [X]

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

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?

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.

Yes [X] No []

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).

GENERAL INTERROGATORIES

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

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

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

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

1 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 or is likely to conflict with the official duties of such person? Yes [X] No []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [X] No []

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]

GENERAL INTERROGATORIES

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:

\$ 25,414

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]

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

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

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 []

GENERAL INTERROGATORIES

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

25.21	Subject to repurchase agreements	\$	
25.22	Subject to reverse repurchase agreements	\$	
25.23	Subject to dollar repurchase agreements	\$	
25.24	Subject to reverse dollar repurchase agreements	\$	
25.25	Placed under option agreements	\$	
25.26	Letter stock or securities restricted as to sale - excluding FHLB Capital Stock	\$	
25.27	FHLB Capital Stock	\$	
25.28	On deposit with states	\$	4,388,535
25.29	On deposit with other regulatory bodies	\$	
25.30	Pledged as collateral - excluding collateral pledged to an FHLB	\$	
25.31	Pledged as collateral to FHLB - including assets backing funding agreements	\$	
25.32	Other	\$	

25.3 For category (25.26) provide the following:

1 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 [X]
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 [X] No []

27.2 If yes, state the amount thereof at December 31 of the current year. \$ 238,630

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	Cincinnati, Ohio
US Bank	Winston Salem, NC
Wells Fargo Bank	Richmond, VA
First National Bankers Bank	Little Rock, AR
Citibank, NA	NY, NY
Century Bank	Sante Fe, NM
RBS Citizens, NA	Providence, RI
Xerox State & Local Solutions, Inc	Quincy, MA
Bank of New York Mellon	Atlanta, GA

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]

GENERAL INTERROGATORIES

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

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

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

1 Name Firm or Individual	2 Affiliation
ClearArc Capital, Inc	U
Bank of New York Mellon Wealth Management	U

28.059 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 []

28.059 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 28.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Name Firm or Individual	2 Central Registration Depository Number	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
ClearArc Capital, Inc	104650	549300K4SXC0CLBZHS67	SEC	NO
Bank of New York Wealth Management	8275		Office of the Comptroller of Currency	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
991061-05-2	CRA (BNY Mellon NA Member FDIC)	494,742
29.2999 TOTAL		494,742

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
CRA (BNY Mellon NA Member F	BNY Mellon	494,742	12/31/2016

GENERAL INTERROGATORIES

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	80,912,366	80,603,936	(308,430)
30.2 Preferred stocks	3,770,044	3,747,338	(22,706)
30.3 Totals	84,682,410	84,351,274	(331,136)

30.4 Describe the sources or methods utilized in determining the fair values:
NAIC valuations. For those that do not have NAIC valuations, custodial statements are utilized.

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

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

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

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

32.2 If no, list exceptions:

OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or Rating Bureaus, if any? \$ 34,495

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
AM Best	\$ 21,400
Service Contract Industry Council	\$ 12,500
	\$

34.1 Amount of payments for legal expenses, if any? \$ 213,843

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
Thompson Hine LLP	\$ 177,768
	\$
	\$

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

GENERAL INTERROGATORIES

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 & 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

2

Current Year

Prior Year

2.1 Premium Numerator

\$

\$

2.2 Premium Denominator

\$

\$

2.3 Premium Ratio (2.1 / 2.2)

2.4 Reserve Numerator

\$

\$

2.5 Reserve Denominator

\$

\$

2.6 Reserve Ratio (2.4 / 2.5)

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

Yes [] No [X]

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

3.21 Participating policies

\$

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 [X]

5.22 As a direct expense of the exchange

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

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

5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred?

Yes [] No [X]

5.5 If yes, give full information

6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit loss:

Not Applicable

16

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

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:

Not Applicable

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?

Not Applicable

6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence?

Yes ☐ No ☒

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

The nature of the Company's business is not susceptible to catastrophic risk

7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)?

Yes ☐ No ☒

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 ☒

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 ☒

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 ☒

9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:
(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;
(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.

9.4 Except for transactions meeting the requirements of paragraph 31 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?

Yes ☐ No ☒

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

9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
(a) The entity does not utilize reinsurance; or
(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or
(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement.

Yes ☐ No ☒

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

10.

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

Yes ☐ No ☐ N/A ☒

11.1

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

Yes ☐ No ☒

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 that is secured by letters of credit, collateral and other funds?

\$

12.3

If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses?

Yes ☐ No ☐ N/A ☒

12.4

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

12.41 From

12.42 To

%

%

12.5

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

Yes ☐ No ☒

12.6

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

12.61 Letters of Credit

12.62 Collateral and other funds

\$

\$

13.1

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

\$ 320,138

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 ☒

13.3

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

14.1

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

Yes ☒ No ☐

14.2

If yes, please describe the method of allocating and recording reinsurance among the cedants:
The participation amounts are described in the reinsurance agreements and ceded accordingly.

14.3

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

Yes ☒ No ☐

14.4

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

Yes ☐ No ☐

14.5

If the answer to 14.4 is no, please explain:

15.1

Has the reporting entity guaranteed any financed premium accounts?

Yes ☐ No ☒

15.2

If yes, give full information

16.1

Does the reporting entity write any warranty business?

Yes ☒ No ☐

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

		1	2	3	4	5
		Direct Losses	Direct Losses	Direct Written	Direct Premium	Direct Premium
		Incurred	Unpaid	Premium	Unearned	Earned
16.11	Home	\$ 3,276,160	\$ 278,467	\$ 4,120,349	\$ 1,664,394	\$ 3,842,881
16.12	Products	\$ 6,571,886	\$ 197,940	\$ 18,147,740	\$ 20,738,744	\$ 16,267,398
16.13	Automobile	\$ 56,618,832	\$ 3,271,022	\$ 125,845,880	\$ 191,447,492	\$ 126,888,624
16.14	Other*	\$	\$	\$	\$	\$

* Disclose type of coverage:

GENERAL INTERROGATORIES

PART 2 – PROPERTY & 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 [☒]

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 – Part 3 and excluded from Schedule F – Part 5, not included above.

17.18

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

\$

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 [☒]

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 [☒]

18.4

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

\$

16.3

FIVE – YEAR HISTORICAL DATA

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

	1	2	3	4	5
	2016	2015	2014	2013	2012
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	11,151,383	5,583,439	1,184,491	869,119	1,100,455
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	147,696,204	153,364,080	145,426,688	140,258,135	129,696,248
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
6. Total (Line 35)	158,847,587	158,947,519	146,611,179	141,127,254	130,796,703
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	2,405,823	1,116,905	491,841	873,157	776,344
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	8,943,832	13,355,919	11,527,195	13,280,261	10,846,490
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
12. Total (Line 35)	11,349,655	14,472,824	12,019,036	14,153,418	11,622,834
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	7,423,725	4,842,683	7,377,420	6,612,706	6,101,765
14. Net investment gain (loss) (Line 11)	1,588,917	1,412,769	1,462,671	1,182,719	1,661,463
15. Total other income (Line 15)	(561,882)	88,998	123,871	36,254	62,875
16. Dividends to policyholders (Line 17)					
17. Federal and foreign income taxes incurred (Line 19)	3,037,760	2,263,838	2,901,713	2,718,440	2,602,434
18. Net income (Line 20)	5,413,000	4,080,612	6,062,249	5,113,239	5,223,669
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	106,511,961	98,183,761	86,349,464	80,714,715	74,079,957
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	2,655,555	3,063,825	2,576,966	1,467,716	2,204,472
20.2 Deferred and not yet due (Line 15.2)					
20.3 Accrued retrospective premiums (Line 15.3)					
21. Total liabilities excluding protected cell business (Page 3, Line 26)	45,295,016	42,011,025	31,957,840	29,936,639	28,127,299
22. Losses (Page 3, Line 1)	156,089	38,325	25,206	39,779	31,417
23. Loss adjustment expenses (Page 3, Line 3)			1,512	1,209	1,981
24. Unearned premiums (Page 3, Line 9)	19,411,129	19,410,241	15,216,443	15,997,529	14,273,531
25. Capital paid up (Page 3, Lines 30 & 31)	4,200,990	4,200,990	4,200,990	4,200,990	4,200,990
26. Surplus as regards policyholders (Page 3, Line 37)	61,216,945	56,172,736	54,391,624	50,778,076	45,952,658
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	5,866,226	7,632,445	4,818,119	8,297,902	6,419,838
Risk-Based Capital Analysis					
28. Total adjusted capital	61,216,945	56,172,736	54,391,624	50,778,076	45,952,658
29. Authorized control level risk-based capital	10,742,512	10,377,582	9,753,370	9,354,406	8,046,631
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1)	71.7	72.8	81.6	79.9	80.5
31. Stocks (Lines 2.1 & 2.2)	15.0	14.1	9.3	6.7	5.7
32. Mortgage loans on real estate (Lines 3.1 and 3.2)	0.8	0.9	1.0		
33. Real estate (Lines 4.1, 4.2 & 4.3)	1.7				
34. Cash, cash equivalents and short-term investments (Line 5)	10.8	12.2	8.1	13.4	13.8
35. Contract loans (Line 6)					
36. Derivatives (Line 7)					
37. Other invested assets (Line 8)					
38. Receivables for securities (Line 9)					
39. Securities lending reinvested collateral assets (Line 10)					
40. Aggregate write-ins for invested assets (Line 11)					
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds, (Sch. D, Summary, Line 12, Col. 1)					
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1)					
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1)					
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, 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)					

FIVE – YEAR HISTORICAL DATA
(Continued)

	1	2	3	4	5
	2016	2015	2014	2013	2012
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)	337,561	(398,845)	197,510	860,596	180,570
52. Dividends to stockholders (Line 35)	(1,000,000)	(2,000,000)	(2,500,000)	(2,500,000)	(3,500,000)
53. Change in surplus as regards policyholders for the year (Line 38)	5,044,209	1,781,112	3,613,548	4,825,417	1,796,979
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	2,982,447	778,102	46,576	32,176	22,985
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	66,854,373	67,742,627	67,940,189	67,212,659	59,462,900
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
59. Total (Line 35)	69,836,820	68,520,729	67,986,765	67,244,835	59,485,885
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	425,937	59,940		3,512	
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	464,660	1,278,165	454,340	619,271	916,904
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
65. Total (Line 35)	890,597	1,338,105	454,340	622,783	916,904
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)	8.9	13.1	3.4	5.1	4.7
68. Loss expenses incurred (Line 3)	2.2	2.8	2.2	3.1	3.7
69. Other underwriting expenses incurred (Line 4)	23.5	36.9	36.7	38.6	36.3
70. Net underwriting gain (loss) (Line 8)	65.4	47.1	57.6	53.2	55.4
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0	28.5	25.6	38.1	33.7	33.8
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	11.0	16.0	5.7	8.2	8.4
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)	18.5	25.8	22.1	27.9	25.3
One Year Loss Development (000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11)	3	403	21	(30)	(467)
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)	0.0	0.7	0.0	(0.1)	(1.1)
Two Year Loss Development (000 omitted)					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12)	403	22	(1)	(469)	(2)
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)	0.7	0.0	(0.0)	(1.1)	(0.0)

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

Yes [] No []

requirements of SSAP No. 3, Accounting Changes and Correction of Errors?

If no, please explain:

.....
.....
.....
.....

SCHEDULE P – ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P – PART 1 – SUMMARY

(\$000 omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12 Number of Claims Reported Direct and Assumed
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1–2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior	X X X	X X X	X X X	24	24							X X X
2. 2007	20,768	10,838	9,930	11,543	8,431			469			3,581	X X X
3. 2008	41,677	30,463	11,214	24,331	22,351			293			2,273	X X X
4. 2009	56,312	48,493	7,819	30,840	31,908			280			(788)	X X X
5. 2010	64,993	55,842	9,151	39,264	38,722			390			932	X X X
6. 2011	80,370	71,192	9,178	51,844	51,434			357			767	X X X
7. 2012	98,570	87,547	11,023	60,049	59,084			407			1,372	X X X
8. 2013	113,889	101,459	12,430	71,318	70,665			385			1,038	X X X
9. 2014	139,785	126,984	12,801	69,211	68,390			285			1,106	X X X
10. 2015	142,189	131,910	10,279	67,150	66,078			292		121	1,364	X X X
11. 2016	151,758	140,410	11,348	64,820	63,970			245		17	1,095	X X X
12. Totals	X X X	X X X	X X X	490,394	481,057			3,403		138	12,740	X X X

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		Other Unpaid				
	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													X X X
2. 2007													X X X
3. 2008													X X X
4. 2009													X X X
5. 2010													X X X
6. 2011													X X X
7. 2012													X X X
8. 2013													X X X
9. 2014													X X X
10. 2015													X X X
11. 2016			4,429	4,273								156	X X X
12. Totals			4,429	4,273								156	X X X

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter- Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior	X X X	X X X	X X X	X X X	X X X	X X X			X X X		
2. 2007	12,012	8,431	3,581	57.839	77.791	36.062					
3. 2008	24,624	22,351	2,273	59.083	73.371	20.269					
4. 2009	31,120	31,908	(788)	55.264	65.799	(10.078)					
5. 2010	39,654	38,722	932	61.013	69.342	10.185					
6. 2011	52,201	51,434	767	64.951	72.247	8.357					
7. 2012	60,456	59,084	1,372	61.333	67.488	12.447					
8. 2013	71,703	70,665	1,038	62.959	69.649	8.351					
9. 2014	69,496	68,390	1,106	49.716	53.857	8.640					
10. 2015	67,442	66,078	1,364	47.431	50.093	13.270					
11. 2016	69,494	68,243	1,251	45.793	48.603	11.024				156	
12. Totals	X X X	X X X	X X X	X X X	X X X	X X X			X X X	156	

Note: Parts 2 and 4 are gross of all discounting, including tabular discounting. Part 1 is gross of only nontabular discounting, which is reported in Columns 32 and 33 of Part 1. The tabular discount, if any, is reported in the Notes to Financial Statements, which will reconcile Part 1 with Parts 2 and 4.

SCHEDULE P – PART 2 – SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	One Year	Two Year
1. Prior												
2. 2007	3,197	3,112	3,112	3,112	3,112	3,112	3,112	3,112	3,112	3,112		
3. 2008	XXX	1,982	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980		
4. 2009	XXX	XXX	(1,039)	(1,038)	(1,038)	(1,040)	(1,069)	(1,068)	(1,068)	(1,068)		
5. 2010	XXX	XXX	XXX	539	537	537	537	542	542	542		
6. 2011	XXX	XXX	XXX	XXX	863	396	396	410	410	410		
7. 2012	XXX	XXX	XXX	XXX	XXX	987	957	966	966	965	(1)	(1)
8. 2013	XXX	XXX	XXX	XXX	XXX	XXX	659	651	652	653	1	2
9. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	419	821	821		402
10. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,069	1,072	3	XXX
11. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,006	XXX	XXX
12. Totals											3	403

SCHEDULE P – PART 3 – SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016		
1. Prior	000										XXX	XXX
2. 2007	3,102	3,112	3,112	3,112	3,112	3,112	3,112	3,112	3,112	3,112	XXX	XXX
3. 2008	XXX	1,954	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980	XXX	XXX
4. 2009	XXX	XXX	(1,039)	(1,039)	(1,039)	(1,039)	(1,069)	(1,068)	(1,068)	(1,068)	XXX	XXX
5. 2010	XXX	XXX	XXX	522	537	537	537	542	542	542	XXX	XXX
6. 2011	XXX	XXX	XXX	XXX	433	396	396	410	410	410	XXX	XXX
7. 2012	XXX	XXX	XXX	XXX	XXX	955	957	966	966	965	XXX	XXX
8. 2013	XXX	XXX	XXX	XXX	XXX	XXX	619	651	652	653	XXX	XXX
9. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	394	821	821	XXX	XXX
10. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,031	1,072	XXX	XXX
11. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	850	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	2	3	4	5	6	7	8	9	10
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
1. Prior										
2. 2007	20									
3. 2008	XXX	4								
4. 2009	XXX	XXX	2							
5. 2010	XXX	XXX	XXX	3						
6. 2011	XXX	XXX	XXX	XXX	18					
7. 2012	XXX	XXX	XXX	XXX	XXX	24				
8. 2013	XXX	XXX	XXX	XXX	XXX	XXX	26			
9. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	23		
10. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	38	
11. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	156

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 Premium Written for Federal Purchasing Groups (Included in Col. 2)
			2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama	AL	L	2,048,418	1,790,967		731,153	737,441	47,155		
2. Alaska	AK	L		1,259			(37)	5		
3. Arizona	AZ	L	613,575	698,039		487,086	484,528	26,913		
4. Arkansas	AR	L	2,207,980	2,242,702		1,262,933	1,268,544	68,402		
5. California	CA	L	16,390,508	22,314,732		1,258,578	1,225,333	27,509		
6. Colorado	CO	L	7,477,823	10,331,444		3,762,629	3,713,758	150,369		
7. Connecticut	CT	L	611,430	897,305		631,115	621,142	18,545		
8. Delaware	DE	L	5,780,230	677,125		544,222	621,559	102,651		
9. District of Columbia	DC	L								
10. Florida	FL	L	17,602,419	14,313,367		6,539,212	6,250,621	191,854		
11. Georgia	GA	L	2,120,624	8,871,565		6,164,743	6,026,609	149,030		
12. Hawaii	HI	L								
13. Idaho	ID	L	1,692	2,625			(30)	78		
14. Illinois	IL	L	689,807	892,529		411,427	410,226	29,260		
15. Indiana	IN	L	1,540,181	1,152,978		500,519	508,298	35,805		
16. Iowa	IA	L	125,921	198,817		127,233	124,598	5,683		
17. Kansas	KS	L	36,719	19,169		4,106	4,084	591		
18. Kentucky	KY	L	832,312	678,452		276,645	284,287	24,915		
19. Louisiana	LA	L	2,701,075	1,834,879		1,344,819	1,438,203	134,274		
20. Maine	ME	L	491,688	382,426		264,532	267,259	12,286		
21. Maryland	MD	L	2,032,158	1,824,210		1,096,445	1,098,166	47,904		
22. Massachusetts	MA	L	786,993	986,972		565,034	557,522	22,656		
23. Michigan	MI	L	3,927,919	4,809,892		4,101,201	4,065,581	109,978		
24. Minnesota	MN	L	991,770	905,472		596,465	596,514	25,623		
25. Mississippi	MS	L	1,422,760	1,816,985		749,966	735,381	34,276		
26. Missouri	MO	L	1,314,487	909,360		457,923	468,312	31,834		
27. Montana	MT	L	146,499	157,879		96,173	95,440	4,273		
28. Nebraska	NE	L	473,727	392,033		261,644	264,242	9,979		
29. Nevada	NV	L	336,304	299,665		146,971	147,227	7,471		
30. New Hampshire	NH	L	290,300	310,880		118,008	116,827	7,249		
31. New Jersey	NJ	L	1,188,130	1,090,515		720,591	713,796	23,399		
32. New Mexico	NM	L	2,099,243	2,121,828		185,378	187,903	20,379		
33. New York	NY	L	3,368,901	4,465,375		3,933,792	3,892,782	98,039		
34. North Carolina	NC	L	10,031,338	6,842,998		5,554,468	5,693,218	410,965		
35. North Dakota	ND	L	97,608	109,675		63,796	63,120	3,469		
36. Ohio	OH	L	9,170,216	5,153,242		2,344,123	2,417,224	195,339		
37. Oklahoma	OK	L	590,100	270,241		167,514	201,914	38,142		
38. Oregon	OR	L	52,390	58,277		8,035	8,816	1,791		
39. Pennsylvania	PA	L	3,771,283	4,049,993		1,768,057	1,763,949	69,552		
40. Rhode Island	RI	L	163,246	93,129		43,855	45,536	3,526		
41. South Carolina	SC	L	655,162	417,419		207,953	217,417	32,545		
42. South Dakota	SD	L	11,465	21,153		6,571	6,254	410		
43. Tennessee	TN	L	1,987,099	1,754,432		698,280	706,224	62,294		
44. Texas	TX	L	36,708,636	29,465,582		13,766,138	14,283,707	1,871,251		
45. Utah	UT	L	8,197	5,933		3,656	3,704	182		
46. Vermont	VT	L	177,283	215,850		134,411	133,176	7,375		
47. Virginia	VA	L	949,556	1,112,559		527,720	520,699	25,458		
48. Washington	WA	L	14,254,065	13,895,055		6,663,959	6,591,616	201,966		
49. West Virginia	WV	L	370,823	286,498		151,771	61,998	8,890		
50. Wisconsin	WI	L	559,215	454,218		319,752	323,175	24,583		
51. Wyoming	WY	L	66,066	77,854		21,712	21,230	2,526		
52. American Samoa	AS	N								
53. Guam	GU	N								
54. Puerto Rico	PR	N								
55. U.S. Virgin Islands	VI	N								
56. Northern Mariana Islands	MP	N								
57. Canada	CAN	N								
58. Aggregate Other Alien	OT	X X X								
59. Totals	(a) 51		159,275,341	151,675,554		69,792,314	69,989,093	4,428,649		

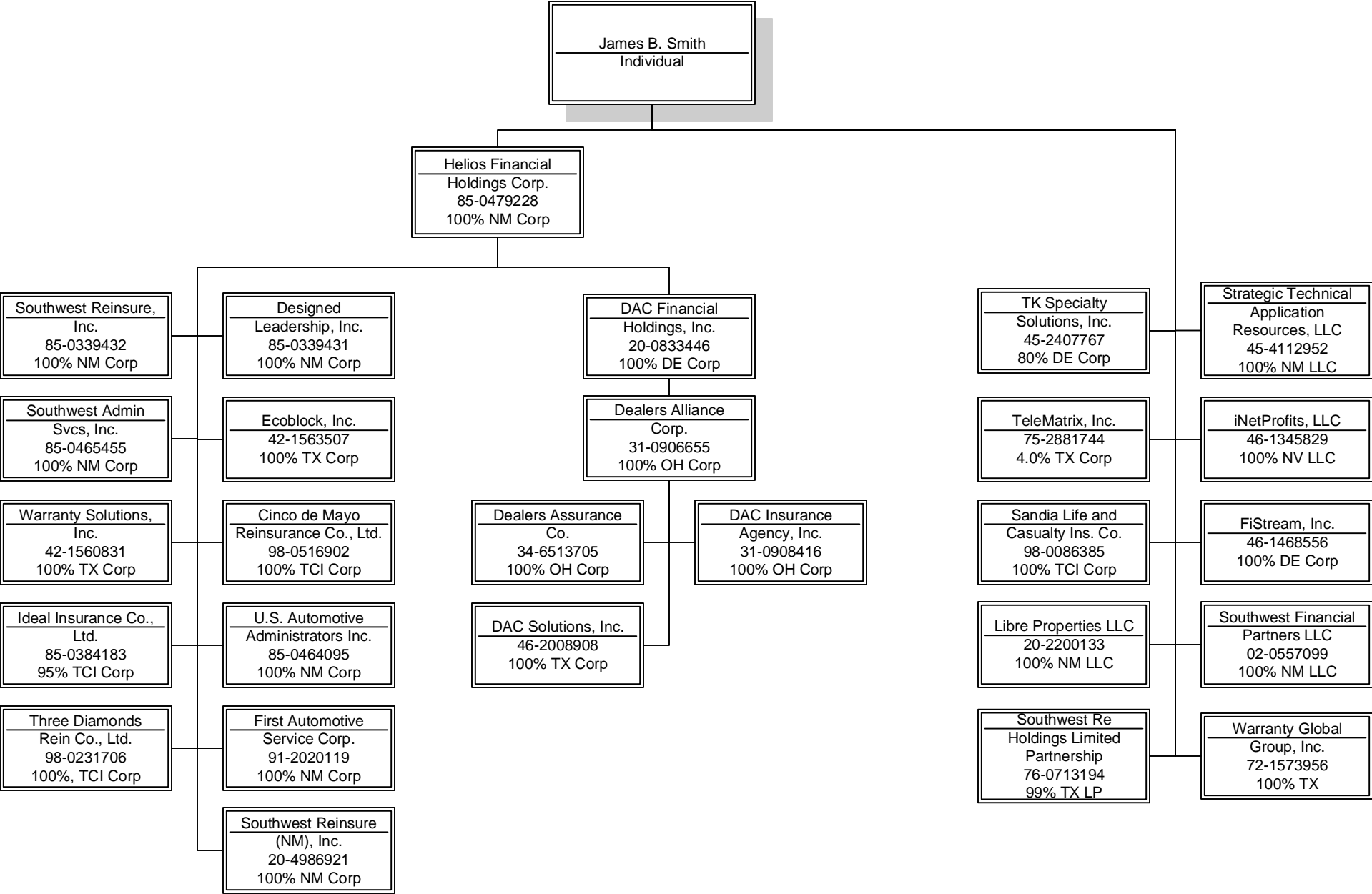
DETAILS OF WRITE-INS										
58001.	X X X									
58002.	X X X									
58003.	X X X									
58998. Summary of remaining write-ins for Line 58 from overflow page	X X X									
58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X									

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

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

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

PART 1 - ORGANIZATIONAL CHART



OVERFLOW PAGE FOR WRITE-INS

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